

Agenda Item 6

**Revenue Budget 2021/22 –
Review As At 31 August 2021**

Agenda Item 6

CENTRAL SCOTLAND VALUATION JOINT BOARD

Subject: REVENUE BUDGET 2021/22 – REVIEW AS AT 31 AUGUST 2021
Meeting: CENTRAL SCOTLAND VALUATION JOINT BOARD
Date: 24 SEPTEMBER 2021
Author: TREASURER

1. INTRODUCTION

- 1.1 The purpose of this report is to advise the Joint Board of the forecast outturn for the financial year ending 31 March 2022 as 31 at August 2021.

2. RECOMMENDATIONS

- 2.1 The Board are asked to consider and comment on the financial projection for the year to 31 March 2022.

3. BACKGROUND

- 3.1 The budget for the financial year 2021/22 is £2.966m. The projected outturn against the budget shows a variance underspend of £(0.148)m.
- 3.2 The table below sets out the main variances;

Table A

| Variance | Over/ (underspend) £000s | Total | Narrative |
|-----------------------|--------------------------------|--------------|---|
| Employee Costs | | | |
| | (95) | | Delay in recruitment to several vacancies (now filled) and also having to recruit less qualified staff than desired |
| | (22) | | Reduced overtime costs |
| | | | |
| Total Variance | | (117) | Underspend |

| Variance | Over/ (underspend) £000s | Total | Narrative |
|------------------------------|--------------------------------|-------|-----------|
| Supplies and Services | | | |

| | | | |
|-------------------------|------|--------------|--|
| | (16) | | Reduced Staff Travel due to pandemic lockdown. |
| | (16) | | Reduced spend anticipated in Cleaning Services Internal recharge and Electricity due to working from home. |
| | 7 | | Increase in publications costs |
| | 6 | | Increase in Postages |
| | (7) | | Reduced spend in Legal Expenses |
| | 5 | | Telephone costs increase |
| | (3) | | Reduced costs for Computer Software Maintenance relating to Vodafone data services from October onwards as contract cancelled. |
| | (8) | | Other Agencies Payments has no anticipated spend for this financial year. |
| | 1 | | Various other smaller variances |
| Total Variance | | (31) | Underspend |
| Income | - | - | Forecast on budget |
| | | | |
| | | | |
| | | | |
| Overall Variance | | (148) | Underspend |

3.3 Although the budget is showing an underspend, this is mainly due to the delay in the recruitment of posts. There are also underspends in supplies and services due to the pandemic with reduced staff travel and office running costs.

3.4 These have been challenging times for everyone with a high degree of uncertainty and a requirement to adapt at short notice. We will continue to monitor and report the financial impact throughout the year.

4. RESERVES

4.1 Reserves are at a sufficient level of £0.518m. During the budget setting process earmark reserves included: funding to support the 2021/22 budget shortfall of £0.128m, 2019/20 Barclays Underspend of £0.007m, Property Maintenance Fund of £0.122m and funding of £0.030m to cover the pay award element up to 3%.

The 2020/21 underspend in relation to Barclay funding has been returned to the Scottish Government. It has been confirmed that the £(0.007)m Barclays underspend from 2019/20 is not required to be returned to the Scottish Government. However, it is thought prudent that this amount continue to be earmarked to offset future Barclay spend.

5. CONCLUSIONS

- 5.1 The revenue budget is forecasting an underspend of £(0.148)m to 31 March 2022. The Board is asked to note and comment on the contents of this report.

6.0 APPENDICES & BACKGROUND PAPERS

6.1 APPENDIX A – Service Summary as at August 2021

There are no background papers to this report.

Author(s)

| NAME | DESIGNATION | TEL NO / EXTENSION |
|--------------------|------------------------------|--------------------|
| Siobhan Martin | Senior Accountancy Assistant | 01259 452038 |
| Elizabeth Hutcheon | Assistant Treasurer | 01259 226214 |

Approved by

| NAME | DESIGNATION | SIGNATURE |
|--------------|-------------|-----------|
| Lindsay Sim | Treasurer | |
| Pete Wildman | Assessor | |

| Service Summary - Valuation Joint Board | | | Appendix A | |
|---|-----------|---------------------|------------|-------------------|
| August Forecast | | | | |
| | | | | |
| Annual Budget for | | Annual Forecast for | | |
| Description | 22GLBR | Actual @ 31/08/21 | 2021/22 | Forecast v Budget |
| Single Status Gross Salaries | 1,639,230 | 611,956 | 1,568,388 | (70,842) |
| Single Status Employers Superann | 379,940 | 139,131 | 364,202 | (15,738) |
| Single Status Employers NIC | 169,140 | 63,394 | 160,939 | (8,201) |
| Single Status Overtime | 33,370 | 4,979 | 11,598 | (21,772) |
| Manual Relief Gross Salaries | 0 | 6,193 | (0) | (0) |
| Manual Relief Employers Superann | 0 | 1,486 | (0) | (0) |
| Manual Relief Employers NIC | 0 | 491 | (0) | (0) |
| Manual Relief Employers Overtime | 0 | 0 | (0) | (0) |
| Salary Related Admin Costs | 0 | 78 | (0) | (0) |
| Conference Expenses And Substite | 2,500 | 225 | 1,550 | (950) |
| Superannuation Annual Charges | 19,500 | 2,986 | 18,962 | (538) |
| Recruitment Expenses | 0 | (50) | 444 | 444 |
| Staff Training | 11,620 | 1,308 | 11,620 | (0) |
| Vacancy Management | (10,000) | 0 | (10,000) | 0 |
| Annual Maintenance External Prov | 6,200 | 2,440 | 7,773 | 1,573 |
| Service Requested Building Repair | 6,680 | 944 | 6,680 | 0 |
| Service Charge | 19,760 | 13,046 | 19,760 | (0) |
| Cleaning & Hygiene Materials | 1,260 | 281 | 1,260 | 0 |
| Window Cleaning | 360 | 0 | 360 | 0 |
| Gas | 4,020 | 660 | 3,665 | (355) |
| Electricity | 12,070 | 2,609 | 8,150 | (3,920) |
| Rents | 85,000 | 56,110 | 85,000 | 0 |
| Rates | 44,100 | 45,199 | 45,199 | 1,099 |
| Water Charges | 5,700 | 947 | 5,700 | (0) |
| Property Insurance | 1,570 | (3,442) | 1,570 | 0 |
| Cleaning Services Internal recharge | 25,000 | 4,576 | 12,587 | (12,413) |
| Staff Travel Mileage Expenses | 20,000 | 478 | 4,286 | (15,714) |
| Purchase of Equipment | 0 | 0 | 1,828 | 1,828 |
| Purchase Of Furniture | 500 | 0 | 0 | (500) |
| General Consumables (small items | 250 | 159 | 305 | 55 |
| Equipment Maintenance | 1,840 | 423 | 1,840 | 0 |
| Medical Supplies | 100 | 47 | 317 | 217 |
| Hospitality | 1,750 | 76 | 200 | (1,550) |
| Uniforms & Clothing | 400 | 0 | 100 | (300) |
| Office Equipment - Rental | 5,110 | 2,816 | 5,110 | 0 |
| Printing & Photocopying | 3,000 | (1,400) | 1,000 | (2,000) |
| Stationery | 1,000 | 41 | 343 | (657) |
| Publications | 7,880 | 9,600 | 14,552 | 6,672 |
| Advertising - General | 5,000 | 0 | 3,901 | (1,099) |
| Insurance | 9,800 | 10,494 | 10,153 | 353 |
| Postages | 132,000 | 36,188 | 137,908 | 5,908 |
| Legal Expenses | 27,000 | 6,250 | 19,583 | (7,417) |
| Subscriptions | 580 | 575 | 695 | 115 |
| Telephones | 10,070 | 5,862 | 15,325 | 5,255 |
| Mobile Telephones | 14,730 | 4,149 | 14,730 | 0 |
| Computer Hardware Purchase | 9,600 | 6,393 | 8,726 | (874) |
| Disaster Recovery | 18,230 | 9,269 | 18,910 | 680 |
| Computer Hardware Maint. | 3,500 | 0 | 3,500 | 0 |
| Computer Software Maint. | 130,220 | 69,883 | 127,621 | (2,599) |
| Computer Peripherals | 500 | 0 | 0 | (500) |
| Other Local Authorities | 12,130 | 0 | 11,877 | (253) |
| Payments To Contractors | 3,850 | 1,807 | 5,311 | 1,461 |
| Other Agencies Payment | 8,000 | 0 | 0 | (8,000) |
| Audit Scotland | 7,610 | (2,537) | 10,093 | 2,483 |
| Accountancy | 33,470 | 0 | 33,470 | 0 |
| Human Resources | 24,410 | 0 | 24,410 | (0) |
| Legal | 16,280 | 0 | 16,280 | 0 |
| Corporate Services | 12,210 | (10,417) | 12,210 | 0 |
| | | | | |
| Total Gross Expenditure | 2,978,040 | 1,105,701 | 2,829,990 | (148,050) |
| | | | | |

| Description | Annual Budget for | | Annual Forecast for | |
|-----------------------------------|-------------------|-------------------|---------------------|-------------------|
| | 22GLBR | Actual @ 31/08/21 | 2021/22 | Forecast v Budget |
| | | | | |
| | | | | |
| Income Government Revenue Grant | 0 | (102,688) | 0 | 0 |
| Valuation Roll - Sales | 0 | 0 | 0 | 0 |
| Electoral Roll - Sales | 0 | (1,415) | 0 | 0 |
| Charges for Services Standard VAT | (7,700) | 0 | (7,700) | 0 |
| Other Income | (4,000) | | (4,000) | 0 |
| Agency Income | 0 | | 0 | 0 |
| | | | | |
| Total Income | (11,700) | (104,103) | (11,700) | 0 |
| | | | | |
| Nett Expenditure | 2,966,340 | 1,001,598 | 2,818,290 | (148,050) |
| | | | | |