

Agenda Item 4

**REVENUE BUDGET
2022/23 – REVIEW AS AT
31st DECEMBER 2022**

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CENTRAL SCOTLAND VALUATION JOINT BOARD

Subject: REVENUE BUDGET 2022/23 – REVIEW AS AT 31st DECEMBER 2022
Meeting: CENTRAL SCOTLAND VALUATION JOINT BOARD
Date: 3rd MARCH 2023
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 2023 as at 31 December 2022.

2. RECOMMENDATIONS

- 2.1 The Board are asked to consider and comment on the financial forecast for the year to 31 March 2023.

3. BACKGROUND

- 3.1 The budget for the financial year 2022/23 is £3.098m. The forecasted outturn against the budget shows a favourable variance of £(0.219)m, which is a favourable movement of £(0.017)m, since the last reported update to the Board as at September 2022.
- 3.2 The table below sets out the main variances;

Table A

Variance	Over/ (underspend) £000s	Narrative
Employee Costs		
	(118)	Barclays: Delay in recruitment to vacancies, recruitment to fill all posts has been challenging.
	(120)	Non Barclay: As above delay in recruitment to vacancies.
	24	Overtime has continued to be required to cover for staff vacancies and increased workload related to the move to three yearly revaluations.
	(5)	Staff travel forecast to underspend as a result of hybrid working and vacancies
Total Variance	(219)	Underspend

Variance	Over/ (underspend) £000s	Narrative
Supplies and Services		
	3	Forecasted increase for Gas costs this year.
	3	Increase in spend for Staff Training due to new staff and trainees.
	(5)	Forecast underspend on Advertising.
	5	Additional costs for Professional Fees relating to office move.
	(14)	Forecasted underspend in Legal expenses in relation to material change in circumstances appeals. This is due to delays in these appeals being heard by Scottish Courts Tribunal Service and will be carried forward into 2023/24.
	(6)	Credit received for Telephone contract relating to previous provider
	(13)	Forecasted underspend in Computer Software Development costs due to reduced resource to take this work forward with supplier. Updated forecast for PSN Healthcheck; actuals are less than previously forecast.
	21	Postages costs have increased in line with last year's spend and includes an additional further notice issue of £9k
	3	Various small variances.
Total Variance	(3)	Underspend
Income	3	Shortfall on historic income budget, will be realigned as part of budget process for 2023/24
Total Variance	3	Overspend
Overall Variance	(219)	Underspend

3.3 The table below provides a breakdown of the movement since last reported;

Table B

Variance	Over/ (underspend) £000s	Narrative
Employee Costs		
	(12)	Barclays: Updates to vacant posts and timescales for expected recruitment
	(21)	Non Barclay: Pay Award shortfall of £66k for 2022/23 in excess of 2% budgeted increase, this is offset by updates to vacant posts and timescales for expected recruitment (£87k)
	18	Increase in overtime forecast to cover for vacant posts above
	3	Staff travel increase as restrictions have eased.
	(12)	Movement in Underspend

Supplies and Services		
	1	Increase in Gas forecast
	3	Increase in Staff Training due to new staff and trainees
	(2)	Reduction in Service Requested Building Repairs
	3	Updated outturn based on actual spend for required publications
	(6)	Credit received for Telephone contract relating to previous provider
	(5)	Update to Software Maintenance forecast and update to IT health check actuals.
	(2)	Various small variances
	(8)	Movement in Underspend
Income	3	Shortfall on historic income budget, will be realigned as part of budget process for 2023/24
	3	Movement in Income
Total Movement	(17)	Movement in Underspend

- 3.4 The forecast underspend is predominately due to the delay in the recruitment of posts with the ability to recruit and retain professionally skilled staff remaining challenging across the sector. The movement of £(0.017)m reflects an increased underspend on employee costs £(0.012)m, an increased underspend on Supplies & Services £(0.008)m and unachievable income of £0.003m.
- 3.5 For 2022/23 the pay settlement was not agreed at the time the Budget was set and an amount based on the Scottish Governments public sector pay proposal, equivalent to 2% was included. The public sector pay award for Single Status Employees has now been agreed with the exception of Chief Officers which is still outstanding. Backdated pay was administered in November's payroll and reflected within this outturn and funded from in year underspends. Indicative cost figures reported in Quarter 2's outturn of an additional pressure of £0.070m have now been updated to reflect actual costs of £0.066m for this financial year.

4. CONCLUSIONS

- 4.1 The outturn against budget is forecasting an underspend of £(0.219)m to 31 March 2023. This is a favourable movement of £(0.017)m from the previous reported underspend. 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 December 2022

There are no background papers to this report.

Author(s)

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NAME	DESIGNATION	SIGNATURE
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Appendix A

Budget Summary - Valuation Joint Board

<i>Description</i>	<i>Annual Budget 2022/2023</i>	<i>Actual to December 2022</i>	<i>Forecast to March 2023</i>	<i>Variance at December 2022</i>	<i>Variance at September 2022</i>	<i>Variance Movement</i>
Expenditure						
Single Status Gross Salaries	1,741,837	1,154,448	1,543,836	(198,001)	(169,083)	(28,917)
Single Status Employers Superann	404,558	280,632	374,643	(29,916)	(29,076)	(840)
Single Status Employers NIC	196,927	131,473	171,807	(25,120)	(21,609)	(3,512)
Single Status Overtime	20,720	35,078	44,799	24,079	5,889	18,190
Long Service Awards	800	646	646	(154)	(154)	0
Salary Related Admin Costs	0	100	131	131	121	10
Conference Expenses And Subsistence	2,500	2,918	3,283	783	592	191
Superannuation Annual Charges	19,000	9,747	18,780	(220)	(214)	(6)
Recruitment Expenses	500	1,080	1,980	1,480	640	840
Staff Training	10,620	6,471	13,700	3,080	0	3,080
Vacancy Management	(15,000)	0	0	15,000	15,000	0
Annual Maintenance External Providers	7,130	7,259	6,875	(255)	(475)	220
Service Requested Building Repairs	8,100	2,057	7,130	(970)	2,297	(3,267)
Service Charge	20,750	17,986	20,750	0	0	(0)
Cleaning & Hygiene Materials	1,390	648	1,020	(370)	(20)	(350)
Window Cleaning	360	(90)	360	0	0	0
Gas	7,160	3,823	9,980	2,820	1,770	1,050
Electricity	12,800	7,292	13,550	750	750	0
Rents	85,000	77,360	85,000	0	0	0
Rates	46,300	45,919	45,919	(382)	(382)	0
Water Charges	4,300	2,328	4,270	(30)	277	(307)
Property Insurance	1,590	(4,862)	1,589	(1)	(1)	(0)
Cleaning Services Internal recharge	14,170	10,719	14,525	355	1,202	(847)
Staff Travel Mileage Expenses	12,000	2,888	6,630	(5,370)	(7,836)	2,466
Purchase Of Furniture	0	0	0	0	0	0
Storage & Removal Charges	0	225	225	225	225	0
General Consumables (small items)	250	159	249	(1)	(1)	0
Equipment Maintenance	940	174	862	(78)	(78)	0
Medical Supplies	150	0	150	0	0	0
Hospitality	1,000	1,646	2,500	1,500	1,250	250
Uniforms & Clothing	400	334	600	200	200	0
Office Equipment - Rental	5,400	4,690	5,296	(104)	(104)	0
Printing & Photocopying	3,000	115	2,000	(1,000)	(0)	(1,000)
Stationery	300	300	300	0	0	(0)
Publications	12,000	10,377	13,460	1,460	(1,897)	3,357
Advertising - General	30,683	470	25,318	(5,365)	(5,365)	0
Insurance	11,270	12,510	12,510	1,240	1,240	0
Professional Fees	0	2,925	4,500	4,500	4,500	0
Postages	148,000	54,443	169,436	21,436	21,436	0
Legal Expenses	27,000	(5,803)	13,053	(13,947)	(13,947)	0
Subscriptions	580	575	575	(5)	(5)	0
Telephones	10,340	1,947	4,430	(5,910)	(930)	(4,980)
Mobile Telephones	8,170	6,083	9,180	1,010	1,195	(185)
Computer Hardware Purchase	9,600	10,449	9,600	0	0	(0)
Disaster Recovery	22,370	22,474	21,310	(1,060)	881	(1,941)
Computer Hardware Maint.	0	0	0	0	0	0
Computer Software Maint.	127,470	119,737	114,660	(12,810)	(8,564)	(4,246)
Computer Peripherals	500	42	100	(400)	0	(400)
Other Local Authorities	12,550	424	10,630	(1,920)	(1,247)	(673)
Payments To Contractors	3,850	3,250	3,900	50	(216)	266
Other Agencies Payment	(0)	(225)	0	0	0	0
Audit Scotland	7,770	0	8,800	1,030	0	1,030
Accountancy	34,470	0	34,470	0	0	0
Human Resources	25,140	0	25,140	0	0	0
Legal	16,770	0	16,770	0	0	0
Corporate Services	12,580	20	12,580	0	0	0
TOTAL GROSS EXPENDITURE	3,136,066	2,043,261	2,913,807	(222,259)	(201,738)	(20,521)

<i>Description</i>	<i>Annual Budget 2022/2023</i>	<i>Actual to December 2022</i>	<i>Forecast to March 2023</i>	<i>Variance at December 2022</i>	<i>Previous Variance at September 2022</i>	<i>Variance Movement</i>
Income						
Income Government Revenue Grant	(26,683)	(34,084)	(26,683)	0	0	0
Valuation Roll - Sales	0	(225)	0	0	0	(0)
Electoral Roll - Sales	(11,700)	(7,596)	(8,500)	3,200	0	3,200
Total Income	(38,383)	(41,905)	(35,183)	3,200	0	3,200
Net Expenditure	3,097,683	2,001,356	2,878,624	(219,059)	(201,738)	(17,321)