

REPORT TO: TAYSIDE VALUATION JOINT BOARD – 21 NOVEMBER 2022

REPORT ON: REVENUE MONITORING FOR 6 MONTHS TO 30 SEPTEMBER 2022

REPORT BY: TREASURER

REPORT NO: TVJB22-2022

1 PURPOSE OF REPORT

To provide Elected Members with an analysis of the 2022/2023 projected revenue outturn as at 30 September 2022 and the impact on the Joint Board’s overall reserves position.

2 RECOMMENDATIONS

It is recommended that the Joint Board:-

- i. note the overall Revenue Monitoring position as at 30 September 2022 reflects a breakeven position against the adjusted budget and the impact this has on the projected reserves;
- ii. note the budget adjustments detailed in second column of Appendix A (and summarised in Appendix B) as virements to the previously approved Revenue Budget;
- iii. note that the Treasurer and the Assessor will continue to monitor the Joint Board's projected outturn for 2022/23 and endeavour to ensure that the final outturn is within the approved Revenue Budget. Where this is not possible, and recurring cost pressures are emerging that cannot be contained, the Treasurer and Assessor will report the outcome of this exercise to the constituent authorities and report back to the Board as part the established budget preparation and monitoring exercise.

3 FINANCIAL IMPLICATIONS

The Revenue Budget 2022/23 was approved by the TVJB Board meeting on 24 January 2022 (report TVJB2-2022 refers) and outlined that in order to balance, would require a contribution from General Reserve of £26,000.

Based on the financial ledger information up to 30 September 2022, the projected outturn for the financial year 2022/23 reflects a break-even position (see Appendix A). The impact this would have on the Board’s Reserve Balances is outlined below:

Detail:	Opening Balance 1 April 2022 (£000)	(Surplus) / Deficit for the Year (£000)	Projected Balance 31 March 2023 (£000)
General Reserve	72	26	46
Barclay Funding	39	-	39
Total Earmarked Funds	111	26	85

It should be noted this projection would leave General Reserve as at 31 March 2023 at a level below the £60,000 which is the minimum set out when in the Joint Boards Reserve Strategy that was included as part of the above approved 2022/23 Revenue Budget.

4 MAIN TEXT

Reasons for Revenue Expenditure Variances:

The main reasons for the projected budget variances can be summarised as follows:-

	£000
STAFF COSTS	
An overspend of £15,000 is projected after taking cognisance of budget virement to reflect the staff cost slippage target and staff costs relating to the implementation of the Barclay Review. This projected overspend is due to the impact of the agreed pay award being greater than was budgeted. This overspend would be greater if there had not been vacancies in the opening 6 months of the year.	15
SUPPLIES AND SERVICES	
Various areas greater than budgeted; Electoral IT Licences (£29,000), Postages (£22,000), Printing Forms (£21,000), Printing Register of Electors (£12,000), Legal Fees (£8,000). Postage charges for the remainder of the year are projected to be almost 20% greater than the first half of the year. Printing Forms overspend due to Revaluation 2023 draft and final valuation notices requiring to be issued in November & March respectively to 22,000 properties. This exceptional cost will occur once every three years.	84
TRANSPORT COSTS	
Fewer journeys are being taken. This is not expected to change in 2022/23 resulting in a saving to budget.	(19)
INCOME	
'Other' Income is greater than budgeted due to additional funding for IT equipment. An additional £62,500 income is also required from the Individual Electoral Registration to cover overspends in Supplies and Services.	(78)
The Barclay Review figure will also increase to reflect increased staff costs and increased postage costs for draft valuation notices.	
Overall Projected Overspend / (Underspend)	<u>(26)</u>

Note

Figures contained within brackets are underspends or increases in income, figures without brackets indicate overspends or decreases in income.

5 POLICY IMPLICATIONS

This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

6 CONSULTATIONS

The Assessor and Clerk to the Joint Board have been consulted on the content of this report.

7 **BACKGROUND PAPERS**

None

**ROBERT EMMOTT
TREASURER
TAYSIDE VALUATION JOINT BOARD**

11 NOVEMBER 2022

APPENDIX A

TAYSIDE VALUATION JOINT BOARD
REVENUE MONITORING REPORT
6 MONTHS TO 30th September 2022

	Budget 2022/23 £000	Virement £000	Monitored Budget £000	Actual as at 30/09/2022 £000	Projected Outturn £000	Variance £000
<u>Staff Costs</u>						
Gross Pay	2,185	155	2,340	1,116	2,344	4
Superannuation	365	26	391	189	397	6
National Insurance	240	17	257	123	262	5
Overtime	5	0	5	1	5	0
Supp Supn Charge	20	0	20	5	20	0
Additional Electoral Registration Duties	27	0	27	0	27	0
Staff Cost Saving (2.5%)	(112)	112	0	0	0	0
Implementation of Barclay Review	321	(321)	0	0	0	0
Other Staff Costs	17	3	20	9	20	0
	3,068	(8)	3,060	1,443	3,075	15
Property Costs	200	0	200	99	198	(2)
Supplies and Services	315	8	323	208	407	84
Transport Costs	29	0	29	4	10	(19)
Third Party Payments	38	0	38	12	38	0
GROSS EXPENDITURE	3,650	0	3,650	1,766	3,728	78
<u>Income</u>						
Requisitions	2,794	0	2,794	1,469	2,794	0
Additional Electoral Registration Duties	27	0	27	27	27	0
Electoral Registration	472	0	472	236	472	0
Council Barclay Funding	321	0	321	25	321	0
Recoveries from Councils	0	0	0	0	0	0
Interest on Revenue Balances	2	0	2	0	2	0
Individual Electoral Registration Grant	0	0	0	121	63	63
Postal Votes and Foreign Nationals	0	0	0	0	0	0
Other	8	0	8	15	23	15
GROSS INCOME	3,624	0	3,624	1,893	3,702	78
NET EXPENDITURE	26	0	26	(127)	26	0
				General Fund £000	Barclay Funding £000	Projected Balance 31/03/22 £000
General Reserve at 1st April 2022				72	39	111
Contribution to Revenue Budget 2022/23				26	0	26
Projected General Reserve at 31st March 2023				46	39	85

