

RENFREWSHIRE VALUATION JOINT BOARD

To: Renfrewshire Valuation Joint Board

On: 20 November 2020

Report by: The Treasurer

Heading: Revenue Budget Monitoring Report to 16 October 2020

1. Summary

- 1.1 At the end of Period 7, Renfrewshire Valuation Joint Board (the Board) had an overspend position of £739k compared to budget. The Board is projected to underspend by £91k by the end of the financial year; detail is provided in Section 4.
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2 Recommendations

- 2.1 It is recommended that the Board considers the report.
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3 Budget Adjustments

- 3.1 Following the approval of the Revenue Estimates of Renfrewshire Valuation Joint Board on 28 February 2020, there has been a number of reclassification budget adjustments made; these do not affect the budgeted net expenditure and were reported to the Board in the Period 5 report on 18 September.
- There have been no budget adjustments since Period 5.
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4 Budget Performance

4.1 Current Position: Net overspend £739k

The current overspend largely relates to an under-recovery of income as at Period 7. Requisition income of £992k is still to be received from other local authorities; this is expected to be received in Period 8. Offsetting this is an underspend in Employee Costs of £204k, owing to currently unfilled vacancies.

4.2 **Projected Year-end Position: Net underspend £91k**

The projected year-end underspend of £91k comprises a gross expenditure underspend of £17k and an over-recovery in gross income of £74k.

Within gross expenditure, there is a projected overspend relating to Premises of £35k, estimated to be arising from the 2020 rent review for Robertson House; however, this has not yet been concluded.

In addition, Supplies and Services are expected to overspend by £103k, mainly due to pass-through costs related to new voting rights for foreign nationals and prisoners, funded by the Scottish Government, of £49,150 (see income note below). There are also anticipated overspends here relating to the COVID-19 pandemic and an unexpected £30k additional cost to Barclay for the replacement of RVJB's Progress system. Offsetting these is an estimated £155k year-end underspend in Employee Costs, largely attributable to vacant posts not being filled.

There is an over-recovery of income due to unexpected IER funding of £25,302 received from the Cabinet Office. A further £49,150 has been received from the Scottish Government to cover changes required to the electoral management system to accommodate franchise changes in relation to foreign nationals and prisoners now being allowed to vote.

RENFREWSHIRE VALUATION JOINT BOARD
REVENUE BUDGET MONITORING STATEMENT 2020/21
1st April 2020 to 16th October 2020

Description	Revised Annual Budget at Period 5	New budget adjustments	Revised Annual Budget	Budget to Date	Actual to Date	Variance to Date (Adverse) / Favourable	Projected Full Year Actual	Projected Full Year Variance (Adverse) / Favourable
£000	£000	£000	£000	£000	£000	£000	£000	£000
Employees	2,051	(0)	2,051	1,107	903	204	1,895	155
Premises Related	165	0	165	87	98	(11)	200	(35)
Supplies and Services	432	0	432	221	251	(30)	536	(103)
Support Services	97	0	97	9	10	(1)	97	0
Transfer Payments	22	(0)	22	5	4	2	22	0
Transport Related	20	0	20	11	0	10	20	1
Depreciation and Impairment Losses	0	0	0	0	0	0	0	0
Gross Expenditure	2,786	(0)	2,786	1,440	1,266	174	2,770	17
Contributions from Local Authorities Core	(2,279)	0	(2,279)	(2,279)	(1,286)	(992)	(2,279)	(0)
Contributions from Local Authorities Barclay	(471)	0	(471)	(471)	(471)	0	(471)	0
Other Income	(37)	0	(37)	(3)	(82)	80	(111)	74
Gross Income	(2,786)	0	(2,786)	(2,752)	(1,839)	(913)	(2,861)	74
TRANSFER (TO)/FROM RESERVES	0	(0)	(0)	(1,312)	(574)	(739)	(91)	91

	<u>£000</u>
Opening Revenue Reserve at 1 April 2020	399
Budgeted contribution from Reserves	0
Projected year-end variance	91
Closing Revenue Reserve at 31 March 2021	490