

Item: 9

Orkney and Shetland Valuation Joint Board: 3 March 2022.

Revenue Expenditure Monitoring.

Report by Treasurer of the Board.

1. Purpose of Report

To advise on the revenue position as at 31 January 2022 in respect of the Orkney and Shetland Valuation Joint Board.

2. Recommendations

The Board is invited to note:

2.1.

The revenue financial summary statement in respect of the Orkney and Shetland Valuation Joint Board, for the period 1 April 2021 to 31 January 2022, attached as Annex 1 to this report, indicating a budget underspend of £64,100.

The Board is invited to scrutinise:

2.2.

The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 2 to this report, in order to obtain assurance that action is being taken with regard to significant budget variances.

3. Background

3.1.

On 18 February 2021 the Board set its balanced budget for financial year 2021/22, which forms the basis of this revenue expenditure monitoring report.

3.2.

In terms of revenue spending, at an individual cost centre level, budget holders are required to provide an explanation of the causes of each material variance and to identify appropriate actions to remedy the situation.

3.3.

Material variances are identified automatically as Priority Actions within individual budget cost centres according to the following criteria:

- Variance of £10,000 and more than 110% or less than 90% of anticipated position (1B).
- Not more than 110% or less than 90% of anticipated position but variance greater than £50,000 (1C).

3.4.

The figures quoted within the Budget Action Plan by way of the underspend and overspend position will always relate to the position within the current month.

4. Financial Summary

4.1.

The financial summary for the period 1 April 2021 to 31 January 2022 is attached as Annex 1 to this report.

4.2.

The Budget Action Plan, attached as Annex 2 to this report, provides an explanation and proposed corrective action for each of the Priority Actions identified.

5. Financial Implications

There is a requirement for the Board to set a balanced budget each financial year to determine the level of requisition for the Board's constituent authorities and to monitor the revenue spend against this budget during the year.

6. Governance Aspects

The content and implications of this report have been reviewed and, at this stage, it is deemed that the Board **DOES NOT** require external legal advice in consideration of the recommendations of this report.

7. Contact Officer

Colin Kemp, Treasurer to the Board, Email colin.kemp@orkney.gov.uk.

8. Annexes

Annex 1: Financial summary as at 31 January 2022.

Annex 2: Budget Action Plan.

The following tables show the spending position by service function

Orkney & Shetland Valuation Joint Board	PA	Spend £000	Budget £000	Over/(Under) £000	Spend %	Annual Budget £000
Joint Costs	1B	495.1	559.0	(63.9)	88.6	712.3
Barclay Review		99.8	95.4	4.4	104.6	120.9
Shetland Costs		30.1	38.0	(7.9)	79.2	41.3
Orkney Costs		46.3	43.0	3.3	107.5	48.1
Requisition SIC		(457.9)	(457.9)	0.0	100.0	(457.9)
Requisition OIC		(464.7)	(464.7)	0.0	100.0	(464.7)
Service Total		(251.3)	(187.2)	(64.1)	134.2	0.0

Orkney & Shetland Valuation Joint Board

Function	Function Description/ Explanation	Action Category/ Action Description	Responsible Officer	Deadline	Status
R69A	Joint Costs Less than anticipated expenditure by £63.9K Underspend due to vacant Depute Assessor post and reduced transport costs which is partly offset by additional consultants' costs.	No action required No action required.	Colin Kemp	31/03/2022	Ongoing