



Renfrewshire Valuation Joint Board

Minute of Meeting Renfrewshire Valuation Joint Board.

| Date | Time | Venue |
|--------------------------|-------|-----------------------|
| Friday, 25 February 2022 | 14:00 | Remotely by MS Teams, |

Present

Councillor Angela Convery, Councillor Annette Ireland and Councillor Charlie Gilbert (all East Renfrewshire Council); Councillor Graeme Brooks, Councillor Tommy McVey and Councillor Innes Nelson (all Inverclyde Council); and Councillor Tom Begg, Councillor Jacqueline Cameron, Councillor Audrey Doig, Councillor Kenny MacLaren, Councillor Mags MacLaren, Councillor John McIntyre and Councillor Andy Steel (all Renfrewshire Council).

Chair

Councillor Audrey Doig, Convener, presided.

In Attendance

R Nicol, Assessor & Electoral Registration Officer and L Hendry, Assistant Assessor & Electoral Registration Officers (both Renfrewshire Valuation Joint Board); C McCourt, Corporate Finance Manager, T McGowan, Senior Accountancy Assistant, E Currie, Senior Committee Services Officer and D Cunningham, Assistant Committee Services Officer (all Finance & Resources, Renfrewshire Council); and M Ferris, Senior Audit Manager (Audit Scotland).

Recording of Meeting

Prior to the commencement of the meeting the Convener intimated that this meeting of the Joint Board would be recorded and that the recording would be available to watch on the Council's website.

Apologies

Provost Jim Fletcher (East Renfrewshire Council) and Councillor Jim Sharkey (Renfrewshire Council).

Declarations of Interest

There were no declarations of interest intimated prior to the commencement of the meeting.

1 Minute

There was submitted the Minute of the meeting of this Joint Board held on 19 November 2021.

DECIDED: That the Minute be approved.

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Councillor Cameron and Councillor Convery joined the meeting prior to consideration of the following item of business.

2 Governance Arrangements

Under reference to item 9 of the Minute of the meeting of this Joint Board held on 19 November 2021, there was submitted a report by the Clerk relative to the protocol for hybrid meetings.

The report intimated that at the meeting of the Joint Board held on 19 November 2021 it was decided that future meetings of the Joint Board be hybrid meetings and that arrangements be made to hold these meeting in the Council Chamber in Renfrewshire House, allowing members to either attend meetings 'in person' or join remotely using Microsoft Teams. Further, that the Clerk, in consultation with the Convener and Depute Convener, be requested to develop a protocol for the conduct of hybrid meetings. The protocol for hybrid meetings was appended to the report.

The report advised that Ken Graham, Head of Corporate Governance, and Clerk to the Joint Board retired from Renfrewshire Council on 28 February 2022 and that Mark Conaghan had been appointed as Head of Corporate Governance with effect from 1 March 2022 and would be Clerk to the Joint Board from that date. Further, that Alan Russell, Treasurer to the Joint Board, had been appointed to the position of Chief Executive, Renfrewshire Council, on 12 November 2021 and that Alastair MacArthur had been appointed as Director of Finance & Resources and would be Treasurer to the Joint Board with effect from 16 February 2022.

DECIDED:

(a) That the protocol for hybrid meetings, as appended to the report, be approved; and

(b) That it be noted that Mark Conaghan would be Clerk to the Joint Board with effect from 1 March 2022 and that Alastair MacArthur would be Treasurer to the Joint Board with effect from 16 February 2022.

3 Revenue Budget Monitoring

There was submitted a revenue budget monitoring report by the Treasurer in respect of the Joint Board for the period 1 April 2021 to 4 February 2022.

The report intimated that at the end of period 11, the net expenditure of the Joint Board was a net underspend of £649,000 compared to budget. The Joint Board was projected to underspend by £92,000 by the end of the financial year and details were provided in section 4 of the report. It was noted that there had been no budget adjustments since the start of the financial year.

The report advised that funding had been received from the Scottish Government in 2020/21 for the May 2021 election and that £156,000 had been carried forward to this current financial year. It was expected that this would be fully spent on employee costs and supplies and services to fund the issuing of household notification letters by 31 March 2022.

The report noted that the forecast year-end position was a contribution to reserves of £92,000. The report proposed that £24,000 of reserves be earmarked for use in 2022/23 for economic modelling work related to fixed line telecommunications valuation. This was agreed.

DECIDED:

(a) That the report be noted; and

(b) That it be agreed that £24,000 of reserves be earmarked for use in 2022/23 for economic modelling work related to fixed line telecommunications valuation.

4 Revenue Estimates 2022/23 to 2024/25

There was submitted a report by the Treasurer presenting the revenue estimates for the Joint Board including the requisition of constituent authorities for the financial year 2022/23 and indicative planning figures for 2023/24 and 2024/25.

The appendix to the report detailed the revenue estimates 2022/23 to 2024/25 for the Joint Board and the total requisitions payable by constituent authorities.

The report intimated that the Scottish Budget statement delivered on 10 December 2021 included further resources relating to specific ongoing pressures caused by the COVID-19 pandemic and was for a single financial year only, adding some uncertainty to financial forecasts. However, it was recognised that over the short to medium-term, local government in Scotland was likely to face a challenging recovery and could face further contraction in available resources relating to the provision of revenue grant from the Scottish Government. In this context, the Joint Board would continue to seek operational savings to ensure financial sustainability.

The report provided information on the assumptions that the budget had been based on and a financial overview for the Joint Board.

At the meeting of the Joint Board held on 29 May 2020, it was agreed that the allocation of the requisition across constituent authorities would be based on the percentage proportions of GAE constituents used in 2019/20 which arose from the distorting effect of a large self-storage facility based in Renfrewshire which skewed the GAE figures. It was further agreed that this position be reviewed annually and the Assessor & Electoral Registration Officer had confirmed that the position was no longer considered to be a temporary anomaly, therefore, the requisition allocation for 2022/23 and beyond would now be based on the actual 2021/22 GAE figures.

The proposed overall 2022/23 requisition level for constituent authorities was £2,342,180, an increase of 1.0% on 2021/22 requisition levels. The individual constituent authority requisition levels were detailed in the table in paragraph 6.2 of the report and these indicative figures incorporated draft requisition increases of 1.5% for 2023/24 and 2.0% for 2024/25. The total requisitions payable by constituent authorities, including the full pass-through of Barclay funding, were detailed in the table in paragraph 6.4 of the report.

DECIDED:

(a) That the 2022/23 revenue estimates, as detailed in the appendix to the report, be approved;

(b) That the recommendations with regards requisitions for constituent authorities, as detailed in section 6 of the report, be approved; and

(c) That the indicative estimates for 2023/24 and 2024/25 be noted.

5 Audit Plan 2021/22 Update

There was submitted a report by the Treasurer providing an update in relation to the audit plan for 2021/22.

The report intimated that Audit Scotland submitted the annual audit plan, which outlined the timescales and planned activity by Audit Scotland, to the Joint Board in February of each year. Owing to delays caused by the past two years' audit timetables, the audit plan for 2021/22 was not yet ready for publication and would therefore miss the Joint Board's reporting cycle.

The report advised that the annual audit plan for 2021/22 would be circulated to members of the Joint Board when available.

The report further intimated that, given the local government elections in May of this year, the unaudited annual accounts 2021/22 would be presented to the meeting of this Joint Board to be held on 10 June 2022.

DECIDED: That the report be noted.

6 Electoral Update

There was submitted a report by the Assessor & Electoral Registration Officer relative to the current position in relation to electoral registration.

The report intimated that the new canvass had been completed with the new register being published on 1 December 2021 with copies distributed to those entitled to receive it. It was noted that this was the second year of the reformed canvass and, as previously reported, the main changes allowed Electoral Registration Officers (EROs) to decide on different routes for canvassing households. The route chosen for each household was based on whether the household matched with the DWP when a copy of the register was issued to them for matching. The report provided detail on the Route 1, Route 2 and Route 3 canvass communications. It was noted that the door-to-door canvass was undertaken this year by Joint Board staff using newly purchased tablet devices which carried all the information electronically enabling the information to be uploaded to the Electoral Management System in real time.

The report advised that preparations were well underway for the forthcoming local government elections. The Electoral Management Board for Scotland had issued a number of directions to Returning Officers and Electoral Registration Officers to ensure consistency of approach across Scotland. Meetings had taken place with the Returning Officers' teams for the three constituent authorities and agreements reached on the key dates and actions required to ensure the smooth transfer of the Electoral Registration and Absent Vote information. It was noted that a series of meetings were scheduled between now and polling day with the Returning Officers to monitor progress with the election. This election and its preparations were being held within the context of COVID and most EROs within Scotland had issued Household Notification Letters in late January/early February which, amongst other things, advised on the action to be taken if the information required to be updated and how to apply for a postal vote. To coincide with this letter being issued, all Scottish EROs contributed to a TV advertising campaign aired during the first two weeks in February. To date 2,000 applications for a postal vote had been received since the letters were issued and the RVJB had received just over 3,800 applications to be registered. The report detailed key dates for the issue of poll cards and deadlines for registering to vote and for postal vote applications.

The report provided information in relation to the Renfrewshire Ward 6 By-election intimating that the identifiable additional costs for the Joint Board were around £165.

In relation to the Elections Bill, the report advised that it was currently going through the parliamentary process with the current timetable suggesting that it would not receive Royal Assent before May. This Bill was likely to impose additional duties on the ERO and the Joint Board would be kept informed of the progress of implementing the various requirements.

DECIDED: That the contents of the report be noted.

7 **Non-domestic Rates Reform Update**

Under reference to item 5 of the Minute of the meeting of this Joint Board held on 19 November 2021, there was submitted a report by the Assessor & Electoral Registration Officer relative to developments and expenditure arising from the Barclay Review.

The report intimated that the Non-Domestic Rates (Scotland) Act 2020 and associated Regulations were the main legislative means for introducing the non-domestic rates reforms recommended by the Barclay Review. The report listed the six main Barclay recommendations reflected in the Act.

The report further intimated that the Scottish Assessor's Association (SAA) had regular contact with the Scottish Government to ensure a consistent approach. Assessors would continue to work jointly to ensure delivery of all new duties and would support ongoing development of the SAA Portal which provided information to ratepayers and their agents. Assessors had submitted plans to the Scottish Government detailing the actions being taken to ensure that all Barclay recommendations would be fully implemented and delivered within legislative timelines. These plans had now been approved and covered the period up to 2025 by which time all the recommendations of the Barclay review would be in place.

In relation to staffing, the report advised that three valuers had been recruited; the Assessor & Electoral Registration Officer was currently considering options regarding filling the role previously undertaken by the Assistant Assessor, Jackie Murgatroyd, who retired at the end of 2021; and that the successful progression through training and Assessment of Professional Competence of trainees would be a key factor in the ability

to successfully implement non-domestic rates reform in the coming years.

The report advised that the next non-domestic revaluation was due in April 2023 and that work was underway to ensure that local systems were in place to assist the valuation staff in undertaking the analysis of rental information and the revaluation of the 14,000 non-domestic subjects within valuation rolls of the Joint Board area; that work was ongoing to ensure that the Scottish Government received the estimated values for approximately 10% of the valuation roll by mid-March and also to identify lands and heritages within public parks that were exempt from entry in the valuation roll due to section 19 of the Local Government (Financial Provisions) (Scotland) Act 1963 that might no longer be exempt once section 5 of the Non-domestic Rates (Scotland) Act 2020 comes into force on 1 April 2023. Further that the Assessor continued to contribute to and benefit from working with other Assessors throughout Scotland via the Scottish Assessors Association (SAA) to establish values for properties where the valuation evidence was national rather than local. It was anticipated that the draft 2023 revaluation values would be available to the public via the SAA website towards the end of 2022.

The report noted that the transfer of the Local Appeal Committees into the Scottish Courts and Tribunals Service was due to take place from 1 January 2023. The outcome of the Scottish Government consultation on this together with the consultation on the draft regulations to introduce a two-stage appeals system was awaited and a report on the outcomes would be submitted to a future meeting of the Joint Board.

It was noted that the Assessor now had new powers to issue Assessor Information Notices (AINs) which, if not responded to, could lead to the Assessor issuing a Civil Penalty to the non-responder(s). The issuing of these AINs had begun and return of these would be closely monitored with Civil Penalties being issued where necessary. Renfrewshire Council's sundry debt team would assist in the collection of any Civil Penalties with the revenue raised due to be paid to the Scottish Government's Consolidated Fund, net of costs. These processes would be kept under review and the Scottish Government kept advised of any monies due to them.

The report further intimated that development of the IT valuation system continued with the aim of going live during 2022/23.

DECIDED: That the report be noted.

8 **Non-domestic Appeals**

There was submitted a report by the Assistant Assessor & Electoral Registration Officer advising on the appeal process and progress on disposal of revaluation appeals and running roll appeals received since the 2017 revaluation.

The report intimated that a five-yearly revaluation process had been introduced by the Valuation and Rating (Scotland) Act 1956 and this required the Assessor & Electoral Registration Officer to value, or revalue, all the lands and heritages in the valuation area. These valuations were totally fresh and need bear no relation to the value applied in the preceding seven years.

The revaluation brought with it a fresh right of appeal which had to be exercised within a six-month period starting from 1 April in the year of the revaluation or within six months of the date of issue of the Valuation Notice, whichever was later. These appeals must be disposed of within time limits prescribed in the Timetable Order which currently stated by the end of the third year following revaluation, this being 31 December 2020.

However, the Scottish Government had extended the disposal date for 2017 revaluation appeals until 31 December 2021.

The report provided an update in relation to the right of appeal; negotiation of appeals; the Local Valuation Appeal Committee; revaluation appeals; the disposal of 2017 revaluation appeals; the disposal of running roll appeals; and the disposal of other outstanding appeals.

Appendix 1 to the report detailed the number of revaluation appeals received, disposed of and outstanding by constituent authority and the Joint Board area as at 31 December 2021. Appendix 2 to the report detailed the number of running roll appeals received on or after 1 March 2020, outlining those dealt with in each constituent authority and the Joint Board area as at 31 December 2021.

The report advised that the disposal of appeals was a major component of the work undertaken by the Assessor's valuation staff and was work that could be stressful due to the strict legislative timetables and the adversarial nature of the negotiations. The unexpected results of the current pandemic had resulted in staff continuing to conduct negotiations whilst adhering to guidelines with regard to social distancing and preparing for and attending virtual VAC hearings.

The report congratulated staff in getting the 2017 revaluation appeals to a level where the small numbers outstanding were dependent upon national agreements being concluded and thanked them for their commitment and professionalism in rising to this challenge and successfully delivering the service.

It was noted that the Valuation and Rating (Coronavirus) (Scotland) Order 2021 came into force on 1 December 2021 and sought to remove the impact of Coronavirus from being a material change of circumstances from 1 April 2021. Further that the Non-domestic Rates (Coronavirus) (Scotland) Bill was introduced to the Scottish Parliament in December 2021 and was currently being examined by the Local Government, Planning and Housing Committee. This Bill sought to ensure that no account could be taken of any matter occurring on or after 2 April 2020 whether directly or indirectly attributable to Coronavirus.

On behalf of the Joint Board, the Convener thanked staff for the work undertaken in dealing with non-domestic appeals.

DECIDED: That the report be noted.

9 **Performance Report**

There was submitted a report by the Assistant Assessor & Electoral Registration Officer providing an update to the ongoing reporting of performance for the first nine months of the rating year and on the current performance and workload issues facing the Joint Board.

The report detailed the performance in Council Tax and non-domestic valuation against set targets. In relation to Council Tax valuation, for the period 1 April to 31 December 2021, it was noted that the addition of new houses to the Valuation List and the deletion of demolished houses remained a priority with the time taken to enter new houses into the Valuation (Council Tax) List exceeding the target of 95% within three months by achieving 98.37% and exceeding the target of 97% within six months by achieving 99.56%.

The report also detailed the average number of days taken to add a house in each constituent authority area between 1 April and 31 December 2021 and also the number of deletions from the Valuation (Council Tax) List between 1 April and 31 December during 2020 and 2021 by constituent authority area.

The report set out the time taken to make statutory amendments to the Valuation Roll, excluding appeal settlements and amendments to the prescribed entries, between 1 April to 31 December 2021 by constituent authority area which narrowly missed the target of 50% to be actioned within three months by achieving 44.77% and met the target of 75% within six months by achieving 75.15%.

The report indicated that the non-domestic market was not recovering to the same extent as the domestic market. Performance targets were continuously monitored and evaluated by the management team and the performance targets for non-domestic rating might require to be reviewed to reflect the effects of the ongoing Coronavirus pandemic, the impact on working practices and how services were delivered to stakeholders.

On behalf of the Joint Board, the Convener thanked staff for the work undertaken in achieving these performance figures.

DECIDED: That the report be noted.

10 **Corporate Risk Register**

There was submitted a report by the Assistant Assessor & Electoral Registration Officer relative to the Joint Board's Corporate Risk Register, a copy of which was appended to the report.

The report intimated that the Corporate Risk Register had been reviewed in line with the Joint Board's agreed review cycle. It was noted that the format of the Corporate Risk Register was currently being reviewed and future registers would reflect residual risk.

DECIDED: That the report be noted.

11 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Joint Board would be held at 2.00 pm on 10 June 2022.