



## Renfrewshire Valuation Joint Board

### Minute of Meeting Renfrewshire Valuation Joint Board.

Date	Time	Venue
Friday, 26 February 2021	14:00	Remotely by MS Teams,

#### Present

Councillor Angela Convery, Councillor Annette Ireland, Councillor Charlie Gilbert and Councillor Paul O'Kane (all East Renfrewshire Council); Councillor Graeme Brooks, Councillor Tommy McVey and Councillor John Crowther (substitute for 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, Councillor Jim Sharkey and Councillor Andy Steel (all Renfrewshire Council).

#### Chair

Councillor Audrey Doig, Convener, presided.

#### In Attendance

K Crawford, Assessor & Electoral Registration Officer, L Hendry, Assistant Assessor & Electoral Registration Officer and J Murgatroyd, Assistant Assessor & Electoral Registration Officer (all Renfrewshire Valuation Joint Board); C McCourt, Finance Business Partner, E Currie, Senior Committee Services Officer and R Devine, Senior Committee Services Officer (all Finance & Resources, Renfrewshire Council); and A MacDonald, Senior Auditor (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.

## **Apology**

Councillor Innes Nelson (Inverclyde Council).

## **Declarations of Interest**

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

## **Additional Item**

The Convener intimated that there was an additional item of business in relation to Audit Scotland's Annual Audit Plan 2020/21 which had not been included in the notice calling the meeting. The Convener, being of the opinion that the item which is dealt with at item 9 below, was urgent in view of the need to advise members of the position, authorised its consideration.

### **1 Minute**

There was submitted the Minute of the meeting of this Joint Board held on 20 November 2020.

**DECIDED:** That the Minute be approved.

### **2 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 2020 to 5 February 2021.

The report intimated that at the end of period 11, the Joint Board had an underspend position of £359,000 compared to budget and was projected to underspend by £405,000 by the end of the financial year and details were provided in section 4 of the report.

There had been a number of reclassification budget adjustments made since the Joint Board's revenue estimates had been approved on 28 February 2020, but these did not affect the budgeted net expenditure. There had been no budget adjustments since period 5.

**DECIDED:** That the report be noted.

### **3 Revenue Estimates 2021/22 to 2023/24**

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 2021/22 and indicative planning figures for 2022/23 and 2023/24.

The appendix to the report detailed the revenue estimates 2021/22 to 2023/24 for the Joint Board and the total requisitions payable by constituent authorities.

The report intimated that the financial environment in which the Joint Board and constituent authorities operated had seen radical changes over the past year owing to the ongoing COVID-19 pandemic. Financial year 2021/22 brought further uncertainty until the vaccination programme was completed and also brought Scottish Parliamentary elections in May 2021. The Scottish Budget statement delivered on 28 January 2021 included further resources relating to specific ongoing pressures caused by the 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.

As approved at the meeting of the Joint Board held on 29 May 2020, the allocation of the requisition across constituent authorities was 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 had been agreed that this position be reviewed annually and the Assessor & Electoral Registration Officer had confirmed that the position remained as was the case in setting the 2020/21 budget, therefore, the report proposed that the requisition share remained unchanged.

It was noted that, owing to a change in GAE methodology in 2020/21, the constituent for land valuation had been merged with collection and the constituent for council tax valuation had been merged with local tax collection. The report recommended that from 2022/23, the requisition shares across all three elements be based on the new GAE methodology.

The proposed overall 2021/22 requisition level for constituent authorities was £2,318,990, an increase of 1.8% on 2020/21 requisition levels. The individual requisition levels were detailed in the table in paragraph 6.1 of the report and these indicative figures incorporated draft requisition increases of 2.5% for 2022/23 and 2023/24. 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 2021/22 revenue estimates, as detailed in the appendix to the report, be approved;

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

(c) That the indicative estimates for 2022/23 and 2023/24 be noted.

#### **4 Barclay Update / Service Review**

Under reference to item 3 of the Minute of the meeting of this Joint Board held on 20 November 2020, 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) Bill was now law and had been partially implemented in April 2020 with full implementation to follow at various times over the next couple of years. The report detailed the six main Barclay recommendations reflected in Bill.

The report advised that the Scottish Assessor's Association (SSA) 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 SSA Portal which provided information to ratepayers and their agents. Assessors had submitted plans to the Scottish Government detailing the plans and actions being taken to ensure that all Barclay recommendations would be fully implemented and delivered within legislative timelines.

The Scottish Government had agreed to fund the extra costs to facilitate this work and funding had flowed through councils to the Joint Board as shown in the financial reports submitted to the Joint Board over the last few years. Due to recruitment issues, it was noted that not all funding had been spent in the year in which it had been allocated, resulting in an increasing reserve balance. If implementation actions were delayed, the use of funding may come under increased scrutiny, therefore the application of this funding would require to be carefully considered in terms of the Joint Board's and constituent council's overall financial plans.

The report provided an update in relation to recruitment and restructure; the Non-domestic Revaluation; COVID appeals; information gathering powers; the IT Valuation System; and the Internal Barclay Project Group/2023 revaluation.

**DECIDED:** That the report be noted.

## 5 **Electoral Update**

There was submitted a report by the Assessor & Electoral Registration Officer providing an update on electoral issues facing the Joint Board.

The report provided an update on the canvass; the Scottish Parliamentary election in May 2021; external activities and preparations; future elections; and ongoing projects.

The report advised that, as personal visits to properties could not be undertaken, the Assessor & Electoral Registration Officer had ensured that all households in the joint board area had received communications regarding the forthcoming Scottish Parliamentary election in May 2021.

The report detailed the actions taken by the Assessor & Electoral Registration Officer in connection with arrangements for the Scottish Parliamentary election.

The Assessor & Electoral Registration Officer thanked all staff for once again delivering the canvass through hard work and professionalism and in continuing to deliver all electoral services during these unusual times.

**DECIDED:** That the report be noted.

## 6 **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 recently confirmed that the disposal date had been extended to 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 2020. Appendix 2 to the report detailed the number of running roll appeals received since 1 March 2020, outlining those dealt with in each constituent authority and the Joint Board area as at 3 February 2021.

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.

Members of staff were thanked for their commitment and professionalism in rising to this challenge and successfully delivering the service.

**DECIDED:** That the report be noted.

## 7 **Performance Report**

There was submitted a report by the Assistant Assessor & Assistant Electoral Registration Officer providing an update 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 2020, 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 narrowly missing the target of 95% within three months and exceeding the target of 97% within six months, with the key performance indicators being 93.08% and 99.31% respectively.

It was noted that the three-month target had improved since last reported as developers had adapted to deal with current restrictions as a result of the pandemic. Sales offices had re-opened enabling the information flow to be improved and joint board staff had been able to gather the information required to allow new properties to be added to the Valuation List and Council Tax timeously in accordance with performance targets.

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 2020 and also the number of deletions from the Valuation (Council Tax) List between 1 April and 31 December during 2019 and 2020 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 and 31 December 2020 by constituent authority area, missing the target of 80% to be actioned within three months and the target of 90% within six months, with key performance indicators being 48.21% and 72.32% respectively. It was noted that this level of performance had been expected given the current restraints imposed in carrying out inspections due to the constraints of the pandemic.

As highlighted in the Performance Report presented to the Joint Board on 20 November 2020, the number of alterations carried out to the roll were substantially reduced compared to last year. The reasons were twofold, firstly, little to no activity had taken place due to many businesses being forced to close throughout April to June 2020 thereby hindering businesses from carrying out normal alterations which might have resulted in a change to their valuation, and, secondly, staff had been unable to carry out any form of physical inspections due to lockdown restrictions. Inspections were now being carried out but the number of properties that could be inspected within a day was severely limited due to the health and safety protocols staff had to adhere to. It was noted that target levels might continue to decline and given these unprecedented circumstances it would be extremely unlikely that targets would be met by the end of this financial year.

Performance targets might require to be reviewed as the effects of the ongoing pandemic became known in terms of how it impacted on the Joint Board's working practices and the way in which services were delivered to stakeholders. The report advised that the performance levels were in line with expectations due to the lasting impact the global pandemic and the resultant restrictions had had on normal business processes.

Members of staff were thanked for adapting working practices to ensure negotiations were carried out professionally and in line with the legislative timetable.

**DECIDED:** That the report be noted.

## 8 **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.

**DECIDED:** That the report be noted.

## 9 **Audit Scotland Annual Audit Plan 2020/21**

There was submitted a report by the Treasurer relative to the annual audit plan 2020/21 for the Joint Board which outlined Audit Scotland's planned activities in their audit for the 2020/21 financial year, a copy of which was appended to the report.

The report intimated that Audit Scotland had submitted an audit plan which outlined its approach to the audit of the Joint Board's 2020/21 annual accounts to assess whether the accounts provided a true and fair view of the Joint Board's financial position and also whether the accounts had been prepared in accordance with proper accounting practice, the 2019 Code of Practice on Local Authority Accounting in the UK.

The annual audit plan outlined the responsibilities of the Joint Board and Audit Scotland; its assessment of key challenges and risks; the approach and timetable for completion of the audit; and included a section on Audit Risks which had been included in the audit plans of many bodies which Audit Scotland worked with. The inclusion of this section was not a reflection of any specific risk within the Joint Board.

The report advised that the statutory deadline for the approval of the audited accounts for 2020/21 was 31 October 2021 and it may be that one of the previously agreed meeting dates would require to be changed to accommodate this. An update would be provided at the next meeting of the Joint Board scheduled to be held on 28 May 2021.

**DECIDED:** That Audit Scotland's annual audit plan 2020/21 be noted.

## 10 **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 28 May 2021.