



Renfrewshire Valuation Joint Board

Minute of Meeting Renfrewshire Valuation Joint Board_

Date	Time	Venue
Friday, 18 January 2019	14:00	Council Chambers (Renfrewshire), Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

Present

Councillor Paul O’Kane (East Renfrewshire Council); Councillor Graeme Brooks and Councillor Tommy McVey (both 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 and Electoral Registration Officer, J Murgatroyd, Assistant Assessor and Electoral Registration Officer, L Hendry, Assistant Assessor and Electoral Registration Officer, S Carlton, Principal Administrative Officer and J Dell, Principal Surveyor (all Renfrewshire Valuation Joint Board); A MacArthur, Head of Finance, A McMahon, Chief Internal Auditor, L Souter, Principal Accountant (Management Accounting), T McGowan, Finance Assistant, C McCourt, Finance Business Partner and E Currie, Senior Committee Services Officer (all Finance & Resources, Renfrewshire Council); and M Ferris, Senior Audit Manager and P Bonfanti, Auditor (both Audit Scotland).

Additional Item

The Convener intimated that there was an additional item of business in relation to Audit Scotland’s Annual Audit Plan 2018/19 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.

Apology

Councillor Angela Convery (East Renfrewshire Council).

Declarations of Interest

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

1 Minute

There were submitted the Minute of the meeting of the Joint Board held on 23 November 2018.

DECIDED: That the Minute be approved.

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Councillor O'Kane entered the meeting during consideration of the following item of business.

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 to 7 December 2018.

The report intimated that gross expenditure was currently £18,000 under budget and income was currently £3,000 over recovered resulting in a net underspend of £21,000.

The projected year-end position was a drawdown on reserves of £35,000 against an approved £66,700. At the meeting of the Joint Board held on 23 November 2018 it was agreed that an Electoral Management System be purchased at a cost of £25,000 which would be implemented by the end of January 2019. Part year licensing and maintenance costs of £6,000 would also be incurred which would result in a drawdown of reserves of the approved £66,700.

It was noted that there would be a risk that the budgeted pay award of 3% might be higher than anticipated at 3.5% which would require a further drawdown from reserves of £5,000.

DECIDED: That the report be noted.

3 Revenue Estimates 2019/20 to 2021/22

There was submitted a report by the Treasurer relative to the revenue estimates for the Joint Board including the requisition of constituent authorities for the financial year 2019/20 and indicative planning figures for 2020/21 and 2021/22.

An amended Appendix 1 to the report was tabled which detailed the revenue estimates 2019/20 to 2021/22 for the Joint Board and the requisitions for constituent authorities were detailed in Appendix 2 to the report.

The report intimated that the financial environment in which the Joint Board and constituent authorities operated continued to be characterised by significant demand and cost pressures, compounded by reducing levels of government grant support. The Scottish Budget and local government settlement announced on 12 December 2018 again reflected a core revenue grant cut for local authorities and was for a single year only, adding some uncertainty to financial forecasts. However, it was recognised that over the medium-term, local government in Scotland was likely to face further contraction in available resources, relating predominantly 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.

Following the introduction of Individual Electoral Registration in 2014/15, the Cabinet Office had provided funding for any additional costs incurred as a result of additional duties undertaken during the lifetime of this Parliament. This funding would cease from 2020/21 and the Joint Board would be expected to meet the costs of the annual canvass, estimated at £75,000 per year, from its core budget. The UK Government intended to amend legislation governing the annual canvass during 2019 with the changes taking effect from the start of 2020. As detailed in the amended Appendix 1 to the report, meeting the costs of the annual canvass would put the Joint Board under severe financial pressure and would require further significant savings.

It was noted that the purchase cost of the NDR system had not been reflected in the 2019/20 budget as constituent authorities had already agreed to contribute £25,000 towards this as a one-off cost. This cost would be split on the same basis as the revenue requisition with the share being £14,100 for Renfrewshire Council; £5,800 for Inverclyde Council and £5,100 for East Renfrewshire Council.

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

Councillor McVey, seconded by Councillor Audrey Doig moved (a) that the 2019/20 revenue estimates, as detailed in the amended Appendix 1 to the report tabled at the meeting, and the requisitions for constituent authorities, as detailed in Appendix 2 to the report, be approved; (b) that the indicative estimates for 2020/21 and 2021/22 be noted; (c) that the share of one-off funding as outlined in paragraph 4.1 of the report be approved; and (d) that due to the level of unallocated savings and the various financial challenges facing the Joint Board, as outlined in this report, that a further report be submitted to the next meeting of the Joint Board to be held on 31 May 2019, giving greater detail as to how the unallocated savings in 2020/21 and 2021/22 would be achieved, without placing a greater burden on member council finances.

Councillor Sharkey, seconded by Councillor Begg, moved as an amendment (a) that the 2019/20 revenue estimates, as detailed in the amended Appendix 1 to the report tabled at the meeting, and the requisitions for constituent authorities, as detailed in Appendix 2 to the report, be approved; (b) that the indicative estimates for 2020/21 and 2021/22 be noted; (c) that the share of one-off funding as outlined in paragraph 4.1 of the report be approved; and (d) that due to the level of unallocated savings and the various financial challenges facing the Joint Board, as outlined in this report, that a further report be submitted to the next meeting of the Joint Board to be held on 31 May 2019, giving greater detail as to how the unallocated savings in 2020/21 and 2021/22 would be achieved, with the loss of the three clerical grade posts detailed in the report.

On a vote being taken, 3 members voted for the amendment and 8 members voted for the motion. The motion was accordingly declared carried.

DECIDED:

(a) That the 2019/20 revenue estimates, as detailed in the amended Appendix 1 to the report tabled at the meeting, and the requisitions for constituent authorities, as detailed in Appendix 2 to the report, be approved;

(b) That the indicative estimates for 2020/21 and 2021/22 be noted;

(c) That the share of one-off funding as outlined in paragraph 4.1 of the report be approved; and

(d) That due to the level of unallocated savings and the various financial challenges facing the Joint Board, as outlined in this report, that a further report be submitted to the next meeting of the Joint Board to be held on 31 May 2019, giving greater detail as to how the unallocated savings in 2020/21 and 2021/22 would be achieved, without placing a greater burden on member council finances.

4 Data Protection Policy

There was submitted a report by the Data Protection Officer relative to the Joint Board's Data Protection Policy, a copy of which was appended to the report.

The report intimated that as a result of the General Data Protection Regulations (GDPR) coming into force on 25 May 2018 and the statutory obligation to appoint a Data Protection Officer (DPO), the Joint Board appointed a DPO who had been working with the Assistant Assessor for Governance to ensure that the Joint Board was compliant with the new data protection legislation.

DECIDED: That the Joint Board's Data Protection Policy be approved.

5 Electoral Registration Update

There was submitted a report by the Assessor and Electoral Registration Officer providing an update on the 2018 Electoral Registration annual canvass and other electoral issues facing the Joint Board.

The report intimated that the annual canvass process concluded in November 2018 with the publication of the Registers on 1 December 2018. The total electorate by Council ward as at 1 December 2018 was detailed in the appendix to the report.

The report provided details in relation to the refresh of absent voter identifiers; canvassing; elections; the UK Boundary Review; the review of the Polling Districts; the contracts for the Electoral Management System and the provision of print and scan services; and funding for IER 2019/20.

DECIDED: That the report be noted.

6 Performance Report

There was submitted a report by the Assistant Assessor & 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 2018, 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 and 99.5% within six months.

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 2018 and also the number of deletions from the Valuation (Council Tax) List between 1 April and 31 December during 2017 and 2018 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 2018 by constituent authority area, with the target of 80% actioned within three months being narrowly missed and 95% actioned within six months being achieved.

Valuation staff had been heavily involved in discharging the statutory duty of disposing of the revaluation appeals throughout 2018 and aimed to have disposed of approximately 70% by 1 April 2019. Disposal of revaluation appeals was resource intensive and the performance levels were in line with the Assessor's expectations at this time in the 2017 revaluation cycle. Only one target had narrowly been missed and the overall level of performance in all other sectors of the business had continued at such high levels and this was a testament to the staffs' commitment.

DECIDED: That the report be noted.

7 Non-domestic Appeals

There was submitted a report by the Assistant Assessor and 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 and 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 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 the 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.

The report provided information 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 disposal of other outstanding appeals.

The appendix to the report detailed the number of appeals processed; disposed of and outstanding by constituent authority and the Joint Board area as a whole as at 31 December 2018.

DECIDED: That the report be noted.

8 Internal Audit Engagement - Non-domestic Rates Valuation System

There was submitted a report by the Chief Auditor, Renfrewshire Council relative to the audit of the Non-domestic Rates Valuation System.

The report intimated that in line with the Public Sector Internal Audit Standards, Internal Audit must communicate the results of each engagement to the Joint Board. The arrangements put in place is that the Chief Auditor will report summaries of completed audit engagements to the Joint Board on the conclusion of each engagement for formal consideration by members in line with best practice.

The summary for the internal audit review of the Non-domestic Rates Valuation System completed in November 2018 was appended to the report. The summary detailed the overall assurance rating and the number of recommendations in each risk category.

DECIDED: That the summary for the internal audit review of the Non-domestic Rates Valuation System, appended to the report, be noted.

9 Audit Scotland Annual Audit Plan 2018/19

There was submitted a report by Audit Scotland relative to the annual audit plan 2018/19 for the Joint Board which outlined Audit Scotland's planned activities in their audit for the 2018/19 financial year.

The report highlighted that the annual audit plan 2018/19 included a section on Audit Issues and Risks and that within this section Audit Scotland had identified a risk of 'management override of controls'. This risk had been included in the audit plans of all bodies which Audit Scotland worked with, in light of updated international standards on auditing. The inclusion of this risk was not a reflection of increased risk within the Joint Board and Audit Scotland had confirmed that they had not found any issues on this in previous years.

DECIDED: That Audit Scotland's annual audit plan 2018/19 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 31 May 2019 within East Renfrewshire Council Headquarters, Rouken Glen Road, Giffnock.