

## Notice of Meeting and Agenda

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**Monday 11 April 2016 at 10:00am**  
**in the City Chambers, High Street, Edinburgh**

**1 Order of Business**

Including any notices of motion and any other items of business submitted as urgent for consideration at the meeting.

**2 Declaration of Interests**

Members should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

**3 Minute of the Lothian Valuation Joint Board of 8 February 2016**

(circulated) – submitted for approval as a correct record

**4 Period 11 Financial Statement 2015/16 – report by the Treasurer (circulated)**

**5 Assessor's Report to the Joint Board – April 2016 – report by the Assessor and Electoral Registration Officer (circulated)**

**Andrew Kerr**  
Chief Executive and Clerk

## Membership

### **The City of Edinburgh Council (9)**

Councillor Nigel Bagshaw  
Councillor Karen Doran  
Councillor Ricky Henderson  
Councillor Karen Keil  
Councillor Alex Lunn  
Councillor Mark McInnes  
Councillor Adam McVey  
Councillor Jason Rust  
Councillor Norman Work (Convener)

### **Midlothian Council (2)**

Councillor Jim Bryant  
Councillor Margot Russell

### **West Lothian Council (3)**

Councillor Dave King  
Councillor Greg McCarra  
Councillor Barry Robertson (Vice-Convener)

### **East Lothian Council (2)**

Councillor Jim Gillies  
Councillor John McNeil

## Notes:

- (1) If you have any questions about the agenda or meeting arrangements, please contact Lesley Birrell | Committee Services | Strategy and Insight | Chief Executive | City of Edinburgh Council | Business Centre 2:1 | Waverley Court | 4 East Market Street | Edinburgh | EH8 8BG | tel 0131 529 4240 | email [lesley.birrell@edinburgh.gov.uk](mailto:lesley.birrell@edinburgh.gov.uk)
- (2) A copy of the agenda and papers for this meeting will be available for inspection prior to the meeting at the Main Reception Office, City Chambers, High Street, Edinburgh.
- (3) The agenda, minutes and public reports for this meeting can be viewed online by going to [www.edinburgh.gov.uk/meetings](http://www.edinburgh.gov.uk/meetings). Members and Officers of the City of Edinburgh Council can also view them by going to the Orb home page and clicking on Committee Business.



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# Lothian Valuation Joint Board

Edinburgh, 8 February 2016

**Present:**

**City of Edinburgh Council** – Councillors Work (Convener), Bagshaw, Ricky Henderson and McVey.

**East Lothian Council** – Councillors Gillies and McNeil.

**Midlothian Council** – Councillors Bryant and Russell.

**West Lothian Council** – Councillors King and McCarra.

## 1 Minute

**Decision**

To approve the minute of the Lothian Valuation Joint Board of 16 November 2015 as a correct record.

## 2 Solicitor to the Joint Board

Members were advised that the current Solicitor to the Board, Carol Campbell, had intimated her resignation from the City of Edinburgh Council to take up an appointment within another organisation.

It was proposed that the Council's Interim Head of Legal and Risk, Nick Smith, should also assume the duties of Solicitor to the Board.

**Decision**

To appoint Nick Smith, Interim Head of Legal and Risk, City of Edinburgh Council as Solicitor to the Joint Board with immediate effect.

(Reference – report by the Chief Executive and Clerk, submitted)

## 3 Revenue Budget 2016/17

The Board's revenue budget for 2016/17 was presented. The budget would be funded through a flat-cash requisition of £6.118m and a maximum drawdown from the general reserve of £0.364m. The level of drawdown may reduce subject to confirmation of Individual Electoral Registration grant funding for 2016/17 from the Cabinet Office.

The requisition for the past four years had been held at £6.118m. The budget had increased from that approved for 2015/16 (£6.118m) due to increased expenditure arising from Individual Electoral Registration (IER).

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The ongoing financial pressure arising from IER had also been subject to numerous reports to the Board throughout the year.

The Assessor and ERO and the Treasurer recognised the need to move towards a sustainable budget position for 2017/18 and a managed position for 2016/17. Further work required to be undertaken by the Assessor and ERO to identify options to move to a sustainable budget for 2017/18.

Although the Cabinet Office had intimated to the Assessor and ERO that IER funding was likely to be provided for 2016/17 there had been no official confirmation at this stage. Therefore no IER grant had been built in to the 2016/17 budget. Any additional grant subsequently received after the Board had considered the 2016/17 budget could negate the need or reduce the level of drawdown from the general reserve.

### Decision

- 1) To approve the budget for 2016/17 and authorise the Treasurer to requisition the individual constituent Councils for amounts as follows:

Constituent Council	Requisition 2016/17
Edinburgh	£3,743,604
Midlothian	£560,409
East Lothian	£669,309
West Lothian	£1,144,678
<b>Total</b>	<b>£6,118,000</b>

- 2) To approve a reserve drawdown of up to £0.364m to support the 2016/17 budget.
- 3) To note that the Assessor and ERO would report to the Board on options to balance the 2017/18 budget in autumn 2016.
- 4) To note that any additional IER grant received for 2016/17 would be reported at the earliest Board meeting after formal notification was received from the Cabinet Office.
- 5) To note that the Assessor and ERO would update the Board in due course of any changes to IER with service/financial implications.
- 6) To note the risks identified in section 5 of the report by the Treasurer.

(Reference – report by the Treasurer, submitted)

#### **4 Budget Report 2016/17**

The Assessor and ERO provided an overview of the expected costs, income and risk to the Board within the budget provision for the financial year 2016/17.

The Board's Corporate Plan and Service Plan for 2016-2017 were also submitted.

##### **Decision**

To note the report.

(Reference – report by the Assessor and Electoral Registration Officer, submitted)

#### **5 Annual Audit Plan**

The external auditor's annual Audit Plan for the Board for 2015-16 was presented. Joan Dalgleish, Audit Scotland presented an overview of the Audit Plan and highlighted key audit issues and risks.

##### **Decision**

To note the key audit risks and the related assurances received to address these risks and the proposed audit work to be carried out.

(Reference – report by Audit Scotland, submitted)

#### **6 Annual Investment Strategy**

##### **Decision**

To approve the annual investment strategy set out in appendix 1 of the report by the Treasurer.

(Reference – report by the Treasurer, submitted)

#### **7 Operational Governance Framework Review 2016**

A review had been carried out of the following key documents supporting the internal controls, accountability and transparent operation of the Joint Board:

- Standing Orders
- Financial Regulations
- Scheme of Delegation to Officers
- Contract Standing Orders

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**Decision**

- 1) To repeal the existing Lothian Valuation Joint Board's Standing Orders, Financial Regulations, Scheme of Delegation to Officers and Contract Standing Orders and approve in their place the documents set out in appendices 1 to 4 of the report by the Chief Executive and Clerk, such repeal and approval to take effect from 9 February 2016.
- 2) To delegate authority to the Chief Executive and Clerk to take such actions and make such minor adjustments to the documents as may be necessary to allow the above decision to be implemented.
- 3) To note that the Operational Governance Framework documents would be submitted for review at a minimum every five years.
- 4) To note that the Contract Standing Orders may require to be reviewed within 12 months to take account of changes in the EU procurement regime and further legislative changes in Scotland.

**8 Managing Retirement Policy**

A proposed policy for managing retirement of Board staff was presented. The policy aimed to set out options for retirement available to staff and a procedure for staff to follow when they wanted to retire.

**Decision**

To approve the Managing Retirement Policy.

(Reference – report by the Assessor and Electoral Registration Officer, submitted)

**9 Death Benefit Scheme**

Approval was sought for a death benefit scheme for Board staff. The Scheme would provide a grant to be paid to the dependents of staff who died in service to help cover the costs associated with a bereavement.

**Decision**

To approve the Death Benefit Scheme.

(Reference – report by the Assessor and Electoral Registration Officer, submitted)

**10 Special Leave Policy**

The revised Special Leave Policy replaced the Board's Family Care Policy and ensured the Board complied with its statutory duties and that its employees could benefit from modern and flexible working practices which underpin diversity and equality of opportunity.

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**Decision**

To repeal the existing family care policy and approve in its place the Special Leave Policy.

(Reference – report by the Assessor and Electoral Registration Officer, submitted)

**11 Parental Leave Policy**

A new statutory right to Shared Parental Leave (SPL) which came into effect from 5 April 2015 allowed the mothers of children born, and the main adopters of children placed for adoption, on or after 5 April 2015 to end their maternity or adoption leave early and share the remainder of their maternity or adoption leave entitlement with their partners.

The Board's provisions for leave relating to Maternity and Adoption had been reviewed and updated to include this new right. The Policy now set out how the Board would manage Shared Paternity Leave.

**Decision**

To repeal the existing maternity and adoption leave policy and approve in its place the Parental Leave Policy.

(Reference – report by the Assessor and Electoral Registration Officer, submitted)

**12 Future Meeting Arrangements**

**Decision**

- 1) To approve the schedule of meetings for the period to June 2017 as follows:

Monday 20 June 2016 (Unaudited Accounts)	10:00am	Edinburgh
Monday 5 September 2016	10:00am	Edinburgh
Monday 14 November 2016	10:00am	Edinburgh
Monday 6 February 2017 (Revenue Budget)	10:00am	Edinburgh
Monday 10 April 2017	10:00am	Edinburgh
Monday 26 June 2017 (Unaudited Accounts)	10:00am	Edinburgh

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- 2) To agree that the meeting dates be notified to Chief Executives of all constituent authorities represented on the Board.

(Reference – report by the Chief Executive and Clerk, submitted)



## Period 11 Financial Statement 2015/16

11<sup>th</sup> April 2016

### 1 Purpose of report

This report summarises the projected revenue budget outturn position to 31<sup>st</sup> March 2016, based on the position at period ending 29<sup>th</sup> February 2016. The report has been prepared in consultation with the Assessor.

### 2 Main Report

#### Projected Revenue Outturn 2015/16

- 2.1 The table below compares projected revenue outturn 2015/16 with the budget. The forecast variance is an under spend of £0.084m.
- 2.2 The table below details forecasts against the Core Budget and Individual Electoral Registration (IER) income/expenditure that is subject to specific grant funding.

	Core Budget			IER Budget			Total		
	Budget £'000	Forecast £'000	Variance £'000	Budget £'000	Forecast £'000	Variance £'000	Budget £'000	Forecast £'000	Variance £'000
<b>Expenditure</b>									
Employee costs	4,566	4,576	10	128	228	100	4,694	4,804	110
Premises costs	624	556	(68)	0	0	0	624	556	(68)
Transport costs	103	98	(5)	5	0	(5)	108	98	(10)
Supplies & Services	711	742	31	191	200	9	902	942	40
Third Party Payments	95	84	(11)	0	135	135	95	219	124
Support Services	65	65	0	0	0	0	65	65	0
Gross Expenditure	6,164	6,121	(43)	324	563	239	6,488	6,684	196
<b>Income</b>									
Sales, Fees & Charges	(43)	(84)	(41)	0	0	0	(43)	(84)	(41)
IER Grant	0	0	0	(324)	(563)	(239)	(324)	(563)	(239)
Interest	(3)	(3)	0	0	0	0	(3)	(3)	0
Total income	(46)	(87)	(41)	(324)	(563)	(239)	(370)	(650)	(280)
<b>Net Expenditure</b>	<b>6,118</b>	<b>6,034</b>	<b>(84)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,118</b>	<b>6,034</b>	<b>(84)</b>

- 2.3 The forecast of £6.034m above represents an increase of £0.011m to the forecast of £6.023m reported to the Board in November 2015. The Board should note that one off staffing exit costs of £0.102m are now contained within the existing budget forecasts due to the Board now being permitted to operate with a general reserve. These additional costs within the budget have mainly been managed by reducing forecasts in staffing (£0.024m), premises maintenance (£0.020m) and the receipt of £0.039m from the Scottish Government in respect of additional expenditure incurred in connection with the collection and processing of young persons' data ahead of the new franchise entitlement for Scottish Parliamentary and Local Government elections.

## Forecasts to 31<sup>st</sup> March 2016

2.4 The projected outturn of £6.034m against the core budget of £6.118m would result in a net under spend of £0.084m. The principal reasons for the under spend are as follows:

(a) **Employee cost - over spend £0.010m**

This is principally due to the ongoing policy of review and control of vacant posts, off-set by one-off costs associated with early release.

(b) **Premises costs - under spend £0.068m**

Primarily due to a reduction in the electricity forecast and expenditure on general maintenance. The electricity reduction follows de-energising of two meters.

(c) **Supplies and Services – over spend £0.031m**

Primarily due to higher telephone charges resulting from increased usage during election periods and the use of mobile technology for electoral canvass. There's also been other minor increases in general supplies spend.

(d) **Income – over recovery £0.041m**

Mainly the recovery of costs incurred in connection with the collection and processing of young persons' data ahead of the new franchise entitlement for Scottish Parliamentary and Local Government elections. The costs are spread over a number of budget headings.

### Individual Electoral Registration (IER) – funding available 2015/16; £0.563m

2.5 The table below details the one-off funding available for IER. The current forecast assumes that IER grant will either be fully spent during 2015/16 or any balance carried forward to 2016/17. The Cabinet Office are yet to confirm the level of funding that shall be made available for 2016/17.

Income	£'000
IER core grant funding 2015/16	324
IER additional funding 2015/16	25
IER grant funding carried from 2014/15	214
<b>Total</b>	<b>563</b>

### 2.6 Forecast preparation

The forecasts have been prepared based on cost/service information known at the end of February 2016. There are a number of factors that may yet impact on the Board's final outturn for 2015/16; these include:

- Registration and absent vote activity ahead of the Scottish Parliamentary election on 5<sup>th</sup> May 2016 may result in additional expenditure up until the year-end.
- IER justification led bid for an additional £0.139m from the Cabinet Office. Confirmation of a successful bid is outstanding. If the Board is successful and grant is paid by the year-end it will be carried forward in to 2016/17 to meet specific IER costs.

### **General fund balance**

- 2.7 The table below outlines the forecast general fund balance at 31<sup>st</sup> March 2017 based on the 2015/16 under spend included in this report and the 2016/17 budget shortfall reported to the Board in February. Any subsequent change to the outturn 2015/16 and the actual shortfall 2016/17 would adjust the estimated closing reserve.

<b>Reserve</b>	<b>£'000</b>
Balance March 2015	£596
2015/16 budget under spend estimate (per this report)	£84
Budgeted shortfall 2016/17	(£364)
<b>Estimated closing reserve 31.03.17</b>	<b>£316</b>

### **3 Conclusions**

- 3.1 At this stage, there is a projected net under spend of £0.084m against the core revenue budget relating to financial year 2015/16.
- 3.2 At 31<sup>st</sup> March 2015 the Board had an unallocated general reserve of £0.596m.

### **4 Recommendations**

- 4.1 The Board is recommended to note the projected outturn position for 2015/16.

**Hugh Dunn,  
Treasurer.**

# ASSESSOR'S APRIL 2016 KEY WORK ITEMS REPORT TO THE JOINT BOARD



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11 April 2016

## 1.0 PURPOSE OF REPORT

As the timing of this meeting could theoretically generate an end of year performance report, which in practical terms is best provided along with the unaudited accounts in June, I have decided not to provide such a report at this time and only highlight key dates and immediate priorities. The report is to advise and update members as to the priorities, current issues and key dates for the services of the Assessor and Electoral Registration Officer.

## 2.0 ELECTORAL REGISTRATION SERVICE PRIORITIES, CURRENT ISSUES AND KEY DATES

### 2.1 Scottish Parliamentary Election 5<sup>TH</sup> May 2016

- Poll cards and letters were delivered around 17<sup>th</sup> March 2016;
- Letters were issued late March to all households in the Lothians where there are currently no electors registered alerting them to the need to register for the election;
- Cut-off date for new postal votes, to be included in the **first** batch of posting around 14<sup>th</sup> April, was 24<sup>th</sup> March;
- Deadline for receiving applications for registration to vote in the SPE is Monday 18<sup>th</sup> April;
- Deadline for receiving new postal and postal proxy vote applications for the SPE is Tuesday 19<sup>th</sup> April at 5pm;
- 2<sup>nd</sup> and final delivery of postal vote packs around 26<sup>th</sup> April;
- Deadline for receiving new proxy vote applications for the SPE is Tuesday 26<sup>th</sup> April at 5pm;

- Deadline for receiving emergency proxy vote applications for the SPE is 5pm on election day;
- Letters will be delivered advising where absent vote identifiers have not matched around 16<sup>th</sup> May inviting fresh identifiers to maintain the absent votes.

## **2.2 European Union Referendum 23<sup>rd</sup> June 2016**

- Poll cards and letters to be delivered around 20<sup>th</sup> May 2016;
- Cut-off date for new postal votes for overseas electors, to be included in the first batch of posting around 24<sup>th</sup> May, is 10<sup>th</sup> May;
- Cut off date for new postal votes, to be included in the first batch of posting around 1<sup>st</sup> June, is 16<sup>th</sup> May;
- Deadline for receiving applications for registration to vote in the Referendum is Tuesday 7<sup>th</sup> June;
- Deadline for receiving new postal and postal proxy vote applications for the Referendum is Wednesday 8<sup>th</sup> June at 5pm;
- 2<sup>nd</sup> and final delivery of postal vote packs around 15<sup>th</sup> June;
- Deadline for receiving new proxy vote applications for the Referendum is Wednesday 15<sup>th</sup> June at 5pm;
- Deadline for receiving emergency proxy vote applications for the Referendum is 5pm on election day;
- Letters will be delivered advising where absent vote identifiers have not matched in early July inviting fresh identifiers to maintain the absent votes.

## **2.3 2016 Annual Canvass**

- Commence the household canvass with postal delivery of Household Enquiry Forms from 1<sup>st</sup> August 2016;
- Continue engagement activities to encourage registration;
- Commence issue of Invitations to Register from late August 2016;
- Carry out door to door 'annual' canvass for July through to November;
- Process all forms and applications received;

- Publish the Electoral Register on 1st December 2016;
- Carry out the refresh of signatures for absent voters whose signatures are five years old by January 2017.

### **3.0 COUNCIL TAX SERVICE PRIORITIES, CURRENT ISSUES AND KEY DATES**

- Continue to enter new dwellings in the Council Tax List and delete properties no longer defined as a dwelling;
- Update records by carrying out the survey of Council Tax subjects which have been altered and not sold;
- Continue to resolve proposals and appeals against Council Tax banding and answer enquiries;
- Continue to respond to enquiries from elected members and political parties.

### **4.0 NON DOMESTIC RATING SERVICE PRIORITIES, CURRENT ISSUES AND KEY DATES**

#### **4.1 Maintenance of the Non-Domestic Valuation Roll**

- Prepare cases as may be required by the Valuation Appeal Committee;
- Schedule and action the disposal of running roll appeals;
- Survey and value new property or alterations to existing properties to ensure the Valuation Roll is as complete and accurate as possible;

#### **4.2 2017 Revaluation**

- Continue to update databases with rent, cost, turnover and throughput information to ensure analysis is as complete and accurate as possible;
- Draft local and Scottish Assessors' Association practice Notes for use and publication
- Continue to derive rates and carry out valuations in preparation for the 2017 Revaluation;
- Provide uploads of revised Net Annual Values for use by the Scottish Government for budget purposes in line with agreed timetable;

- Complete draft Net Annual Values by 30<sup>th</sup> September 2016;
- Prepare for publication of draft Net Annual Values by mid December 2016.
- Issue Revaluation Notices mid-March 2017

## **5.0 HUMAN RESOURCES AND OFFICE MANAGEMENT**

### **5.1 Records Management**

I have been advised that my Records Management Plan is to be recommended for approval to The Keeper of the Records of Scotland.

I will continue to work with my Records Management Group to improve protocols and record keeping.

### **5.2 Staffing**

I have recruited 3 additional temporary Customer Support Assistants to provide additional assistance during the election periods and autumn canvass.

As a result of a recent Supreme Court decision I need to reconsider the unit of assessment for a large number of properties in preparation for the 2017 revaluation. I have recruited 3 temporary Referencers to assist with the required survey work and ancillary tasks.

## **6.0 FINANCIAL IMPLICATIONS**

There are no financial implications arising from this report.

## **7.0 RECOMMENDATIONS**

As there are no financial implications, nor approvals sought, the Joint Board is requested to note the contents of this report.

**Joan M Hewton**  
**ASSESSOR & ERO**

**4<sup>th</sup> April 2016**