



## **ASSESSOR'S PROGRESS REPORT TO THE LOTHIAN VALUATION JOINT BOARD**

23<sup>RD</sup> April 2019

### **1.0 INTRODUCTION**

The purpose of this report is to update members on current service delivery, priorities and issues.

### **2.0 ELECTORAL REGISTRATION**

#### **2.1 2018 Annual Household Canvass**

The 2018 annual household canvass concluded on the 1<sup>st</sup> December 2018 with the publication of the electoral register.

The number of HEFs and ITRs issued throughout the canvass period was 744,086 HEFs (429,960 initial, 183,709 1<sup>st</sup> reminder and 130,417 2<sup>nd</sup> reminders) and 109,554 ITRs (56,102 initial, 32,917 1<sup>st</sup> reminder and 20,535 2<sup>nd</sup> reminders). The HEF return rate achieved was 75% which compares with 70% in 2016 and 74% in 2017.

The total electorate as at publication was 658,992 which now, following continued canvasser activity, at 1<sup>st</sup> April 2019 stands at 662,308.

Throughout the canvass period 79,186 household canvass calls were made. This activity is ongoing with 27,835 calls in respect of outstanding ITRs being made in the last 3 months.

In respect of electronic response to the annual canvass, 148,463 responses were provided broken down as follows;

119,977 on-line (including e-canvass), 15,444 text, 13,042 telephone.

This compares with 106,361 electronic responses in 2016 and 118,256 in 2017.

## **2.2 Absent Vote Personal Identifier Refresh**

Every year there is a need to undertake a refresh of AVPI information which has reached the 5<sup>th</sup> anniversary from its original submission. There is national co-ordination around this exercise with every ERO undertaking the process during January.

At register publication the standing list of Absent Votes was 123,497. Following the AVPI exercise, where 35,941 requests to provide refreshed identifying information were issued, the standing list number was 119,902.

## **2.3 Engagement Activities**

The Engagement Officer continues to develop and strengthen our electoral engagement strategy. This strategy is built upon a foundation of a series of activities which together promote the overall profile of the organisation and the electoral registration process. These activities create a picture of targeted engagement reflecting either different elector groups or specific electoral events. Each of the activities is subject to review and evaluation which allows modification to be taken in respect of future activities. This ensures resource is being applied to the engagement process in the most effective manner.

A major focus since the end of the 2018 Household Canvass has been working with schools from each of the constituent council areas, encouraging engagement in the electoral process from an early age, whilst providing the opportunity for pupils to register to vote if they have not already done so. 1,219 pupils have been registered as a direct result of school visits by ERO staff, with an additional 4,000 pupil registrations achieved following the issue of ITR forms.

Additionally, a range of other engagement activities have been carried out over the last four months an example of which are outlined below:-

- Attendance at university events and emails issued to students to promote benefits of voter registration at term-time addresses.
- Registration drop-in sessions held to allow people to check their voter registration details ahead of by-elections.
- Attendance at Citizenship Ceremonies. 127 registrations achieved in the last 3 months.
- Further increase the Electoral Registration Office's social media profile through twitter feed - @EROLothianVJB.
- Presentation to service personnel at Glencourse Barracks 'Briefing Day' on the benefits of electoral registration and registration options for service electors.
- Over 12,000 ITRs issued to new Council Tax Payers using a Data Mining software which significantly improves the process.
- Online and in-print advertising in various publications to promote voter registration, particularly through the online system.

## **2.4 Edinburgh/Ward 12 Leith Walk By-Election & East Lothian/Ward 5 Haddington & Lammermuir By-Election**

Two by-elections have been called in the Lothian area. These are Edinburgh Ward 12 Leith Walk to be held on the 11<sup>th</sup> April, and East Lothian Ward 5 Haddington & Lammermuir to be held on the 9<sup>th</sup> May. The electorate numbers in these wards are 24,197 and 14,229 respectively.

The closing dates for last applications to register and last date to submit an absent vote application for the Leith Walk Ward were 26 March and 27 March, while for the Haddington & Lammermuir Ward the dates were 22 April and 23 April.

In order to increase organisational resilience during election periods both these by-elections shall be used as training events for less experienced members of the electoral registration and elections team. While being under constant supervision, it shall allow additional staff to become more familiar with the specific and detailed process requirements surrounding these events. This additional knowledge base shall prove invaluable in the event of a major national election or referendum event.

## **2.5 2020 Annual Household Canvass – Update**

Significant progress is being made at a national level to develop plans to support the changes to the 2020 annual household canvass. Both the Cabinet Office and Electoral Commission have issued documentation to advise of the changes and the steps that require to be taken during 2019 and 2020. In terms of the enabling legislation this is expected to be in place by 2020.

At the Board meeting of 5<sup>th</sup> November 2018 information was provided outlining the canvass process to be adopted from 2020. This involves, following an electoral matching process, the use of 2 routes, one being identified as a “lighter” touch canvass while the other follows a similar path as existing. The primary deciding factor between the two routes being whether all electors in a household had successfully been matched with DWP data.

The results from this matching exercise can be supported by a further local match with locally available data, the aim being to improve the overall match rate and maximise the application of route 1. During the switch to IER in 2014 Council Tax Payers lists were used to support the matching process undertaken at that time. It is the intention to utilise this data set again as part of the new canvass model.

The Cabinet Office has recommended that EROs undertake test exercises involving local data sets during 2019. This shall allow EROs to become familiar with new processes surrounding data manipulation and EMS system changes. By taking cuts of register data and comparing these to local data sets EROs shall be better informed on the currency and quality of the local data.

The Cabinet Office also intend to undertake a test exercise in respect of the national data match process in early 2020. While further detail is expected this, in combination with the local data match exercise, shall give EROs reasonable confidence of the scale of adoption of either of the new canvass routes ahead of commencing the 2020 canvass. This shall aid resource allocation to the various elements of the process and allow a higher level of accuracy concerning canvass cost estimates.

In addition the Cabinet Office are currently developing a third canvass route for those properties or elector groups where traditionally effective engagement has been problematic and where it can be anticipated that the routes 1 and 2 would provide unsatisfactory results. Examples of such groups are residential care homes, HMOs, student residences and hostels. The current proposal is where a “responsible person” can be identified in these establishments who lawfully holds the necessary information on residents they can be approached by the ERO. This route shall be optional and an ERO may choose not to utilise it.

Further update information shall be provided throughout the year to the Board on preparations for the 2020 canvass.

### 3.0 COUNCIL TAX

The table below indicates the number of new houses added to the List by authority over the period 1<sup>st</sup> January 2019 to 31<sup>st</sup> March 2019. In addition the number of bandings increased due to a point of sale adjustment is also included.

<b>Band</b>	<b>Edinburgh</b>	<b>Midlothian</b>	<b>West Lothian</b>	<b>East Lothian</b>
A	33	1	0	0
B	79	3	23	5
C	94	46	59	12
D	148	43	57	30
E	127	12	42	41
F	56	33	37	29
G	72	31	13	57
H	12	0	2	5
<b>Total</b>	<b>621</b>	<b>169</b>	<b>233</b>	<b>179</b>

<b>Point of Sale Increases</b>	<b>Edinburgh</b>	<b>Midlothian</b>	<b>West Lothian</b>	<b>East Lothian</b>
<b>01/01/19 - 31/03/19</b>	<b>44</b>	<b>8</b>	<b>15</b>	<b>10</b>

## **4.0 NON DOMESTIC RATING**

### **4.1 2017 Revaluation Appeal Disposal**

The main focus of NDR activity remains the disposal of 2017 Revaluation appeals. During the period from 1<sup>st</sup> January to date 877 appeals have been disposed of with a further 1,293 currently under citation. As at 31<sup>st</sup> March 2019, and following an appeal disposal start date in March 2018, 50% of all revaluation appeals lodged have been cleared.

Since the start of 2019 more complex and therefore contentious subjects have been dealt with such as cafes, restaurants, hot food takeaways, and self-catering units. As this year develops further progress shall be made with non-bulk subjects. Due to inherent complexities with certain categories, a reduction in the number of appeals dealt with during 2019 in comparison to 2018 is likely to result.

To date, 4,849 appeals have been withdrawn with no reduction while 1,487 have secured a reduction in value. In terms of total rateable value of those appeals dealt with so far, an overall reduction in total rateable value of 1.31% has resulted.

### **4.2 Commercial Rental Evidence (CRE) Form Issue**

Traditionally CRE forms would be issued to all parties associated with let subjects appearing in the Valuation Roll in or around the tone date of a revaluation. This would be supplemented with another issue the following year. The CRE form gathers important information needed to support and inform the process of revaluation and production of the new valuation roll. The previous approach involved the issue of many thousands of forms over a very limited time causing pressure on resources both in terms of the creation and issue/return process, but also the subsequent activity of rental analysis and the assessment of levels of values.

This is a crucial element in the delivery of every revaluation. Using the information returned, Assessors create their schemes of valuation and the levels of value to be applied to the majority of subjects in the Roll and it is against this information that values are subsequently defended during the appeal process.

As part of the preparation for NDR Reform a process for the rolling issue of CRE forms has been developed. Alterations to the Roll and the anniversary dates of lease arrangements create an automatic issue of CRE forms. Commencing in February 2019 this is now a weekly process involving 100 to 200 forms. The combination of regular issue and out-sourcing the print/post process has resulted in a better use of resources and allows the task of form analysis to be integrated into business as usual activities rather than one that involved the reprioritising of significant resource levels between tasks.

Of importance is the level of return that is achieved resulting from an issue. The more information received the more accurate the assessment of rateable values shall be. During the 2017 Revaluation process approximately 55% of all forms issued were returned.

Early indications are that similar return levels are being achieved at present. There is a requirement to improve the messaging to ratepayers in respect of the need to return information and this shall be developed through the current Engagement Strategy. Within the NDR Reform draft legislation provision exists to expand those parties that Assessors can call upon to provide information and the imposition of a civil penalty for non-return of information. Better provision of information is crucial to the successful delivery of 3 yearly revaluation.

### **4.3 Rental Trend Report**

As part of the NDR Reform Engagement Project it was identified that the creation of a report that provides ratepayers and other interested parties with information indicating the movement of rental values from the tone date of a revaluation to the next revaluation period could be used to give an indication of the scale of impact the next revaluation would have on existing rateable values.

This report is currently nearing first draft completion and following pre-publication feedback from interested external partners and organisations shall be launched on the LVJB website. A full report shall be provided to the Board on this engagement exercise at its next meeting in June.

## **5.0 TRANSFORMATION & CULTURAL CHANGE PROGRAMME (TCCP)/NDR REFORM**

As has been identified within the Budget Strategy Report 2019 - 2024 the TCCP is a continuing process of review, modernisation and improvement with outcomes spanning a wide spectrum from budget savings to successful delivery of NDR Reform.

Both the TCCP and NDR Reform Strategy share the following projects that are being actively progressed within the organisation;

- ICT developments supporting the revaluation process, these include the CRE process, rental analysis, assessing levels of value and the creation of values, appeal disposal processes, and the management of the Valuation Roll as it passes from one revaluation phase to another.
- The implementation of process improvements to the Council Tax new house insert process creating opportunities for better use of resources.
- A performance framework that investigates and introduces new and better ways of working allowing better use of resources as set against a competing and challenging set of priorities.

- A training framework that provides support and guidance to staff required to undertake professional career development, the refresh and development of professional technical skills and knowledge, and the development of management and leadership skill sets.
- An Engagement Strategy that supports the Barclay requirement to increase ratepayer understanding of the NDR system, making the valuation process more transparent thereby supporting the drive to reduce appeal volumes.

All of these projects are supported on an ongoing basis by the Project Management Board with overall governance and intervention undertaken by the Assessor. City of Edinburgh Council have recently undertaken an audit on preparations for NDR Reform the results of which shall provide additional focus and direction to the implementation and successful delivery of projects.

Underpinning the overall aims of the TCCP and supporting the process of cultural change the following have commenced or shall commence shortly;

- The appointment of NDR Champions to improve communication to staff on NDR Reform, its implications and how we aim to deliver.
- The creation of a Wider Leadership Team promoting discussion and problem solving of major issues affecting the organisation.
- Direct communication between the Corporate Leadership Team and various staff groups facilitating communication, reinforcement of the change process and influencing the future vision of the organisation.
- A temporary realignment of the responsibilities of the Assistant Assessor post providing greater focus on the identified TCCP/NDR Reform projects and a reinforcement of cultural change.

## **6.0 GOVERNANCE**

An annual report on the activities of the Governance Committee shall be provided at the next meeting of the Board in June.

However noted below are some of the activities undertaken by the Committee during the period January to March 2019;

- A full review of our Risk Management Policy with an evaluation of existing risk registers. This has resulted in the creation of a set of 3 registers focussing on corporate, project and service area risk. Items of risk have been reassessed and reallocated to enable improved management and oversight.
- A review of the Business Continuity Plan is currently in progress. This is to ensure its adequacy, robustness and effectiveness. A disaster scenario session will be held with the corporate team and other relevant staff members as part of this review.

- In accordance with data access and security requirements, the Committee have reviewed existing arrangements and have requested the provision of a bi-monthly report detailing backup and system checks, firewall activity, security incidents, attacks/email interceptions etc. This includes a timetable for further security simulation tests and enforcement of our clear desk policy following the implementation of regular checking exercises.

## **7.0 RECOMMENDATION**

The Board is asked to note the contents of this report.

**Graeme Strachan**  
**ASSESSOR & ERO**