

Notice of Meeting and Agenda

10.00am, Monday, 6th September, 2021

Virtual Meeting - via Microsoft Teams

1. Order of Business

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

2. Declaration of Interests

- 2.1 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. Minutes

- 3.1 Minute of the Lothian Valuation Joint Board of 14 June 2021 – 5 - 8
submitted for approval as a correct record

4. Reports

- 4.1 Interim Assessor's Progress Report to the Lothian Valuation Joint Board – Report by the Interim Assessor and Electoral Registration Officer 9 - 14
- 4.2 Period 4 Financial Statement 2021/22 – Report by the Treasurer 15 - 20
- 4.3 Assessor and Electoral Registration Officer Appointment – Report by the Treasurer 21 - 22

Andrew Kerr

Chief Executive and Clerk

Membership

The City of Edinburgh Council (9)

Councillor Gavin Corbett

Councillor Phil Daggart

Councillor Karen Doran

Councillor David Key (Convener)

Councillor George Gordon

Councillor Gillian Gloyer

Councillor Ricky Henderson

Councillor Jason Rust

Councillor Norman Work

Midlothian Council (2)

Councillor Kieran Munro

Councillor Margot Russell

West Lothian Council (3)

Councillor Andrew McGuire (Vice-Convener)

Councillor Damian Doran-Timson

Vacancy

East Lothian Council (2)

Councillor Jeremy Findlay

Councillor Jim Goodfellow

Notes:

- (1) If you have any questions about the agenda or meeting arrangements, please contact Rachel Gentleman | Committee Services | Strategy and Communications | Chief Executive | City of Edinburgh Council | Business Centre 2:1 | Waverley Court | 4 East Market Street | Edinburgh | EH8 8BG | tel 0131 529 4107 | email rachel.gentleman@edinburgh.gov.uk
- (2) The agenda, minutes and public reports for this meeting can be viewed online by going to www.edinburgh.gov.uk/meetings .

Lothian Valuation Joint Board

14 June 2021

Meeting held virtually by Teams

Present:

City of Edinburgh Council – Councillors Key (Convener), Corbett, Doggart, Gordon, Gloyer, Griffiths (substituting for Councillor Doran), Henderson and Work.

East Lothian Council – Councillors Findlay and Goodfellow.

Midlothian Council – Councillors Smaill (substituting for Councillor Munro) and Russell.

West Lothian Council – Councillors Dodds, Doran-Timson and McGuire (Vice-Convener).

1 Minute

Decision

To approve the minute of the Lothian Valuation Joint Board of 19 April 2021 as a correct record.

2 Interim Assessor's Annual Performance Report to the Lothian Valuation Joint Board

The Annual Performance Report by the Interim Assessor and Electoral Registration Officer was presented to the Board. It provided information on the overview of current service delivery, priorities, risks and future direction, accompanying the unaudited annual accounts for the year.

Statistical performance information provided in the report reflected upon the statutorily defined elements of the Assessor and ERO's key service delivery areas. Comment was also provided on other aspects of organisational activity.

Decision

To note the report.

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

3 Unaudited Annual Accounts for the Year Ended 31st March 2021

The unaudited annual accounts were presented to the Board in accordance with the Local Authority Accounts (Scotland) Regulations 2014, which required that the

Lothian Valuation Joint Board
14 June 2021

Annual Accounts for the year 2020/21 be presented to the Board no later than 31 August 2021.

Decision

- 1) To note the Unaudited Annual Accounts for the year ended 31st March 2021.
- 2) To note that the Audited Annual Accounts for 2020/21 would be presented to the Board on completion of the external audit.
- 3) To note that due to the timing of receipt of pension information, a pension liability adjustment of £0.075m will be made in the Audited Annual Accounts. The pension liability will decrease from £8.125m to £8.050m as a result of the Board's pension fund assets and obligations figures being revised to full-year actuals. This adjustment only affects unusable reserves and does not change the general reserve balance reported in paragraph 4.7 of the report.

(References – report by the Treasurer, submitted)

4 Treasury Management Annual Report 2020/21

The Treasury Management Annual Report for 2020/21 was presented, with information on the investment out-turn for the year.

Decision

To note the Treasury Management Annual Report 2020/21.

(References – report by the Treasurer, submitted)

5 Review of Operational Governance Framework 2021

The Operational Governance Framework required to be reviewed every five years in order to ensure the key documents which supported the internal controls, accountability and transparent operation of the Board remained fit for purpose. The review had been completed and appropriate changes were recommended.

Decision

- 1) To repeal the existing Lothian Valuation Joint Board Financial Regulations, Scheme of Delegation to Officers and Contract Standing Orders and approve in their place the documents set out in appendices 1 to 3 of the report, such repeal and approval to take effect from 15 June 2021.
- 2) To delegate authority to the Chief Executive and Clerk to take such actions and make such minor adjustments to the documents set out in appendices 1 to 3 as may be necessary to implement the decision of the Board in relation to the report.
- 3) To note that the Operational Governance Framework documents would be submitted for review at a minimum every five years.

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

6 Recruitment of a Permanent Assessor and Electoral Registration Officer

An update was presented on the recruitment timetable for a permanent Assessor and Electoral Registration Officer.

Decision

To note the revised recruitment timetable.

(References – report by the Treasurer, submitted)

7 Membership Update

A report provided an update on the membership of the Board.

Decision

- 1) To note West Lothian Council would appoint to the vacancy in due course.
- 2) To accept the reasons for Councillor Munro's absence.

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

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INTERIM ASSESSOR'S PROGRESS REPORT TO THE LOTHIAN VALUATION JOINT BOARD

6th September 2021

1.0 PURPOSE

- 1.1 To provide members with an overview of current service delivery, priorities, risks and future direction.
- 1.2 It should be noted that the majority of staff remain working at home during current Covid restrictions. However, since 9th August a limited number of staff have attended the office to carry out their normal duties. Attendance has been on a rota basis to allow all members of staff the opportunity to work from South Gyle should they wish to do so and also take account of ongoing risks in relation to Covid-19.

2.0 ELECTORAL REGISTRATION – MAINTENANCE

- 2.1 Since the last progress report to the Board in June 2021 all maintenance tasks supporting the registration process have continued.
- 2.2 Key processing volumes reflecting the period April to August inclusive are shown below.

	Edinburgh	Midlothian	West Lothian	East Lothian	Totals
Additions	31,820	3,293	6,185	4,264	45,562
Deletions	19,522	2,154	4,038	2,633	28,347
Amendments	520	74	183	90	867

3.0 ELECTORAL REGISTRATION – HOUSEHOLD CANVASS 2021

- 3.1 The annual household canvass has begun. Phone canvass started on the 26th August and door to door canvass is due to start on the 13th September. Door to door canvass will adhere to strict procedures to mitigate as far as possible any risk from Covid-19.

- 3.2 The data matching process has already taken place and the statistics are shown below alongside the 2020 figures for comparative purposes.

Property Matching Scores

	<u>2020</u>	<u>2021</u>
National Data Matching	58%	58%
Data Matching Post-Local Data	67%	72%

Elector Matching Scores

Electors Matched	75.50%	75.60%
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Property Matching Routes

Number of properties in Route 1	293,652	319,564
Number of properties in Route 2	129,863	108,923
Number of properties in Route 3	17,787	17,931
Response to E-Comms	40%	36%
Response to CCBs	53%	n/a

4.0 ELECTORAL REGISTRATION – LEGISLATION

- 4.1 Currently a new Elections Bill is proceeding through parliament at Westminster. It has had its first reading and has moved onto the second. There is a great deal of content within the Bill and should anyone wish to read it a link is shown below.

<https://publications.parliament.uk/pa/bills/cbill/58-02/0138/210138.pdf>

- 4.2 The particular piece of legislation contained within the Bill that I would like to bring to your attention relates to the introduction of voter ID at national elections, in essence a Westminster general election. It does not relate to Scottish Parliamentary or Scottish Local Government elections.
- 4.3 As it currently stands the responsibility for providing Voter ID to anyone who requires it will rest on the local Electoral Registration Officer. Details of how the provision of Voter ID will work in practice are at an extremely early stage and there are many unknowns at the current time. However, there is clearly a risk to the Board regarding additional costs relating to Voter ID and at the current time I have no details regarding any potential additional funding from Westminster to cover these costs.
- 4.4 It is early days in this process but I felt it prudent to make the Board aware of this change to Electoral Registration. I will provide further updates to the Board at subsequent meetings as the process moves forward.

5.0 ELECTORAL LEGISLATION – ELECTIONS

- 5.1 A by-election was held on August 5th for Ward 5 in West Lothian, East Livingston / East Calder. I am pleased to report that there were no issues. I received one emergency proxy application on the day of the election.
- 5.2 There are currently no further by-elections scheduled at the current time.

6.0 ELECTORAL REGISTRATION ENGAGEMENT

- 6.1 I have continued to engage with unregistered electors in a number of ways. A detailed note of these engagement activities is contained within my report of 14th June 2021.
- 6.2 Traditionally, the reformed annual electoral registration canvass has provided an additional opportunity to engage with electors at every property within the four constituent council areas. The introduction of eCanvass (via email) in 2020, alongside traditional methods of canvass, has presented a supplementary avenue of engagement which we are taking full advantage of.
- 6.3 To ensure service user confidence of the legitimacy of e-communications, prescribed wording is used. This was provided by the Electoral Commission following consumer testing. The LVJB website has been updated to provide information regarding the reformed canvass on the main landing page and 'Electoral' section, as well as the publication of a news item.
- 6.4 There has been further promotion of the annual household canvass through social media, enabling us to work in partnership with the 4 constituent councils communications departments to amplify messaging. This has been focussed on key issue dates and more activity is scheduled throughout the remaining canvass period.

7.0 VALUATION ROLL – MAINTENANCE

- 7.1 For the period 1st April 2021 to 26th August 2021, 1,035 changes have been made to the valuation roll with respect to running roll activities. These changes comprised 234 amendments to existing entries, 314 deletions and 487 inserts with an additional c.1,250 name changes. This compares to 778 changes in the comparative period in 2020 and 1,313 in 2019.

	Edinburgh	Midlothian	W. Lothian	E. Lothian	Total
Inserts	411	23	32	21	487
Deletions	233	28	26	27	314
Amendments	151	22	31	30	234

7.2 This represents about 79% of pre-Covid levels looking at the same period in 2019/20. This figure is a further increase on that reported at the previous three board meetings.

7.3 The internal survey of property has now resumed, though on a limited basis and only if the required information cannot be accessed by other means.

8.0 VALUATION ROLL – APPEALS

8.1 There are currently 396 outstanding 2017 Revaluation appeals, excluding appeals that have been referred to the Lands Tribunal. All of these have been cited for hearing before the end of the calendar year. There are in total 16,500 outstanding running roll appeals of which 9,704 relate directly to Covid. The vast majority of the remainder, though not directly giving Covid as the ground of appeal, will also be Covid related. Further to my verbal update at the last Board meeting the disposal date for these appeals has been pushed back to 31st December 2022. It is also anticipated that the Scottish Government are likely to legislate to remove Covid as a valid ground of appeal. As yet I have no further update on this particular issue.

8.2 The resumption of physical Valuation Appeal Committee hearings is due to begin on the 2nd September which is to be welcomed. Increasing Covid infection rates may change this, though that would ultimately be a decision for the Valuation Appeal Committee. I had a recent on site meeting with the Secretary and Vice-Chairperson of the VAC to ensure that both parties were happy that all appropriate mitigation was in place to allow physical hearings to take place safely.

9.0 COUNCIL TAX – MAINTENANCE

9.1 Over the period 1st April 2020 to 26th August 2021, 3,294 new houses have been added to the list, this compares to 4,898 for the same period in 2019/20.

New Housing	Edinburgh	Midlothian	West Lothian	East Lothian	Total
01/04/21 to 26/08/21	1,095	323	307	458	2,183
01/04/20 to 26/08/20	567	113	169	147	996
01/04/19 to 26/08/19	1,338	263	481	421	2,503

9.2 The figures for 20/21 are running at about 87% of those of 19/20. It's good to see that the new housing volume is nearing pre Covid levels.

9.3 There are currently c.200 outstanding Council Tax appeals. Although, due to statutory disposal dates Revaluation 2017 appeals are taking precedence, I continue to engage with appellants to attempt to resolve their appeals. However, those which require to be heard before the VAC are unlikely to be heard until early 2022.

10.0 COVID – UPDATE

- 10.1 I am ensuring that my staff continue to follow Government advice and are in the main working from home. I have initiated a limited return to the office for staff who wish to do. The attendance is on a very limited basis, at the moment 1 day per week, and a strict rota is in place to ensure any risk of Covid transmission is mitigated as much as possible. Any future reintroduction of restrictions may lead me to having to reconsider this.
- 10.2 Fortunately, we do have a fairly large office and we have amended the layout to mitigate as much as possible issues relating to Covid in anticipation of increased staff attendance. Our Covid Risk Assessment continues to be updated to take account of any changes to Scottish Government guidelines. All updates are published on our website.

11.0 Governance Strategy Group

- 11.1 The most recent meeting of the Governance Strategy Group was held on the 25th August 2021. In attendance were myself, LVJB Head of Governance, Councillors Key, and Russell. Topics discussed were the proposed changes in relation to Voter ID, progress in relation to the St. James Quarter in Edinburgh and an update on limited return to office working.

12.0 Period 4 Financial Statement

- 12.1 I note the content of the Treasurer's Period 4 Financial Statement.

13.0 RECOMMENDATION

- 13.1 The Board is asked to note the content of this report.

Gary Elliott
INTERIM ASSESSOR & ERO

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10.00am, Monday 6th September 2021

Period 4 Financial Statement 2021/22

1. Recommendations

The Board is recommended to note:

- 1.1 the projected outturn position for 2021/22;
- 1.2 note that a further update of the 2021/22 budget will be presented to the Board in October 2021.

Hugh Dunn,

Treasurer

Contact: Iain Shaw, Principal Accountant,

Finance Division, Resources Directorate, City of Edinburgh Council

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Period 4 Financial Statement 2021/22

2. Executive Summary

- 2.1 The forecast is for net expenditure to be £151,000 less than the approved revenue budget of the Board, based on the position at 31st July 2021.

3. Background

- 3.1 The Board's Financial Regulations require presentation of quarterly expenditure monitoring statements. This report summarises the projected outturn at 31st March 2021, based on the position at 31st July 2021. The report has been prepared in consultation with the Assessor and ERO.

4. Main Report

- 4.1 The table below compares projected expenditure for 2021/22 with the approved budget. Based on the position at 31st July 2021, the forecast is for net expenditure to be £151,000 less than budget. This reflects an underspend on employee costs, principally due to an Assistant Assessor vacant post (£103,000) and non-employee cost forecasts reflecting ongoing working from home, with consequent cost reductions in e.g. office running costs (£21,000) and employee travel expenses (£8,000). Third Party Payments and Sales, Fees and Charges estimates reflect current expenditure and income forecasts and 2020/21 outturn.

	Core Budget			Non-Domestic Rates Reform Budget			Total		
	Budget £'000	Forecast £'000	Variance £'000	Budget £'000	Forecast £'000	Variance £'000	Budget £'000	Forecast £'000	Variance £'000
Expenditure									
Employee costs	4,319	4,207	(112)	313	313	0	4,632	4,520	(112)
Premises costs	540	519	(21)	0	0	0	540	519	(21)
Transport costs	76	68	(8)	40	40	0	116	108	(8)
Supplies & Services	750	759	9	18	18	0	768	777	9
Third Party Payments	141	108	(33)	0	0	0	141	108	(33)
Support Services	67	68	1	0	0	0	67	68	1
Gross Expenditure	5,893	5,729	(164)	371	371	0	6,264	6,100	(164)
Income									
Sales, Fees & Charges	(43)	(30)	13	0	0	0	(43)	(30)	13
Interest	(3)	(3)	0	0	0	0	(3)	(3)	0
Total income	(46)	(33)	13	0	0	0	(46)	(33)	13
Planned Unallocated Reserve Drawdown	0	0	0	0	0	0	0	0	0
Net Expenditure	5,847	5,696	(151)	371	371	0	6,218	6,067	(151)

- 4.2 The revenue budget approved by the Board on 15th February 2021 included provision for implementation of the Board's Transformation Programme between 2021 to 2025.
- 4.3 Subject to future workforce requirements, further Voluntary Early Release business cases will be progressed on a phased basis, with updates provided to the Board by the Assessor and ERO. At this stage, no business cases are planned to be progressed in 2021/22.
- 4.4 Employees of the Board continue to work from home, in line with Scottish Government guidance. Additional costs of home working e.g. investment in ICT infrastructure, are forecast to be contained within the approved budget, with savings in office running costs and transport costs forecast.
- 4.5 Constituent councils have funded £371,000 towards the Board's costs of implementing Non-Domestic Rates Reform (NDR) in 2021/22. This funding reflects the NDR reform funding included in the Scottish Government Local Government Finance Settlement 2021/22. It is forecast all this funding will be spent in 2021/22.
- 4.6 The Board has received 9,704 appeals as a consequence of the Coronavirus pandemic and approximately a further 7,000 'Material Change of Circumstances' appeals, which, though not specifically mentioning the Coronavirus pandemic, are likely to be related to the pandemic. The statutory disposal date has been extended by the Scottish Government to 31st December 2022. The Scottish Government have also intimated that they will likely legislate regarding appeals lodged because of the pandemic which may result in these appeals being declared invalid. However, it should be emphasised that any final decision regarding this is unknown at the current time.
- 4.7 At 1st April 2021, the Board had £181,000 available for future Individual Electoral Registration (IER) costs, reflecting Cabinet Office funding carried forward from previous years. The Board's approved budget for 2021/22 includes £92,000 for delivery of IER, with costs to be met from carried forward Cabinet Office grant. To date, no Cabinet Office funding has been advised for 2021/22. Any underspend on IER funding in 2021/22 will be applied to meet IER costs in future years.
- 4.8 In 2020/21 the Scottish Government allocated £487,812 to the Lothian Electoral Registration Officer to facilitate an expected increase in postal vote applications due to the impact of the Coronavirus pandemic. £311,237 was spent in 2020/21 with the balance of £176,575 forecast to be spent in 2021/22.
- 4.9 In February 2018 the Board approved a formal reserves policy based on holding a general reserve with a minimum value of 3% of annual requisition (£0.186m based on 2021/22 requisition). Balances held in excess of 3% require to be reviewed annually in-line with risk/identified commitments
- 4.10 The Board's unaudited general reserve balance at 1st April 2021 is £0.784m. The audited general reserve balance will be reported to the Board at its meeting on

27th October 2021, when the audited annual accounts are presented for approval. An update on financial risks is included at Appendix 1.

5. Background reading/external references

- 5.1 [Revenue Budget 2021/22 and Indicative Financial Plan 2022/23 - 2024/25](#) – report to Lothian Valuation Joint Board 1st February 2021

6. Appendices

- 6.1 Appendix 1 – Financial Risk Analysis

Appendix 1 – 2021/22 Financial Risk Analysis

Risk	Detail	Mitigation
Funding for Additional costs of Non-Domestic Rates Reform	The estimate provided to the Scottish Government was for additional cost of £0.371m for 2021/22.	Local Government Settlement funding has been passed to the Board.
Cost of Individual Electoral Registration (IER)	Following process change, the anticipated additional cost of Individual Electoral Registration (IER) will reduce from 2020/21. A risk remains that additional costs shall continue to be incurred following the formal introduction of the new annual canvass procedure and the removal of Cabinet Office grant funding.	Unspent Cabinet Office grant of £181,000 from previous years is available to fund additional IER costs from 2021/22.
Additional costs incurred to deliver services during Coronavirus Pandemic.	The Board continues to track all expenditure incurred during the Coronavirus pandemic. The move to home working required investment in ICT equipment and to provide support for lone working arrangements.	Ongoing liaison with Scottish Assessor's Association (SAA) and Scottish Government.
Elections/Referendums – budget risk £0.050m	The possibility of either elections or referendums being called within short timetables, or dual electoral events occurring within a year is a financial risk for additional overtime or the use of short-term temporary staff.	Ongoing tracking of cost throughout 2021/22.
Elections/Referendums – increase in uptake of postal voting	There is likely to be a very significant increase in postal votes due to the ongoing Coronavirus pandemic, with additional employee and ICT costs incurred.	In 2020/21, the Scottish Government provided funding to meet additional costs of preparing for an increased postal vote for the Scottish Parliamentary Election 2021. Ongoing liaison with Scottish Assessor's Association (SAA) and Scottish Government.
Economic Changes	Annual values achieved within the non-domestic property sector may fall. If the fall is significant, this may give rise to the right of appeal against rateable values. Receipt of large volumes of appeals would have a significant impact on staff resources.	The Scottish Government has extended the statutory disposal date to 31 December 2022.
Council Tax Reform	Any major legislative change to Council Tax that impacted on the Board is unlikely to be managed within current budgetary provision.	Ongoing liaison with Scottish Assessor's Association and Scottish Government.

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Assessor and Electoral Registration Officer Appointment

10.00am, Monday 6 September 2021

Purpose of report

1. The Lothian Valuation Joint Board is asked to note the decision of the recruitment panel to appoint Gary Elliot as the permanent Assessor and Electoral Registration Officer of the Lothian Valuation Joint Board.

Background

2. The previous permanent Assessor and Electoral Registration Officer of the LVJB retired on 25 September 2020 and since that time interim arrangements have been in place.

Main Report

3. Online advertising and direct marketing to current Assessors and Electoral Registration Officers across Scotland were used to source candidates.
4. Four applications were received and the recruitment panel comprising Councillors Key, Goodfellow, McGuire and Work interviewed all the candidates over two days, 2nd and 5th July 2021.
5. Following the interviews, the recruitment panel agreed to appoint Gary Elliot as the permanent Assessor and Electoral Registration Officer for the LVJB.

Recommendations

6. The Board is asked to note the decision of the recruitment panel to appoint Gary Elliot as the permanent Assessor and Electoral Registration Officer of the Lothian Valuation Joint Board.

**Hugh Dunn
Treasurer**

Appendices

None.

Contact/Tel

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**Background
Papers**