

Notice of Meeting and Agenda

10.00 am Monday, 6th November, 2023

Hybrid Meeting - Dean of Guild Court Room, City Chambers / Microsoft Teams - City Chambers

1. Order of Business

1.1 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

2.1 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. Minutes

3.1 Minute of the Lothian Valuation Joint Board of 18 September 2023 – submitted for approval as a correct record

5 - 8

4. Reports

- 4.1 Assessor's Progress Report to the Lothian Valuation Joint Board – Report by the Assessor and Electoral Registration Officer 9 - 26
- 4.2 Revenue Budget 2023-2027 – Report by the Treasurer 27 - 34

Andrew Kerr
Chief Executive

Membership

The City of Edinburgh Council (9)

Councillor Alan Beal (Vice-Convener)
Councillor Jack Caldwell
Councillor James Dalgleish
Councillor Denis Dixon
Councillor Catherine Fullerton
Councillor Fiona Glasgow
Councillor Stephen Jenkinson
Councillor Max Mitchell
Councillor Alex Staniforth

East Lothian Council (2)

Councillor Carol McFarlane
Councillor John McMillan

Midlothian Council (2)

Councillor Douglas Bowen
Councillor Margot Russell

West Lothian Council (3)

Councillor Alison Adamson
Councillor Tony Boyle
Councillor Tom Conn (Convener)

Notes:

- (1) If you have any questions about the agenda or meeting arrangements, please contact Rachel Gentleman | Committee Services | Legal and Assurance | City of Edinburgh Council | Business Centre 2:1 | Waverley Court | 4 East Market Street | Edinburgh | EH8 8BG | tel 0131 529 4264 | email rachel.gentleman@edinburgh.gov.uk / daniel.baigrie@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 .

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Lothian Valuation Joint Board

18 September 2023

Hybrid Meeting held in the Dean of Guild Court Room, City Chambers, High Street, Edinburgh and virtually by Microsoft Teams

Present:

City of Edinburgh Council – Councillors Beal (Vice-Convener), Caldwell, Dalgleish, Dixon, Fullerton, Glasgow, Jenkinson, Mitchell and Staniforth.

East Lothian Council – Councillor McMillan.

Midlothian Council – Councillors Bowen and Russell.

West Lothian Council – Councillors Adamson, Boyle and Conn (Convener).

Apology – Councillor McFarlane (East Lothian Council).

1 Minute

Decision

To approve the minute of the Lothian Valuation Joint Board of 12 June 2023 as a correct record.

2 Assessor's Progress Report to the Lothian Valuation Joint Board

A progress update by the Assessor and Electoral Registration Officer was presented to the Board. The report provided an overview of current service delivery, priorities, risks and future direction.

Key service priorities over the forthcoming year included:

- Maintenance of the electoral registration process
- Changes to postal votes and proxy votes provisions
- Electoral registration engagement
- Electoral registration voter authority certificates
- Canvass
- Maintenance of the Valuation Roll

Lothian Valuation Joint Board
18 September 2023

- Valuation Roll appeals
- 2023 Revaluation Update
- Council Tax appeals
- Governance Strategy Group – contribution awards, LEADS, digitalisation project
- Continual improvement programme
- HR Policy updates

Decision

- 1) To note the report.
- 2) To approve the draft proposal to transfer job evaluation, scoring and grading from City of Edinburgh Council to the Lothian Valuation Joint Board using the Capital Job Evaluation Scheme.

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

3 Appointment of Board Treasurer

The current Treasurer had indicated his intention to retire from the City of Edinburgh Council. In light of this, the Council had undertaken a recruitment process and approved the appointment of Richard Lloyd-Bithell to the role of Service Director, Finance and Procurement.

Members were asked to approve the appointment of Richard Lloyd-Bithell as Board Treasurer.

Decision

To appoint Richard Lloyd-Bithell as Board Treasurer.

(References – Act of Council No. of 22 June 2023; report by the Chief Executive and Clerk, submitted)

5 Membership Update

The City of Edinburgh Council had recently appointed Councillor Catherine Fullerton in place of Councillor Finlay McFarlane as one of its members on the Joint Board.

Decision

To note the appointment of Councillor Catherine Fullerton to the Joint Board.

(References – Act of Council No. of 22 June 2023; report by the Chief Executive and Clerk, submitted)

6 2022/23 Annual Audit Report to Members of Lothian Valuation Joint Board and the Controller of Audit

The external auditor summarised the findings arising from the 2022/23 external audit as presented to members in the Annual Audit Report.

An unqualified opinion had been given on the financial statements and other prescribed matters. The auditor's opinion stated that the financial statements gave a true and fair view of the state of affairs of the Board at 31 March 2023 and its income and expenditure for the year then ended.

One significant finding had been reported relating to the recognition of the pension asset. The annual report and accounts presented for audit had disclosed a pension asset of £6.25m. This had been reduced to zero with a corresponding adjustment to the pension reserve for the final version in line with the requirements of accounting standards.

The external auditor thanked the Board and the City of Edinburgh Council finance team for their commitment in ensuring that the audit had been carried out smoothly and efficiently.

Decision

To note the Annual Audit Report to members of Lothian Valuation Joint Board and the Controller of Audit, including the Action Plan and management responses.

(Reference – report by the Treasurer, submitted)

7 Audited Annual Accounts for the Year Ended 31 March 2023

The Board had considered the unaudited annual accounts at its meeting on 12 June 2023.

The audited Annual Accounts for the year ended 31 March 2023 were presented to the Board for consideration.

Decision

- 1) To note the audited annual accounts for the year ended 31 March 2023.
- 2) To authorise the annual accounts 2022/23 for signature.

(References – Lothian Valuation Joint Board 12 June 2023 (item 5); report by the Treasurer, submitted)

8 Period 4 Financial Statement 2023/24

A summary was provided of the projected financial outturn at 31 March 2024 based on the position at 31 July 2023.

The forecast was for net expenditure of £6.551m on Assessor's services (core expenditure) and expenditure of £0.216m on Non-Domestic Rates Reform (NDR). A reserve drawdown of £0.704m would be required to meet core expenditure. Forecast expenditure on Non-Domestic Rates Reform would enable a contribution of £0.158m to the Board's earmarked balance to meet future NDR Reform costs.

Decision

- 1) To note the projected outturn position for 2023/24.
- 2) To note that, based on current forecasts, reserves were forecast to be fully utilised during 2024/25 and that it was anticipated that an increase in constituent council requisition would be required from 2024/25.

(References – Lothian Valuation Joint Board 30 January 2023 (item 3) and 12 June 2023 (item 4); report by the Treasurer, submitted)

9 Valedictory Remarks

The Board recorded its appreciation to Hugh Dunn, Service Director, Finance and Procurement, City of Edinburgh Council who was retiring on 30 September 2023, thanked him for his commitment over the years to the work of the Board in his role as Treasurer and wished him well in his retirement.

ASSESSOR'S PROGRESS REPORT TO THE LOTHIAN VALUATION JOINT BOARD

6 November 2023

1.0 PURPOSE

1.1. To provide members with an overview of current service delivery, priorities, risks, and future direction.

2.0 ELECTORAL REGISTRATION – MAINTENANCE

2.1 Since the last progress report to the Board in June 2023 all maintenance tasks supporting the registration process have continued.

2.2 There were 11,855 initial ITR's, 9518 reminder ITR's and 2954 second reminder ITR's issued along with 3778 Postal Votes sent by post between 2 September and 25 October.

2.3 Processing volumes continue to be steady. There were 42527 transactions undertaken for the monthly updates of 2 October and 1 November. During this period work was undertaken on removing electors marked as absent from canvass return within CEC and WLC. Two pieces of evidence are required to remove an elector unless the information is provided by Registrar office or the elector is confirmed as registered elsewhere via a 'movers record' . Names cannot be removed from the register simply on the strength of the name marked as absent from canvass return.
This can reflect in peaks and troughs of additions and deletions for different areas on the monthly update cycle during the canvass period.

The number of additions/deletions/modifications by ward is shown as appendix (A).

Total number of electors and postal voters as at 1 November is shown as appendix (B).

3.0 POSTAL VOTES/PROXY VOTES

3.1 The changes to postal vote and proxy vote (Absent Votes) provisions, which were intimated in a previous report to the Board, took effect on 31 October. All applications for an absent vote in respect of reserved elections require the applicant to provide their NI number or proof of identity via prescribed documents. All such applications must be processed via a government online portal. Postal votes must be renewed after a period of three years.

3.2 These changes have resulted in a divergence in legislation between devolved and reserved elections. Applications for devolved elections cannot be made via the government portal and do not require proof of identity. Indefinite applications continue for such elections with the requirement to refresh the electors signature every 5 years.

- 3.3 There is a transitional period running until 31 January 2026 for existing postal voters to renew their application. The ERO will be required to write to these electors at appropriate time to advise them of this requirement. This is currently being timetabled.
- 3.4 Existing Proxy voters will require to renew their current arrangement for reserved elections by 31 January 2024 although their proxy will remain in place for devolved elections. Those electors will be written to after 31 October 2023 to advise of the position.

Within LVJB these changes will impact on processing times for absent votes and existing procedures. Extensive training has been undertaken on these changes against a background of systems and documentation coming through at very short notice. The EMS used (EROS) has been upgraded to link to the government portal and testing on that has been undertaken. A new suite of absent vote application forms and letters are required. These will be place when the new requirements take effect. The changes to absent voting legislation are being carefully considered in order communication with electors is clear in what is required.

4.0 UK PARLIAMENTARY BOUNDARY CHANGES

Work has been undertaken, in conjunction with elections teams from relevant councils, where changes to the UK Parliamentary constituencies boundaries are being undertaken. Whilst these constituency changes will only take effect at the next General Election there is the intention to publish the next revised register in the new constituencies. In the event of a by election or a recall petition the current constituencies would be used for those events.

5.0 ELECTORAL REGISTRATION ENGAGEMENT

We continue to engage with electors at events such as citizenship ceremonies to encourage voter registration and promote the functions of the Electoral Registration Office.

As part of encouraging young attainers to register we will be matching school lists to our elector database and write to any attainers not shown inviting them to register. Data from education departments are normally received around end of October.

6.0 ELECTORAL REGISTRATION – VOTER AUTHORITY CERTIFICATES

- 6.1 The volumes received continue to be very low. Feedback from the recent Rutherglen and Hamilton West by election suggested that there were no issues and all ran smoothly. Given this the expectation is that applications will remain low even at an election. However, the ability to deal with large volumes has been mitigated for.

7.0 CANVASS

Canvass returns for route 2 properties are disappointing and are down from this time last year. Final return figures will be available once canvass is complete. This downward trend appears consistent with other ERO's experiences. Door to door canvass is due to be completed on 17 November 2023 at

which point our enquiry agents will switch to purely individual elector registration canvass. Publication of the revised Electoral Register be on 1 December 2023.

8.0 VALUATION ROLL – MAINTENANCE

8.1 Since the last report to the Board, the cumulative total of amendments made to the valuation roll for the period 1 April 2023 to 30 September 2023 currently stands at 1275. Of that total of running roll activity, around 60% of the changes have been actioned within 3 months of them becoming effective. That compares with a total of 783 (50% within 3 months) for the equivalent period in the previous year. More focus has been deployed to running roll following the completion of the 2023 revaluation. On that point, certain changes will have been actioned occurred as result of that revaluation becoming effective on 1 April 2023. That can often trigger ratepayers to report certain factual changes to their properties that are not conveyed through other official channels - such as planning applications or building warrants - due to them being notified of a new rateable value for the next three years. We are often made aware of such changes outwith the key three-month target date, but they can only be backdated to 1 April 2023 in accordance with statute.

The breakdown of the nature of the 1275 changes is 298 amendments to existing entries, 594 deletions, 383 inserts. That has been spilt down further and is shown by county in the table below.

	Edinburgh	Midlothian	W. Lothian	E. Lothian	Total
Inserts	230	38	65	50	383
Deletions	422	25	101	46	594
Amendments	159	46	57	36	298

The comparatively high proportion of deletions from the roll (particularly within the City of Edinburgh) will be due to, but not exclusively, a significant number of Self Catering Units that have now reverted back to the valuation list following changes to the legislation in 2022, which added a further qualification for them to remain on the roll. The recent introduction of the licensing of these subjects will have also accounted for a number of these being removed from the roll and place back on the list.

9.0 VALUATION ROLL – APPEALS

9.1 We continue to await confirmation from the SCTS Local Taxation Chamber as to how many appellants have indicated that they wish to maintain their pursuit of the outstanding R17 Covid appeals appeals following their write-out in June 2023. As has been outlined in previous reports, we remain hopeful that the final numbers will not be significant but we are continuing to monitor this situation closely.

9.2 There are approximately 1,000 non Covid Revaluation 2017 appeals that must be disposed of by 31st December 2024. In respect of these appeals, two First Tier Tribunal Hearings have been set by the SCTS Local Taxation Chamber for 30th November and 14th December 2023. Staff are currently engaging with the appellants and agents on these appeals and the current indication is at least one case will proceed before the Tribunal. A further Hearing has also been set for 24th January 2024. As part of the ongoing changes to the organisation developed through agile working, a team of staff will shortly be working exclusively on the resolution of these appeals, prior to the focus shifting to R23 Proposals

10.0 2023 REVALUATION UPDATE

10.1 In respect of the c. 3,500 R23 Proposals received, Technical Support staff have continued to issue acknowledgments and Incomplete Proposal Notices, in line with the prescribed statutory timescale, as the 56 day deadline approached. Focus is now on establishing a timetable for the setting of Proposal Determination Dates (PDD's) and this is involving significant engagement and co-ordination with the Scottish Assessors Association in relation to those subjects valued by reference to national Practice Notes. Planning around the issue of PDD's for those categories of subjects which are not valued by reference to national Practice Notes (examples being shops, offices and industrials) is also underway and we are continuing to undertake training of the valuation staff in order to be as best prepared for dealing with these Proposals as possible.

11.0 COUNCIL TAX – MAINTENANCE

11.1 Over the period 1st April 2023 to 30th September 2023, 3103 new houses have been added to the list, this compares to 3116 for the same period in 2022/23.

Band	Edinburgh	Midlothian	West Lothian	East Lothian	Total
A	180	-	16	2	198
B	205	53	48	16	322
C	147	55	138	69	409
D	278	75	131	100	584
E	233	79	75	111	498
F	170	97	163	127	557
G	216	82	87	118	503
H	22	5	3	2	32
Total	1451	446	661	545	

11.2 There are currently 269 outstanding Council Tax appeals, of which 43 are invalidly made. At present, 35 cases have been cited for hearings before the new First Tier Tribunal with dates between now and January, the first cases for Lothian having been heard on 18 October.

11.3 As the review of Self Catering Units for 2022/23 draws to a close, we have confirmed the status of 1315 properties from a total of 1653 original requests. The staff resource on this project has now decreased significantly, though the introduction of the licensing requirement for Self Catering Units has resulted in a notable increase in requests for properties to revert to domestic valuation.

While not all as a result of the licencing requirement, many of these requests being in progress, it is worth noting that 231 self catering units have been removed from the Valuation Roll since April 23.

12.0 REVENUE BUDGET 2023-2027

12.1 I note the content of the Treasurer's Revenue Budget Report.

13.0 GOVERNANCE STRATEGY GROUP

The group recently met to discuss Phase 2 CIP progress, to conduct the contribution awards ceremony and discuss the proposed CLT session on the implementation of Management of Capability procedures

13.1 Contribution awards

The event was attended in person and virtually by staff members and there was an excellent turnout. The awards were attended also by the Convenor , Vice Convenor and Councillor Russell.

In my view the awards were a great success and provide a valuable link between the Board and its employees.

14.0 CONTINUAL IMPROVEMENT PROGRAMME

14.1 CIP update

The Continual Improvement Programme (CIP) continues to make excellent progress

We are holding an initial corporate leadership workshop to assess internal management performance against our recently introduced Management of Capability Procedure framework on Tuesday 7 November. It is anticipated that this will commence a programme of analysis and evaluation into improving our performance targets and service delivery objectives.

I am also looking at the Administration side of the office to bring in improvements there and realise potential cost savings.

15.0 HR POLICY UPDATES

15.1 Modern Apprentice within LVBJ

I have attached at Appendix 2 a proposal to engage a Modern Apprentice within LVJB

15.2 Proposal to undertake Job Evaluation within LVJB

Further to Appendix 2 of the Board Report dated 18th September 2023 (Proposal to undertake Job Evaluation within LVJB), we are pleased to provide information in Appendix 3 of this report in relation to mapping of job evaluation scores using the Capital Job Evaluation Scheme to correlate to the Lothian Valuation Joint Board salary scales. The Board is now asked to approve the proposal to commence job evaluation within LVJB.

16.0 RECOMMENDATION

16.1 The Board is asked to note the content of this report and to approve the paper at Appendix 2.

Michael Wilkie
ASSESSOR & ERO

Attached:

Appendix 1- Electoral Statistics

Appendix 2 -Lothian Valuation Joint Board – Proposal to engage a Modern Apprentice within LVJB

Appendix 3- Job Evaluation Scores – Salary Mapping to LVJB Salary Scales

Appendix 1- Electoral Statistics

Appendix (A) Table Registration Changes by month – October to November

1: The City of Edinburgh Council			Change			
Eligibility Date			Add	Del	Mod	Total
02-Oct	01 Almond		296	430	23	749
	02 Pentland Hills		218	338	23	579
	03 Drum Brae/Gyle		159	325	17	501
	04 Forth		267	508	29	804
	05 Inverleith		354	575	15	944
	06 Corstorphine/Murrayfield		174	338	12	524
	07 Sighthill/Gorgie		387	761	16	1164
	08 Colinton/Fairmilehead		181	262	11	454
	09 Fountainbridge/Craiglockhart		292	509	9	810
	10 Morningside		423	747	19	1189
	11 City Centre		469	797	14	1280
	12 Leith Walk		515	982	14	1511
	13 Leith		396	708	12	1116
	14 Craigtinny/Duddingston		306	483	16	805
	15 Southside/Newington		416	704	13	1133
	16 Liberton/Gilmerton		293	404	31	728
	17 Portobello/Craigmillar		351	471	26	848
	Total		5497	9342	300	15139
01-Nov	01 Almond		335	375	12	722
	02 Pentland Hills		234	311	6	551
	03 Drum Brae/Gyle		224	274	10	508

<i>Eligibility Date</i>	<i>01-Nov</i>	<i>01 Musselburgh</i>	<i>184</i>	<i>246</i>	<i>3</i>	<i>433</i>
		<i>02 Preston, Seton and Gosford</i>	<i>133</i>	<i>142</i>	<i>1</i>	<i>276</i>
		<i>03 Tranent, Wallyford and Macmerry</i>	<i>157</i>	<i>156</i>	<i>4</i>	<i>317</i>
		<i>04 North Berwick Coastal</i>	<i>78</i>	<i>114</i>	<i>3</i>	<i>195</i>
		<i>05 Haddington and Lammermuir</i>	<i>133</i>	<i>219</i>	<i>7</i>	<i>359</i>
		<i>06 Dunbar and East Linton</i>	<i>93</i>	<i>159</i>	<i>8</i>	<i>260</i>
		<i>Total</i>	<i>778</i>	<i>1036</i>	<i>26</i>	<i>1840</i>
ELC	Total		1507	1427	79	3013
			<i>Change</i>			
3: Midlothian Council						
			<i>Add</i>	<i>Del</i>	<i>Mod</i>	<i>Total</i>
<i>Eligibility Date</i>	<i>02-Oct</i>	<i>01 Penicuik</i>	<i>68</i>	<i>47</i>	<i>11</i>	<i>126</i>
		<i>02 Bonnyrigg</i>	<i>131</i>	<i>78</i>	<i>8</i>	<i>217</i>
		<i>03 Dalkeith</i>	<i>104</i>	<i>34</i>	<i>12</i>	<i>150</i>
		<i>04 Midlothian West</i>	<i>155</i>	<i>57</i>	<i>9</i>	<i>221</i>
		<i>05 Midlothian East</i>	<i>71</i>	<i>48</i>	<i>6</i>	<i>125</i>
		<i>06 Midlothian South</i>	<i>89</i>	<i>34</i>	<i>18</i>	<i>141</i>
		<i>Total</i>	<i>618</i>	<i>298</i>	<i>64</i>	<i>980</i>
			<i>Add</i>	<i>Del</i>	<i>Mod</i>	<i>Total</i>
	<i>01-Nov</i>	<i>01 Penicuik</i>	<i>82</i>	<i>152</i>	<i>3</i>	<i>237</i>
		<i>02 Bonnyrigg</i>	<i>136</i>	<i>198</i>	<i>1</i>	<i>335</i>
		<i>03 Dalkeith</i>	<i>97</i>	<i>142</i>	<i>5</i>	<i>244</i>
		<i>04 Midlothian West</i>	<i>201</i>	<i>200</i>	<i>6</i>	<i>407</i>
		<i>05 Midlothian East</i>	<i>80</i>	<i>123</i>	<i>1</i>	<i>204</i>
		<i>06 Midlothian South</i>	<i>95</i>	<i>144</i>	<i>2</i>	<i>241</i>
		<i>Total</i>	<i>691</i>	<i>959</i>	<i>18</i>	<i>1668</i>
MLC	Total		1309	1257	82	2648

			<i>Change</i>			
<i>4: West Lothian Council</i>						
			<i>Add</i>	<i>Del</i>	<i>Mod</i>	<i>Total</i>
<i>Eligibility Date</i>	<i>02-Oct</i>	<i>01 Linlithgow</i>	<i>101</i>	<i>67</i>	<i>5</i>	<i>173</i>
		<i>02 Broxburn, Uphall and Winchburgh</i>	<i>136</i>	<i>68</i>	<i>12</i>	<i>216</i>
		<i>03 Livingston North</i>	<i>167</i>	<i>101</i>	<i>16</i>	<i>284</i>
		<i>04 Livingston South</i>	<i>199</i>	<i>106</i>	<i>14</i>	<i>319</i>
		<i>05 East Livingston and East Calder</i>	<i>187</i>	<i>69</i>	<i>15</i>	<i>271</i>
		<i>06 Fauldhouse and the Breich Valley</i>	<i>112</i>	<i>66</i>	<i>7</i>	<i>185</i>
		<i>07 Whitburn and Blackburn</i>	<i>115</i>	<i>72</i>	<i>8</i>	<i>195</i>
		<i>08 Bathgate</i>	<i>137</i>	<i>99</i>	<i>17</i>	<i>253</i>
		<i>09 Armadale and Blackridge</i>	<i>90</i>	<i>66</i>	<i>14</i>	<i>170</i>
		<i>Total</i>	<i>1244</i>	<i>714</i>	<i>108</i>	<i>2066</i>
	<i>01-Nov</i>	<i>01 Linlithgow</i>	<i>77</i>	<i>175</i>	<i>0</i>	<i>252</i>
		<i>02 Broxburn, Uphall and Winchburgh</i>	<i>173</i>	<i>279</i>	<i>6</i>	<i>458</i>
		<i>03 Livingston North</i>	<i>145</i>	<i>337</i>	<i>6</i>	<i>488</i>
		<i>04 Livingston South</i>	<i>189</i>	<i>322</i>	<i>8</i>	<i>519</i>
		<i>05 East Livingston and East Calder</i>	<i>259</i>	<i>307</i>	<i>6</i>	<i>572</i>
		<i>06 Fauldhouse and the Breich Valley</i>	<i>145</i>	<i>268</i>	<i>5</i>	<i>418</i>
		<i>07 Whitburn and Blackburn</i>	<i>256</i>	<i>391</i>	<i>7</i>	<i>654</i>
		<i>08 Bathgate</i>	<i>150</i>	<i>357</i>	<i>12</i>	<i>519</i>
		<i>09 Armadale and Blackridge</i>	<i>75</i>	<i>211</i>	<i>3</i>	<i>289</i>
		<i>Total</i>	<i>1469</i>	<i>2647</i>	<i>53</i>	<i>4169</i>
WLC	Total		2713	3361	161	6235

(B) Table-Postal Voters and Total Electorate at 1 November 2023

<i>Council</i>	<i>Postal Voters</i>	<i>Total electorate</i>
<i>CEC</i>	<i>92,369</i>	<i>395,082</i>
<i>ELC</i>	<i>21,563</i>	<i>89,389</i>
<i>MLC</i>	<i>17,429</i>	<i>76,470</i>
<i>WLC</i>	<i>29,920</i>	<i>146,882</i>
TOTAL	161,281	707,823

Lothian Valuation Joint Board – Proposal to engage a Modern Apprentice within LVJB

1.0 Introduction:

- 1.1 This paper outlines the rationale for Lothian Valuation Joint Board to welcome a Modern Apprentice into our workforce.
- 1.2 Any Modern Apprentice would be facilitated via [QA](#), who are funded by Skills Development Scotland and specialise in modernising workforces by championing digital, IT and technological training and solutions. QA have placed more than 30,000 Modern Apprenticeships to date in the UK and have 100,000 Modern Apprenticeship applications annually.

2.0 Background Information

- 2.1 LVJB has developed an excellent working relationship with QA over a number of years, utilising their training and development opportunities to update and modernise the skills of our staff.
- 2.2 Due to our organisation size, we are duty bound to submit payment to the Apprenticeship Levy. In the last 2-3 years, we have significantly built upon accessing associated funding available to us, namely the Flexible Workforce Development Fund, which we facilitate via Edinburgh College. This has provided a wide breadth of training and development to benefit and upskill our workforce.
- 2.3 The success of the above has provided a catalyst for us to give further consideration as to what funding is available to us to benefit, develop and modernise our workforce.
- 2.4 A number of meetings have taken place with QA to scope out how a Modern Apprentice could fit into our organisation with mutual benefits for us and young candidates.

3.0 Modern Apprenticeship Pathway – Digital Applications Support Programme

- 3.1 We have considered the selection of Modern Apprenticeship pathways and compared these against the roles, requirements, and responsibilities within our organisation.
- 3.2 We have concluded that a Modern Apprentice following the Digital Applications Support Programme would be an ideal fit for our office requirements. This programme is 10-12 months in duration. More detailed information on the programme content and qualifications gained can be found [here](#).
- 3.3 Structured and clear outcome-based milestones are set out from month one to month 12 of the programme, with a Skills Coach from QA working closely with us and the Apprentice to provide support and tracking.
- 3.4 The programme is delivered using a combination of on and off the job training, with the Apprentice dedicating at least 2-3 hours out of the working week to focus on diploma work.

- 3.5 The Apprentice would also attend two weeks virtual classroom training, consisting of:
- 1 week = PC passport
 - 1 week = office system user (e.g. cyber security, GDPR etc).
- 3.6 On completion of SCQF Level 6, the Apprentice will have a qualification equivalent to an HNC level.
- 3.7 We anticipate that the Apprentice will be provided with the opportunity to work in a variety of areas of Lothian Valuation Joint Board, gaining experience and exposure to the breadth of our activities.

4.0 Funding a Modern Apprentice

- 4.1 We propose to fund the basic salary and employer oncosts for a Modern Apprentice within the resources of Lothian Valuation Joint Board budget, principally via Barclay Funding. Salary offered will comply with the Scottish Living Wage minimum threshold.
- 4.2 Apprenticeship training is funded by the Scottish Government on the following basis:
- Age 16 – 19: fully funded to complete training and qualification.
 - Age 20 – 24: partially funded (programme dependent) to complete training and qualification.

5.0 Recruitment:

- 5.1 There are two options to consider for recruitment arrangements:

Option 1: QA's optional recruitment service. QA's engagement team would work alongside LVJB to find the best candidate for the role. QA invest in engagement with schools, matching candidate portfolios to our requirements. Recruitment service Information Document available upon request Recruitment fee TBC.

Option 2: LVJB undertake recruitment process, promoting the opportunity for a Modern Apprentice. Upon selection and as long as the candidate matches funding requirements, the successful candidate is enrolled onto the programme by QA.

6.0 Benefits and Advantages for Lothian Valuation Joint Board

- 6.1 The Apprentice will receive formal training and support directly from QA, to provide them with a technical grounding, skills and experience to grow and contribute effectively to our work and our objectives.
- 6.2 The Apprentice will follow a training programme which focuses on the most in-demand skills, such as cyber, IT, software development and data analytics.
- 6.3 Introducing the new role of Modern Apprentice has the potential to provide us with opportunities for a fresh look at reviewing and improving our induction procedure and training frameworks.
- 6.4 A Modern Apprentice offering will enable us to attract new talent and build on our technical skills and digital innovation. At the end of the programme there could be potential for us to extend the employment of the Apprentice or offer a permanent contract.
- 6.5 During their training programme, an Apprentice will acquire skills and knowledge which may be shared and transferred with our existing staff members.

- 6.6 The programme provides opportunities for our existing staff to develop mentoring and coaching skills by working with an Apprentice.
- 6.7 Offering a Modern Apprenticeship is a fixed term commitment. If we do not realise the anticipated benefits after one year then we are able to remove ourselves from the scheme with no obligation to continue into year 2.
- 6.8 Alternatively, as the Apprentice will be given opportunities to develop and contribute in areas throughout our organisation, this may provide prospects to employ the Apprentice on a more permanent basis at the end of their programme, should a suitable vacancy become available.

The Board are asked to approve the above proposal for LVJB to participate in engaging a Modern Apprenticeship.

Hannah Carruthers
HR Manager
October 2023



Job Evaluation Scores –

Salary Mapping to LVJB Salary Scales

LVJB Salary Scale			LVJB JE Score
LVJB Grade	LVJB Point	LVJB Salary	LVJB Score parameter
GS1	3	£16,859	Below Living Wage
	4	£17,319	
	5	£17,801	
	6	£18,267	
	7	£18,737	
	8	£19,206	
	9	£19,753	
GS2	10	£20,554	200 - 300
	11	£20,993	
	12	£21,405	
GS3	13	£21,725	301 - 350
	14	£21,989	
	15	£22,418	
AP1	15	£22,418	351 - 400
	16	£22,854	
	17	£23,232	
	18	£23,765	
AP2	19	£24,279	401 - 425
	20	£24,849	
	21	£25,457	
	22	£26,025	
AP3	23	£26,666	426 - 450
	24	£27,091	
	25	£27,846	
	26	£28,662	
AP4	27	£29,499	451 - 485
	28	£30,375	
	29	£31,459	
	30	£32,414	
AP5	31	£33,330	486 - 525
	32	£34,242	
	33	£35,179	
	34	£36,099	
PO1	35	£36,781	526 - 565
	36	£37,667	
	37	£38,675	
	38	£39,736	
PO2	39	£40,953	566 - 600
	40	£41,590	
	41	£42,661	
	42	£43,753	
PO3	42	£43,753	601 - 630
	43	£44,805	
	44	£45,894	
	45	£46,922	

CEC Salary Scale			CEC JE Score
CEC Grade	CEC Point	CEC Salary	CEC Score parameter
N/A	N/A	N/A	N/A
1	19	£20,626	200 - 250
	20	£20,870	
2	21	£21,133	251 - 300
	22	£21,434	
3	23	£21,697	301 - 350
	24	£21,989	
4	25	£22,185	351 - 400
	26	£22,467	
	27	£22,749	
	28	£23,031	
	29	£23,331	
	30	£23,651	
	31	£23,970	
	32	£24,195	
	33	£24,590	
	5	34	
35		£25,266	
36		£25,567	
37		£25,924	
38		£26,262	
39		£26,581	
5	40	£26,919	401 - 450
	41	£26,975	
	42	£27,276	
	43	£27,764	
	44	£28,103	
	45	£28,497	
	46	£28,854	
	46	£28,854	
6	47	£29,267	451 - 500
	48	£29,680	
	49	£30,094	
	50	£30,507	
	51	£30,901	
	52	£31,352	
	55	£32,648	
	56	£33,137	
	57	£33,588	
	58	£34,057	
7	59	£34,565	501 - 565
	60	£35,034	
	61	£35,560	
	62	£35,973	
	63	£36,575	
7	64	£37,025	501 - 565
	65	£37,570	
	66	£38,059	
	67	£38,641	
	68	£39,186	
	69	£39,712	
	70	£40,275	
8	70	£40,275	566 - 630
	71	£40,849	
	72	£41,460	
	73	£41,697	
	74	£42,328	
	75	£42,979	
	76	£43,591	
	77	£44,222	
8	78	£44,952	566 - 630
	79	£45,602	
	80	£46,293	
	81	£46,983	
	82	£47,654	

PO4	45	£46,922	631 - 650
	46	£48,006	
	47	£49,084	
	48	£50,289	
PO5	48	£50,289	651 - 670
	49	£51,440	
	50	£52,581	
	51	£53,773	
PO6	51	£53,773	671 - 695
	52	£55,060	
	53	£56,300	
	54	£57,599	
PO7	54	£57,599	696 - 760
	55	£58,962	
	56	£60,345	
	57	£61,770	
	58	£63,281	
	59	£64,778	
	60	£66,275	
	61	£67,781	
62	£69,283		
PO7	63	£70,888	761 - 825
	64	£72,542	
	65	£74,285	
	66	£76,072	
	67	£77,833	
	68	£79,762	
PO7	70	£83,568	826 - 900
	71	£85,526	
	72	£87,532	
	73	£89,541	

9	82	£47,654	631 - 695
	83	£48,402	
	84	£49,153	
	85	£49,863	
9	86	£50,573	631 - 695
	87	£51,322	
	88	£52,151	
	89	£52,940	
9	90	£53,670	631 - 695
	91	£54,498	
	92	£55,346	
	93	£56,155	
	94	£57,042	
	94	£57,042	
10	95	£57,831	696 - 760
	96	£58,699	
	97	£59,607	
	98	£60,435	
	99	£61,427	
	100	£62,253	
	101	£63,230	
	102	£64,169	
	103	£65,090	
	104	£66,142	
	105	£67,081	
	106	£68,152	
11	106	£68,152	761 - 825
	107	£69,185	
	108	£70,237	
	109	£71,251	
	110	£72,303	
	111	£73,411	
	112	£74,482	
	113	£75,609	
	114	£76,774	
	115	£77,957	
	116	£79,103	
	117	£80,230	
12	117	£80,230	826 - 900
	118	£81,508	
	119	£82,672	
	120	£83,912	
	121	£85,171	
	123	£86,411	
	124	£87,669	
	125	£89,015	

10.00am, Monday 6th November 2023

Revenue Budget 2023 - 2027

1. Recommendations

The Board is recommended to note:

- 1.1 the forecast of a reserve drawdown of £0.720m required to achieve a balanced Core budget for 2023/24;
- 1.2 the updated financial planning estimates for the period 2023/24 to 2026/27 included at Appendix One;
- 1.3 Board reserves are forecast to be fully utilised during 2024/25. It is anticipated an increase in constituent council requisition will be required from 2024/25;
- 1.4 Financial plan estimates will be the subject of further update at the Board meeting of 6th February 2024.

Richard Lloyd-Bithell

Treasurer

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Revenue Budget 2023 - 2027

2. Executive Summary

- 2.1 For 2023/24, it is forecast expenditure on Assessor's services will be £6.567m, with expenditure of £0.219m on Non-Domestic Rates (NDR) Reform.
- 2.2 The forecast is an increase in cost of £19,000 from the position reported to the Board on 18th September 2023. The increase is a consequence of the most recent COSLA pay award offer to local government employees, partly offset by vacant posts.
- 2.3 A reserve drawdown of £0.720m will be required to meet core expenditure. Forecast expenditure on Non-Domestic Rates Reform will enable a contribution of £0.155m to the Board's earmarked balance to meet future NDR Reform costs.
- 2.4 Financial plans have been updated for the period 2023 to 2027.

3. Background

- 3.1 The Board's Financial Regulations require presentation of quarterly expenditure monitoring statements. The report has been prepared in consultation with the Assessor and ERO.

4. Main Report

- 4.1 At its meeting on 30th January 2023, the Board approved a revenue budget for 2023/24. The report [Revenue Budget 2023/24 and Indicative Financial Plan 2024/25 - 2026/27](#) refers. The approved budget required a drawdown of £0.578m from the Board's Reserve.

Revenue Budget 2023/24

- 4.2 The forecast is for expenditure of £6.567m on Assessor's services (core expenditure) and expenditure of £0.219m on Non-Domestic Rates Reform. A reserve drawdown of £0.720m will be required to meet core expenditure. Forecast expenditure on Non-Domestic Rates Reform will enable a contribution of £0.155m to the Board's earmarked balance to meet future NDR Reform costs.
- 4.3 The forecast includes provision of £0.303m for a pay award uplift to reflect the most recent COSLA pay award offer to local government employees. The approved budget made provision of £0.142m for a 3% pay award. The current offer results in a budget pressure of £0.161m for the Board. The pay award

pressure is forecast to be offset on a one-off basis by vacant posts in 2023/24. The forecast underspend of £0.155m on NDR Reform is due to vacant posts.

4.4 The forecast includes Voluntary Early Retirement release costs of £0.446m and salary savings of £0.219m in 2023/24 arising from the approved [Continual Improvement Programme](#), as reported to the Board in the Period Four Finance Update on 18th September 2023.

4.5 The table below compares projected expenditure for 2023/24 with the approved budget based on the position at 30th September 2023.

	Core Budget and Individual Electoral Registration			Non-Domestic Rates Reform Budget			Total		
	Budget £'000	Forecast £'000	Variance £'000	Budget £'000	Forecast £'000	Variance £'000	Budget £'000	Forecast £'000	Variance £'000
<u>Expenditure</u>									
Employee costs	4,930	5,072	142	376	219	(157)	5,306	5,291	(15)
Premises costs	617	617	0	0	0	0	617	617	0
Transport costs	51	51	0	0	0	0	51	51	0
Supplies & Services	687	687	0	0	0	0	687	687	0
Third Party Payments	228	228	0	0	0	0	228	228	0
Support Services	67	67	0	0	0	0	67	67	0
Gross Expenditure	6,580	6,722	142	376	219	(157)	6,956	6,941	(15)
<u>Income</u>									
Government Grant	(88)	(88)	0	0	0	0	(88)	(88)	0
Sales, Fees & Charges	(44)	(44)	0	0	0	0	(44)	(44)	0
Interest	(23)	(23)	0	0	0	0	(23)	(23)	0
Total income	(155)	(155)	0	0	0	0	(155)	(155)	0
Expenditure less Income	6,425	6,567	142	376	219	(157)	6,801	6,786	(15)
FUNDING									
Council Requisition	(5,847)	(5,847)	0	(374)	(374)	0	(6,221)	(6,221)	0
Reserve (Drawdown)/Contribution	(578)	(720)	(142)	(2)	155	157	(580)	(565)	15
NET EXPENDITURE	0	0	0	0	0	0	0	0	0

4.6 Based on the forecast, a reserve drawdown of £0.720m will be required to meet core expenditure in 2023/24. This would result in an un-earmarked reserve balance of £0.164m at 31st March 2024, after maintaining the Board's minimum level of unallocated reserve of £0.180m.

4.7 All costs will be subject to ongoing review for the remainder of 2023/24.

4.8 It is forecast that £0.155m will be contributed to the NDR Reform earmarked balance in 2023/24, resulting in an earmarked NDR Reform reserve balance of £0.386m at 31st March 2024. The balance will be used to meet future NDR Reform costs, including addressing the implications of changes in law in the valuation of non-domestic rates for self-catering properties.

Treasury Management

- 4.9 The Board's cash management is undertaken by the City of Edinburgh Council. Cash balances are offset by expenditure incurred by the Council on behalf of the Board. Interest on cash balances will be calculated in March 2024.

Financial Plan 2024-2027

- 4.10 The Board's Indicative Financial Plan 2024 to 2027 has been updated for:
- 4.10.1 the most recent COSLA pay award offer for 2023/24.
 - 4.10.2 annual savings of £0.288m identified through the Continual Improvement Programme, as reported to the Board on 12 June 2023.
- 4.11 A summary of the Financial Plan 2023 to 2027 is included at Appendix One.
- 4.12 Pending confirmation of the pay award for 2023/24, pay awards for future years are based on an award of 3%.
- 4.13 The Financial Plan is based on a 'flat-cash' Council requisition for Core services of £5.847m. The Board has maintained a council requisition of £5.847m since 2018/19, with the last increase in requisition being in 2009/10.
- 4.14 A deficit of £0.530m is forecast for 2024/25, based on forecast public sector pay awards and continuation of 'flat-cash' council funding. This rises to £1.050m by 2026/27. Non-earmarked reserves are forecast to be fully exhausted in 2024/25.
- 4.15 The [Revenue Budget 2023/24 and Indicative Financial Plan 2024/25 - 2026/27](#) report considered by the Board on 30 January 2023 pointed to a need for requisitions to increase from 2024/25.
- 4.16 The Indicative Financial Plan 2024 to 2027 indicates an increase in requisition of 8.5% (£0.530m) may be required to achieve a balanced budget in 2024/25.
- 4.17 An update on the financial risks is included at Appendix 2.
- 4.18 The Financial Plan will be the subject of ongoing review and development.
- 4.19 Potential options to develop the budget on a more sustainable basis include:
- 4.19.1 further development of the Board's Continual Improvement Programme;
 - 4.19.2 review of the outcome of the tri-ennial actuarial valuation of the Board's Pension Fund contributions;
 - 4.19.3 ongoing review of non-employee costs;
 - 4.19.4 discussion with constituent councils regarding future years' requisition.
- 4.20 Budget estimates will be updated in consultation with the Assessor and ERO to develop a budget for approval by the Board at its meeting on 6th February 2024.

5. Background reading/external references

- 5.1 [Revenue Budget 2023/24 and Indicative Financial Plan 2024/25 - 2026/27](#) – report to Lothian Valuation Joint Board, 30th January 2023
- 5.2 [Continual Improvement Programme](#) - report to Lothian Valuation Joint Board, 12th June 2023
- 5.3 [Period 4 Financial Statement 2023/24](#) - report to Lothian Valuation Joint Board, 18th September 2023

6. Appendices

- 6.1 Appendix 1 – Update of Indicative Financial Plan 2024-2027
- 6.2 Appendix 2 – Financial Risk Analysis

Appendix 1 – Update of Indicative Financial Plan 2024-2027

	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000
Core/ Individual Electoral Registration	6,567	6,541	6,723	6,897
Non-Domestic Rates Reform	219	374	379	394
Total	6,786	6,915	7,102	7,291
Total Requisition	(6,221)	(6,221)	(6,221)	(6,221)
Operating shortfall/(surplus)	565	694	881	1,070
Use of Reserves				
General Reserve drawdown - Core	(720)	(164)	0	0
General Reserve – NDR Reform	155		(5)	(20)
Shortfall	0	530	876	1,050
Reserve Balances				
Unallocated Reserve	(1,064)	(164)	0	0
General Reserve Drawdown- Core	720	164	0	0
Approved Reserve Balance (3%)	(180)	(180)	(180)	(180)
Unallocated General Reserve - closing	(164)	0	0	0
NDR Reform				
Balance – 1 st April 2023	(231)	(386)	(386)	(381)
Forecast contribution/drawdown	(155)	0	5	20
Total Earmarked Reserve – NDR Reform	(386)	(386)	(381)	(361)

Appendix 2 – 2023/24 Financial Risk Analysis

Risk	Detail	Mitigation
Pay Award	The 2023/24 revenue budget makes provision for a pay award of 3%. Each additional 1% is estimated to cost £47,000.	The financial impact of the most recent COSLA pay award offer is included in Month Six forecast.
Office Energy costs	Energy budgets are based on full office occupancy and include an uplift for anticipated price increases. Given the current volatility in energy costs, there is a risk of additional cost.	Ongoing tracking of cost throughout 2023/24. Liaison with City of Edinburgh Council Energy and Sustainability Team.
Funding for additional costs of Non-Domestic Rates Reform	The estimate provided to the Scottish Government for additional cost for the Board is £0.374m for 2023/24. Failure to receive Scottish Government funding will impact on delivery of the required changes.	Fully mitigated - constituent councils have paid the funding of £0.374m, which was included in the Local Government Settlement 2023/24 to the Board.
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 in terms of staff overtime or the use of short-term temporary staff to meet the demand placed on the electoral registration process.	Ongoing tracking of cost throughout 2023/24.
Continual Change Programme costs	The cost of the Continual Change Programme exceeds estimates.	Ongoing tracking and review of cost estimates.
Economic Changes	An increase in the number of rateable value appeals would have a significant impact on staff resources to achieve disposal by the statutory date of 31 December 2023.	Legislative changes being progressed by the Scottish Government may mitigate this risk.
Council Tax Reform	Any major legislative change to Council Tax that impacts 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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