UPDATE ON NON DOMESTIC RATES REFORM

1.0 INTRODUCTION

The report provides an update on the progress being made, at a national and local level, in respect of the implementation of NDR Reform.

2.0 LEGISLATION

2.1 The Local Government and Communities Committee have concluded their Stage 1 investigations into the draft NDR Reform (Scotland) Bill, having received evidence, both written and oral, from a wide range of stakeholders.
The Stage 1 report is available at:
https://www.parliament.scot/S5_Local_Gov/Inquiries/20191003_NDR_Stage_1_Report.pdf

2.2 The Committee have at this stage indicated that it supports the general principles of the Bill.

2.3 Following debate in Parliament of the Stage 1 report the Committee shall now move to consider amendments to the draft Bill during November 2019 as part of the Stage 2 process.

2.4 The Bill remains on schedule for enactment on 1st April 2020.

2.5 The Scottish Government's NDR Team continue to consider the detailed requirements of the proposed new proposal/appeal process that shall underpin a number of the key aspects of the Reform Bill.

2.6 A final report from the Barclay Advisory Implementation Group Appeal Sub-Group has been published and is available here. https://www.gov.scot/ISBN/9781839602412/

2.7 Draft regulations providing detail on the proposal/appeal process are anticipated by the end of the year with a consultation period to conclude prior to summer 2020.

3.0 NDR REFORM IMPLEMENTATION

3.1 Progress with organisational projects aimed at securing delivery of the NDR reform package is in accordance with individual project timetables.

3.2 The projects are subject to monthly review by the Project Board and the Project Governance Group.

3.3 The individual projects are;

- A Basic Rates Evaluator system to support the creation of rateable values within the 3 year revaluation cycle.
- A Revaluation Management System to support the administrative processes required to simultaneously maintain and update the Valuation Roll while preparing the Revaluation Roll.
- The development of in-field devices linked to back office systems allowing the better use of employee resources.
- The development of a Training Framework which, amongst other aspects, supports and assists the successful progression of trainee posts allowing qualification in the shortest time available.
- A Performance Framework that reviews and identifies key changes in current internal processes allowing better use of employee resources.
- Early project definition is underway to support the new proposal/appeal framework and new powers to issue civil penalties for non-return of information. Progress with both these projects is subject to further clarity surrounding necessary legislation.
- A longer term Engagement project linked to national initiatives aimed at increasing ratepayer understanding and awareness of the NDR system.

3.4 Where possible ICT development and innovation is being used as the vehicle to deliver on aspects of the NDR Reform agenda.

4.0 BUSINESS STRATEGY 2020/23 & NDR REFORM

4.1 The Business Strategy 2020/23 identifies the NDR Reform agenda as one of the key challenges faced by the organisation.

4.2 The individual projects noted above form part of the overarching Strategy Framework aimed at consolidating the identified challenges and providing the necessary outcomes for each.

4.3 Current expenditure arising from the NDR Reform agenda has been limited to two staff comprising an ICT Analyst and an ICT Network Technician. No further recruitment is anticipated during 2019/20.

4.4   The exact nature and extent of any future recruitment appropriate to support the delivery of the NDR Reform agenda shall form part of considerations within the overall context of the Business Strategy.

5.0   NDR REFORM RISK REGISTER

5.1   The attached NDR Reform Risk Register provides an update position on identified key risks.

6.0   RECOMMENDATION

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

Graeme Strachan
ASSESSOR & ERO

Att: NDR Reform Risk Register

NDR REFORM RISK REGISTER

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
1	Annual Reduction in Core Funding	Finances		The Business Strategy 2020/23 identifies the key challenges facing the organisation including the requirement to satisfy the NDR Reform agenda while managing the required budgetary control.		G Strachan		G Strachan	Feb 2020
2	Failure to identify risks within Barclay Roadmap process	Project Board		Roadmap versioning aims to reflect the emerging picture of the full requirements including the associated national timetable. Risks are assessed and mitigated as part of this process		G Strachan	Continue to monitor draft Bill progress and development of supporting regulations. Develop key revaluation and associated appeal disposal timetables for 2022 and 2025.	G Elliott	April 2020

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
3	Lack of Resources to deliver Barclay requirements	Resources		Additional funding requirement has been established. This forms part of the Business Strategy considerations where recruitment shall be balanced against the other key challenges faced.		G Strachan	Develop key revaluation and associated appeal disposal timetables for 2022 and 2025.	G Elliott	Mar 2020
4	Organisational staffing structure fails to support delivery of Barclay requirements	Resources		Headline workload pressures have been identified with mitigating projects under progress.		CLT	Develop key revaluation and associated appeal disposal timetables for 2022 and 2025 allowing identification of pinch points and resource pressures.	G Elliott	Mar 2020
5	Unrecognised impact on existing VR maintenance tasks	Resources		Existing Performance Framework project identifies opportunities to support BAU activities.		G Strachan	Introduce process changes and evaluate effectiveness	G Elliott	Mar 2020

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
6	Administrative processes unable to support delivery of Barclay requirements	Process		Project Initiation Documents have been created in order to identify level of change requirement to support these process.		CLT	Continue to monitor draft Bill development and associated regulations	N Chapman	Mar 2020
7	Lack of project Management Skills	Audit		Project definitions and required progress have been established with Project Managers and a Project Governance regime initiated.		G Strachan	N/A	Project Board	Complete
8	Lack of Project Board terms of Reference	Audit		Project Terms of Reference established		B Callaghan	N/A	B Callaghan	Complete
9	Lack of Project Change Management Process	Audit		Project Board shall initiate project change process		PMB	Creation of project change templates and associated approval process	B Callaghan	Complete

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
10	Lack of process identifying project costs and benefits	Audit		The PMB meetings have incorporated this requirement, documenting outcomes and raising emerging issues with CLT		PMB	N/A	B Callaghan	Complete
11	Lack of RIADS logs for projects	Audit		Raids logs allow individual project risks and issues to be identified and mitigated.		PMB	Logs under construction allowing completion by Project Managers	B Callaghan	Complete
12	Lack of system testing plan	Audit		Detailed testing plans allow effective and expected delivery and performance of major ICT developments		PMB	Existing testing plan templates to be enhanced accordingly.	B Callaghan	Nov 2019
13	Creation of post implementation project reviews	Audit		Project reviews allow reflection on expected deliverables and the implementation of additional remedial action if necessary		PMB	A formal and documented project review process shall be created and initiated when appropriate.	B Callaghan	Dec 2019

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
14	Failure of ICT developments to meet final Barclay requirements	Project Board	🟥	Current projects are being constantly aligned with current/ongoing knowledge of Barclay requirements and projects at this stage allow flexibility for change.	🟩	G Strachan	Scheduled re-assessment of project outcomes as set against requirements.	CLT	Dec 2019
15	Failure to support project development with appropriate internal communication	Comms.	🟧	End user involvement during project creation and implementation creates wide knowledge base. Wider scale internal communication reflecting on the operational changes projects shall have is essential for end user acceptance	🟩	PMB	PM's to develop internal communication schedules.	Project Managers	Dec 2019
16	Failure to identify all required projects to deliver Barclay requirements	Project Board	🟥	Continue to monitor draft Bill development and associated regulations, review and consider organisational implications.	🟧	G Strachan	Initiate PID's as appropriate.	CLT/PMB	Mar 2020