

## ASSESSOR'S UPDATE REPORT TO THE LOTHIAN VALUATION JOINT BOARD

15 June 2020

### 1.0 INTRODUCTION

- 1.1 The purpose of this report is to provide Board members with an update on the activities of the organisation during the Covid pandemic.
- 1.2 Following Government advice, the organisation went into lockdown as from Monday 23 March 2020 with all staff sent home and office premises closed.
- 1.3 The necessary preparation to allow full remote access to IT systems by staff had been established during the weeks and days before lockdown.
- 1.4 As a result, the majority of staff had immediate access to essential systems at the commencement of working at home (WAH).
- 1.5 Over the following weeks those few staff whose access was limited due to inadequate hardware were brought online as new laptop PC's were sourced and distributed.
- 1.6 During lockdown public recourse to the organisation has been via email and telephone with call centre staff operating from home.
- 1.7 In order to maintain an appropriate service level, once a week two staff have been on site to undertake mail opening, scanning, printing and mail out activities.
- 1.8 During WAH a high level of communication has been maintained throughout the office. The use of Microsoft Teams has allowed a schedule of meetings to be created and executed with excellent levels of participation.
- 1.9 A key focus at this time has been maintaining the health and wellbeing of staff. The office intranet has provided staff with information to assist them through lockdown, giving advice on mental health, physical wellbeing, dealing with isolation, finding the right balance while working at home, and providing links to organisations where professional assistance is available. An Entertainments Committee has also been active, providing an essential "remote coming together" facility for staff.

1.10 From within the management team, a COBRA team was formed, which meets daily to review productivity levels on functional requirements, monitor progress on key statutory deliverables, maintain a focus on staff health and wellbeing, ensure essential governance and audit activity continues, maintain the budgetary process, and now, commence the process to support the Restart Programme.

1.11 All staff have received weekly updates from the Assessor throughout lockdown.

## **2.0 ELECTORAL REGISTRATION – CANVASS 2020**

2.1 All UK Governments have indicated that the new approach to canvass should go ahead during 2020.

2.2 While there may be some minor adjustment to the intended process in order to reflect social distancing requirements there are, at present, no changes proposed to the new canvass process.

2.3 Based on the current timetable the Lothian 2020 Household Canvass shall commence in early August.

2.4 During April the dry run match process went ahead with all electors shown on the register, prior to the December 2019 General Election, being matched to DWP data bases.

2.5 The returned match rate was 67%. It is anticipated that this rate shall rise following matching with local data sets and as a result of using register data that is post 2019 General Election which saw high levels of registration applications processed.

2.6 Those electors/households that are matched follow what is known as the “lighter touch” canvass route which considerably minimises the existing chase requirement.

2.7 The essential planning and timetabling to support the new canvass approach is in place and is subject to periodic reviews and refinements resulting from information received from Cabinet Office and EMS suppliers.

2.8 Plans are under construction to support social distancing and virus containment requirements within the office that specifically reflect the issues arising from handling and processing paper forms during canvass.

## **3 ELECTORAL REGISTRATION – REGISTRATION APPLICATIONS**

3.1 During WAH the registration maintenance process has been ongoing, in fact the vast majority of electoral processes have been maintained very successfully throughout this period.

3.2 The following processing levels have been achieved between the 18 March to 29 May 2020:

- 7,849 online registration applications

- 2,019 paper registration applications
  - 761 paper absent vote applications
  - 9,430 miscellaneous transactions and updates such as name changes, amendments, etc
  - 12,525 ITR's have been issued
  - 234 young person applications have been processed following school visits conducted prior to lockdown
  - 3,542 letters encouraging registration issued to young persons during lockdown.
- 3.3 The statutory requirement to prepare and publish monthly updates to the Register has been fulfilled with copies of updates provided electronically.

#### **4 ELECTORAL REGISTRATION – ELECTIONS**

- 4.1 All notified by-elections prior to the lockdown have been postponed.
- 4.2 Currently, the following revised dates have been released, West Lothian Council Ward 4 Livingston South 1<sup>st</sup> October 2020 and City of Edinburgh Council Ward 14 Craigtinny/Duddingston 12<sup>th</sup> November 2020.
- 4.3 The Elections Management Board are currently considering measures that may have to be taken to ensure the Scottish Parliament Election can take place in May 2021 reflecting any social distancing and virus containment requirements that may be in place at that time.

#### **5 ELECTORAL REGISTRATION – LEGISLATION**

- 5.1 Franchise changes allowing prisoners serving a prison term of 12 months or less to register to vote were legislatively enabled as from 1 April 2020.
- 5.2 The necessary changes to registration application and postal vote forms have been supplied by the Electoral Commission, however to date no application requests have been received.
- 5.3 Further franchise changes allowing all foreign nationals to register are expected to be enacted as from 1 August 2020, in time for the 2020 Household Canvass.

#### **6 NDR – VALUATION ROLL MAINTENANCE ACTIVITIES**

- 6.1 The outturn position in respect of the 2019/20 NDR key performance indicator reflecting the time taken to make amendments to the Valuation Roll indicated that 67.29% of all amendments were made within 3 months of their effective date. This represents an encouraging improvement in performance from 2018/19 where 57.86% was achieved.
- 6.2 Under WAH conditions amendments to the Valuation Roll have continued and from 18 March to 29 May 2020, 836 value changes, by way of amendments, inserts and deletions have been processed, in addition to 2,311 non-value alterations such as name changes.

- 6.3 Additional information have also been provided to all Councils to assist with business support grants and rates relief applications made available to ratepayers during the pandemic.
- 6.4 NDR maintenance activities have been affected during this period due to the inability to conduct external property survey and the cessation of processing of building warrants submitted in paper format by council planning departments. Warrants received in electronic format have continued to be processed.
- 6.5 Obviously, during this period, construction and building alteration works have in the main ceased giving rise to fewer completed alterations and new builds requiring assessment for NDR purposes.

## **7 NDR – APPEALS**

- 7.1 During this period 2017 revaluation appeals already under citation have continued to be dealt with leading to 1,206 appeals being disposed of.
- 7.2 Due to the inability to survey property requests for continuations of appeal discussions to a later date have increased. This has led to around 40% of cited appeals being continued to a date later in the year.
- 7.3 The Valuation Appeal Committee is currently not sitting to hear cases, dealing only with administrative aspects of Committee hearings remotely. It is unclear at what time the Committee shall be in a position to sit and recommence hearing cases.
- 7.4 This continuation of appeals shall create pressure on the schedule of hearings already in place for the autumn and winter period, with the ability to conclude disposal of revaluation appeals by 31 December 2020 put in doubt.
- 7.5 Scottish Government is aware of this pressure which affects all Assessors and consideration is being given to an extension being granted to the statutory disposal date.
- 7.6 In a matter of weeks during March 2020, circa 10,000 material change of circumstance appeals were lodged by ratepayers citing the impact of the pandemic as having a negative impact on value levels.
- 7.7 These appeals are currently being processed with to date 8,371 being validated and 4,978 acknowledged. Work is ongoing to complete this initial administrative process.
- 7.8 In total circa 50,000 mcc appeals have been lodged nationally with the vast majority having a statutory disposal date of 31 March 2021.
- 7.9 Again, the Scottish Government is aware of this additional pressure and discussions are ongoing with interested parties as to the best approach to disposal to be adopted.

7.10 It should also be noted that while the date of the next Revaluation, 1 April 2022, remains unchanged, possible alterations to the tone date, upon which values shall be based, is being considered by Scottish Government.

## **8 COUNCIL TAX – MAINTENANCE ACTIVITIES**

8.1 Council Tax maintenance activities have continued under WAH conditions with 495 new houses being added to the List during the 18 March to 29 May 2020 period.

8.2 In addition, the necessary processes to set up new housing estates has proceeded in anticipation of recommencement of construction and house sale activity.

8.3 The level of new house inserts over this period is down by around 50% in comparison to previous years. This is due to a very significant reduction in house sale transactions and the cessation of on-site construction work.

8.4 Progress with Council Tax appeals has been made where possible. However, where a property survey is required or requested by the ratepayer it has not been possible to conclude discussions. These appeals shall be concluded when it is deemed safe and there is reduced risk to undertaking property inspections.

## **9 GOVERNANCE AND AUDIT**

9.1 The 2019/20 Annual Governance Report is attached at Appendix 1.

9.2 This report provides members with an overall assurance that the organisation is delivering services within an appropriate governance and internal control framework.

9.3 Information is provided on the governance and internal control measures, and identified improvement plans, associated with the 7 principles of the CIPFA/SOLACE framework for Delivering Good Governance in Local Government.

9.4 The report also includes information on the key Quality Assurance activities undertaken during the year, activity on strategic objectives, and primary corporate and service plan deliverables.

9.5 Throughout WAH internal Quality Assurance and audit work has continued with all primary process areas continuing to be assessed.

9.6 External audit work with both City of Edinburgh Council and Scott Moncrieff has also been progressed.

9.7 Corporate, strategic and project risk registers have been maintained and audited, suitably amended to reflect Covid.

9.8 During 2020/21 a review of the composition and function of the external LVJB Governance Group shall be undertaken with a view to the creation of a formal terms of reference. This shall involve a series of short interviews with Board members to assess opportunities to improve information provision and governance performance.

## **10 COVID-19**

10.1 The senior management team have commenced the necessary preparations and planning that shall allow the office to re-open while following and respecting Government guidelines on minimising risk within the workplace.

10.2 Of primary importance and key focus is the health, safety and wellbeing of all staff.

10.3 Social distancing, hand hygiene, office cleaning and controlling staff attendance are key elements of the return to work programme.

10.4 These issues are reflected in proposals to control staff movement and flow within the office, use of communal facilities, restrictions on meeting room use, desk layouts, sanitiser locations, and signage.

10.5 Risk assessments are being undertaken and a Covid Risk Assessment shall be published in due course.

10.6 The headline return to work timetable is as follows, implement office preparations by June/July, commence a very limited and controlled return to the office during late July, review effectiveness of office operation and allow greater levels of access by staff to the office during August.

10.7 It should be noted that a review of the success of Working at Home shall be undertaken with a view of formalising such an approach and embedding it into the ongoing operation of the office and its way of delivering services.

10.8 The return to work programme shall be kept under constant review in order to reflect new Government guidance, particularly in the event of changes to the current pandemic trends.

## **11 RECOMMENDATION**

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

APPENDIX 1

2019/20

Annual Governance Statement



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## 1. Introduction

Lothian Valuation Joint Board (LVJB) takes responsibility for ensuring that it conducts its business in accordance with legislation and proper standards, and that public money is properly accounted for and used economically, efficiently and effectively. LVJB has a duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, LVJB establishes proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

LVJB acknowledges its responsibility for ensuring that there is effective governance within the organisation and as such has developed a Code of Corporate Governance that defines 3 main principles.

### Accountability

- as a public body we are held accountable to citizens and stakeholders
- we implement good practice in reporting, quality assurance and auditing

### Transparency

- processes, procedures and data are directly accessible to those who need them, and enough information is provided to understand and monitor them
- we engage with our stakeholders and help them understand the services we provide

### Effectiveness & efficiency

- the organisation produces results that meet service delivery needs while making the best use of its resources
- we operate in a manner to secure an environment of continuous improvement

LVJB's Governance Group provides internal assurance and quality control over the primary functions and services of the organisation. This group also reports externally to members of the Joint Board. The responsibility for leading and directing the annual reviews of the effectiveness of LVJB's governance arrangements and providing ongoing oversight and robust challenge, is City of Edinburgh Council (CEC) Internal Audit and external auditors Scott Moncrieff.

## 2. Governance Assurance Framework

Our governance framework comprises the culture, values, systems and processes by which the organisation is directed and controlled. It enables the LVJB to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services in an efficient manner.

Internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It assures that in conducting its business, LVJB reflects the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government.

<b>Principle 1</b>	<b>Behave with integrity, has strong ethical values and respects the rule of law</b>
Evidence	The Corporate Leadership Team (CLT) actively promote a culture of integrity and values. Following a recent external audit, we have produced code of conduct for Board members which dovetails with our existing employee code. This, combined with other internal policies such as public interest disclosure, scheme of delegation, data protection, anti-bribery and disciplinary, which all fall under a regular review framework, ensures a clear understanding of the importance of exemplary behaviour and ethics in all areas of the Joint Board's work.
Improvement plan	1) Implement member code of conduct 2) Ensure policy review framework is being adhered to
<b>Principle 2</b>	<b>Ensure openness and comprehensive stakeholder engagement</b>
Evidence	Following the publication of the Barclay review report in 2017, LVJB are making significant efforts to improve the ways in which we engage with our stakeholders. This includes moving to a more accurate 3 yearly valuation model, standardised and easier to understand documentation and improvements to the <a href="http://www.saa.gov.uk">www.saa.gov.uk</a> website. Our first annual Governance statement was produced in 2019 and was presented to the Joint Board and published on our website ( <a href="http://www.lothian-vjb.gov.uk">www.lothian-vjb.gov.uk</a> ) to provide greater clarity on our accountability.
Improvement plan	1) Continue to assess and develop new ways of engaging with stakeholders 2) Consider what additional information can be made available to ratepayers
<b>Principle 3</b>	<b>Seek outcomes in terms of sustainable economic, social, and environmental benefits</b>
Evidence	As part of the Transformation Programme Phase 2, LVJB have created a Business Strategy 2020/2023 which is aimed at meeting the financial position of the Board and challenges in terms of service delivery. Several challenges have been identified which include responding to fiscal constraints, delivering Non-Domestic Rates (NDR) Reform, legislative changes to electoral registration, modernisation, process review and cultural change.
Improvement plan	1) Continue to develop and monitor the implementation of the Business Strategy 2020/2023
<b>Principle 4</b>	<b>Determine interventions necessary to optimise the achievement of intended outcomes</b>
Evidence	LVJB has established a robust project management framework to provide the optimal likelihood of delivering several key projects to enable the delivery of NDR Reform and organisational change. Although KPI performance is satisfactory and selected improvement in the performance management of areas of the organisation has been made, further enhancement is required. The current performance framework is a multi-faceted programme including training, personal development, challenging cultures, Wider Leadership Team (WLT), etc. LVJB operates under a flat cash budget with core costs approved for the 2020-2021 financial year.
Improvement plan	1) Continue to review the performance framework to ensure it is fully imbedded in the organisation

<b>Principle 5</b>	<b>Develop capacity, including the capability of its leadership and the individuals within it</b>
Evidence	The Business Strategy 2020/2023 is integral to not only meeting financial and service delivery challenges, it is also essential to enabling organisational change. The Strategy will introduce more efficient ways of providing service delivery with a more flexible and leaner workforce. Investment in staff training continues with increased internal capability gained through “train the trainer” courses and sustained progress in professional competencies. A Wider Leadership Team (WLT) meets every 2 months to learn and share from each other’s experiences and knowledge.
Improvement plan	1) Continue to expand the role and purpose of the WLT within the organisation
<b>Principle 6</b>	<b>Manage risk and performance through robust internal control and strong financial management</b>
Evidence	The LVJB Risk Management Framework has undergone a recent review to enable more effective identification, assessment and mitigation of risk. Risk is a standing item on both the monthly CLT and bi-monthly Governance Committee meetings. Specific corporate risk, for example NDR and Electoral Registration Reform, are presented to the Joint Board. The organisation is subject to annual internal and external audit reviews with reports identifying any control weaknesses and assurance recommendations produced. The red, amber and green (RAG) status of ongoing projects which are managed under the project framework are reported at monthly CLT meetings to provide evidence of progress or otherwise. LVJB has an internal Governance team who are responsible for ensuring all information compliance and statutory obligations are met. This includes confirming that all information and records management procedures, data sharing agreements, privacy notices, ICT acceptable use, information handling and incident reporting policies, etc. are understood and observed.
Improvement plan	1) In accordance with the Public Records (Scotland) Act undertake a progress update review in 2020 2) Continue to create and review all necessary DSA’s with relevant third parties
<b>Principle 7</b>	<b>Implement good practice in transparency, reporting, and audit to deliver effective accountability</b>
Evidence	LVJB produce and publish a suite of reports on its external website. These include statements on annual corporate & service plans, financial regulations, records management, standing orders, annual corporate assurance statements, etc. Ongoing specific KPI and overall performance statistics and financial statements are presented to the Joint Board. The Annual Governance statement is being developed to more closely align with Corporate Governance Framework compliance requirements. A suite of audit and QA reports (see Section 3) is presented monthly to the CLT providing assurance over key service provision.
Improvement plan	1) Continue to review and enhance the Annual Governance Statement 2) Consider undertaking a Corporate Governance Framework self-assessment exercise

### 3. The role of Quality Assurance

We continue to maintain and promote the role of quality assurance within the organisation. Emphasis is placed on providing stakeholder confidence that the level of service provided meets expectation and offers additional protection against inaccuracies. Assurance is provided both internally to the Corporate Leadership Team and externally by improved information provision and transaction accuracy. The Governance Committee has overall scrutiny of all reported actions and recommendations. The current suite of QA activity checks is shown in the table below.

Function	Task	Description
<b>Council Tax</b>	Interface Audit	Audit Reports are produced for each interface period. Checked and emailed weekly to the four constituent councils.
	Point of Sale Reports	Weekly check for the same period as the interface report. Confirm accuracy of sales date which is applied as the effective and liability date for any change in banding.
	Council Tax Assurance Checks	The Council Tax managers carry out a 10% check of all self-verified transactions. QA will carry out an assurance check on 10% of all self-verified and verified transactions as a second line check. Report on any anomalies or transactions incorrectly processed. The report is run on a weekly basis for the same period as the interface report but includes additional entries for Point of Sales where the original banding has been retained which are not interfaced.
<b>Valuation Roll</b>	Interface Audit	Audit Reports are produced for each interface period. Checked and emailed weekly to the four constituent councils.
	Business Rate Assurance Checks	The Principal Surveyors will carry out 100% checks on any business growth accelerator entries and a 10% check on self-verified transactions. QA will carry out follow up assurance check on these as a second line check. Report on any anomalies or transactions incorrectly processed.
	PTO Name Checks	Valuation Roll names updates processed by Technical & Support staff receive a 10% check by Governance.
<b>Electoral Support/Processing Areas</b>	EMS reports	Check system reports to ensure that electors are correctly processed, absent voting arrangements are applied correctly and ensure the accuracy of the register. A quality assurance check will take place on 10% of the reports produced for electoral activities.
<b>Miscellaneous</b>	KPI Stat Review	Produce monthly KPI stats for review by CLT & Technical Divisions
	Building Warrant/Planning Permission Checks	QA carry out a 10% check on a sample of building warrants and planning permissions each quarter. A full end to end check is carried out. All the filtered cases on sample Planning Permissions are checked to ensure that they are removed in accordance with procedure.
	Revaluation Appeal Stats Quarterly Return	Validate the quarterly return of RVAPP stats provided to Scottish Government.

#### 4. What have LVJB delivered?

##### Business Continuity

- Undertook desktop simulation reviews of the LVJB Business Continuity Plan (BCP) which assisted in the organisations response to the Coronavirus outbreak.

##### Project Framework

- Responded to the recommendations from the CEC Audit on Barclay Readiness Review. Which included implementing a defined project management approach, creating risks, assumptions, issues and dependency logs for core projects and post implementation reviews.

##### Budget Strategy

- The External Governance Committee has been used as a forum to review the fiscal challenges faced by LVJB. A phased approach was agreed by the Board regards the LVJB Business Strategy for 2020-2023. The Board also approved the proposed core budget for 2020/21.

##### ICT Infrastructure Review

- Successfully migrated core business email and applications to Office 365 software. This included access to Microsoft Teams collaboration tools which has helped support our service response platform for staff working at home.

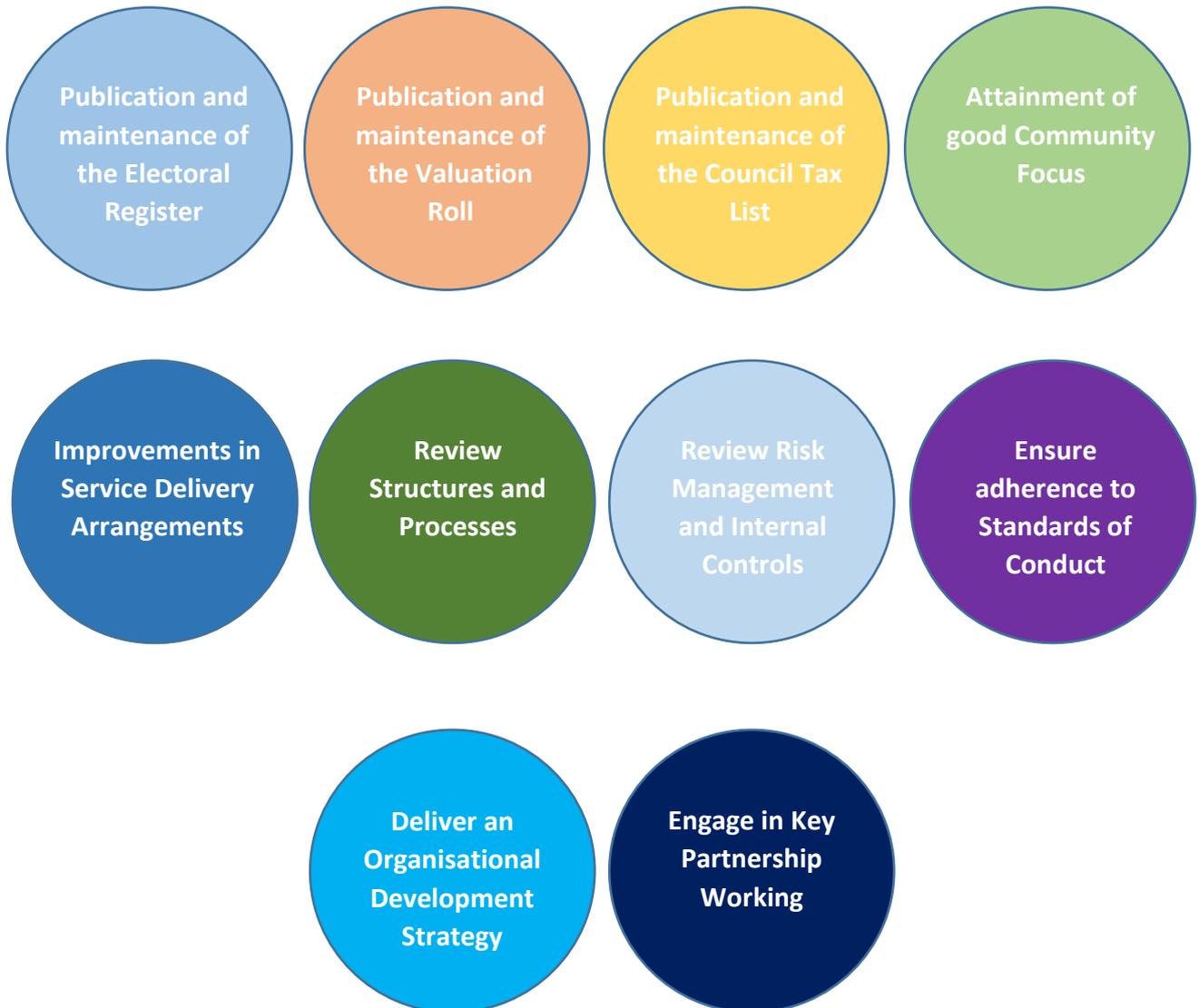
##### Rates Assurance

- Extended the Assurance Framework to encompass Council Tax domestic property valuation, introducing first & second line review by Management and Quality Assurance

## 5. Corporate and Service Plans

Corporate and Service plans are annual business plans developed by LVJB. The plans set out the key activities and outcomes that we will deliver within the financial year and the way in which we will measure our performance.

Our key Corporate and Service priorities for 2019/20 were;



## 6. Corporate and Service plans – achievements

Several objectives realised by the organisation that support our key activities and outcomes are shown below. In particular;

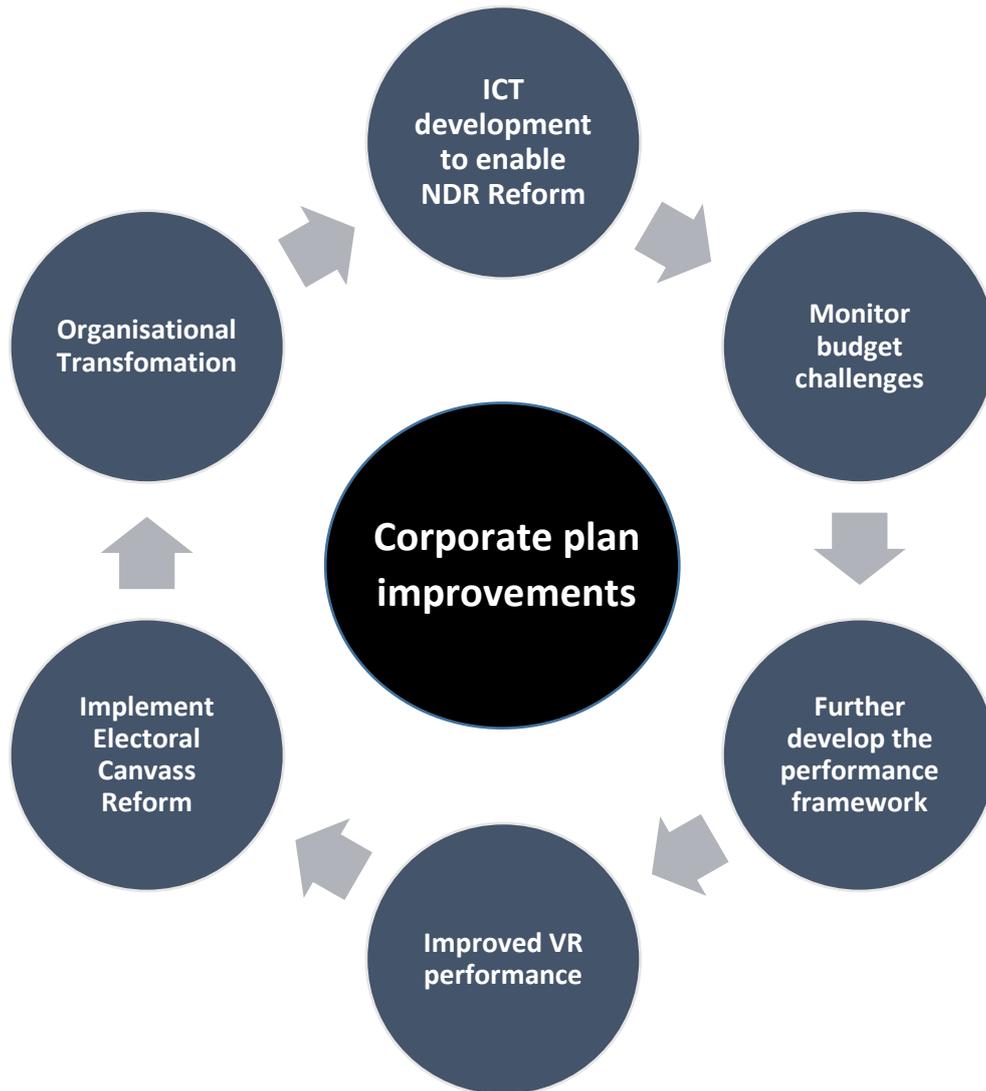
- Mobile survey for the Council Tax List has been implemented. Staff now use iPads to create new housing valuation templates with a single point of data input enabling information to become available to back office systems.
- The 2019 UKPGE was the first December General Election held since 1923. The combination of a high profile UKPGE and the annual canvass resulted in increased pressure on telephone and email enquiries and registration and absent vote applications. To manage this demand, the revised register was published on 14 November, this meant our full resources could be used to deal with the known pressure points in the election timetable, the closing dates for registration and absent vote applications and the election updates to the register.
- A 3-year Business Strategy has been published to respond to ongoing fiscal constraint and accelerate the process of Organisational Transformation involving modernisation, process review and cultural change.



## 7. Corporate and Service plans – work in progress

LVJB recognises the importance of continually seeking to deliver improvements in organisational efficiency and performance. We acknowledge that the organisation must continue to challenge traditional ways of working and reflect on how well we function both internally and when engaging with stakeholders.

Below are ongoing activities aimed at supporting this process of improvement.



## 8. Future work in 2020

