

MINUTE OF MEETING OF THE GRAMPIAN VALUATION JOINT BOARD

FRIDAY 27 JANUARY 2006

ACTIVITIES ROOM, ELGIN LIBRARY, ELGIN

PRESENT

Councillors A. Wilson (Convenor), M. Burnett (Vice-Convenor), J.C. Davidson, T Fleming (substituting for Councillor J.A. Mair), G Leslie (substituting for Councillor J Porter), J.A. McGregor, R Sim (substituting for Councillor S D I Longmore), G. Urquhart and W P Watt.

APOLOGIES

Apologies for absence were intimated on behalf of Councillors B Craig, M.P. Cullen, B. Falconer, J Hunter, G.G. Lumsden, P. McDonald, J A Mair and J. Porter.

IN ATTENDANCE

A.A. McConochie, Assessor and Electoral Registration Officer, M Wilson, Treasurer, D Whitworth, Head of Personnel Services, Moray Council and the Senior Committee Services Officer, Moray Council, for the Clerk to the Board.

1. ADDITIONAL BUSINESS

The meeting agreed to accept as an additional item of business to be transacted at the meeting a report by the Clerk to the Board in regard to the membership of the General Purposes and Audit Sub-Committee on the Chairman certifying that, in his opinion, it required to be considered on the grounds of urgency given the additional scrutiny responsibilities of the Sub-Committee.

2. ORDER OF BUSINESS

Following consideration it was agreed that given the report in regard to Item 6 on the agenda "Update on Grading Review" sought the Board's approval of a proposed pay structure for the purposes of consultation with staff it would be appropriate, in terms of Paragraph 1 of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973, to move this item into the confidential section of business.

3. EXEMPT INFORMATION

The meeting agreed, in terms of Section 50A (4) and (5) of the Local Government (Scotland) Act 1973, as amended, that the public and media representatives be excluded from the Meeting during consideration of Items 6 & 7 on the Agenda so as to avoid disclosure of exempt information of the class described in Paragraphs 1 of Part I of Schedule 7A of the Act.

4. MINUTE OF MEETING OF THE BOARD DATED 11 NOVEMBER 2005

The Minute of the meeting of the Board dated 11 November 2005 was submitted and approved, subject to correcting the spelling of Fleming in the list of Members present.

5. MEMBERSHIP AND CHAIR OF THE GENERAL PURPOSES AND AUDIT SUB-COMMITTEE

Under reference to Paragraph 7 of the Minute of the Board dated 11 November 2005 there was submitted a report by the Clerk to the Board inviting the meeting to consider the membership and Chair of the General Purposes and Audit Sub Committee in light of the Sub-Committees additional scrutiny responsibilities

The meeting noted that guidance issued by CIPFA indicates that in order to facilitate effective scrutiny "including members decisions" the Chair of an Audit Committee should be independent and not part of

an administration group. The Valuation Board however does not have an Administration Group and is made up of six members each from Aberdeen City and Aberdeenshire Council and three members from Moray Council. It was suggested that as the General Purposes and Audit Sub Committee has reduced responsibilities it was proposed that the composition of the Sub Committee retains the existing membership and Chair as agreed at the meeting of the Board on 4 July 2003 (para. 7 of the Minute refers).

The Board agreed that the membership and Chair of the General Purposes and Audit Sub Committee remain as previously agreed at the meeting of the Board on 4 July 2003.

6. REVENUE BUDGETS FOR 2006/07, 2007/08 & 2008/09

There was submitted a report by the Treasurer inviting the Board to consider the proposed revenue budget for the next three years 2006/07, 2007/08 and 2008/09.

There was attached as Appendix 1 to the report details of the 2005/06 revised Revenue Budget which reflected virements made during the year, the Estimated Outturn and variance between the budget and outturn for 2005/2006. The estimated outturn for 2005/06 projected and underspend of £215,000 for the year and the meeting noted that if this was the final position as at 31 March 2006 the balance will be refunded to the constituent authorities. The meeting noted that the main reason for the surplus is vacant posts, some of which have been kept vacant pending the outcome of the grading review.

There was also attached as Appendix 2 to the report the proposed budget for 2006/2007 together with the indicative budgets for the subsequent two years. The proposed budget has been set at £98,000 over the 2005/06, representing an increase of just over 2.8%, which can be mainly attributed to payroll costs being anniversary increments and the annual inflationary pay award.

The meeting also noted that the Board is currently undergoing a grading review exercise and although figures have not been finalised nor agreed with Unions, early indication suggests additional costs of £80,000 in year one and a total of £70,000 over the following two years. In this regard the Assessor is working closely with the Treasurer to identify savings within the existing budget to fund this exercise the main source of which being the deletion of a Senior Administration Officer post and three part-time clerical posts which are no longer required. The meeting also noted that the Assessor having found efficiency savings to fund the additional costs of the grading review from within the existing budget this leaves very little scope for any further efficiency savings.

Following consideration during which the Treasurer and the Assessor responded to Member's questions, the Board agreed to:-

- (i) approve the budget for 2006/2007 to be set at £3,598,000 as detailed in Appendix 2 to the report;
- (ii) approve the requisitions for 2006/07 to the constituent authorities be set at £3,390,464 as detailed in section 6.3 of the report; and
- (iii) note the indicative budgets for 2007/2008 and 2008/2009.

7. CORPORATE GOVERNANCE ARRANGEMENTS

Under reference to Paragraph 3 of the Minute of the Board dated 11 November 2005 there was submitted a report by the Assessor inviting the Board to consider corporate governance arrangements, a draft copy of which was appended to the report.

Following discussion it was agreed:-

- (i) given the importance of the document and the amount of information contained within the draft, to defer consideration of the arrangements to the next meeting of the Board; and
- (ii) in the interim should any member of the Board or its officers have any comments on the draft arrangements these be submitted to the Assessor by the end of May 2006.

8. KEY PERFORMANCE INFORMATION

There was submitted a report by the Assessor advising the Board of key performance information in respect of the period 1 April 2005 to 31 December 2005 together with the comparative figures for the financial year 2004/05 and 2003/04.

The meeting noted that given 2005/06 was a revaluation year it had not been possible to compare directly the change in the total net annual value and rateable value with previous years because the valuation base has moved to reflect more up to date levels of valuation. Legislative changes, particularly in relation to the treatment of public utilities (gas, electricity, railways etc), have introduced a new regime for such properties and as a result both the number of subjects entered in the valuation roll for Grampian and the total valuation has been affected.

There were appended to the reports as Appendices 1, 2 and 3 respectively, performance indicators in respect of the Valuation Roll, Council Tax, Valuation List and Key Performance Indicators by Division for both Valuation Roll and Council Tax Valuation List. The meeting noted that amendments to the Valuation Roll are not constant throughout the year and proper comparative figures can only be available after 31 March 2006 and will be presented to the Board at the meeting in July as part of the normal annual presentation of key performance information.

However, the Assessor reported that there had been a significant improvement in the time taken to deal with the various amendments made with a 60% improvement on performance during 2004/05 (on an annual basis) which had been a revaluation preparation year. It was also more than a 30% improvement on performance in 2003/04 which is a more comparable year. Council Tax performance for the period 1 April to 31 December showed increased work rate in relation to the number of new properties added to the Council Tax list. Maintaining the Council Tax list was not affected by implementation of the 2005 revaluation in the same way non domestic valuation activity was affected and against the target of 85% on entries, it is currently at 88.3% which is similar to the annual performance for 2004/05.

The meeting noted that these interim reports on performance information are part of the greater emphasis on corporate governance, which was subject to a separate paper on the agenda, and that increased monitoring information is part of this approach and the subject of regular reporting to future meetings.

The Board agreed:-

- (i) to note the content of the report and accompanying performance information;
- (ii) that it be remitted to the Assessor to convey the Board's appreciation of the performance improvement to all those concerned.

9. UPDATE ON GRADING REVIEW (PARA. 1)

Under reference to Paragraph 9 of the Minute of the Board dated 11 November 2005 there was submitted a report by the Head of Personnel Services, Moray Council, updating the Board on the grading review being carried out across the posts within the Board below Chief Officers.

The meeting noted that detailed analysis of the effect on the Board's hierarchy and structure of posts, the effect on staff and costs was undertaken to assess the best model. This led to a seven-grade model based on natural gaps in the points of the rank order of posts. Further development produced an affordable model where only one post would reduce in salary. The reason for this being that the Board does not face the same "single status" issues as many local authorities as the Board's employees are already on a single set of terms and conditions and have a fairly clear hierarchy.

A copy of the preferred model was set out in Appendix A to the report. The meeting noted that there were seven grades with four increments in each grade if these continued to be awarded annually this would phase the new pay structure in over a three-year period. The meeting also noted that detailed cost projections are still to be completed. Subject to these being finalised the Steering Group had intimated that it would like to put the proposed pay structure to the staff for the purposes of

consultation. The meeting further noted that whilst the timescale still requires to be finalised consultation could take place around April and, depending upon the outcome, a move to implementation possibly around October 2006.

In regard to the one post reducing in salary it was noted that pay protection would apply to any employee reducing in salary for a period of three years, under the terms of national conditions. It was suggested however that in view of the fact that only one employee is affected preservation should apply until the retirement of the postholder, likely to be in 2007, with cost of living awards.

Following discussion, during which the Head of Personnel Services responded to Members' questions, it was agreed:-

- (i) to approve, in principle, to the pay structure set out in Appendix A to the report for the purposes of consultation with staff;
- (ii) that any minor amendments to the new pay structure arising from finalising the work, as set out in the report, be delegated to the Assessor, Treasurer and Head of Personnel Services, in consultation with the Convener and Vice-Convener of the Board;
- (iii) as only one person's salary would reduce as a result of these proposals the Board, in recognising the special circumstances and without setting a precedent, agreed to preserve the current salary for this employee, with the cost of living increases to apply each year until retirement or for a period of three years (whichever is shorter); and
- (iv) to note that the Assessor and Treasurer have identified savings within the existing budget to fund the cost of implementation, the main source of which being the deletion of a Senior Administration Officer and three part time Clerical Assistant posts, no longer required and it was agreed that these posts be deleted from the current staffing structure.

10. FORMAL COMPLAINT 002 (PARA. 1)

There was submitted a report by the Assessor bringing to the Board's attention details of a formal complaint received on 24 November 2005, which was formally acknowledged and referred to the Assessor on 26 November 2005. A copy of the complaint was appended to the report together with a copy of the Assessor's detailed response. The meeting noted the interaction of requests made under Freedom of Information legislation and "work in progress" matters in relation to Council Tax legislation.

The Board agreed to note the report.