



**GRAMPIAN VALUATION JOINT BOARD**

**FRIDAY 24 JANUARY 2014 AT 11.30AM**

**NOTICE IS HEREBY GIVEN** that a Meeting of the GRAMPIAN VALUATION JOINT BOARD is to be held in the COUNCIL CHAMBERS, MORAY COUNCIL HEADQUARTERS, HIGH STREET, ELGIN on FRIDAY 24 JANUARY 2014 at 11.30am.

**R D Burns**  
**Clerk to the Board**

17 January 2014

**BUSINESS**

1. Sederunt
2. Declaration of Financial and Other Interests\*
3. Written Questions\*\*
4. Minute of Meeting of the Board dated 25 October 2013
5. Revenue Budget Monitoring Statement for the Period 1 April to 31 December 2013 – Report by the Treasurer to the Board
6. Revenue Budget for 2014/15 – Report by the Treasurer to the Board
7. Internal Audit Plan for 2013/14 – Report by the Treasurer to the Board
8. Register of Electors – Report by the Assessor & ERO
9. Valuation Roll & Council Tax Valuation List – Report by the Assessor & ERO
10. Question Time\*\*\*

Any person attending the meeting who requires access assistance should contact customer services on 01343 563335 in advance of the meeting.

**ITEM: 3**

# **WRITTEN QUESTIONS**



**GRAMPIAN VALUATION JOINT BOARD**

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## **SEDERUNT**

**COUNCILLOR R SHEPHERD (Convener)**  
**COUNCILLOR G OWEN (Depute Convener)**  
**COUNCILLOR C BUCHAN**  
**COUNCILLOR R CHRISTIE**  
**COUNCILLOR B CORMIE**  
**COUNCILLOR G COULL**  
**COUNCILLOR A DONNELLY**  
**COUNCILLOR A FINLAYSON**  
**COUNCILLOR R GRANT**  
**COUNCILLOR I GRAY**  
**COUNCILLOR S LONCHAY**  
**COUNCILLOR J MORRISON**  
**COUNCILLOR L PIRIE**  
**COUNCILLOR S STUART**  
**COUNCILLOR C TUKE**

Contact Person:	Darren Westmacott
Telephone:	01343 563015
Email	darren.westmacott@moray.gov.uk

## GUIDANCE NOTES

- \* At the beginning of the meeting, immediately following the Sederunt, the Convener will, in terms of Standing Order 25, seek declarations from individuals on any financial or other interests.**
  
- \*\* Any member can put one question to the Convener about relevant and competent business not already on the Agenda for a meeting of the Board. No member can put more than one question at any meeting. The member must give notice in writing of their question to the Clerk 4 working days prior to the meeting. A copy of any written answer provided by the Convener will be tabled at the start of the relevant meeting. The member who has put the question may, after the answer has been given, ask one supplementary question directly related to the subject matter but no discussion will be allowed.**
  
- \*\*\* At each ordinary meeting of the Board, 10 minutes will be allowed for question time when any member can put one question to the Convener regarding any matter within the remit of the Board. The Member who has put the question may, after the answer has been given, ask one supplementary question directly related to the subject matter, but no discussion will be allowed. In the event of further information/investigation being required in order to answer the question, the Clerk who will arrange for a written answer to be provided within 7 working days.**

# **WRITTEN QUESTIONS**



**MINUTE OF MEETING OF THE GRAMPIAN VALUATION JOINT BOARD**

**FRIDAY 25 OCTOBER 2013 AT 11.30AM**

**COUNCIL CHAMBERS, MORAY COUNCIL HEADQUARTERS, ELGIN**

**PRESENT**

Councillors R. Shepherd (Convener), G. Owen (Depute Convener), C. Buchan, R. Christie, B. Cormie, A. Finlayson, I. Gray, S. Lonchay, J. Morrison, L. Pirie and S. Stuart.

**APOLOGIES**

Apologies for absence were intimated on behalf of Councillors G. Coull, A. Donnelly, R. Grant and C. Tuke.

**IN ATTENDANCE**

Mr I. Milton, Assessor and Electoral Registration Officer (ERO), Mrs D. Brands, Principal Accountant (Moray Council) and Mr D. Westmacott, Committee Services Officer (Moray Council) as Clerk to the meeting.

**1. DECLARATION OF FINANCIAL AND OTHER INTERESTS**

In terms of Standing Order 25 and the Councillors' Code of Conduct, there were no declarations of member interest in respect of any item on the agenda.

**2. WRITTEN QUESTIONS**

There were no written questions.

**3. MINUTE OF MEETING OF 28 JUNE 2013**

The minute of the meeting of the Board dated 28 June was submitted and approved as an accurate record.

**4. MINUTE OF SPECIAL MEETING OF 29 AUGUST 2013 (ISA 260)**

The minute of the special meeting of the Board dated 29 August was submitted and approved as an accurate record.

## **5. UNAUDITED ACCOUNTS FOR YEAR ENDING 31 MARCH 2013**

There was submitted a report by the Treasurer to the Board presenting to the Board the Audited Accounts for the financial year ending 31 March 2013. A copy of the final Audited Accounts for 2012/13 was provided as Appendix to the report.

Following consideration, the Board agreed:-

- (i) to note the Final Accounts for the year ending 31 March 2013, as set out in Appendix to the report;
- (ii) to note the surplus of £195,000 for 2012/13; and
- (iii) that £198,000 be returned to constituent authorities, as set out in paragraph 3.5 of the report, leaving the maximum permitted balance on the General Fund of £193,000.

## **6. REVENUE BUDGET MONITORING STATEMENT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2013**

Under reference to paragraph 4 of the Minute of this Board dated 25 January 2013, there was submitted a report by the Treasurer to the Board inviting the Board to consider the Revenue Budget Monitoring Statement for the Period 1 April to 30 September 2013. A copy of the monitoring statement was provided as Appendix to the report.

Following consideration, the Board agreed to note the:-

- (i) Revenue Monitoring Statement for the period 1 April to 30 September 2013, as set out in Appendix to the report; and
- (ii) Estimated Actual forecast for the financial year 2013/14, as detailed in Section 4 of the report.

## **7. REGISTER OF ELECTORS**

There was submitted a report by the Assessor and ERO informing the Board of developments in electoral registration.

The Board joined the Convenor and Councillor Cormie in commending the good work being conducted by the Assessor and ERO and his team in regards to electoral registration.

Following consideration, the Board agreed to:-

- (i) commend the good work being conducted by the Assessor and ERO and his team in regards to electoral registration; and
- (ii) note the content of the report in respect of developments in electoral registration.



## **8. VALUATION ROLL & COUNCIL TAX VALUATION LIST PERFORMANCE INFORMATION**

Under reference to paragraph 9 of the Minute of this Board dated 28 June 2013, there was submitted a report by the Assessor and ERO providing the Board with performance information relative to the Valuation Roll and Council Tax Valuation List.

The Board joined the Convener in taking the opportunity to again thank the Assessor & ERO and his team for their continued work.

Following consideration, the Board agreed to:-

- (i) commend the Assessor & ERO and his team for their continued work; and
- (ii) note performance relative to the Valuation Roll and Council Tax Valuation List, as detailed in Appendices 1 and 2 of the report.

## **9. PUBLIC PERFORMANCE REPORT**

There was submitted a report by the Assessor & ERO seeking approval from the Board for the publication of the twelfth public performance report, provided as Appendix to the report.

The Board joined the Convener in taking the opportunity to again thank the Assessor & ERO and his team for their continued work.

Following consideration, the Board agreed to:-

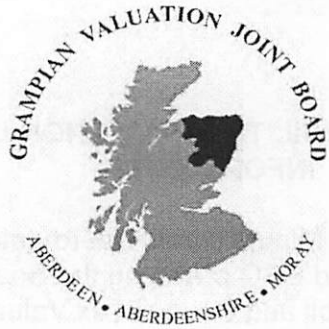
- (i) commend the Assessor & ERO and his team for their continued work; and
- (ii) note the content of the Public Performance Report 2012/13, as set out in Appendix to the report; and
- (iii) the publication of the Public Performance Report, in accordance with the Board's Code of Corporate Governance.

## **10. IRRV SCOTTISH CONFERENCE**

There was submitted and noted a report by the Assessor and ERO advising the Board of attendance at 'A New Outlook', the Institute of Revenues, Rating and Valuation (IRRV)'s 2013 Scottish conference.

## **11. QUESTION TIME**

Councillor Finlayson queried whether recruitment was being affected by higher waged opportunities, such as offshore energy. In response, the Assessor and ERO advised that, whilst it was an ongoing struggle, a career development scheme may assist to a certain extent and the matter would be reviewed regularly.



**REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 24 JANUARY 2014**

**SUBJECT: REVENUE BUDGET MONITORING STATEMENT FOR THE PERIOD 1  
APRIL TO 31 DECEMBER 2013**

**BY: TREASURER TO THE BOARD**

**1. REASON FOR REPORT**

- 1.1 To consider the Revenue Budget Monitoring Statement for the Period 1 April to 31 December 2013.
- 1.2 To consider the Estimated Outturn position for the year 2013/14.

**2. RECOMMENDATIONS**

- 2.1 **It is recommended that the Board notes the Revenue Monitoring Statement for the period 1 April to 31 December 2013 and the Estimated Actual forecast for the financial year 2013/14.**

**3. CURRENT POSITION**

- 3.1 At its meeting on 25 January 2013, the Board agreed the Revenue Budget for 2013/14 and approved that the requisitions to constituent authorities should be set at £3,927,000.
- 3.2 The **APPENDIX** shows the monitoring position to 31 December 2013. It gives details of the 2013/14 Revenue Budget, the Actual to date and the Variance to date. It also shows the Estimated Outturn and the Estimated Actual Variance for the year.
- 3.3 Total net expenditure to 31 December 2013 is £2,753,000 which results in an underspend against budget to date of £192,000.
- 3.4 The bulk of the £192,000 underspend to date, £162,000 has been generated by an underspend in employee costs which is expected to rise to £174,000 by the end of the financial year. The estimated variance in staffing is due in the main to additional vacancies within the service and staff not at the top of the scale. The budget for the 5 FTE frozen posts has been deducted from employee costs to more accurately reflect the Board's current budget.

- 3.5 Accommodation charges include rental and service charges for Woodhill House and the shared accommodation charge for the Elgin Office and car park. The underspend is in respect of charges for Woodhill House, but the underspend has not been projected to the year end as the Woodhill House rent is currently under review and it is anticipated that the full budget will be required.
- 3.6 Postages is showing an overspend to date of £41,000. It is expected that the outturn figure will be £175,000, a £10,000 overspend. Although the budget was increased in 2012/13 from £150,000 to £165,000, for the absent vote refresh, the actual cost, combined with increased appeals and general mailing volumes, has led to an overspend.
- 3.7 Advertising is showing an overspend to date of £10,000. This relates to TV advertising in connexion with the canvas. It was a joint campaign with four other Valuation Boards and approximately £5,500 is recoverable from those Boards. The net overspend will continue to the year end, but the outturn has been projected on budget as it is anticipated that expenditure will be contained within the overall budget.
- 3.8 IT Maintenance and Support is overspent by £69,000 to date. Some £41,000 of these costs are being covered by grant from the Cabinet Office for the implementation of Individual Electoral Registration. Some IT consultancy costs are being incurred on an ad hoc basis to cover the reduction in available staff hours, which are reflected in the employee costs underspend. IT spend is being monitored very carefully by the Assessor and costs relating to Individual Electoral Registration (IER) will be largely recovered from the Cabinet Office. A significant element of the estimated year end overspend will therefore be recovered by recharges of costs which will be reflected on the income line.
- 3.9 Valuation Appeal costs are underspent to date. These costs are very difficult to predict. As the Board will recall, a revised scale of charges was agreed for Panel Secretaries at the June meeting, and whilst the panel costs are expected to increase by £10,000 in 2012/13, the outturn, which covers appeals expenses and appeals panel costs, is estimated to be contained within the overall budget.
- 3.10 Grants and recharges relating to the introduction of IER have now been analysed out onto a separate income line in the monitoring report. The income on this line is the £18,000 funding allocation for the move towards IER which was reported in June together with £21,000 recovered from the Cabinet Office for IT upgrades. The outturn reflects additional income to recover costs incurred which are included in the outturn IT costs and staffing costs, including staff travel.

#### 4. **ESTIMATED OUTTURN 2013/14**

- 4.1 The revenue budget is currently estimated to underspend by the year end. The amounts and main reasons for the variances between the budget and the estimated outturn are shown below.

	£'000	£'000
Employee Costs	Under/ (Overspend)	Under/ (Overspend)
Salary and related on-cost costs savings because of vacancies and staff below top of scale throughout the year.	171	
Other employee costs underspends	3	174
<b>Property Costs</b>		
Minor underspends – Repairs, energy and cleaning	5	5
<b>Transport Costs</b>		
Staff travel overspend – largely offset by income recoveries	(7)	(7)
<b>Supplies &amp; Services</b>		
Postages overspend – principally for the absent voter refresh and general increase in mailing volumes	(10)	
IT Hardware and Consultancy overspend – principally relating to IER (partially offset by income recoveries)	(71)	
Other supplies and services underspends	10	(71)
<b>Support Services</b>		
Overspend relating to charge for services from Lead Authority	(7)	(7)
<b>Income</b>		
Income recoveries in respect of recharges of costs relating to the introduction of IER and the registration of Young Voters.	165	165
<b>Total Projected Underspend</b>		<b>259</b>

The underspend is £40,000 more than reported to the Board in October 2013 and relates to the corrected reporting of an element of employee costs, £(17,000), an estimated overspend on postages, £(10,000), a reduction in the expected underspend on property costs and supplies and services, £(2,000) and additional income recoveries from the Cabinet Office and the Scottish Government, £69,000.

#### 5. **CAPITAL FUND**

- 5.1 The balance at 01 April 2013 was £72,000 and it is planned to retain this balance to meet future minor capital spend on accommodation requirements.

#### 6 **CONCLUSION**

- 6.1 The Board's current financial position is an underspend of £192,000 which is expected to increase to £259,000 by the end of the financial year.
- 6.2 The Assessor and his Senior Management Team closely monitor and control budgets to keep within agreed levels of expenditure, to generate savings where possible and to ensure that all relevant costs are recovered from third parties timeously.

**Author of Report :**  
Ref

Deborah Brands  
DB/LMS/1289495

**Signature:**

**Date: 16 January 2013**

**Designation:**

**Treasurer**

**Name: Margaret Wilson**

GRAMPIAN VALUATION JOINT BOARD REVENUE MONITORING STATEMENT FOR PERIOD 1 APRIL TO 31 DECEMBER 2013

Line No.	2013-14 Total Budget	2013-14 Budget to Date	Actual 31 December 2013	Variance 31 December 2013	2013-14 Estimated Outturn	2013-14 Variance
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Employee Costs</b>						
1 Salaries	2,323	1,743	1,641	102	2,190	133
2 National Insurance	190	142	128	14	177	13
3 Superannuation	448	336	314	22	423	25
4 Additional Pensions	23	17	14	3	21	2
5 Other Employee Costs	1	1	1	-	-	1
6 Electoral Registration	40	30	11	19	40	-
7 Training	11	8	6	2	11	-
8 Frozen posts	-	-	-	-	-	-
<b>Total Employee Costs</b>	<b>3,036</b>	<b>2,277</b>	<b>2,115</b>	<b>162</b>	<b>2,862</b>	<b>174</b>
<b>Property Costs</b>						
8 Accommodation Charges	321	224	204	20	321	-
9 Repairs and Maintenance	5	4	1	3	3	2
10 Energy Costs	10	8	3	5	7	3
11 Cleaning	3	2	2	-	3	-
<b>Total Property Costs</b>	<b>339</b>	<b>238</b>	<b>210</b>	<b>28</b>	<b>334</b>	<b>5</b>
<b>Transport Costs</b>						
12 Staff Travel and Subsistence	68	51	54	(3)	75	(7)
<b>Total Transport Costs</b>	<b>68</b>	<b>51</b>	<b>54</b>	<b>(3)</b>	<b>75</b>	<b>(7)</b>
<b>Supplies &amp; Services</b>						
13 Equipment, Furniture & Materials	9	6	8	(2)	9	-
14 Protective Clothing	1	-	-	-	1	-
15 Text & Reference Books	7	5	6	(1)	6	1
16 Printing & Stationery	22	17	19	(2)	22	-
17 Postages	165	124	165	(41)	175	(10)
18 Telephones	6	5	4	1	6	-
19 Advertising	5	4	14	(10)	5	-
20 IT Maintenance & Support	125	94	163	(69)	196	(71)
21 Expenses	30	29	23	6	30	-
22 Valuation Appeals	46	34	6	28	46	-
23 Members Allowances	5	-	-	-	-	5
24 Conference Expenses	-	-	-	-	-	-
25 Fees, Charges & Subs	6	3	-	3	5	1
26 Specialist Services	19	14	7	7	16	3
27 Other Supplies & Services	2	2	-	2	2	-
<b>Total Supplies &amp; Services</b>	<b>448</b>	<b>337</b>	<b>415</b>	<b>(78)</b>	<b>519</b>	<b>(71)</b>
<b>Support Services</b>						
28 Lead Authority Charge	46	-	-	-	53	(7)
<b>Total Support Services</b>	<b>46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>(7)</b>
<b>Gross Expenditure</b>	<b>3,937</b>	<b>2,903</b>	<b>2,794</b>	<b>109</b>	<b>3,843</b>	<b>94</b>
<b>Income</b>						
29 Sales and Other Income	(8)	(6)	(2)	(4)	(8)	-
Grants & Recharges relating to Individual Electoral Registration and						
30 Young Voter registration	-	-	(39)	39	(165)	165
31 Interest on Revenue balances	(2)	-	-	-	(2)	-
<b>Total Income</b>	<b>(10)</b>	<b>(6)</b>	<b>(41)</b>	<b>35</b>	<b>(175)</b>	<b>165</b>
<b>32 Net Expenditure</b>	<b>3,927</b>	<b>2,897</b>	<b>2,753</b>	<b>144</b>	<b>3,668</b>	<b>259</b>
<b>33 Requisitions</b>	<b>(3,927)</b>	<b>(2,945)</b>	<b>(2,945)</b>	<b>-</b>	<b>(3,927)</b>	<b>-</b>
<b>34 (Surplus)/Deficit for Year</b>	<b>-</b>	<b>(48)</b>	<b>(192)</b>	<b>144</b>	<b>(259)</b>	<b>259</b>



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**REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 24 JANUARY 2014**

**SUBJECT: REVENUE BUDGET FOR 2014/15**

**BY: TREASURER TO THE BOARD**

**1. REASON FOR REPORT**

1.1 To consider the Revenue Budget for 2014/15 and to agree the 2014/15 requisitions to the three constituent authorities.

**2. RECOMMENDATION**

2.1 It is recommended that the Board: -

- (i) approves the Budget for 2014/15 to be set at £3,964,000 as detailed in Appendix 1.
- (ii) approves the requisitions for 2014/15 to the Constituent Authorities to be set at £3,964,000 as detailed in para 6.2.
- (iii) notes that nothing is included within the proposed budget for 2014/15 for the additional costs associated with the implementation of Individual Electoral Registration (IER) and instructs the Assessor to prepare a detailed budget for IER for 2014/15 within the additional funding being made available by the cabinet office for that purpose and to report to the next Board meeting.
- (iv) notes the indicative budgets for 2015/16 and 2016/17 in Appendix 2.

**3. 2014/15 Revenue Budget**

3.1 Details of the proposed Revenue Budget for 2014/15 are shown in **APPENDIX 1**. The work undertaken by the Assessor has resulted in a proposed budget which has increased slightly from £3,927,000 to £3,964,000

- as more demands are made of the service, but has also generated savings from efficiencies in working practices.
- 3.2 As cost pressures and uncertainties, especially around the implementation of IER, are difficult to predict, only one year's revenue budget has been proposed at this time.
  - 3.3 As can be seen from the details in **APPENDIX 1**, employee costs represent over 77% of the revenue budget and leave little scope to make efficiencies without impacting on the level of service.
  - 3.4 In the last two years a significant reduction in employee costs was achieved by freezing 5FTE posts- two Valuers, an IT analyst and two Clerical posts. It is proposed to delete these particular posts from the establishment in this 2014/15 initial budget. It should be noted, however, that the Assessor is reviewing staffing requirements to meet IER responsibilities and also the next revaluation which may require further revision to the staffing establishment.
  - 3.5 The proposed budget includes the already determined 1% pay award for 2014/15 for all employees. This, taken with salary increments where appropriate and reflecting staff recruited to lower pay points, has resulted in a total increase to the staff budget of £17,000. The indicative budgets for future years anticipate pay awards of 1.0% per annum for 2015/16 and 1.5% per annum for 2016/17.
  - 3.6 The Electoral Registration budget for temporary canvassers remains at £40,000 meantime for 2014/15 and does not reflect the anticipated increases for IER.
  - 3.7 Accommodation charges for Woodhill House have been maintained at the same level as 2013/14 although negotiations for revised charges are ongoing. Inflationary increases are anticipated for rates and minor savings are anticipated in repairs and energy costs.
  - 3.8 The staff travel and subsistence budget was reduced in 2013/14 but is predicted to overspend by 31 March 2014. As a consequence the budget has been increased by £5,000, but working practice efficiencies will continue to be sought.
  - 3.9 The Equipment, Furniture and Materials budget has been increased to reflect the Lektriever contract renewal.
  - 3.10 Postages has been maintained at the 2013/14 level meantime, but this budget is anticipated to increase to reflect the additional costs associated IER.
  - 3.11 The IT Maintenance and Support budgets are also expected to increase significantly to reflect the costs of IER, but have been increased only marginally in the meantime.



- 3.12 The budget for valuation appeals has been increased by £10,000 to reflect the expected increase in annual costs associated with the revised remuneration scheme for valuation appeal panel secretaries which the Board agreed at the June 2013 meeting (paragraph 5 of the minute refers). The revised scheme is effective from 1 April 2013, but the Board agreed that the increases in 2013/14 would be contained within the overall budget for this year, reflecting the increase in budget from 2014/15.
- 3.13 The budget for Members Allowances has been removed. The Convener is already paid a senior councillor salary by Moray Council for his role as Chair of the Licensing Committee and as a consequence no Special Responsibility Allowance is payable by the Board.
- 3.14 Minor budget reductions are also proposed for Fees and Charges and Specialist Services in line with the estimated outturn for 2013/14.
- 3.15 As noted above, this Revenue Budget does not reflect any additional costs associated with the introduction of IER. Detailed secondary legislation for the implementation of IER was released in mid December 2013. This is now being analysed and will inform decisions regarding the resource requirements and allocations necessary for IER implementation.
- 3.16 The Cabinet Office has indicated that £261,719 will be made available to the Board for the implementation of IER on the understanding that the funding is used only for the costs of the additional responsibilities imposed by the Electoral Registration and Administration Act over and above those arising from the Representation of the People Act 1983 (as amended) 2014/15.
- 3.17. Five key elements of the IER implementation process have been targeted for additional funding and the Cabinet Office expects that the funding will cover all the costs. The Assessor will continue to develop a budget for this evolving process and report to the Board in June 2014.

#### **4. General Fund**

- 4.1 The General Fund provides the Assessor with the flexibility to investigate and implement any future "spend to save" projects where one off expenditure is required in order to deliver future budget savings. The reserve would allow the Assessor to re-invest savings generated by efficiencies and could also be used as a contingency to meet unforeseen costs and assist financial planning by enabling limited budget flexibility between financial years. This limited flexibility may prove invaluable over the next year or so during the implementation of IER.
- 4.2 The balance on the General Fund at 31 March 2013 is £193,000. The current year expenditure is expected to be under budget and it is anticipated that the

General Fund balance at 31 March 2014 will be at the maximum permitted amount £197,000, which is considered to provide sufficient flexibility.

## **5 Capital Fund**

- 5.1 The Capital Fund was established in 2002/03, using the Board's share from the sale of Woodhill House. After returning £400,000 to constituent authorities in 2010/11, the balance of the fund at 1 April 2013 was £72,000. The balance in this fund will be maintained in order to assist with any capital expenditure relating to office accommodation.

## **6 2014/15 Requisitions**

- 6.1 In the table below, the detailed requisition required from each constituent authority is calculated in order to fund the Board's revenue budget for 2014/15 of £3,964,000.
- 6.2 The constituent authorities have previously agreed that expenditure by the Board should be apportioned between authorities pro rata to the population figures for each Council. The population figures used are those published by CIPFA in the latest Rating Review estimates for 2013/14.

	<b>Population</b>	<b>Requisition %</b>	<b>Proposed Total Requisition 2014/15 £</b>
Aberdeen City	225,000	39.23	1,555,080
Aberdeenshire	255,500	44.55	1,765,956
Moray	93,000	16.22	642,964
<b>TOTAL</b>	<b>573,500</b>	<b>100.00</b>	<b>3,964,000</b>

## **7. Conclusion**

- 7.1 Preparing the proposed Revenue Budget for 2014/15 has been a demanding task. Trying to balance the increasing demands made upon the service, including forthcoming major legislative changes, whilst continuing to make efficiency savings has been attained by closely monitoring expenditure and implementing efficiencies wherever possible.

- 7.2 The Assessor should be commended in the work undertaken to provide the Board with the proposed budget which has been developed so that the necessary expenditure increases, coupled with the deletion of frozen posts and other efficiencies, will have minimal impact on the performance of the service.**
- 7.3 The Assessor will continue to develop the detailed budget required to implement IER, within the constraints of the additional funding and, if necessary, the flexibility afforded by the General Fund balance, and will report to the Board in June 2014.**

Author of Report: Deborah Brands  
Background Papers: Various calculations held in the Accountancy Section in The Moray Council

Signature:

Date: 16 January 2014

Name: **Margaret Wilson**

Designation: **Treasurer Grampian Valuation Joint Board**

APPENDIX 1

GRAMPIAN VALUATION JOINT BOARD PROPOSED BUDGET 2014-15

Line No.	2013-14 Total Budget	2014-15 Proposed Budget	Movement from 2013-14
	£'000	£'000	£'000
<b><u>Employee Costs</u></b>			
1 Salaries	2,323	2,341	18
2 National Insurance	190	189	(1)
3 Superannuation	448	448	(2)
4 Additional Pensions	23	21	(2)
5 Other Employee Costs	1	2	1
6 Electoral Registration	40	40	-
7 Training	11	14	3
<b>Total Employee Costs</b>	<b>3,036</b>	<b>3,053</b>	<b>17</b>
<b><u>Property Costs</u></b>			
8 Accommodation Charges	321	322	1
9 Repairs and Maintenance	5	5	-
10 Energy Costs	10	7	(3)
11 Cleaning	3	3	-
<b>Total Property Costs</b>	<b>339</b>	<b>337</b>	<b>(2)</b>
<b><u>Transport Costs</u></b>			
12 Staff Travel and Subsistence	68	73	5
<b>Total Transport Costs</b>	<b>68</b>	<b>73</b>	<b>5</b>
<b><u>Supplies &amp; Services</u></b>			
13 Equipment, Furniture & Materials	9	17	8
14 Protective Clothing	1	1	-
15 Text & Reference Books	7	8	1
16 Printing & Stationery	22	22	-
17 Postages	165	165	-
18 Telephones	6	5	(1)
19 Advertising	5	5	-
20 IT Maintenance & Support	125	129	4
21 Expenses	30	27	(3)
22 Valuation Appeals	46	56	10
23 Members Allowances	5	-	(5)
24 Conference Expenses	-	-	-
25 Fees, Charges & Subs	6	5	(1)
26 Specialist Services	19	16	(3)
27 Other Supplies & Services	2	2	-
<b>Total Supplies &amp; Services</b>	<b>448</b>	<b>458</b>	<b>10</b>
<b><u>Support Services</u></b>			
28 Lead Authority Charge	46	53	7
<b>Total Support Services</b>	<b>46</b>	<b>53</b>	<b>7</b>
<b>Gross Expenditure</b>	<b>3,937</b>	<b>3,974</b>	<b>37</b>
<b><u>Income</u></b>			
29 Sales and Other Income	(8)	(8)	-
Grants & Recharges relating to Individual Electoral Registration and			
30 Young Voter registration	-	-	-
31 Interest on Revenue balances	(2)	(2)	-
<b>Total Income</b>	<b>(10)</b>	<b>(10)</b>	<b>-</b>
<b>32 Net Expenditure</b>	<b>3,927</b>	<b>3,964</b>	<b>37</b>
<b>33 Requisitions</b>	<b>(3,927)</b>	<b>(3,964)</b>	<b>(37)</b>
<b>34 (Surplus)/Deficit for Year</b>	<b>-</b>	<b>-</b>	<b>-</b>

APPENDIX 2

Line No.	2014-15 Proposed Budget	2015-16 Indicative Budget	2016-17 Indicative Budget
	£'000		
<b><u>Employee Costs</u></b>			
1 Salaries	2,341	2,369	2,406
2 National Insurance	189	192	196
3 Superannuation	446	451	458
4 Additional Pensions	21	21	21
5 Other Employee Costs	2	2	2
6 Electoral Registration	40	40	40
7 Training	14	14	14
<b>Total Employee Costs</b>	<b>3,053</b>	<b>3,089</b>	<b>3,137</b>
<b><u>Property Costs</u></b>			
8 Accommodation Charges	322	330	339
9 Repairs and Maintenance	5	5	5
10 Energy Costs	7	7	7
11 Cleaning	3	3	3
<b>Total Property Costs</b>	<b>337</b>	<b>345</b>	<b>354</b>
<b><u>Transport Costs</u></b>			
12 Staff Travel and Subsistence	73	73	73
<b>Total Transport Costs</b>	<b>73</b>	<b>73</b>	<b>73</b>
<b><u>Supplies &amp; Services</u></b>			
13 Equipment, Furniture & Materials	17	17	17
14 Protective Clothing	1	1	1
15 Text & Reference Books	8	8	8
16 Printing & Stationery	22	22	22
17 Postages	165	165	165
18 Telephones	5	5	5
19 Advertising	5	5	5
20 IT Maintenance & Support	129	129	129
21 Expenses	27	27	27
22 Valuation Appeals	56	56	56
23 Members Allowances	-	-	-
24 Conference Expenses	-	-	-
25 Fees, Charges & Subs	5	5	5
26 Specialist Services	16	16	16
27 Other Supplies & Services	2	2	2
<b>Total Supplies &amp; Services</b>	<b>458</b>	<b>458</b>	<b>458</b>
<b><u>Support Services</u></b>			
28 Lead Authority Charge	53	53	53
<b>Total Support Services</b>	<b>53</b>	<b>53</b>	<b>53</b>
<b>Gross Expenditure</b>	<b>3,974</b>	<b>4,018</b>	<b>4,075</b>
<b><u>Income</u></b>			
29 Sales and Other Income	(8)	(8)	(8)
Grants & Recharges relating to			
30 Individual Electoral Registration	-	-	-
31 Interest on Revenue balances	(2)	(2)	(2)
<b>Total Income</b>	<b>(10)</b>	<b>(10)</b>	<b>(10)</b>
<b>32 Net Expenditure</b>	<b>3,964</b>	<b>4,008</b>	<b>4,065</b>
<b>33 Requisitions</b>	<b>(3,964)</b>	<b>(4,008)</b>	<b>(4,065)</b>
<b>34 (Surplus)/Deficit for Year</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**REPORT TO: Grampian Valuation Joint Board on 24 January 2014**

**SUBJECT: Internal Audit Plan for 2013/14**

**BY: The Treasurer**

**1. REASON FOR REPORT**

1.1 This report advises the Board of the planned internal audit coverage of the Assessor's Service for the financial year ended 31st March 2014.

**2. RECOMMENDATION**

2.1 That the Board considers the proposed internal audit coverage, seeks clarification on any points arising, and otherwise notes the report.

**3. BACKGROUND**

3.1 In terms of the Public Sector Internal Audit Standards applicable to local government and joint boards, it is necessary to develop an internal audit plan for each financial year. The plan must be based on risk and be presented to the Board to enable it to consider and comment on the proposed audit coverage.

3.2 The main financial systems of the Assessor's Service replicate those of the Moray Council hence audit assurances provided in terms of the controls within the Council systems can be relied upon as being applicable to financial systems relating to the Service. This mitigates the risks associated with the audit and influences the nature and extent of audit work required.

3.3 Although there are minimal changes in the financial systems and procedures adopted by the Service from year to year, internal audit work is conducted annually to provide the Treasurer with an opinion on the adequacy and effectiveness of the internal control systems and procedures. This informs the assurance statement relative to governance matters the Treasurer is required to prepare for inclusion with the Board's annual accounts.

3.4 In this context, it is expected that the work to be undertaken by Internal Audit in relation to the Service's activities will involve:

- Seeking confirmation that the Assessor continues to monitor and evaluate the principal risks facing his Service;
- Analytical review of staff payroll costs and non pay expenditure for the current and prior years and of any material variances;

- Assessment of procurement procedures;
- Overview of control procedures for collecting and accounting for income collected;
- Testing of the arrangements for maintaining the Council Tax and Valuation lists and for reporting changes thereto to constituent authorities.

3.5 Completion of this work will provide the necessary coverage for internal audit purposes. The proposed audit coverage will be discussed with the external auditor to ensure audit work plans are effectively co-ordinated.

#### **4. CONSULTATIONS**

4.1 The Assessor has been consulted in the preparation of this report and agrees with the proposed audit activity.

#### **5. CONCLUSION**

5.1 **Audit planning allows management to inform the audit activity to be undertaken and assists the internal audit team to schedule its work.**

5.2 **This report provides members of the Board with details the proposed internal audit coverage which will be undertaken to provide independent assurance on the adequacy and effectiveness of the Service's control environment.**

Author of Report: Atholl Scott, Internal Audit Manager  
Background Papers: Internal Audit files  
Ref: as/gvjb/240114 / 1318456

Signature:

Designation: Treasurer

Name: Margaret Wilson



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**REPORT TO: Grampian Valuation Joint Board on 24 January 2014**

**SUBJECT: Register of Electors**

**BY: The Assessor & ERO**

**1. Reason for report**

1.1 To provide an update on the progress of the annual canvass.

1.2 To summarise current developments.

**2. Recommendation**

2.1 **The Board note the content of this report.**

**3. Annual canvass**

3.1 The Board normally receive a summary of the outcome of the completed annual canvass in January. The 2013 canvass was however postponed and the revised registers will be published by 10 March 2014 in accordance with The Electoral Registration (Postponement of 2013 Annual Canvass) Order 2013.

3.2 As previously reported, the canvass was delayed as part of a series of measures taken in order to accommodate a complex electoral calendar that extends over the next two years. This included the refresh of absent voter signatures, the preparation of a secure register of young voters for the referendum on Scottish independence, the European Parliamentary elections on 22 May 2014, the referendum on Scottish independence on 18 September 2014, the transition to individual electoral registration that has now been set for 19 September 2014 in Scotland and the publication of revised registers on 28 February 2015 ahead of the Westminster parliamentary elections in May 2015.

3.3 The annual canvass in Grampian is normally conducted over a 14 week period, commencing at the start of September and concluding by 1 December when the revised registers are published. The 2013 annual canvass has a duration of 21 weeks from mid October to 10 March 2014. It also includes a young voter registration form with every household canvass form. Direct comparison between canvasses is therefore difficult.

3.4 As at 6 January, the indications are that the canvass is progressing satisfactorily with 222,886 of the 269,168 households making a return; this equates to an 83% response rate. At a broadly similar stage in the 2012 canvass the response rate was 84%.



- 3.5 A total of 87,925 reminders were issued on 18 November 2013 which compares with the 84,012 reminders issued on 8 October 2012.
- 3.6 The trend towards increased use of the automated response service which comprise a multi-lingual phone service and facilities to make returns online or by text has continued for a fourth year. As at 6 January 87,947 households had used the automated response service, this compares to a total of 82,092, 51,264 and 28,594 service users at the conclusion of the 2012, 2011 and 2010 canvasses respectively.
- 3.7 In terms of young voters, of the 269,168 forms issued, 4,413 were prepopulated with the names of young people who would be eligible to be registered to vote in the Scottish Independence Referendum. As at 6 January, 3,857 (87%) of the prepopulated forms have been returned and measures are in hand to prepare a register of young voters during March. Liaison with the Aberdeen, Aberdeenshire and Moray Youth Councils is underway in order to assist with publicity and engagement activities. A canvass follow-up exercise is also planned to ensure that the register of young voters is updated and accurate as the deadline for registration to vote in the referendum approaches.

#### **4. Current developments**

- 4.1 Since the Board last met there have been a significant number of developments. On 17 December the Scottish Independence Referendum Act 2013 received Royal Assent and the Register of Young Voters (Anonymous Entries) (Scotland) Order 2013 came into effect on 20 December. The Act sets out the arrangements for the holding of a referendum on 18 September on the question of independence. The earlier Scottish Independence Referendum (Franchise) Act 2013 determines those who are entitled to participate and made provisions for the establishment of the register of young voters. The Order allows a Chief Social Worker to authorise other persons to attest applications for anonymous registration. The Scottish Government has awarded an additional grant of £12,827.82 for the year 2012/13 to meet additional canvass costs incurred in the production and processing of young voter registration forms in Grampian.
- 4.2 On 18 December, Greg Clark, the Minister for Cities and the Constitution confirmed the Government's intention to bring individual electoral registration into force as planned on 19 September 2014. Indicative funding by way of a grant of £261,719 will be made available to the Board for 2014/15 subject to an undertaking that current level of funding of electoral registration provided locally is maintained.
- 4.3 Also on 18 December detailed secondary legislation for the implementation of IER was made and this is now being analysed along with the results of the comparison exercise that was conducted last October where the elector details on the registers for the Grampian area were compared with corresponding data held by the Department of Work and Pensions. This analysis will inform decisions regarding resource requirements and allocation necessary for the implementation of IER.

4.4 Significant developments in terms of IT infrastructure, both hardware and software, are underway in order to meet the new government communication framework standard and whilst an undertaking that short – term funding will be provided via the Cabinet Office, no funding undertakings have been given beyond 2014/15 as this falls within the next comprehensive spending review period.

5. **Conclusion**

5.1 The canvass is showing satisfactory progress. The continuing increase in automated responses is welcome and the revised registers of electors will be published by 10 March 2014. The new register of young voters will also be prepared and maintained, but will not be made available to the public.

5.2 December was a particularly active month in terms of legislation and the service is now analysing the potential impact of the new statutory requirements along with the outcome of the comparison of electoral and DWP data in order design a service that will meet the requirements and challenges of the European elections, the referendum and IER.

Author of Report: Ian H Milton

Signature:

Date: 10 January 2014

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Designation: Assessor & ERO

Name: Ian H Milton



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**REPORT TO:** Grampian Valuation Joint Board on 24 January 2014

**SUBJECT:** Valuation Roll & Council Tax Valuation List

**BY:** The Assessor & ERO

**1. Reason for Report**

1.1 To provide performance information relative to the Valuation Roll and Council Tax Valuation List.

**2. Recommendation**

2.1 The Board note the report.

**3. Background**

3.1 The Board's Code of Corporate Governance provides a framework of Performance measurement and evaluation. This Code identifies a number of key performance indicators that provide quantitative data on the organisation's service delivery.

**4. Current performance position**

**4.1 Valuation Roll**

4.1.1 Appendix 1 to this report provides the position for the period from 1 April to 31 December for the current financial year. As at 31 December the service was managing to ensure that 79.5% of amendments to the Valuation Roll were being made within the three-month performance window. As previously reported, this figure will decline towards the end of the financial year. Whilst the service is proactive in terms of following up building alteration consents by way of warrant or planning consent, the service has to be reactive to advice from occupiers of non-domestic property regarding changes in the extent of their occupation. Such issues frequently come to light towards the close of the financial year but may require an alteration to the roll to be backdated by several months.

- 4.1.2 The deadline for the local valuation appeal committees to have all Revaluation 2010 appeals resolved was 31 December 2013. The only appeals that may remain live beyond the deadline are those that due to their complexity have been referred to the Lands Tribunal for Scotland. I am pleased to report that many difficult and complex appeals were resolved during November and December to the extent that only 57 of the original 7,153 assessments that were subject to appeals have been referred to the Lands Tribunal. The 57 referred assessments relate to significant subjects where the approach to valuation is largely under challenge on a national basis. During the same period the service dealt with 8,068 running roll appeals, many being made on economic grounds. This compares to a total of 2,114 running roll appeals lodged and resolved during the five year period to 31 March 2010.
- 4.1.3 The local valuation appeal committees make up a valuation appeal panel that for the last 36 years has benefitted from the services of Mr J C Chisholm WS who was appointed as Secretary to the Panel by the Sheriff Principal. Mr Chisholm retired on 31 December and the Sheriff Principal appointed James Steel to the post of Secretary to the Panel from 1 January 2014. I should like to acknowledge the professionalism and dedication shown by Mr Chisholm to all parties to valuation appeals, both appellants and the Grampian Assessor. His approach to the task of stating cases for the opinion of the Lands Valuation Appeal Court has been acknowledged by all parties and leading senior counsel as being extremely balanced, comprehensive and as such rarely open to challenge.
- 4.1.4 Preparations for the next revaluation which is due to take effect on 1 April 2017 are now underway. The tone date for the revaluation is 1 April 2015 and the important data capture phase, which seeks to ensure that the Assessor has sufficient rental and construction cost information, is in hand. It is anticipated that the Scottish Government will seek a finalised revaluation values for the 25,000 non-domestic properties in Grampian by September 2016.

## **4.2 Council Tax Valuation List**

- 4.2.1 Appendix 2 to this report provides the position for the same period as above. Behind these figures, the service is seeking to balance the resource allocation between council tax and valuation roll duties. In order to seek to meet the recently increased performance standard of 77% of valuation roll changes within three months, there is a possibility that there may be a negative impact on council tax performance; managers are however seeking to limit this impact and ensure that the performance exceeds the 92% threshold for council tax subjects entering the list within three months.

**5.0 Conclusion**

- 5.1 Day to day valuation roll performance has improved on previous years although the service will face a significant challenge in seeking to meet the recently increased performance threshold of 77% of alterations to the roll within the three month performance window.
- 5.2 The 2010 revaluation resulted in a 30% increase in assessments of non-domestic properties under appeal. Despite the resource constraints imposed on the service, the valuation staff have succeeded in defending the assessments effectively and managed to meet the statutory timeframe that local valuation appeal committees and all related parties must follow. The corresponding fourfold increase in running roll appeals has also been addressed and concluded.
- 5.3 Council tax performance continues at a high level, but may decline marginally towards the year end.

Author of Report: Ian H Milton

Signature: \_\_\_\_\_

Date: 13 January 2014

Designation: Assessor & ERO

Name: Ian H Milton

## Valuation Roll Performance Indicators as at 31 December 2013

	Time Period	2013/2014 (part year)	2012/2013	2011/2012
<b>Amendments within time periods</b>	0 - 3 Months	<b>1150</b>	1,718	1,338
The number of amendments made to the valuation roll during the year as a result of material change of circumstances and new subjects.	%	<b>79.5%</b>	75.2%	68.8%
	<i>Threshold %</i>	<b>77.0%</b>	70.0%	70.0%
	3 - 6 Months	<b>182</b>	322	330
	%	<b>12.6%</b>	14.1%	17.0%
The time period is the period between the effective date of the amendment and the date the corresponding Valuation Notice is issued.	<i>Threshold %</i>	<b>13.0%</b>	15.0%	15.0%
	Over 6 Months	<b>114</b>	244	278
	%	<b>7.9%</b>	10.7%	14.3%
	<i>Threshold %</i>	<b>10.0%</b>	15.0%	15.0%
<b>Number of amendments</b>		<b>1446</b>	2,284	1,946
<b>Total number of entries</b>	At 1 April	<b>24,434</b>	24,300	24,235
<b>Total rateable value</b>	At 1 April	<b>£741.98M</b>	£741.05M	£738.83M
<b>Revaluation 2005 appealed assessments</b>	Resolved in year	<b>99</b>	0	4
	Total resolved	<b>5,457</b>	5,358	5,358
	Total outstanding	<b>6</b>	105	105
	Loss*	<b>2.18%</b>	2.16%	2.16%
<b>Revaluation 2010 appealed assessments</b>	Resolved in year	<b>968</b>	1,993	4,024
	Total resolved	<b>7,096</b>	6,128	4,135
	Total outstanding	<b>57</b>	1,025	3,018
	Loss**	<b>2.68%</b>	1.97%	1.00%

\*Compared to total RV as at 1 April 2005 (£515.35M)

\*\*Compared to total RV as at 1 April 2010 (£728.36M)

## Appendix 2

## Council Tax Valuation List Performance Indicators as at 31 December 2013

	Time Period	2013/14 (part year)	2012/13	2011/12
<b>New Entries within Time Periods</b>	0 - 3 Months	<b>1,959</b>	2,500	2,342
The time period is the period between the effective date of the amendment and the date the corresponding Banding Notice is issued.	%	<b>97.9%</b>	96.7%	95.4%
	<i>Threshold %</i>	<b>92.0%</b>	92.0%	90.0%
	3 - 6 Months	<b>57</b>	58	65
	%	<b>2.7%</b>	2.2%	2.6%
	<i>Threshold %</i>	<b>5.0%</b>	5.0%	7.0%
	Over 6 Months	<b>27</b>	28	48
	%	<b>1.3%</b>	1.1%	2.0%
	<i>Threshold %</i>	<b>3.0%</b>	3.0%	3.0%
<b>Number of New Entries Added</b>		<b>2,002</b>	2,586	2,455
The Actual number of new dwellings added to the Valuation List during the year.				
<b>Total Number of Entries</b>		<b>277,659</b>	275,426	273,450
The actual number of properties shown in the Valuation List as at 1 April annually.				
<b>Adjusted to Band "D" Equivalent</b>		<b>272,465</b>	269,814	267,460

**ITEM: 10**

# **QUESTION TIME**