

## **GRAMPIAN VALUATION JOINT BOARD**

**FRIDAY 29 JANUARY 2016**

**NOTICE IS HEREBY GIVEN** that a Meeting of the GRAMPIAN VALUATION JOINT BOARD to be held in the COUNCIL CHAMBERS, MORAY COUNCIL HEADQUARTERS, HIGH STREET, ELGIN on FRIDAY 29 JANUARY 2016 at 10.30AM.

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

22 January 2016

### **BUSINESS**

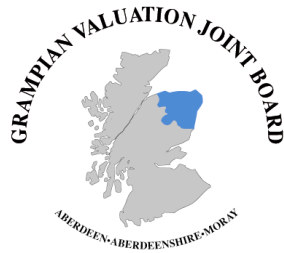
1. Sederunt
2. Declaration of Financial and Other Interests\*
3. Written Questions\*\*
4. Minute of Meeting of the Board dated 30 October 2015.
5. Reserves Policy – Report by Treasurer to the Board.
6. Revenue Budget Monitoring Statement for the Period 1 April to 31 December 2015 – Report by the Treasurer to the Board.
7. Revenue Budget for 2016/17 – Report by the Treasurer to the Board.
8. Internal Audit Plan for 2015/16 – Report by the Treasurer to the Board.
9. Governance – Report by The Assessor and ERO.

10. Register of Electors – Performance and Developments – Report by the Assessor & ERO.
11. Valuation Roll & Council Tax Valuation List – Report by The Assessor & ERO.
12. Question Time\*\*\*

Any person attending the meeting who requires access assistance should contact customer services on 01343 563217 in advance of the meeting.

<b>GUIDANCE NOTES</b>
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- \* **Declaration of Group Decisions and Members Interests** - 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.
  
- \*\* **Written Questions** - 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.
  
- \*\*\* **Question Time** - 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.



## **SEDERUNT**

**COUNCILLOR R SHEPHERD (CONVENER)**  
**COUNCILLOR G OWEN (DEPUTE CONVENER)**  
**COUNCILLOR I GRAY**  
**COUNCILLOR B CORMIE**  
**COUNCILLOR G COULL**  
**COUNCILLOR A DONNELLY**  
**COUNCILLOR A FINLAYSON**  
**COUNCILLOR R GRANT**  
**COUNCILLOR F HOOD**  
**COUNCILLOR S LONCHAY**  
**COUNCILLOR J MORRISON**  
**COUNCILLOR L PIRIE**  
**COUNCILLOR N SMITH**  
**COUNCILLOR S STUART**  
**COUNCILLOR C TUKE**

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# **WRITTEN QUESTIONS**



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

**FRIDAY 30 OCTOBER 2015 AT 10.30AM**

**COUNCIL CHAMBERS, MORAY COUNCIL HEADQUARTERS, HIGH STREET,  
ELGIN**

### **PRESENT**

Councillors R. Shepherd (Convener), G. Owen (Depute Convener), A. Finlayson, I. Gray, M. Howe (substituting for G. Coull), S. Lonchay, L. Pirie, N. Smith and C. Tuke.

### **APOLOGIES**

Apologies were intimated on behalf of Councillors B. Cormie, G. Coull, A. Donnelly, R. Grant, F. Hood, J. Morrison and S. Stuart.

### **IN ATTENDANCE**

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

## **1. DECLARATION OF GROUP DECISIONS AND MEMBERS 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**

The Board noted that no written questions had been submitted.

## **3. MINUTE OF MEETING OF THE BOARD DATED 28 AUGUST 2015**

The minute of the meeting of the Board dated 28 August 2015 was submitted for approval.

Referring to paragraph 8 of the minute, the Chair noted that the minute should read "...who sadly died..." and not "...who sadlied dies..."

Thereafter, the minute of the meeting of the Board dated 28 August 2015 was approved, subject to paragraph 8 being amended to read "...who sadly died..."

#### **4. PUBLIC PERFORMANCE REPORT**

A report was submitted by the Assessor & Electoral Registration Officer (ERO) seeking approval for the publication of the Public Performance Report 2014/15. A copy of the report was provided as Appendix 1 to the report.

In response to a query from the Board, the Assessor & ERO advised that consideration would be given to providing a breakdown of long-term and short-term absences in future public performance reports.

The Board joined the Convener in commending the Assessor & ERO for their continued good work during 2014/15.

Following consideration, the Board agreed to:-

- (i) note the content of the report;
- (ii) the publication of the Public Performance Report 2014/15, as set out in Appendix 1 of the report; and
- (iii) note that consideration would be given to providing a breakdown of long-term and short-term absences in future public performance reports.

#### **5. REVENUE BUDGET MONITORING STATEMENT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2015**

A report was submitted by the Treasurer to the Board asking the Board to consider the Revenue Budget Monitoring Statement for the period 1 April to 30 September 2015.

Following consideration, the Board agreed to note the:-

- (i) Revenue Monitoring Statement for the period 1 April to 30 September 2015 and the Estimated Outturn forecast for the financial year 2015/16, as set out in Appendix 1 to the report; and
- (ii) the detailed Budget and Estimated Outturn for Individual Electoral Registration (IER) in 2015/16, as detailed in Section 5 of the report.

#### **6. VALUATION ROLL & COUNCIL TAX VALUATION LIST**

A report was submitted and noted by the Assessor & Electoral Registration Officer (ERO) advising the Board of performance levels achieved during the period 1 April 2015 to 30 September 2015 in respect of the Valuation Roll, provided as Appendix 1 to the report, and the Council Tax Valuation List, provided as Appendix 2 to the report.

## **7. REGISTER OF ELECTORS ANNUAL CANVASS**

A report was submitted and noted by the Assessor & Electoral Registration Officer (ERO) informing the Board of progress with the annual canvass for the Register of Electors.

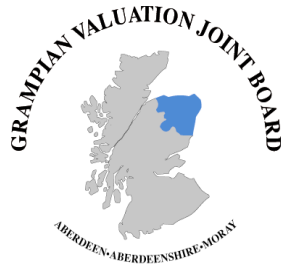
## **8. IRRV SCOTTISH CONFERENCE**

A report was submitted and noted by the Assessor & Electoral Registration Officer (ERO) advising the Board of attendance at the Institute of Revenues, Rating and Valuation (IRRV)'s Scottish conference 'Service Delivery – Fit for the Challenge'.

## **9. QUESTION TIME**

Referring to the appendix contained within Agenda Item 6 'Revenue Budget Monitoring Statement For The Period 1 April To 30 September 2015', Councillor Howe requested that the appendix be presented in a larger font in future reports to enable it to be read easier. In response, the Clerk and Mrs Brands agreed to review how the appendix be provided in future reports.





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**REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 29 JANUARY 2016**

**SUBJECT: RESERVES POLICY**

**BY: TREASURER TO THE BOARD**

**1. REASON FOR REPORT**

- 1.1 To consider a revision to the Board's policy on levels of General Fund permitted.

**2. RECOMMENDATION**

**2.1 It is recommended that the Board:**

- (i) Considers each of the four options detailed in Section 4 below; and**
- (ii) Agrees which option to adopt.**

**3. BACKGROUND**

- 3.1 The creation of a General Reserve (now General Fund) was agreed by the Board on 28 January 2011 (paragraph 4 of the minute refers).
- 3.2 The General Fund was established to provide the Assessor with the flexibility to investigate and implement any future "spend to save" projects where one off costs are required in order to deliver future budget savings. The fund 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.
- 3.3 Following concerns regarding the current economic uncertainty especially as regards future funding, Members of the Board requested that the Treasurer review the levels of General Fund. A number of options, detailed at section 4 have been identified for consideration.

#### 4. **OPTIONS**

4.1 Four different options were considered and these are detailed in the following paragraphs.

##### 4.2 **Option 1**

Continue with the existing policy whereby the amount transferred to General Fund in any one year is restricted to 3% of the total budget for that year, subject to the cumulative balance on the General Fund not exceeding 5% of the total budget for that year.

##### 4.3 **Option 2**

Continue with the existing policy as detailed in option 1 for the General Fund and in addition, transfer any residual revenue surplus to the Capital Fund that will assist the Assessor to deal with Elgin accommodation issues.

##### 4.4 **Option 3**

Restrict the amount transferred to General Fund in any one year to 5% of the total budget for that year, subject to the cumulative balance on the General Fund not exceeding 7.5% of the total budget for that year.

##### 4.5 **Option 4**

Adopt the revised policy as detailed in option 3 for the General Fund and in addition, transfer any residual revenue surplus to the Capital Fund that will assist the Assessor to deal with Elgin accommodation issues.

4.6 The potential effect on the Fund balances over the next two years for the four options are summarised in the table below.

	<b>Anticipated General Fund balance</b>		<b>Anticipated Capital Fund balance</b>	
	<b>31/03/16</b>	<b>31/03/17</b>	<b>31/03/16</b>	<b>31/03/17</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Option 1	201	210	73	73
Option 2	201	210	255	431
Option 3	301	315	73	73
Option 4	301	315	155	326

For the purposes of the above illustration it has been assumed that the budget performance in 2016/17 is the same as 2015/16.

#### 5. **CONCLUSION**

5.1 **The review and revision of the reserves policy is considered imperative to meet the challenges in an uncertain economic environment and period of funding constraints.**

**5.2 The preferred option of the Assessor and his senior management team is option 4:**

**Restrict the amount transferred to General Fund in any one year to 5% of the total budget for that year, subject to the cumulative balance on the General Fund not exceeding 7.5% of the total budget for that year and in addition transfer any residual revenue surplus to the Capital Fund that will assist the Assessor to deal with Elgin accommodation issues.**

**5.3 The Treasurer would recommend that if the adopted policy permits a transfer to the Capital Fund, that the policy is reviewed after two years.**

Author of Report: Deborah Brands, Principal Accountant

Background Papers: None

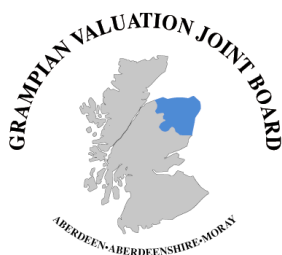
Ref:

Signature:

Date : 20 January 2016

Designation: Treasurer to the Board

Name: Margaret Wilson



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**REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 29 JANUARY 2016**

**SUBJECT: REVENUE BUDGET MONITORING STATEMENT FOR THE PERIOD 1 APRIL TO 31 DECEMBER 2015**

**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 2015.
- 1.2 To consider the Estimated Outturn position for the year 2015/16.

**2 RECOMMENDATION**

**2.1 It is recommended that the Board:**

- (i) **Considers the Revenue Monitoring Statement for the period 1 April to 31 December 2015 and the Estimated Outturn forecast for the financial year 2015/16.**
- (ii) **Notes the detailed Budget and Estimated Outturn for Individual Electoral Registration (IER) in 2015/16.**

**3. CURRENT POSITION**

- 3.1 At its meeting on 30 January 2015, the Board agreed the Revenue Budget for 2015/16 and approved that the requisitions to constituent authorities should be set at £4,011,000.
- 3.2 The Estimated Outturn position for 2015/16 was reported to the meeting of the Board on 30 October 2015 and an estimated underspend of £191,000 was noted.
- 3.3 The **APPENDIX** shows the monitoring position to 31 December 2015. It gives details of the 2015/16 Revenue Budget, the Actual to date and the

Variance to date. It also shows the updated Estimated Outturn and Estimated Variance for the year.

- 3.4 The Appendix includes all expenditure incurred by the service, including that incurred in the latter stages of transition to IER. The funding for IER comes from various sources on top of the existing Electoral Registration budget. The Cabinet Office has said that the service may submit an application to them to recover any additional expenditure.
- 3.5 The budget for 2015/16 was agreed excluding the IER grant allocation and associated expenditure. As costs are becoming more transparent for IER the budget has now been input into the relevant budget lines where expenditure is expected and the grant and recharge line within income, Line 27. The cash grant of £207,576 and the unspent grant from 2014/15 carried forward in reserves, £42,000, give a total expenditure budget of £249,576.
- 3.6 IER is explained in more detail later in this report and the table in paragraph 5.4 gives a detailed breakdown of the expenditure this year and estimated outturn.
- 3.7 Total net expenditure to 31 December is £2,793,000 which results in an underspend against budget to date of £103,000.
- 3.8 To date, there is a £140,000 under spend within employee costs. A pay award of 1.5% has been budgeted for all employees this year and all employees have now been remunerated for back-dated pay. The underspend relates to vacant posts in the establishment. The service has successfully filled some posts at this latter stage of the year and will continue to recruit to fill the remaining vacancies.
- 3.9 The Property Costs budget currently has an underspend against budget to date. The rent review for Woodhill House has now been settled at £130,000 per annum and the estimated actual includes amounts for four years backdated rent.
- 3.10 Transport costs were previously over budget to date but have come back in line. Any overspend is due to the mileage covered by the six Electoral Registration Assistants (ERAs) when canvassing individuals. It is anticipated that Transport cost variance will increase again by the end of the year and the over spend be recoverable from the Cabinet Office.
- 3.11 The total budget for Supplies and Services is £82,000 overspent to date. This is expected to reduce significantly but still be over budget at the end of the year by £3,000. The overspend to date in equipment, furniture and materials of £12,000, relates to the purchase of equipment originally planned for last year. Envelopes were also purchased for IER forms issue at the three offices. Postages, which includes the budget for IER, is showing an overspend of £43,000 to date. This is expected to fall back within budget by year end. The overspend in Advertising is due to joint advertising between the fifteen Electoral Registration Officers in Scotland used to encourage the public to

register to vote. Canvass expenditure is overspent to date by £29,000 due to the volume of letters issued and follow up visits by the ERAs.

- 3.12 The budget and actual for support charges are processed at 31 March as part of the year end closedown.
- 3.13 There are no other significant variances to report.

#### **4. ESTIMATED OUTTURN 2015/16**

- 4.1 The Revenue budget is expected to underspend by the year end and at this stage the underspend is estimated at £185,000, giving an overall variance against the budget of £227,000.
- 4.2 The most significant underspend is anticipated in employee costs at £197,000. Of this amount £21,000 relates to the six Electoral Registration Assistants recruited for IER due to delays in filling the posts. The remaining amount of £176,000 is vacancies in the establishment.
- 4.3 Property costs are expected to overspend by £50,000. The main reason is because the rent increase for Woodhill House is expected to be backdated to 2012 when the lease was originally due for renewal.
- 4.4 Transport is projected to overspend by £10,000, being mileage costs for the ERAs. These costs are anticipated to be recoverable from the Cabinet Office.
- 4.5 Supplies and Services are expected to overspend by £3,000 in total. The overspend to date on Furniture, Equipment and Materials will almost all carry through to the year end figures. The overspend on Canvass expenses is expected to reduce slightly but still remain at £15,000 over budget. This expenditure should be eligible to be claimed back from the Cabinet Office at year end. The expenditure for Postages, Printing and Stationery and IT Maintenance and Support are expected to come in on budget. Within those figures, the estimated outturn on the general IT maintenance programme, not including IER spend, is £133,000 against a budget of £163,000. The service is currently looking at options for future IT provision which might require significant capital commitment in 2017/18. The Board will be kept updated on any progress with this. Within the IT outturn there is development expenditure for IER. The estimated expenditure for this is £30,000 and will be fully recharged to the Cabinet Office. Valuation appeals expenditure is now forecasting to come in under budget as a significant tribunal case is not going ahead this year. The estimated outturn includes the Valuation Appeal Committee secretary fees.
- 4.6 Grants and recharges relating to IER are expected to exceed budget by £87,000. A grant for £17,000 was received in relation to the evening canvass and unconfirmed electors. A further £30,000 is expected for the IT development expenditure referred to in paragraph 4.5. It has been reported that any spend incurred for the provision of IER, over and above the service's

existing Electoral Registration budget, can be recharged to the Cabinet Office. Taking into account the grants already received and the proposed spend on IER, which is included in the next section of this report, a further £40,000 could possibly be claimed this year. This is included in the estimated outturn figure in Line 27 of the Appendix.

## **5. INDIVIDUAL ELECTORAL REGISTRATION**

- 5.1 The funding allocation for the Grampian Valuation Joint Board in 2015/16 is £207,576. In addition to this, the unspent grant from 2014/15 of £42,000 has been carried forward in the General Fund. Whilst receiving funding towards the switch to IER there is an expectation that the Board will maintain their existing electoral registration budget.
- 5.2 The start of December 2015 saw the completion of the transition phase to IER as the system is now in place. IER should now be seen as business as usual for the future. As it continues to embed itself in the normal business of the service, the Cabinet Office has agreed to fund extra costs involved. Expenditure for EMS development charges, within IT Maintenance line, will be recharged to the Cabinet Office. As mentioned in 4.5 above it is estimated that this will be up to £30,000. This planned expenditure is included in the Estimated Outturn figure for IT Maintenance and Support, and the associated recharge is within Income.
- 5.3 In addition to IT expenditure, the Assessor has to identify and submit to the Cabinet Office a breakdown of all other expenditure expected, by the end of January 2016. It is anticipated that any expenditure incurred on IER, over and above the electoral registration budget, IER grant funding (including the brought forward grant amount) and the IT recharge, can be fully recharged to the Cabinet Office. On the basis of the planned spend on IER this year, shown in the table below, a further £40,000 could possibly be recharged to cover the balance of expenditure on IER.
- 5.4 The income and expenditure for IER is incorporated within the normal monitoring statement shown in the Appendix. The table below has been provided to separately identify the current spend and estimated outturn for IER, over and above the normal Electoral Registration budget.

	Annual Budget	Budget to 31 December 2015	Actual to 31 December 2015	Estimated Outturn
	£000	£000	£000	£000
Employee Costs (6 ERA's)	132	99	86	111
Transport Costs	5	5	7	10
Printing & Stationery	-	-	2	13
Postages	82	82	111	120
Advertising	-	-	8	8

IT development costs	-	-	14	30
Canvass expenses	31	31	43	45
<b>Total Expenditure</b>	<b>250</b>	<b>217</b>	<b>271</b>	<b>337</b>

The total cost of the transition to IER this year is estimated to be £337,000.

- 5.5 The majority of IER spending is anticipated in employee costs and associated transport costs, printing, postage and canvas. There was also joint advertising across Scotland between the fifteen Electoral Registration Officers, using the means of television, radio and newspapers to encourage the public to register to vote. IT development costs will be separately recharged. Additional Canvass expenditure is expected this year due to the volume of letters to be issued and follow up visits by the ERAs.

## 6. CONCLUSION

- 6.1 The total net expenditure as at 31 December 2015 is £2,793,000 giving an underspend against budget to date of £103,000.
- 6.2 The estimated outturn is an underspend of £185,000, giving a variance underspend against budget of £227,000.
- 6.3 The Assessor and his Senior Management Team closely monitor and control budgets in order to keep within agreed levels and generate savings wherever possible throughout the year.

Author of Report: Susan Souter, Accountant.  
 Background papers: Held within Accountancy Section, Moray Council  
 Date: 19 January 2016

**Signature:** **Name: Margaret Wilson**  
**Designation: Treasurer** **Date: 19 January 2016**



APPENDIX

GRAMPIAN VALUATION JOINT BOARD REVENUE MONITORING STATEMENT FOR PERIOD 1 APRIL TO 31 DECEMBER 2015

Line No.	2015-16 Total Budget	2015-16 Budget to Date	Actual 30 December 2015	Variance 30 December 2015	2015-16 Estimated Outturn	2015-16 Variance
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Employee Costs</b>						
1 Salaries	2,458	1,844	1,752	92	2,335	123
2 National Insurance	200	150	135	15	176	24
3 Superannuation	471	353	321	32	421	50
4 Additional Pensions	22	16	16	-	22	-
5 Other Employee Costs	2	2	4	(2)	6	(4)
6 Training	14	11	8	3	10	4
<b>Total Employee Costs</b>	<b>3,167</b>	<b>2,376</b>	<b>2,236</b>	<b>140</b>	<b>2,970</b>	<b>197</b>
<b>Property Costs</b>						
7 Accommodation Charges	317	218	191	27	368	(51)
8 Repairs and Maintenance	4	3	2	1	4	-
9 Energy Costs	7	5	5	-	7	-
10 Cleaning	3	2	2	-	2	1
<b>Total Property Costs</b>	<b>331</b>	<b>228</b>	<b>200</b>	<b>28</b>	<b>381</b>	<b>(50)</b>
<b>Transport Costs</b>						
11 Staff Travel and Subsistence	80	61	61	-	90	(10)
<b>Total Transport Costs</b>	<b>80</b>	<b>61</b>	<b>61</b>	<b>-</b>	<b>90</b>	<b>(10)</b>
<b>Supplies &amp; Services</b>						
12 Equipment, Furniture & Materials	17	12	24	(12)	25	(8)
13 Protective Clothing	1	1	1	-	1	-
14 Text & Reference Books	8	6	8	(2)	8	-
15 Printing & Stationery	32	24	21	3	25	7
16 Postages	262	199	242	(43)	262	-
17 Telephones	5	4	3	1	5	-
18 Advertising	5	4	11	(7)	11	(6)
19 IT Maintenance & Support	163	126	125	1	163	-
20 Canvass Expenses	60	45	74	(29)	75	(15)
21 Valuation Appeals	61	6	3	3	37	24
22 Fees, Charges & Subs	3	2	2	-	3	-
23 Specialist Services	19	15	12	3	19	-
24 Other Supplies & Services	2	1	1	-	1	1
<b>Total Supplies &amp; Services</b>	<b>638</b>	<b>445</b>	<b>527</b>	<b>(82)</b>	<b>635</b>	<b>3</b>
<b>Support Services</b>						
25 Lead Authority Charge	55	-	-	-	55	-
<b>Total Support Services</b>	<b>55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>-</b>
<b>Gross Expenditure</b>	<b>4,271</b>	<b>3,110</b>	<b>3,024</b>	<b>86</b>	<b>4,131</b>	<b>140</b>
<b>Income</b>						
26 Sales and Other Income	(8)	(6)	(6)	-	(8)	-
Grants & Recharges relating to						
27 Individual Electoral Registration	(208)	(208)	(225)	17	(295)	87
28 Interest on Revenue balances	(2)	-	-	-	(2)	-
<b>Total Income</b>	<b>(218)</b>	<b>(214)</b>	<b>(231)</b>	<b>17</b>	<b>(305)</b>	<b>87</b>
<b>Net Expenditure</b>	<b>4,053</b>	<b>2,896</b>	<b>2,793</b>	<b>103</b>	<b>3,826</b>	<b>227</b>
29 Requisitions	(4,011)	(3,006)	(3,006)	-	(4,011)	-
<b>(Surplus)/Deficit for Year</b>	<b>42</b>	<b>(110)</b>	<b>(213)</b>	<b>103</b>	<b>(185)</b>	<b>227</b>

The net expenditure budget £42,000 is in respect of IER expenditure funded by grant carried forward from 2014/15 and held in reserves.



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**REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 29 JANUARY 2016**

**SUBJECT: REVENUE BUDGET FOR 2016/17**

**BY: TREASURER TO THE BOARD**

**1. Reason for Report**

- 1.1 To consider the Revenue Budget for 2016/17 and to agree the 2016/17 requisitions to the three constituent authorities.

**2. Recommendation**

**2.1 It is recommended that the Board: -**

- (i) approves the Budget for 2016/17 to be set at £4,196,000 as detailed in Appendix 1.
- (ii) approves the requisitions for 2016/17 to the Constituent Authorities to be set at £4,196,000 as detailed in para 7.2.
- (iii) notes the indicative budgets for 2017/18 and 2018/19 as detailed in Appendix 1.

**3. 2016/17 Revenue Budget**

- 3.1 Details of the proposed Revenue Budget for 2016/17 are shown in **APPENDIX 1**. The work undertaken by the Assessor has resulted in a proposed budget which has increased slightly from £4,011,000 to £4,196,000 (4.6%). Pay awards and changes to the National Insurance regulations account for £72,000 of the increase and a one-off contingency of £40,000 has been included in respect of potential overtime relating to the revaluation exercise. The balance is increases to reflect the additional costs of Individual Electoral Registration (IER).
- 3.2 As there remain significant uncertainties and cost pressures around the statutory requirements for implementation of IER, it is proposed that only one year's revenue budget for 2016/17 is approved 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 there is little scope to make efficiencies without impacting on the level of service. 2016/17 is a particularly challenging year with the Scottish Parliamentary elections, the European Union referendum and the non domestic properties revaluation which will all place significant demands on the staff.
- 3.4 The pay award for 2016/17 has yet to be agreed and so an allowance of 1.0% has been included in the budget. This amount, adjustments for anniversary increments where appropriate, adjustments to reflect replacement staff recruited to lower pay points and the changes to the National Insurance regulations detailed at paragraph 3.5 below has resulted in an increase to the staff budget of £72,000. The indicative budgets for future years anticipate pay awards of 1.0% per annum for 2017/18 and 2018/19.
- 3.5 From April 2016 employers will pay the standard rate of National Insurance contributions instead of the contracted-out rate, and no longer get the 3.4% National Insurance rebate on a proportion of earnings. The effect of this is shown in the budgets in **APPENDIX 1**. The effect on the NI budget due to this change is an increase of £50,000.
- 3.6 The staffing budget includes an amount of £143,000 for 6 FTE temporary posts of Electoral Registration Assistants (ERAs) until 31 March 2017. The Assessor is of the view that IER canvas requirements cannot be met without these personnel, but in the meantime these 6 posts are not included in the 2017/18 and 2018/19 indicative budgets.
- 3.7 It is anticipated that the revaluation exercise will necessitate some overtime working in quarters 1 and 2 of 2016/17. At this stage the amount is estimated at approximately £40,000. A contingency provision has been established for the amount and if any amount is not used in 2016/17 the balance will be returned to the constituent authorities.
- 3.8 Rental charges for Woodhill House have been increased to £130,000 per annum in accordance with the agreed rental agreement. The 2015/16 budget provision estimated the rental charge at £125,000 resulting in a budget increase of £5,000 for 2016/17. The revised charge dates back to 2012/13 for a five year period and the next review is expected in 2017/18. The Service Charge at Woodhill House has been maintained at the 2015/16 estimate. Minor increases are anticipated in repairs and maintenance, while the energy costs and cleaning budgets will remain at last year's level.
- 3.9 Staff travel and subsistence is anticipated to increase due to canvassing individuals at home and it is proposed to increase this budget by £10,000.
- 3.10 The Equipment, Furniture and Materials budget has been reduced in 2016/17 by £10,000 as no substantial purchases are expected in that year.
- 3.11 Printing and Stationery budget has been reduced by £5,000 compared to the previous years.

- 3.12 In 2015/16 the Postages budget was increased during the year to take into account the postage expenditure which was grant funded for Individual Electoral Registration (IER). The Postages budget should now reflect the IER regime embedded in the service.
- 3.13 There was considerable spend on IT Maintenance and Support in 2015/16, some of which was paid for by the grant received for IER developments. The 2016/17 budget has been kept at the same amount as 2015/16.
- 3.14 The Assessor proposes the existing Canvass budget to be at the estimated outturn for 2015/16 which is £75,000.
- 3.15 The budget for valuation appeals was increased by £5,000 last year to reflect a significant case hearing expected at the Lands Tribunal. This case has not yet been heard and has resulted in a variance in 2015/16. It is proposed to leave the budget at the same level as the hearing should take place in 2016/17.
- 3.16 Budgets are proposed to stay at the same level as 2015/16 for Protective Clothing, Fees and Charges, Text and Reference Books, Advertising, and other Supplies and Services. A small increase is needed for Specialist Services which includes the Scottish Assessors' Association website fee, External Audit and Actuary fee plus disclosure checks for employees.
- 3.17 There is a proposed increase in the Support Services budget for 2016/17 of £1,000 taking the budget to £56,000. This is to take into account the anticipated pay award and NI changes next year that will increase the costs of the lead authority recharge to the Board.
- 3.18 The Assessor has raised the issue of the condition of the Elgin office and has put forward the need for a significant refurbishment to bring it up to an acceptable standard and to comply with Disability legislation. There is no provision in the 2016/17 revenue budget for any works as a full appraisal of all the options needs to be carried out.
- 3.18 Options on how to fund this capital expenditure will be discussed in the Reserves Policy which is subject to a later report to this Board meeting.

#### **4. Costs and Funding in 2016/17 for the continuation of IER**

- 4.1 The Assessor has not been informed of the level of government funding for the implementation of IER in 2016/17 at the time of writing this report. For the purposes of the budget, he has assumed it will be no less than the initial grant of £208,000 awarded in 2015/16. If there is a significant change to this the Board will be informed as part of the budget monitoring during the year. Funding for future years beyond 2016/17 has not been anticipated.
- 4.2 In order to maintain the skilled resource, an extension to the contracts of the 6 Electoral Registration Assistants, referred to in paragraph 3.6, to 31 March

2017 was agreed by the Assessor and Treasurer to the Board, during 2015/16. An amount of £138,000 is included in the Employee costs and £5,000 Transport Costs for 2016/17 for this exercise.

- 4.3 The Assessor will continue to develop a plan and details of resources required to advance the implementation of IER. An update report with this information will be submitted to the Board meeting in June 2016 when more details from the Government is known.

## **5. General Fund**

- 5.1 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 now that the transition phase of IER is complete and should be seen as business as usual. There is no assurance of how additional costs resulting from the successful implementation of IER will be funded in the future.
- 5.2 The balance on the General Fund at 31 March 2015 was £240,000. This includes the unspent government grant received in 2015/16 of £42,000 which was transferred to the General Fund. This is expected to be spent in full this year on ongoing IER expenditure which leaves the balance at £198,000. The current year expenditure is expected to be under budget and under the current reserves policy it is anticipated that the General Fund balance at 31 March 2016 will be at the maximum permitted £201,000.
- 5.3 As previously mentioned, a revised Reserves Policy is subject of a later report to this meeting.

## **6. Capital Fund**

- 6.1 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 2014 was £73,000. The balance in this fund will be maintained in order to assist with any capital expenditure relating to office accommodation.

## **7. 2016/17 Requisitions**

- 7.1 In the table below, the detailed requisition required from each constituent authority is calculated in order to fund the Board's revenue budget for 2016/17 of £4,166,000.
- 7.2 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 2015/16.

	Population	Requisition %	Proposed Total Requisition 2016/17 £	Percentage increase on 2015/16 Requisitions %
Aberdeen City	229,000	39.19	1,644,505	4.6
Aberdeenshire	260,500	44.58	1,870,714	4.8
Moray	94,800	16.22	680,782	4.1
<b>TOTAL</b>	<b>584,3000</b>	<b>100.00</b>	<b>4,196,000</b>	<b>4.69</b>

## 8. Conclusion

- 8.1 Preparing the proposed Revenue Budget for 2016/17 has been a demanding task. Trying to balance the increasing demands made upon the service through a period of uncertainty for the continuation of IER, whilst continuing to make efficiency savings.
- 8.2 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 implementation of efficiencies, will have minimal impact on the performance of the service.
- 8.3 The Assessor will develop the plan including the resources required to maintain IER, within the constraints of the current budget and, if necessary, the flexibility afforded by the General Fund balance, and will report to the Board in June 2016.

Author of Report: Susan Souter, Accountant  
 Background Papers: Various calculations held in the Accountancy Section in The Moray Council

Signature:

Date: 19 January 2016

Name: **Margaret Wilson**

Designation: **Treasurer Grampian Valuation Joint Board**

APPENDIX 1

GRAMPIAN VALUATION JOINT BOARD INDICATIVE 3 YEAR BUDGET

Line No.	2016-17 Proposed Budget	2017-18 Indicative Budget	2018-19 Indicative Budget
	£'000	£'000	£'000
<b><u>Employee Costs</u></b>			
1 Salaries	2,471	2,395	2,427
2 National Insurance	251	247	251
3 Superannuation	477	462	468
4 Additional Pensions	23	24	24
5 Other Employee Costs	3	3	3
6 Training	14	14	14
<b>Total Employee Costs</b>	<b>3,239</b>	<b>3,145</b>	<b>3,187</b>
<b><u>Property Costs</u></b>			
7 Accommodation Charges	317	338	338
8 Repairs and Maintenance	6	5	5
9 Energy Costs	7	8	8
10 Cleaning	3	3	3
<b>Total Property Costs</b>	<b>333</b>	<b>354</b>	<b>354</b>
<b><u>Transport Costs</u></b>			
11 Staff Travel and Subsistence	90	90	90
<b>Total Transport Costs</b>	<b>90</b>	<b>90</b>	<b>90</b>
<b><u>Supplies &amp; Services</u></b>			
12 Equipment, Furniture & Materials	7	7	7
13 Protective Clothing	1	1	1
14 Text & Reference Books	8	8	8
15 Printing & Stationery	27	27	27
16 Postages	280	280	280
17 Telephones	4	4	4
18 Advertising	5	5	5
19 IT Maintenance & Support	163	213	213
20 Canvas Expenses	75	75	75
21 Valuation Appeals	61	61	61
22 Fees, Charges & Subs	3	3	3
23 Specialist Services	20	20	20
24 Other Supplies & Services	2	2	2
<b>Total Supplies &amp; Services</b>	<b>656</b>	<b>706</b>	<b>706</b>
<b><u>Support Services</u></b>			
25 Lead Authority Charge	56	57	58
<b>Total Support Services</b>	<b>56</b>	<b>57</b>	<b>58</b>
<b><u>Contingency</u></b>			
26 Overtime working - Revaluation	40	-	-
<b>Total Contingency</b>	<b>40</b>	<b>-</b>	<b>-</b>
<b>27 Gross Expenditure</b>	<b>4,414</b>	<b>4,352</b>	<b>4,395</b>
<b><u>Income</u></b>			
28 Sales and Other Income	(8)	(8)	(8)
29 Government Grant and recharges	(208)	-	-
30 Interest on Revenue balances	(2)	(2)	(2)
<b>Total Income</b>	<b>(218)</b>	<b>(10)</b>	<b>(10)</b>
<b>31 Net Expenditure</b>	<b>4,196</b>	<b>4,342</b>	<b>4,385</b>
<b>32 Requisitions</b>	<b>(4,196)</b>	<b>(4,342)</b>	<b>(4,385)</b>
<b>33 (Surplus)/Deficit for Year</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 29 JANUARY 2016**

**SUBJECT: INTERNAL AUDIT PLAN FOR 2015/16**

**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 2016.

**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 takes account of risk and is presented to the Board to enable it to consider and comment on the proposed audit coverage.
- 3.2 It will be recognised that whilst the Assessor's Service is subject to considerable operational challenges as a consequence of legislative changes, some of which are supported by additional funding from central government, the costs of the service do not change materially from year to year. The main expenditure continues to relate to staffing costs with other outlays covering for annually recurring items including office rentals and service charges, ICT infrastructure and licencing and postage outlays.
- 3.3 Additionally, as in prior years, the main financial systems of the Assessor's Service mirror 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.
- 3.4 The audit work proposed will provide the Assessor and 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 Assessor prepares for inclusion with the Board's annual accounts.



3.5 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 review of any material variances;
- Evaluation of the application of procurement procedures.

A separate audit of how the Assessor's service supports the constituent authorities in their maintenance of the Council Tax and Valuation lists is being finalised at the time of drafting this report. This is being undertaken as part of the Moray Council annual audit plan relative to Council Tax administration and the outcomes from this work will inform any further audit testing that may be required in this area.

3.6 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.

3.7 The outcomes from the audit will be reported to the next scheduled meeting of the Board on 24<sup>th</sup> June 2016.

#### **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, Moray Council  
Background Papers: Internal Audit files  
Ref: as/gvjb/290116

Signature:

Designation: Treasurer

Name: Margaret Wilson



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**REPORT TO: Grampian Valuation Joint Board on 29 January 2016**

**SUBJECT: Governance**

**BY: The Assessor & ERO**

**1. Reason for Report**

1.1 To advise the Board of current records management developments.

**2. Recommendation**

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

**3. Background**

3.1 The Public Records (Scotland) Act 2011 requires listed authorities to prepare a records management plan that must be agreed with the Keeper of the Records of Scotland.

**4. Current position**

4.1 The Assessor and ERO was invited to submit a records management plan for the Keeper's consideration during the autumn. The approach adopted by the Keeper is to seek to promote best practice in terms of records management and use the assessment process to highlight areas where improvement may be made.

4.2 This service through its registration and assessment roles makes use of large volumes of information that is held in various record formats. The importance of effective plans for the management of these records cannot be underestimated.

4.3 The Scottish Assessors' Association Governance Committee drew up advice on the preparation and implementation of records management plans. The Governance Committee's advice, along with advice provided by the Keeper's implementation team has assisted in the preparation of an initial submission for the authority and its service that will be made by the end of January 2016.

4.3 The records management plan identifies specific responsible officers, sets out the policy that must ensure that

- records are registered in a logical manner as soon as possible after they are created or received;
- retained records, regardless of their age, are maintained in such a way that they are easy to locate and can be retrieved efficiently;
- adequate storage for all documents needs to be available, to ensure that records are safe from unauthorised access;
- records not selected for permanent preservation in an archive and which have reached the end of their administrative life as detailed in the Appendix to this Policy will be destroyed in as secure a manner;
- the disposal of records is undertaken in accordance with clearly established procedures.

The management plan requires records to be classified and subject to retention schedules with documented and appropriate archiving, transfer, security and destruction arrangements. Business continuity and audit are also important elements as is an assessment and review process

4.4 The Assessor and ERO has strategic responsibility for records management. The Depute Assessor and ERO for Aberdeenshire has operational records management responsibility.

## 5. **Conclusion**

5.1 The organisation is addressing its responsibilities under the Public Records (Scotland) Act 2011. Further reports will be provided to the Board as the plan progresses through assessment to implementation.

Author of Report: Ian H Milton

Signature:

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Date:

18 January 2016

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Designation:

Assessor & ERO

Name:

Ian H Milton



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**REPORT TO:** Grampian Valuation Joint Board on 29 January 2016

**SUBJECT:** Register of Electors – Performance and Developments

**BY:** The Assessor & ERO

**1. Reason for Report**

- 1.1 To submit electoral registration performance details following the publication of the revised registers on 1 December 2015.
- 1.2 To update the Board on current developments in electoral registration.

**2. Recommendation**

- 2.1 The Board note the content of this report.

**3. Background**

- 3.1 The performance element of this report is submitted relative to items 9 & 10 of the Code of Corporate Governance and provides statistical data relating to the 2015 autumn canvass and the revised registers published on 1 December 2015.
- 3.2 This report also highlights current developments that will impact on the service in 2016.

**4.0 Canvass 2015 – Performance details**

- 4.1 The **Appendix** to this report provides statistical data requested by the Electoral Commission for each council area following the publication of revised registers by 1 December 2015. The local government electorate as at 1 December 2015 was 435,404, this is 8,852 less than the electorate when the registers were last revised on 27 February 2015 and reflects the fact that the 2015 canvass has been the first full audit of registers since the 2013 canvass. As reported to the Board in October, the increase in complexity of the canvass that now consists of two stages means that the full canvass process will not be concluded until the following Spring. As such, the 1 December registers reflect an interim position where many deletions of electors that have moved on have been implemented, but the corresponding new entries for electors that have moved into the registration area, or changed address, will not be implemented until they have followed up their canvass return with an application to register.

- 4.2 In addition to the overall local government register electorate, the **Appendix** indicates that 2,189 under 16s were registered as at 1 December. This is provided in the local government attainers column. Their entries on the register are not normally available as such information is defined as young person information and specifically excluded from publication by the Scottish Elections (Reduction of Voting Age) Act 2015. The number of attainers on the UK parliamentary registers was 2,600; this too is provided in the **Appendix**. On revision of the registers as at 1 December, this will only include 17 year olds, but from 1 December onwards, 16 year olds can also be treated as attainers to the UK Parliamentary register. By way of completeness, the Electoral Commission also ask EROs to provide the total number of 16 and 17 year olds registered to vote, this total of 5,353 is also provided in the appendix.
- 4.3 As a result of the decision to terminate the period of transition to Individual Electoral Registration (IER) on 30 November 2015, any registered electors who had not been confirmed or individually registered were removed from the registers prior to publication of the revised registers. In Grampian, the number of unconfirmed electors was reduced from 19,222 as at 27 February 2015 to 10,636 as at 9 October 2015 and by 30 November 2015 the number remaining was 3,893. These remaining entries were removed on 30 November 2015. The figure of 3,893 bears reasonable comparison to the number of entries removed from registers prior to IER where no canvass response had been received for two consecutive years. Over the last three pre-IER canvasses an average of 1,520 entries were deleted per annum.
- 4.4 The overall canvass return rate was 76% during the 4 month canvass period. The last full canvass conducted over broadly the same time period was carried out in 2012 and at that time, the canvass return rate was 84%, with a further 8.3% of households being matched against finance data held by local authorities. The last pre-IER canvass was held in 2013 although that was postponed with publication of revised registers by 10 March 2014. The canvass process has continued into early 2016 with a further 4,239 household enquiry form returns made as at 11 January 2016. In a similar vein, the second stage of the canvass involving registration applications is still underway with 4,740 additions and 3,330 deletions from all registers in the update published on 5 January 2016. The revised electorate on the local government registers as at 5 January was 436,824.
- 4.5 The combined number of automated responses to the 2015 canvass was 64,040. This is less than the 82,092 automated canvass returns that were secured in 2012. The interruption in the continuity of the traditional canvass and the increase in complexity of the canvass process are likely to have reversed the previously established trend towards an increasing use of automated response channels. The Electoral Commission is currently re-designing the household enquiry form that EROs are required to use in their canvass and it is anticipated that the new design should encourage householders towards the automated response options.

- 4.6 Whilst not part of the return to the Electoral Commission and therefore not provided in the appendices to this report, the number of electors who opt-out of the open registers is noteworthy. The number of electors choosing to opt out of the open registers that are available for sale to external organisations as at 1 December 2015 was 213,544 which is 49% of the electorate. There have been two recent changes to the operation of the open register. Firstly, under IER, the elector is not required to re-state their preference on an annual basis. Secondly, all under 16s are automatically opted out of the open register. The proportion of electors who seek to keep their names off the commercially open register has continued to increase, from 23% when the provision was first introduced in 2002 to 38% prior to IER and currently 49% following the introduction of IER and the extension of the franchise to 16 and 17 year olds.

## **5.0 Electoral Registration Developments**

### **5.1 Individual Electoral Registration (IER)**

IER is now in force and the transition period has ended. Questions over whether the current heavily prescribed model for delivering IER represents the most cost effective means of delivering accurate and complete registers remain and EROs are working with both governments and the Electoral Commission to review and evaluate means of making the individual registration process more efficient.

### **5.2 Postal Vote signature refresh**

Postal voters are required to re-submit a fresh signature when requested by the ERO every five years. During the second week of January the service issued 7,111 letters to existing postal voters requesting a fresh signature. The law requires these requests to be followed by a reminder and should a postal voter fail to respond, their postal vote must be cancelled.

### **5.3 Scottish Parliament election**

The Scottish Parliament (Elections etc.) Order 2015 came into force last month and work is ongoing with Returning Officers, the Electoral Commission and the Electoral Management Board to ensure that all arrangements are in place ahead of the poll on 5 May 2016. Engagement activities are underway to ensure that all electors, including young people, students and the less able are given every opportunity to participate.

### **5.4 EU Referendum**

Plans are in preparation for the referendum and at least 10 weeks' notice is anticipated.

## **6.0 Conclusion/...**

## 6.0 Conclusion

- 6.1 The first complete IER canvass has been implemented and to a large extent is complete. The return rates are not as high as those achieved prior to IER and the resultant follow-up canvasser visits are demanding in terms of resources. The overall performance has been reported to the Electoral Commission and the indications are that the outcome in terms of return rates and the movement in electorate is in line with the overall position across the UK. The accuracy of the register should reflect the fact that every elector's entry on the register has been subject to independent confirmation or verification. The challenge for government and EROs is to seek to establish means to make the system more efficient.
- 6.2 The coming year promises to be yet another busy and challenging year for the service. The calendar could be particularly congested if the EU referendum is scheduled for the early summer and a late summer referendum would disrupt the 2016 canvass schedule.

Author of Report: Ian H Milton

Background Papers:

Signature:

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Date:

18 January 2016

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Designation:

Assessor & ERO

Name:

Ian H Milton

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## Canvass Data as at 1 December 2015

	Local government register (including attainers)	Attainers (Local Government)	Attainers (UK Parliamentary)	16/17 year olds registered	Electors removed due to end of IER transition	Additions during canvass	Deletions during canvass	Household enquiry form return rate
<b>Aberdeen City</b>	162,847	665	778	1,658	1,875	9,965	17,629	66.7%
<b>Aberdeenshire</b>	200,833	1,100	1,378	2,778	973	10,003	12,564	80.1%
<b>Moray</b>	71,722	424	444	917	1,045	3,711	5,466	78.4%
<b>Grampian</b>	<b>435,404</b>	<b>2,189</b>	<b>2,600</b>	<b>5,353</b>	<b>3,893</b>	<b>23,679</b>	<b>35,659</b>	<b>76.2%</b>





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**REPORT TO:** Grampian Valuation Joint Board on 29 January 2016

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

**BY:** The Assessor & ERO

**1. Reason for Report**

- 1.1 To advise the Board of performance levels achieved during the period 1 April 2015 to 30 December 2015.

**2. Recommendation**

- 2.1 It is recommended that the Board note the performance information.

**3. Background**

- 3.1 The Board's Code of Corporate Governance sets out a framework of performance measurement and evaluation. This framework identifies a number of quantitative service related performance indicators.
- 3.2 The performance thresholds have been set for the performance indicators that have been agreed between the Scottish Government and the Scottish Assessors Association and reviewed by the Board.

**4. Current Position**

**4.1 Valuation Roll**

- 4.1.1 **Appendix 1** provides performance for the first 9 months of 2015/16 and the previous two whole years. In the report to the Board on 30 October 2015 it was recognised that whilst broad target-based performance indicators were useful as initial indicators, they have proven to be a blunt tool for the assessment of true performance. Managers therefore use these broad indicators that essentially only examine the time lapse between an event, such as an alteration to a building and the subsequent re-assessment of value, to supplement their subjective review of activities within each division. For example, as part of the preparations for the 2017 revaluation, information provided by occupiers of non-domestic buildings result in subsequent value re-assessments that cannot be reflected within the first 90 days performance window regardless of how rapid the response from the service is.

- 4.1.2 Apart from the running roll alterations that provide the data for the performance indicators, valuation staff resources are being focussed on preparations for the 2017 Revaluation with the issue of questionnaires to ensure assessments are based on the most accurate information in terms of properties, their rents and costs. Work is in hand to revalue 25,000 non-domestic properties with initial values required to assist the government with its taxation planning from January to September 2016.

#### 4.2 Council Tax Valuation List

- 4.2.1 **Appendix 2** provides the position for the first 9 months of 2015/16 and the previous two whole years. The performance for 2015/16 has remained at the same level as reported in October 2015. At that time recruitment difficulties were identified as being particularly critical for the relatively small establishments in Banff and Elgin. During December appointments were made to the three vacant surveying posts. Once the appointees are all in post and their initial training completed it is anticipated that steps can be made to reverse the current situation, albeit that the Revaluation of non-domestic properties must take priority in the current year.

### 5. Conclusion

- 5.1 The valuation service is continuing to deliver at a level that is not reflected in the published performance data. At the same time, surveying staff are moving forward with the Revaluation of 25,000 non-domestic properties
- 5.2 Recruitment of qualified professional personnel has proven to be a particular challenge to the service this year but with appointments now made it is anticipated that the improved position will ultimately be reflected in future performance indicators.

Author of Report: Ian H Milton

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

Date: 18 January 2016

Designation: Assessor & ERO

Name: Ian H Milton

**Valuation Roll Performance Indicators as at 31 December 2015**

	<b>Time Period</b>	<b>2015/2016</b> <i>(part year)</i>	2014/2015	2013/2014
<b>Amendments within Time Periods</b> The number of amendments made to the valuation roll during the year as a result of material change of circumstances and new subjects.  The time period is the period between the effective date of the amendment and the date the corresponding Valuation Notice is issued.	0 - 3 Months	<b>1,096</b>	1,505	1,562
	%	<b>69.4%</b>	68.4%	74.5%
	<i>Threshold</i> %	<b>77.0%</b>	77.0%	77.0%
	3 - 6 Months	<b>213</b>	366	285
	%	<b>13.5%</b>	16.6%	13.6%
	<i>Threshold</i> %	<b>13.0%</b>	13.0%	13.0%
	Over 6 Months	<b>271</b>	329	249
	%	<b>17.1%</b>	15.0%	11.9%
	<i>Threshold</i> %	<b>10.0%</b>	10.0%	10.0%
<b>Number of Amendments</b>		<b>1,580</b>	2,200	2,096
<b>Total Number of Entries</b>	At 1 April	<b>24,803</b>	24,667	24,434
<b>Total Rateable Value</b>	At 1 April	<b>£772.20M</b>	£753.28M	£741.98M

## Appendix 2

## Council Tax Valuation List Performance Indicators as at 31 December 2015

	Time Period	2015/2016 (part year)	2014/2015	2013/2014
<b>New Entries within Time Periods</b> The time period is the period between the effective date of the amendment and the date the corresponding Banding Notice is issued.	0 - 3 Months	<b>2,079</b>	2,430	2,629
	%	<b>92.9%</b>	91.7%	95.4%
	Threshold %	<b>94.0%</b>	92.0%	92.0%
	3 - 6 Months	<b>102</b>	140	92
	%	<b>4.5%</b>	5.3%	3.3%
	Threshold %	<b>4.0%</b>	5.0%	5.0%
	Over 6 Months	<b>58</b>	80	36
	%	<b>2.6%</b>	3.0%	1.3%
	Threshold %	<b>2.0%</b>	3.0%	3.0%
<b>Number of New Entries Added</b> The Actual number of new dwellings added to the Valuation List during the year.		<b>2,239</b>	2,650	2,757
<b>Total Number of Entries</b> The actual number of properties shown in the Valuation List as at 1 April annually.		<b>282,009</b>	279,902	277,659
<b>Adjusted to Band "D" Equivalent</b>		<b>278,000</b>	275,251	272,465

# QUESTION TIME