

# **Agenda Item 3**

## **Minutes**

**Draft**

**Minute of Meeting of the Central Scotland Valuation Joint Board held remotely on Friday 19 November 2021 at 9.30 a.m.**

**Councillors:** David Balfour (Convener)  
Martha Benny  
Lorna Binnie  
Kenneth Earle  
David Grant  
Craig Holden  
Jeremy McDonald  
Alan Nimmo  
Robert Spears  
Jim Thomson

**Officers:** Brian Pirie, Assistant to the Clerk  
Darryl Rae, Divisional Assessor  
Lindsay Sim, Treasurer  
Graham Templeton, Senior Auditor  
Pete Wildman, Assessor and Electoral Registration Officer

**Also Attending:** Sophie Dick, Democratic Services Graduate  
Emma-Rose Mackie, Audit Scotland

**VJB21. Apologies**

Apologies were intimated on behalf of Councillors Coombes, Dodds and Patrick.

**VJB22. Declarations of Interest**

No declarations were made.

**VJB23. Minute**

**The minute of the meeting held on 24 September 2021 was approved.**

**VJB24. Revenue Budget 2021/22 – Review as at 31 October 2021**

The Board considered a report by the Treasurer advising the Board of the forecast outturn for the financial year ending 31 March 2022.

The budget for the financial year 2020/21 was £2.966m. The projected outturn against the budget showed an underspend of £0.160m, which was a favourable movement of £0.012m, since last reported.

The underspend was in the main due to the delay in recruitment to several vacancies (2 of which had become available since reporting) and also the recruitment of less qualified staff than desired. A reduction in overtime costs also contributed towards the underspend. There were also Covid-19 related underspends in supplies and services.

The 2020/21 underspend in relation to Barclay funding had been returned to the Scottish Government. It was confirmed that the £0.007m Barclays underspend from 2019/20 was not required to be returned to the Scottish Government. However, it was thought prudent that this amount continued to be earmarked to offset future Barclay spend.

During the budget setting process earmark reserves included: funding to support the 2021/22 budget shortfall of £0.128m, 2019/20 Barclays Underspend of £0.007m, Property Maintenance Fund of £0.122m and funding of £0.030m to cover the pay award element up to 3%.

The Board noted the necessity to utilise the underspend and suggested that it could contribute towards the pay awards issue – the monies to be placed in reserves with the purpose for this use. The Treasurer explained that money had been placed in reserves to cover the pay award element up to 3% recognising that it was still an ongoing issue.

The Board sought for more information regarding the £6,000 overspend related to increase costs in telephones; this was originally £9,000 as a result of home working but was offset by the reduction in mobile telephone costs of £3,000. The Assessor and Electoral Registration Officer explained that the method of connecting to the office network was through office smart phones therefore all members of staff had a phone. Furthermore, it allowed more remote work in terms of general survey work. A new phone system was being implemented which moved away from a landline-based system to internet which accrued costs. He stated that in the long-term, savings would be made, for example mobile phones were being upgraded to better deals on SIM cards – the initial set up costs amounted to the overspend, but overtime, this would save money.

Further concerns were raised by the Board about the underspend going into reserves and suggested that the Board should utilise the finance to mitigate the risk of future budget cuts. Ms Sim referred to the repayment of the underspend of the Barclays underspend from 2019/20 to the Scottish Government therefore some of the money within the underspend could be ringfenced for other purposes. She noted the difficulty of spending to the budget due to factors such as recruitment and significant staffing underspend – this related to some of the Barclay funding. When preparing for the 2022/23 budget, focus would not be placed on cutting

the budget but rather what the budget requires by looking at the reserves position and any updates from the Barclays funding.

In 2021/22, there had been an underspend of £21,000 in overtime costs, the Board questioned why this was and if it this would be the case next year. Mr Wildman clarified that there was no demand from employees to work overtime, possibly due to a desire for a greater work-life balance and thus an overestimation in the budget allocated for 2021/22. He explained that overtime would be required in the following year due to work demands although the amount required could not be predicted.

The Board then asked if there would be an increase in requisition to the local authorities for the forthcoming year to which Ms Sim explained the work was ongoing to map on the 2022/23 budget, but efforts would be made to avoid requesting additional funds.

In terms of additions funding from the Scottish Government to cover the impact of Covid-19, the Treasurer confirmed there had been no indication that any finance would come. The Assessor and Electoral Register Officer explained that an additional funding bid had been placed with the Barclay Funding for next year, but no confirmation had come yet from the Scottish Government. In terms of when the Board may find out if funding had been granted, Mr Wildman explained that discussions were ongoing between the Scottish Government and COSLA and therefore may come out as part of the funding settlement as it previously had done.

The Computer Software Maintenance budget for 2021/22 was £130,222 and as of 31/10/21, £89,696 had been spent leading to a forecast of a total spend of £131,231 for 2021/22 which Mr Wildman clarified would be on budget. He explained that the reason the Disaster Recovery was anticipated to be £1,639 over budget was due to increase use of working online demanding a greater need for back-ups and storage.

### **Decision**

**The Board noted the financial projection for the year to 31 March 2022.**

## **VJB25. Complaints Handling Procedure**

The Board considered a report by the Assessor and Electoral Registration Officer which provided an updated complaints handling procedure – the existing complaints procedure was approved by the Valuation Joint Board at the meeting of 21 March 2014. Since this, the Scottish Public Service Ombudsman had produced a Model Complaints Handling Procedure in 2020 thus requiring the existing procedure to be revised to meet the demands of the model basis for Local Authorities.

The Board sought clarity on whether the complaints handling procedure had to be utilised, the Assessor and Electoral Registration Officer stated that it was common for a number of complaints to be lodged. Although some were related to issues that were out-with Valuation Joint Board's power, such as complaints relating to electoral registration as this was a legal requirement. Other complaints related to delays in responses. Mr Wildman clarified that rarely complaints escalate into phase 2 and no complaints had been taken to the ombudsman recently.

Following a question on whether any aspects of complaints procedure had been omitted from the revised version, Mr Wildman explained the updated procedure was robust and now required the Board to publish an annual complaint review. The increased frequency of review encouraged the Board to ensure complaints were handled properly and learn lessons.

The revised procedure ensured that staff would be given refresher training as required which the Board responded to by asking how it would be determined what training was necessary for staff. The Assessor clarified it would depend upon the role of the employee and thus tailor the training – those who handled stage 1 of the procedure would be required to be aware of different elements compared to those who handle complaints at a more advanced stage.

In terms of claimant's awareness of timescale requirements when handling complaints, Mr Wildman explained that individuals were made aware of any time limits and upon request, the full procedure would be made available to them.

The Assessor and Electoral Registration Officer clarified that when handling a stage 2 complaint, a Senior Officer would be handling the complaint. In an instance where stage 1 was already handled by a Senior Officer, it would be transferred over to another.

### **Decision**

**The Board approved the new complaints procedure and noted its commitment to the new procedure.**

## **VJB26. Interim Valuation Performance Report**

The Board considered a report by the Divisional Assessor presenting performance information for the period 1 April 2021 to 30 September 2021.

The service performances were measured by performance indicators for valuation roll work and for valuation list work were set out.

In regard to valuation roll work, which measured the period taken to change the valuation roll, of these 79% had been amended within 3 months, 94% within 6 months and 6% had taken longer – against targets of 70%, 88% and 12% respectively.

In regard to the valuation list work, the time taken to add houses to the valuation, 96% had been added within 3 months, 98% added within 6 months and 2% took longer – as against targets of 94%, 97% and 3% respectively.

The Board wished to know if preparations had been made in anticipation of change in business rates and whether government aid would be available. The Assessor and Electoral Registration Officer stated it would depend on what the change was, regardless however, the Board would seek funding to meet the new duties required. He offered examples of forthcoming changes such as the move towards 3-yearly revaluation from April 2022 and review of properties in the same month – for these changes, funding had been provided by the Scottish Government through the Barclay funding.

### **Decision**

**The Board noted the performance to date.**

## **VJB27. Valuation Appeal Progress Report**

The Board considered a report by the Assessor and Electoral Registration Officer presenting the Valuation Team Appeals report.

The report provided detail on appeals in regard to:-

- 2017 Revaluation Appeal Progress to November 2021
- 2017 Running Roll Appeals
- Appeals Lodged Against 2005 and 2010 Valuation Rolls
- Council Tax Proposals & Appeals

Following a question on whether a service level agreement was in place in regard to the Land Tribunal, Mr Wildman clarified that the body was independent from the Valuation Joint Board. He recognised the timely manner appeals can take, however, assured that work continued in the background. He explained that the number of appeals can look large, however, once one appeal has a verdict, those of a similar nature also come to an end by applying the same verdict. However, noted that as the change with the Tribunal was impending, a more proactive approach could be adopted and therefore cases could be evaluated on an individual basis.

### **Decision**

**The Board noted:-**

- (1) the significant appeal workload arising from the 2017 Revaluation and the progress toward disposing of these by the statutory deadlines;**
- (2) progress in disposal of appeals relating to the 2005 and 2010 Revaluations; and**
- (3) progress in disposal of Council Tax proposals and appeals.**

#### **VJB28. Public Holiday June 2022**

The Board considered a report by the Assessor seeking approval from the Board to grant an additional public holiday on 3 June 2022 to all VJB employees.

The UK Government has designated 3 June 2022 as an additional public holiday to mark the Queen's Platinum Jubilee.

In terms of what would happen if something were to happen to the Queen, Mr Wildman stated that the public holiday would have to be reviewed.

#### **Decision**

**The Board agreed to grant an additional day's leave to all employees on 3 June 2022.**

#### **VJB29. Divisional Assessor**

The Board considered a report by the Assessor advising members that one of the current Divisional Assessors, had intimated their intention to resign with effect from 31 January 2022, and sought authority to initiate a recruitment and selection process to fill the vacant post as soon as practicable.

The Board asked why it was necessary for it to approve the recruitment process to which the Assessor clarified it was set out within the Standing Orders. The Depute Assessors must be appointed by the Board due to the possibility of the Board working with them instead of the Assessor if they are not available. The Assistant to the Clerk concurred with the Assessor and added that due to it being a legislative requirement, it could not be delegated to the Assessor.

The Assessor confirmed that the Depute Assessor's final day would be 31 January 2022, however, he still had annual leave to take. In terms of how long the position would remain vacant, it would depend upon the notice period of the successful candidate and the Christmas break had to be taken into consideration as well. He explained that if there was a gap between one leaving and another starting, himself and the Divisional

Assessor would undertake additional work to cover this. In terms of appointing another staff member to act up, this was a possibility but would have a knock-on effect on the rest of the workforce and would require interviews.

The Board then nominated members to the Appointments Committee in line with the Board's Standing Orders, the nominations were as follows:-

- Councillor Balfour, Binnie and Nimmo from Falkirk;
- Councillor Thomson from Stirling; and
- Councillor Holden from Clackmannanshire.

The Board then agreed to appoint Councillor Balfour as the Convener to the Committee.

In terms of how the Committee would commence, the Assistant to the Clerk and the Assessor concurred that whether the meetings would take place remotely or in person would be a decision for the Committee.

### **Decision**

#### **The Board:-**

- (1) noted the resignation of the Divisional Assessor from January 2022;**
- (2) approved that the resultant vacancy be recruited to;**
- (3) nominated members to the Appointments Committee in line with the Board's Standing Orders – Councillor Balfour, Binnie and Nimmo from Falkirk, Councillor Thomson from Stirling and Councillor Holden from Clackmannanshire.**
- (4) appointed Councillor Balfour as Convener of the Committee;**
- (5) approved that the recruitment advisers to the Board will be the Clerk to the Board, the Human Resources adviser to the Board and the Assessor and Electoral Registration Officer;**
- (6) in order to expedite recruitment, notwithstanding Standing Orders which provide that recruitment of the Divisional Assessor is delegated to the Appointments Committee, that recruitment, not including final interview, is delegated to the Assessor and Electoral Registration Officer, Clerk and HR Advisor; and**
- (7) delegated authority to the Committee to make the appointment. The outcome of the recruitment process will be reported to the Board by the Clerk.**



### **VJB30. Report on Mail and Printing Contract**

The Board considered a report by the Assessor seeking the Board's permission to enter into a call off contract for mail printing and postage from the Scottish National Framework Agreement.

The Board had originally agreed to enter a contract with the Royal Mail for the period 1 October 2019 – 30 September 2020 and wished to enter another 2-year contract.

Following on from a question on whether other companies could be taken into consideration, Mr Wildman explained that there were other options available, however, this would require advertisement which would be a huge resource. He doubted that the sort of efficiencies that a national framework could provide would be matched by a smaller company.

The Board raised concerns around risk of offering the contract to a sole company as this could leave the Valuation Joint Board at risk during strikes to which the Assessor assured there would be alternatives if problems were to arise. Inhouse printing services could be utilised for a temporary period, as well as the ability to switch to lock 2 which Critiqom could provide most of the services without physical mail. Regardless of the situation, it would be most efficient to come into a contract with one supplier as complication would arise when utilising different contracts for different purposes.

#### **Decision**

##### **The Board:-**

- (1) authorised a call off contract with Royal Mail until 1 December 2023; and**
- (2) authorised that subject to satisfactory performance that the Assessor may extend the contract until 30 June 2025.**

### **VJB31. 2019/20 Internal Audit Review – Arrangements for Processing and Authorising Payroll Related Changes**

The Board considered a report by the Internal Audit Manager providing details of the findings arising from the 2019/20 Internal Audit review of the Arrangements for Processing and Authorising Payroll Related Changes. Substantial Assurance was provided in relation to the Arrangements for Processing and Authorising Payroll Related Changes.

A summary of the findings from the review of Arrangements for Processing and Authorising Payroll Related Changes was included in the Internal Audit Annual Assurance Report for 2019/20 that was presented to the Board on 25 September 2020.

The report arising from work on the Arrangements for Processing and Authorising Payroll Related Changes was attached at Appendix 1. The report findings reflected the framework of control in place at the time of the audit in February 2020.

### **Decision**

**The Board noted the findings arising from the 2019/20 Internal Audit review of Arrangements for Processing and Authorising Payroll Related Changes.**

### **VJB32. 2019/20 Internal Audit Review – Data Protection Arrangements**

The Board considered a report by the Internal Audit Manager providing details of the findings arising from the 2019/20 Internal Audit review of the Board's Data Protection Arrangements. A Substantial Assurance in relation to the Data Protection Arrangements was provided.

A summary of the findings from the review of Data Protection Arrangements was included in the Internal Audit Annual Assurance Report for 2019/20 that was presented to the Board on 25 September 2020.

The report arising from work on Data Protection Arrangements was attached as Appendix 1. The report findings reflected the framework of control in place at the time of the audit in February 2020.

The Board asked if any further improvement would be necessary in the future to which the Internal Audit Manager explained that this would not be the case but would ensure to follow-up with recommendations. Any issues would be identified in later work.

Following on from a question about the availability and accessibility to records of where people live to which the Assessor explained that this information was not stored in a central record. Within the Valuation Joint Board, there was the Register of Electors which has expanded to include anyone who was a resident in Scotland. Supply of this information was limited as governed by statute – those who were eligible for a copy were still faced with statute limitations. For example, elected members were eligible for a copy for the ward they represented but could only utilise it for electoral purposes. The Reform Register was available for public inspection, but they must do so under supervision whilst being limited to a paper copy and could only take written notes.

The Board raised issues they were facing in regard to receiving a monthly copy of the Register of Electors to which Mr Wildman stated he would investigate and resolve.

## **Decision**

**The Board noted the findings arising from the 2019/20 Internal Audit review of Data Protection Arrangements.**

### **VJB33. 2020/21 Internal Audit Review – Valuation Process Transactional Testing**

The Board considered a report by the Internal Audit Manager providing details of the findings arising from the 2020/21 Internal Audit review of the Board's Valuation Process Transactional Testing.

The Internal Audit Plan for 2020/21 was agreed by the Board on 25 September 2020. The Plan comprised reviews of:

- Valuation Process Transactional Testing; and
- Input to the Annual Governance Statement of Assurance Questionnaire process.

A summary of the findings from the Valuation Process Transactional Testing review was included in the Internal Audit Annual Assurance Report for 2020/21 that was presented to the Board on 25 June 2021.

The report arising from work on Valuation Process Transactional Testing was attached as Appendix 1. The report findings reflected the framework of control in place at the time of the audit in December 2020.

The Internal Audit Manager was able to provide Substantial Assurance in relation to the Valuation Process Transactional Testing.

## **Decision**

**The Board noted the findings arising from the 2020/21 Internal Audit review of Valuation Process Transactional Testing.**

### **VJB34. Programme of Meetings January - April 2022**

The Board considered a report by the Clerk setting out meeting arrangements for the Board for the period up to the Local Government Elections in May 2022.

The Clerk clarified that work would be undertaken to publish recordings of the meetings on to YouTube or a Valuation Joint Board website which was being established. The Assessor explained that a YouTube channel had been created and the tests thus far had been successful, but if continued success came, they would be looking to post meetings there. Mr Wildman explained the creation of a website was still ongoing although taking longer than expected due to other priorities from the IT Team.

**Decision**

**The Board agreed to meet remotely on 4 March 2022 and to note that meetings may be called as necessary, subject to Standing Orders.**