



Grampian Valuation Joint Board

Friday, 28 October 2022

NOTICE IS HEREBY GIVEN that at a Meeting of the **Grampian Valuation Joint Board** is to be held at **Council Chambers, Council Office, High Street, Elgin, IV30 1BX** on **Friday, 28 October 2022** at **09:30**.

BUSINESS

1. **Sederunt**
2. **Declaration of Member's Interests**
3. **Minute of meeting of 26 August 2022** **5 - 10**
4. **Revenue Budget Monitoring Statement 1 April to 30 September 2022** **11 - 20**
5. **Financial Planning for 2023-24 and Future Years** **21 - 32**
6. **Homologation - State Funeral on 19 September 2022** **33 - 34**
7. **Electoral Registration** **35 - 40**
8. **Valuation Roll and Council Tax** **41 - 48**
9. **Public Performance Report** **49 - 54**

GUIDANCE NOTES

- * **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 will arrange for a written answer to be provided within 7 working days.



Grampian Valuation Joint Board

SEDERUNT

Councillor Donald Gatt (Chair)
Councillor Isobel Davidson (Depute Chair)

Councillor Desmond Bouse (Member)
Councillor Dell Henrickson (Member)
Councillor Seamus Logan (Member)
Councillor Neil MacGregor (Member)
Councillor Avril Mackenzie (Member)
Councillor Ciaran Mcrae (Member)
Councillor Stephen Smith (Member)
Councillor Iain Taylor (Member)
Councillor Lynn Thomson (Member)
Councillor Judy Whyte (Member)
Councillor Marc Macrae (Member)
Councillor Sonya Warren (Member)

Clerk Name:	Tracey Sutherland
Clerk Telephone:	07971 879268
Clerk Email:	committee.services@moray.gov.uk

Minute of Meeting of the Grampian Valuation Joint Board**Friday, 26 August 2022****remote locations via video conference,****PRESENT**

Councillor Desmond Bouse, Councillor Isobel Davidson, Councillor Donald Gatt, Councillor Dell Henrickson, Councillor Seamus Logan, Councillor Dominic Lonchay, Councillor Neil MacGregor, Councillor Avril Mackenzie, Councillor Ciaran Mcrae, Councillor Stephen Smith, Councillor Iain Taylor, Councillor Sonya Warren

SUBSTITUTES

Councillor Ron McKail (for Councillor Shirley Burnett), Councillor Marc Macrae (for Councillor Kathleen Robertson), Councillor Gordon Graham (for Councillor Lynn Thomson)

APOLOGIES

Councillor Shirley Burnett, Councillor Kathleen Robertson, Councillor Lynn Thomson

IN ATTENDANCE

Also in attendance at the meeting were Alasdair McEachan, Head of Governance, Strategy and Performance (Moray Council), Lorraine Paisey, Treasurer to the Board, Mark Adam, Assessor and ERO, Dafydd Lewis, Internal Audit Manager (Moray Council), Jim Barron and Gavin Oag, Depute Assessor and ERO, Linda Smith, Principal Admin Officer, Maggie Bruce (Audit Scotland) and Tracey Sutherland, Committee Services Officer.

1. Welcome

Mr Alasdair McEachan, Head of Governance, Strategy and Performance with Moray Council welcomed everyone to the first meeting of the Grampian Valuation Joint Board following the Local Government Election on 5 May 2022. He further advised that he would chair the meeting until the role of Convener had been determine and would then hand the meeting over to the new Convener of the Board.

2. Membership of the Board

The Head of Governance, Strategy and Performance, as Depute Clerk to the Board intimated that the following had been appointed as Members of Grampian Valuation Joint Board for the ensuing five years until May 2027.

Board Members	Substitutes
Moray Council - 3 Members	
Councillor Donald Gatt	Councillor Tracy Colyer
Councillor Kathleen Robertson	Councillor Marc Macrae

Councillor Sonya Warren	Councillor Theresa Coull
Aberdeen City - 6 Members	
Councillor Desmond Bouse	To be confirmed
Councillor Dell Henrickson	To be confirmed
Councillor Neil MacGregor	To be confirmed
Councillor Ciaran McRae	To be confirmed
Councillor Avril McKenzie	To be confirmed
Councillor Lynn Thomson	Councillor Gordon Graham
Aberdeenshire - 6 Members	
Councillor Shirley Burnett	Councillor Jeff Goohall
Councillor Isobel Davidson	Councillor ron McKail
Councillor Seamus Logan	Councillor Iris Walker
Councillor Dominic Lonchay	Councillor Judy Whyte
Councillor Stephen Smith	To be confirmed
Councillor Iain Taylor	To be confirmed

3. Appointment of Convener

The Head of Governance, Strategy and Performance, Moray Council, sought nominations for the appointment of Convener of Grampian Valuation Joint Board.

Councillor Smith moved that Councillor Ciaran McRae, Aberdeen City Council be appointed as Convener, this was seconded by Councillor MacGregor.

Councillor Macrae seconded by Councillor Taylor proposed Councillor Donald Gatt be appointed as Convener.

As Councillor Graham had dialled into the meeting on his phone, the Clerk agreed to record his vote verbally and manually add to the electronic vote, prior to the result being called.

Due to a technical problem with the first electronic vote, it was agreed to cancel the vote and re-run for a second time.

On the division there voted:

For the Motion (6) Councillors Stephen, MacGregor, Henrickson, Logan, C McRae and Warren

For the Amendment (9) Councillors M Macrae, Taylor, Bouse, Davidson, Gatt, Graham, Lonchay, MacKenzie and McKail

Abstentions (0)

Accordingly the Amendment became the finding of the meeting and Councillor Donald Gatt was appointed Convener of the Grampian Valuation Joint Board.

Councillor McKail sought agreement to move an amendment in which Councillor Gatt be appointed Convener for a period of 6 months in order for the administrative and treasury support to the Board to be reviewed and moved and such a review take place in order to allow the Board to consider its standing orders and

conventions around the Convenership and its link to administrative and treasury support to the Board.

In response, the Head of Governance, Strategy and Performance confirmed that a valid vote had just taken place and Councillor Gatt had been appointed. In terms of the additional information provided in the proposed amendment was not on the agenda for the meeting, however it could be brought to a future meeting of the Board for consideration and given that the appointment of Convener had been determined, any change to that would need to be considered in the future.

Councillor McKail sought further clarification on whether his amendment would be accepted.

The Head of Governance, Strategy and Performance confirmed that a competent vote had been taken and an appointment made and therefore the amendment would not be competent at this stage and it was also introducing an item of business that was not on the agenda for consideration. He further added, that his advice as a Legal Officer would be that the members of the Board did not have sufficient information before them to make a decision today. The best course of action would be to bring the issue to a future meeting as a report or notice of motion.

The Head of Governance, Strategy and Performance then invited Councillor Gatt to take the Chair.

4. Appointment of Depute Convener

Councillor Gatt, the new Convener of Grampian Valuation Joint Board, thanked the Head of Governance, Strategy and Performance for chairing the first part of the meeting.

The Convener sought nominations for the role of Depute Convener to the Board. Nominations for the role were to be from either Aberdeen City or Aberdeenshire Council.

Councillor Bouse moved that Councillor Davidson be appointed as Depute Convener, this was seconded by Councillor M Macrae.

Councillor C MacRae seconded by Councillor Logan proposed Councillor Smith for the role.

On the division there voted:

For the Motion: (9)	Councillors Bouse, M Macrae, Davidson, Gatt, Graham, Lonchay, Mackenzie, McKail and Taylor
For the Amendment (6)	Councillors C MacRae, Logan, Henrickson, MacGregor, Smith and Warren.
Abstentions (0)	

Accordingly the motion became the finding of the meeting and Councillor Davidson was appointed Depute Convener of Grampian Valuation Joint Board.

5. Minute of Meeting of 4 February 2022

The minute of the meeting of 4 February 2022 was submitted by Councillor Smith, seconded by Councillor Graham, as returning members of the Board as a true and accurate record of the meeting.

This was approved by the Board.

6. Declaration of Member's Interests

In terms of Standing Order 25 and the Councillor's Code of Conduct, the Board noted that there were no declarations from Members who were present at the meeting where any item of business in which they have any financial or other interest is to be dealt with.

7. Appointments to the General Purposes Sub-Committee

A report by the Clerk to the Board invited the Board to appoint members to the General Purposes Sub-Committee for the period of August 2022 to May 2027.

Following lengthy discussion, the Board declined to make appointments to the General Purposes Sub-Committee.

8. Schedule of Meetings to 2027

A report by the Clerk to the Board invited the Board to consider and agree how future meetings will be held and the schedule of meetings for the period to June 2027.

Following consideration the Board agreed:

- i) future meetings of the Grampian Valuation Joint Board will be held as hybrid meetings with the physical location for the meetings for those wishing to attend in person, being Council Chamber, High Street, Elgin;
- ii) the meetings will now start at 9.30am; and
- iii) the schedule of meetings for the period to June 2027, as set out in Appendix 1.

9. Unaudited Annual Accounts 2021-22

A report by the Treasurer to the Board asked the Board to consider the unaudited Annual Accounts for Grampian Valuation Joint Board for the year ended 31 March 2022.

Following consideration the Board agreed to note the unaudited Annual Accounts for the Grampian Valuation Joint Board for the year ending 31 March 2022.

10. Revenue Budget Monitoring Statement 1 April to 31 July 2022

A report by the Treasurer to the Board asked the Board to consider the Revenue Budget Monitoring Statement for the period 1 April to 31 July 2022.

Following consideration the Board agreed to note the Revenue Budget Monitoring Statement to 31 July 2022.

11. Audit Scotland - Annual Audit Plan for GVJB 2021-22

A report by the External Auditor asked the Board to note the contents of the Grampian Valuation Joint Board Annual Audit Plan 2021-22.

Following consideration the Board agreed to note the contents of the Grampian Valuation Joint Board Annual Audit Plan 2021-22 by Audit Scotland.

12. Internal Audit Annual Report

A report by the Treasurer to the Board advised the Board of the internal audit work completed on the Assessors Service for the financial year ended 31 March 2022 and provided an opinion on adequacy of the control systems reviewed.

Following consideration the Board noted the satisfactory audit opinion derived from the audit work completed.

13. Valuation Roll and Council Tax

A report by the Depute Assessor and ERO (Aberdeen and Moray) provided an operational update on the valuation services provided by the Assessor including the performance levels achieved during 2021/22.

Following consideration the Board agreed to note the report.

14. Electoral Registration

A report by the Principal Admin Officer updated the Board on current developments in electoral registration.

Following consideration the Board agreed to note the content of the report.

15. Risk Management

A report by the Assessor and ERO informed the Board on risk management.

Following consideration the Board agreed to note the risk register and the plans for future reviews.

16. Governance

A report by the Assessor and ERO updated the Board on the review of HR policies and governance documents.

Following consideration the Board agreed to note the content of the report.

17. Complaints Handling Performance

A report by the Depute Assessor and ERO (Aberdeenshire) updated the Board on complaints handling performance.

Following consideration the Board agreed to note the complaints handling performance.

18. Question Time

Councillor Henrickson asked whether it would be possible for training to be arranged for new Members of the Board.

In response, the Assessor and ERO confirmed that training could be arranged.



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 28 OCTOBER 2022

SUBJECT: REVENUE BUDGET MONITORING STATEMENT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2022

BY: TREASURER TO THE BOARD

1. REASON FOR REPORT

- 1.1 To consider the Revenue Budget Monitoring Statement for the period 1 April to 30 September 2022 and the estimated outturn position for the year 2022/23.

2 RECOMMENDATION

- 2.1 It is recommended that the Board consider and note:

- (i) the Revenue Monitoring Statement for the period 1 April 2022 to 30 September 2022 and;
- (ii) the estimated outturn forecast for the year 2022/23.

3. CURRENT POSITION

- 3.1 At its meeting on 4 February 2022, the Board agreed the Revenue Budget for 2022/23 (paragraph 4 of the Minute refers) be set at £4,896,000 and approved the requisitions to constituent authorities of £4,749,000, with £147,000 being funded from the earmarked NDR reserve.
- 3.2 **Appendix 1** shows the monitoring position to 30 September 2022 against the budget. It gives details of the 2022/23 Revenue Budget, actual expenditure to date and the variance of expenditure against budget to date. It also shows the estimated outturn and the estimated variance for the year. Alongside, the variance is further split into the core and NDR reform budgets.
- 3.3 The total net expenditure at 30 September 2022 is £2,123,000 which is an underspend against budget to date of £321,000.
- 3.4 There are currently 14 vacancies and recruitment is actively being carried out for 2 posts. The difficulty in recruiting suitable staff, particularly at qualified Valuer level, has been reported on several occasions over the years to the Board and its believed to be a problem across the public and private sector.

The Assessor met with Moray Council's HR Manager recently to discuss ways to address this issue and a further round of recruitment is expected shortly.

4. YEAR TO DATE VARIANCES

Core Budget

4.1 Appendix 1 shows the actual to budget variances to 30 September 2022, and also how this variance is split between core budget and NDR reform budget. This section will first look at the core budget variances which has an underspend to date of £169,000.

4.2 There is £169,000 underspend against budget to date within employee costs for core staff. The variance arises from vacant posts mentioned above in paragraph 3.4 and a pay award for 2022/23 which has been budgeted for at 2% but not yet paid.

4.3 Accommodation costs are within budget, as the Woodhill House move is not expected to go ahead this year.

4.4 Within Supplies and Services, there is an underspend in core budgets of £42,000 across the headings. ICT Maintenance and Supports costs are currently £73,000 under budget to date. The service have an agreement for shared IT services using, where possible, existing Aberdeenshire infrastructure. The budget this year includes £80,000 with initial start-up costs of £46,000, of which £35,000 are yet to be incurred.

4.5 Postages are over budget by £39,000 at this point.

4.6 Transport costs are on budget, and the lead authority charge is processed at year end during the accounts closedown.

4.7 There are no other significant variances to report at this half way point in the year.

NDR Reform

4.8 There is £415,000 budgeted this year for continuing the implementation of the NDR reforms following the Barclay review. £147,000 will be funded from the balance in the earmarked reserve with a further £268,000 included in the requisitions from authorities.

4.9 Of the NDR budget, £359,000 is for staffing. As mentioned in para 3.4, recruitment is now being actively pursued for these NDR Reform posts although it has not yet been possible to fill all the posts. Currently four Graduate Trainee Valuers, one Admin Assistant and two Clerical Officer posts have been filled from the NDR staffing budget. Two valuer posts remain vacant.

4.10 The remainder of the NDR budget is in Supplies & Services for Postages, ICT, subscriptions etc, but there has been minimal spend to date on these areas so far.

- 4.11 Due to the disruption caused by the Coronavirus pandemic, the Revaluation of non-domestic subjects which was to take place on 1 April 2022 under the Barclay Implementation legislation, has been delayed until 1 April 2023.
- 4.12 Any committed and unspent NDR Reform budget has been put to the earmarked reserve to be used to cover costs in future years. The NDR Reform Reserve balance currently sits at £408,000, and £147,000 of this has been included in the funding of 2022/23 expenditure. The Board will be kept up to date of the NDR Reform expenditure, and the requirement to utilise the reserve.

5. ESTIMATED OUTTURN 2022/23

- 5.1 Appendix 2 shows the estimated outturn and variances split between the core and the NDR Reform budgets.
- 5.2 The revenue budget is currently expected to be underspent by the year end and at this halfway point in the year the estimated variance is an underspend of £463,000; £297,000 of core budget and £166,000 of NDR budget.
- 5.3 A substantial variance is due to ongoing vacancies within core and NDR budgets. The estimated outturn figures are based on the current establishment at the time of preparing this report rather than forecast filling any of the vacant posts, due to recruitment difficulties already mentioned. Managing the service with the current level of vacancies means that overtime will be required until end of November to complete the current revaluation and a best estimate has been included in the estimated outturn figure.
- 5.4 The pay award for 2022/23 has been included in the budget at a 2.5% flat rate across all posts. The pay offer that has recently been agreed between Cosla and the Scottish Government will be backdated to 1 April 2022. The impact of this increase has been calculated and included in the forecast employee costs in the appendices. While the actual pay award is higher than budgeted, this can be contained within the budget and not require use of reserves or additional requisitions due to the large variance generated by vacancies. An overall underspend in employee costs is projected; £151,000 in core and £125,000 in NDR reform.
- 5.5 Property costs are estimating to be over budget by £5,000 in total this year. The over spends to date are in NDR and water charges. The move to new office space in Woodhill House was delayed last year, and budgets for NDR, rent and service charges are at their original level. The relocation should create budget savings when settled. It should be highlighted that the service has it's own contracts for gas and electricity for offices and the increase in energy prices will likely impact on the running costs in the future. Remedial works at the Banff office, costing in the region of £10,000 have been identified as needing done. They have not been built into the estimated actuals until looked into in more detail, and will be updated in the next monitoring report.
- 5.6 Staff transport costs are forecast to be slightly under budget by £3,000 in total.

- 5.7 Supplies and services are forecast to be under budget by £148,000 in total against core budgets. Equipment costs include contract annual maintenance costs for various items of mailing equipment, and this budget is forecast to be over spent by £6,000, along with other minor over spends totalling £6,000. Underspends are forecast in Printing and Stationery by £18,000, reference books by £2,000 by reducing the number of hard copy valuation manuals and moving to an online version, and Specialist Services by £9,000. The IT maintenance and support budget this year includes components over and above the routine core ICT budget; including one-off start up costs while the service move to a shared service with Aberdeenshire Council. These could be as much as £89,000 under budget by year end but if not incurred during 2022/23 will require to be carried forward into 2023/24. Discussions regarding the move, including what replacement hardware and back up solutions will be required, are due to take place in the next few weeks and an update will be given at January's board meeting. Valuation Appeals are forecasting to be underbudget this year by £21,000, against the £56,000 budget. Some of the functions of Valuation Appeals Committees (VACs) are being transferred to Scottish Courts and Tribunals Service from 1 April 2023 so savings in future years are expected, although there will still be VAC panel costs. Forecast variances in supplies and services have been identified in the Appendix.
- 5.8 Income from sales of electoral registers occur in the second half of the year, when the register has been published. The outturn has been estimated at £2,000 above budget level.
- 5.9 The estimated outturn as shown in Appendices 1 and 2 is an underspend of £443,000, of which £277,000 is core budget and £166,000 is the NDR Reform budget. Appendix 2 shows the estimated outturn and variances split between the core budget and the NDR Reform.
- 5.10 Of the £415,000 NDR Reform budget this year, £147,000 was budgeted to be funded from the earmarked reserve with £268,000 requisitioned from authorities. From the estimated outturn figures, it looks as if the reserve won't be needed this year, and the £166,000 projected underspend would also go to the earmarked reserve, bringing the balance to £574,000.
- 5.11 It is not expected that use of the General Fund will be needed in 2022/23.

New Burdens Funding

- 5.12 Recently, all Electoral Registration Officers and Returning Officers were advised by letter of New Burdens funding being provided for the introduction of the Electoral Integrity Programme (EIP) from May 2023 across the UK. The EIP falls under the new Elections Act 2022 which contains measures such as introducing the requirement to show ID at polling stations, improving the accessibility of elections to make it easier for people with disabilities to vote, and bringing in changes to postal and proxy voting.
- 5.13 The funding will provide local authorities and Valuation Joint Boards the resources to deliver the changes required to cover additional staff, training and equipment costs.

- 5.14 Initial funding will be provided to local authorities by the end of November 2022, with further payments in April 2023 and April 2024. A justification led bid process will also be offered in Summer/Autumn 2023 and 2024.
- 5.15 The GVJB can expect grants to cover additional staff costs in connection with the new voter ID documents with the possibility of further funding in 2023 and 2024. Specialist equipment e.g. camera or scanner may also need to be purchased from the grant.
- 5.16 The Board will be kept up to date of this New Burdens funding.

6. CONCLUSION

- 6.1 **The total net expenditure as at 30 September 2022 is £2,123,000 giving an underspend against budget to date of £321,000; £211,000 in core budgets and £110,000 in NDR Reform budgets.**
- 6.2 **The estimated outturn is an underspend of £443,000. Of this, £277,000 is a variance from the core budget which would be returned to authorities, and £166,000 from the NDR Reform budget which would go to the earmarked reserve.**
- 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.**
- 6.4 **The next revenue monitoring and estimated outturn statement will be reported at the Board meeting in January 2023.**

Author of Report:	Susan Souter, Accountant.
Background papers:	Held within Accountancy Section, Moray Council
Date:	October 2022

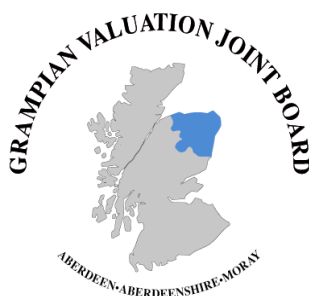
**GRAMPIAN VALUATION JOINT BOARD REVENUE MONITORING STATEMENT
FOR PERIOD 1 APRIL TO 30 SEPTEMBER 2022**

Line
No.

						Breakdown of Actual Variance		
						Core Budget Variance 30/09/2021	NDR Budget Variance 30/09/2021	Total Variance 30/09/2021
						£'000	£'000	£'000
Employee Costs								
1	Salaries	2,752	1,376	1,189	187	2,549	203	
2	National Insurance	309	155	130	25	286	23	
3	Superannuation	528	264	227	37	486	42	
4	Additional Pensions	24	12	12	-	24	-	
5	Other Employee Costs	1	-	1	(1)	3	(2)	
6	Training	20	10	2	8	10	10	
Total Employee Costs						3,634	1,817	1,561
Property Costs								
7	Accommodation Charges	330	211	213	(2)	334	(4)	
8	Repairs and Maintenance	3	1	1	-	3	-	
9	Energy Costs	13	7	6	1	14	(1)	
10	Cleaning	4	2	1	1	4	-	
Total Property Costs						350	221	221
Transport Costs								
11	Staff Travel and Subsistence	52	26	25	1	49	3	
Total Transport Costs						52	26	25
Supplies & Services								
12	Equipment, Furniture & Materials	3	3	6	(3)	8	(5)	
13	PPE	1	1	-	1	-	1	
14	Reference Books	10	6	6	-	8	2	
15	Printing & Stationery	34	17	4	13	16	18	
16	Postages & ER Printing	293	144	174	(30)	275	18	
17	Telephones	7	4	7	(3)	10	(3)	
18	Advertising	7	-	-	-	7	-	
19	IT Maintenance & Support	356	196	114	82	249	107	
20	Valuation Appeals	56	1	1	-	35	21	
21	Members' Allowances	4	-	-	-	4	-	
22	Fees, Charges & Subs	7	3	-	3	4	3	
23	Specialist Services	34	4	3	1	27	7	
24	Conference Fees & Subsistence	2	-	-	-	2	-	
25	Other Supplies & Services	2	2	2	-	4	(2)	
Total Supplies & Services						816	381	317
Support Services								
25	Lead Authority Charge	59	-	-	-	59	-	
Total Support Services						59	-	-
Gross Expenditure						4,911	2,445	2,124
Income								
26	Sales and Other Income	(13)	(1)	(1)	-	(15)	2	
27	Interest on Revenue balances	(2)	-	-	-	(2)	-	
Total Income						(15)	(1)	(1)
28 Net Expenditure						4,896	2,444	2,123
Funded from Reserves								
29	NDR Reform	(147)	-	-	-	(147)	-	
30 Requisitions						(4,749)	(2,373)	(2,373)
31 (Surplus)/Deficit for Year						-	71	(250)

GRAMPIAN VALUATION JOINT BOARD BUDGET
FOR PERIOD 1 APRIL TO 30 SEPTEMBER 2022

Line No.	Core Budget					NDR Reform Budget			
	Total Budget 2022/23	Core Budget 2022/23	Actual 30-Sep-22	Estimated Outturn 2022/23	Estimated Variance 2022/23	Core Budget 2022/23	Actual 30-Sep-22	Estimated Outturn 2022/23	Estimated Variance 2022/23
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employee Costs									
1 Salaries	2,752	2,481	1,118	2,369	112	271	71	180	91
2 National Insurance	309	280	123	266	14	29	7	20	9
3 Superannuation	528	476	213	452	24	52	14	34	18
4 Additional Pensions	24	24	12	24	-	-	-	-	-
5 Other Employee Costs	1	1	1	3	(2)	-	-	-	-
6 Training	20	13	2	10	3	7	-	-	7
Total Employee Costs	3,634	3,275	1,469	3,124	151	359	92	234	125
Property Costs									
7 Charges	330	330	213	334	(4)	-	-	-	-
8 Repairs and Maintenance	3	3	1	3	-	-	-	-	-
9 Energy Costs	13	13	6	14	(1)	-	-	-	-
10 Cleaning	4	4	1	4	-	-	-	-	-
Total Property Costs	350	350	221	355	(5)	-	-	-	-
Transport Costs									
11 Staff Travel and Subsistence	52	46	23	45	1	6	2	4	2
Total Transport Costs	52	46	23	45	1	6	2	4	2
Supplies & Services									
12 Equipment, Furniture & Materials	3	2	6	8	(6)	1	-	-	1
13 PPE	1	1	-	-	1	-	-	-	-
14 Reference Books	10	10	6	8	2	-	-	-	-
15 Printing & Stationery	34	34	4	16	18	-	-	-	-
16 Postages & ER Printing	293	275	174	275	-	18	-	-	18
17 Telephones	7	7	7	10	(3)	-	-	-	-
18 Advertising	7	7	-	7	-	-	-	-	-
19 IT Maintenance & Support	356	338	114	231	107	18	-	18	-
20 Valuation Appeals	56	56	1	35	21	-	-	-	-
21 Members' Allowances	4	4	-	4	-	-	-	-	-
22 Fees, Charges & Subs	7	2	(2)	3	(1)	5	2	1	4
23 Specialist Services	34	26	3	17	9	8	-	10	(2)
24 Conference Fees & Subsistence	2	2	-	2	-	-	-	-	-
25 Other Supplies & Services	2	2	2	4	(2)	-	-	-	-
Total Supplies & Services	816	766	315	620	146	50	2	29	21
Support Services									
25 Lead Authority Charge	59	59	-	59	-	-	-	-	-
Total Support Services	59	59	-	59	-	-	-	-	-
Gross Expenditure	4,911	4,496	2,028	4,203	293	415	96	267	148
Income									
26 Sales and Other Income	(13)	(13)	(1)	(15)	2	0	0	0	0
27 Government Grant and recharges	0	0	0	0	0	0	0	0	0
28 Interest on Revenue balances	(2)	(2)	0	(2)	0	0	0	0	0
Total Income	(15)	(15)	(1)	(17)	2	0	0	0	0
29 Net Expenditure	4,896	4,481	2,027	4,186	295	415	96	267	148
30 Funded from Reserves									
31 NDR Reform	(147)	0	0	0	0	(147)	0	(147)	0
32 Requisitions	(4,749)	(4,481)	(2,239)	(4,481)	0	(268)	(134)	(268)	0
(Surplus)/Deficit for									
33 Year	0	0	(212)	(295)	295	0	(38)	(148)	148



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 28 OCTOBER 2022

SUBJECT: FINANCIAL PLANNING FOR 2023/24 AND FUTURE YEARS

BY: TREASURER TO THE BOARD

1. REASON FOR REPORT

- 1.1** To consider the indicative budgets that will form the three year Revenue Budget from 2023/24 onwards, and to discuss the operational issues facing the Assessor & Electoral Registration Officer (ERO) in the medium to long term.

2. RECOMMENDATIONS

- 2.1** It is recommended that the Board considers and notes:

- (i)** Current indicative three year core budget from 2023/24 and that this will be further adjusted during the preparation of the Revenue Budget for 2023/24;
- (ii)** Various scenarios which could impact on the revenue budget and the range of potential assumptions and risks;
- (iii)** Operational issues facing the service; and
- (iv)** Actions to be taken ahead of the budget setting meeting in January 2023.

3. BACKGROUND

- 3.1** The main issues for the Assessor's service to be addressed in setting the budget are:

- Financial uncertainty in key areas, particularly salaries and accommodation
- Level of staff turnover/challenges in recruiting and retaining staff
- Implementation of NDR reform
- Implementation of changes brought in by Elections Act
- The continuing pressures that the coronavirus outbreak has had on the operations of the organisation

- 3.2 At the Board meeting on 4 February 2022, the Board agreed the Revenue Budget for 2022/23 (paragraph 4 of the Minute refers) of £4,896,000 and approved the requisitions to constituent authorities of £4,749,000, with £147,000 being funded from the earmarked NDR reserve. An indicative budget for the following two years was also presented. It is proposed that this is the starting point for the budget process ahead of the meeting to approve the budget in January 2023.

4. CURRENT POSITION

- 4.1 The Revenue Monitoring report to 30 September 2022, in a separate report to this Board meeting, discusses the reasons for variances that are having an effect on the service. There is a high level of uncertainty regarding key variables in the budget, including staff pay award, accommodation plans, and these issues will be considered and built into financial planning over the coming months. They are discussed in more detail below.
- 4.2 **Appendix 1** shows the current indicative core budget for each of the three years ahead. Funding to cover the cost of implementing NDR Reform is included within the local government settlement, and these have been shown in **Appendix 1**, alongside the core budget, to distinguish between movements in the current core budget.

5. BUDGET PROPOSALS 2023/24

Salaries and Recruitment

- 5.1 Salaries and employers' on-costs make up approximately 75% of the net expenditure budget of the service. The service is reliant on recruiting and retaining professional staff in order to carry out its statutory functions. However, it has regularly been reported in the budget monitoring reports to the Board that the recruitment of staff is a difficulty for the service, and is believed to be a common problem in both the public and private sector.
- 5.2 The budget for 2023/24 includes a recruitment and vacancy adjustment in the budget, to incorporate an average level of vacancies and the interval that arises between filling posts. There is a risk associated with this concept, however, as the service aims to have a full staffing complement.
- 5.3 The recently agreed pay awards for 2022/23 have been built-in to the starting point for the 2023/24 staffing budget.
- 5.4 The 1.25% increase in National Insurance contributions introduced in April 2022 will be reversed from 6 November 2022, and this change has been reflected in the budget figures. This reduces the budget required by approximately £30,000 each year.
- 5.5 The year on year impact of a range of possible pay awards is shown in the table below. These figures are for all establishment core posts only, excluding the NDR posts, as these would be funded from the earmarked reserve. The

figures used include employers on-costs (National Insurance and Superannuation), take account of any salary increments due and are before any vacancy factor has been deducted. Per the table, a 2% pay award has an impact of around £91,000-£93,000 in salary costs in each of the next three years, a 5% pay award increases the budgeted staff costs between £206,000 and £224,000, and a 7% pay award ranges from £283,000 to £312,000 increase per annum. The mid point assumption of 5% has been included in the indicative budget presented in **Appendix 1**.

Scenario	Impact on 2023/24 budget £000	Impact on 2024/25 budget £000	Impact on 2025/26 budget £000
2% pay award	91	93	91
5% pay award	206	217	224
7% pay award	283	303	312

- 5.6 A vacancy factor has been applied to the Valuation Board's staffing budget over recent years as it takes into account the variances caused by factors such as short and long term vacancies, and employing staff on lower salary scale points than are budgeted for. The level of vacancy factor is considered each year when planning the budget to take into account the current staffing situation, vacancies etc as well as likelihood of successful recruitment.
- 5.7 In 2022/23 a 10% vacancy factor on all core posts was agreed as appropriate and was the equivalent of reducing the budget by £360,000. At the time of writing this report the current level of core vacancies, by gross budget, is 18%.
- 5.8 As reported in the revenue monitoring report to this meeting, there are currently 14 vacancies. Recruitment is ongoing for various levels of post and the difficulties experienced in recruiting at qualified Valuer level is being addressed by the Assessor and Moray Council's HR Manager. One path that is being explored to fill the vacancies is where Technicians can transfer to Valuer position via a RICS accredited course at Napier University which is fully funded on an apprenticeship scheme at no cost to both the employer and employee. Given this possibility, it is proposed to maintain the vacancy factor at 10%; the equivalent of £393,000 of the 2023/24 gross staffing budget. The vacancy factor is included in the proposed budgets in the appendix.

Accommodation

- 5.9 Mentioned in the budget monitoring report to this Board, the move to a new office suite within Woodhill House has been delayed and reconfiguration works are yet to commence at the time of writing this report. The 2021/22 budget included part year savings for the new office accommodation, and these were reinstated in 2022/23 when no date was set for the move and the current rental and service charges would continue until the relocation. At the time of writing, no update has been received from Aberdeenshire Council although the Assessor has raised this at the highest level within the Council and an update is expected imminently. The draft Heads of Terms for the proposed lease has

been received which would result in a reduced rental and service charge. The full year savings, taken by comparing the 2022/23 budget and the proposed budget is shown in the table below.

Woodhill House budgets	Proposed £000	Current £000
Rent	22	125
Service Charge	90	70
Rates	57	74
Refurbishment costs (one off)	20	-
Total	189	269

- 5.10 The proposed terms would result in an estimated budget reduction of £80,000 in 2023/24, including the one off refurbishment costs, which will more than likely be higher than the originally quoted figure. With additional resilience provided by the lower cost satellite offices in Elgin and Banff, future savings are possible.

IT and procurement

- 5.11 The Assessor has been working with Aberdeenshire Council on a Service Level Agreement where Aberdeenshire provide ongoing IT support services to the Valuation Board. The vacant IT Manager post was removed from the establishment in 2022/23 as a result of the change. They have moved to a shared IT service using, where possible, existing Aberdeenshire infrastructure and initial costings provided to the board for start-up costs was around £45,750 of which around £35,000 has still to be incurred.
- 5.12 There is still some work to be carried out to establish what other costs would have to be paid for by the board, e.g. specialised software licensing and support and other IT budget savings are currently being explored. It is hoped that this development will progress before the end of the financial year, and the preliminary costs have been built into the 2023/24 budget going forward. The financial implications are shown in the table below. Until the network and infrastructure are moved wholly over to Aberdeenshire, the Assessor will need to keep paying most of the costs. More will be known in the next few weeks, but assuming no progress is made and they have to continue with the current contracts for another year, the core IT budget will need to be £320,000.

	2023/24 £000
System Costs (annual cost)	80,000
Startup Costs (one off cost)	35,000

- 5.13 If all goes to plan, potential savings within ICT will then be realised. These figures are therefore reflected in the 2024/25 budget in the Appendix, as a reduction in the budget of £165,000.

Other Costs and Savings

- 5.14 Staff travel costs arise from staff travelling to site inspections. Recent changes in working practices to obtain relevant information from sources other than visual inspection – such as building warrants, completion certificates – has led to a reduction in travel costs. Although this shift has produced benefits, there may be an increased requirement for physical inspections during 2023/24 following the 2023 Revaluation and the associated NDR reforms. The proposed budget is therefore unchanged from 2022/23.
- 5.15 The service has a minimal budget for furniture and equipment. There may be the requirement to replace furniture in the relocated offices in Woodhill House, which is not currently budgeted for.
- 5.16 Printing and Stationery budgets have been reduced in 2023/24 and generated a saving of £16,000.
- 5.17 Postages and Electoral Registration Printing budgets have been left the same as current year, however costs are expected to increase. More information will be available in November.
- 5.18 A saving in the telephones from moving to Microsoft Teams has been reflected in the appendix. This will only be achieved if the transfer can be done before the existing communications contract is due for renewal.
- 5.19 Specialist Services budget has been reduced, creating a saving of £5,000 each year. This budget includes the external audit fee, the actuary recharge for the pension fund disclosure and disclosure checks.
- 5.20 A movement in some of the functions of the Valuations Appeals Committee (VAC) over to the Scottish Courts and Tribunals Service will mean less Valuation Appeals expenses and so the £26,000 budget for VAC panel costs has been removed from 2023/24 onwards. The £30,000 budget for VAC costs e.g. Counsel and solicitor fees will still be required.

New Burdens Funding

- 5.21 As discussed in the revenue monitoring report to this meeting, there is funding being given to local authorities and Valuation Joint Boards for the introduction of the Electoral Integrity Programme (EIP) from May 2023 across the UK, in order to meet the requirements of the Elections Act 2022. New measures are required such as introducing the requirement to show ID at polling stations, improving the accessibility of elections to make it easier for people with disabilities to vote, and bringing in changes to postal and proxy voting.
- 5.22 Initial funding will be provided to local authorities by the end of November 2022, with further payments in April 2023 and April 2024. A justification led bid process will also be offered in Summer/Autumn 2023 and 2024.

- 5.23 The GVJB can expect grants to cover additional staff costs in connection with the new voter ID documents with the possibility of further funding in 2023 and 2024. Specialist equipment e.g. camera or scanner may also need to be purchased from the grant.
- 5.24 Currently the level of funding and expected costs are unknown and therefore not included in the future year's budgets. An update will be reported at the budget meeting in January 2023.

NDR Reform

- 5.25 The NDR Reform budget for 2022/23 was the amount expected included within the local government settlement plus committed amounts carried forward from previous years that was to be funded from the earmarked reserves.
- 5.26 The total funding allocated to the three authorities in 2022/23 is £268,000 (Aberdeen City £104,000, Aberdeenshire £120,000, Moray £44,000) and this, along with £146,000 from the NDR Reform reserve is the budget.
- 5.27 The remaining balance in the NDR Reform reserve is available should there be an opportunity to move forward with any previously delayed ICT projects. The current balance on the earmarked NDR reserve is £407,000 with a forecast underspend in 2022/23 of £166,000, of which £19,000 would be transferred to the reserve, bringing the balance to £426,000.
- 5.28 The budget for 2023/24 onwards is the originally planned budget for the year included within the local government settlement.

Reserves

- 5.29 It is not expected that the use of reserves will be required to balance spend in 2023/24 and reserves at 31 March 2023 will remain at the maximum approved level of £224,000, after transferring the estimated surplus from 2022/23. At its meeting on 3 March 2020 the Board approved that a minimum general reserve of 2.5% of estimated annual net expenditure would be maintained. Based on the proposed 2022/23 estimated net expenditure of £4.2 million, this equates to a minimum general reserve of £105,000. The Board therefore has flexibility to use up to £119,000 to cushion the impact of inflation on its budget for 2023/24. Given the level of uncertainty over pay awards, the quantification of risk summarised in paragraph 5.25 below and the observations on balance of risk referred to in paragraph 3.1 the Board may consider it prudent to reduce the planned use of reserves.

Risks

- 5.30 Various financial risks have been identified throughout the report and are summarised here for ease of reference. Many of the budget savings are dependent on external factors and phasing them into the proposed budget has associated risks. It should be noted that the total risk identified exceeds the maximum general reserve permitted to be held.

Risk	Para ref	Potential impact £000s
Insufficient allowance for pay award (5% to 7% including oncosts)	5.5	99
Above average vacancy factor (5% to 10%)	5.7	196
Woodhill House relocation doesn't go ahead	5.9	80
ICT savings (realised in 2024/25)	5.13	165
Valuation appeals	5.20	26
Total		566

- 5.31 There are also risks arising from changing service requirements, which can also affect the financial requirements of the service.
- 5.32 The proposed 2023/24 Revenue Budget is shown in the Appendix. The proposed net expenditure budget is an increase of £173,000 from 2022/23, of which £157,000 is an increase in the core budget, and an increase of £16,000 in NDR Reform budget, with a requirement of £25,000 to be funded from NDR reserves. The total net increase in requisitions is £295,000 and is summarised below, separated into core budgets that are controlled by the Board, and the budget for the NDR Reform requirements.

Budget movements 2023/24	£000s
Impact on core budget	
<u>Increases</u>	
Staffing budget – 5% pay award, increments, travel	336
Energy Costs – Banff Office	2
Equipment Maintenance	6
Other Supplies & Services	2
Lead Authority Charge	3
<u>Decreases</u>	
Staffing budget – Vacancy management	(33)
Property Costs – inc. Woodhill House relocation savings	(81)
Staff Travel and subsistence	(6)
Reference books	(1)
Printing & Stationery	(16)
Telephones	(2)
IT Maintenance and Support	(18)
Valuation Appeals	(26)
Specialist Services	(5)
Income increase	(4)

Net increase in core budget	157
NDR reform – increase in staffing and travel costs	34
NDR reform – reduction in other costs	(18)
NDR reform use of reserves	122
Total increase in requisitions from 2022/23 to 2023/24	295

6 REQUISITIONS

- 6.1 The table below shows the requisition for each constituent authority, in order to fund the Board's revenue budget for 2023/24 of £5,044,000.
- 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 the latest published by the National Records of Scotland in their Mid-Year Population Estimates, for mid-2021.
- 6.3 The proposed requisitions of £5,044,000 are an increase in the 2022/23 requisitions by £295,000 in total.

	Population	Requisition %	Proposed Requisition 2023/24 £	Requisition 2022/23 £	Increase on 2022/23 Requisition %
Aberdeen City	227,430	38.77	1,955,560	1,857,750	5.3
Aberdeenshire	262,690	44.79	2,259,207	2,115,010	6.8
Moray	96,410	16.44	829,233	776,240	6.8
Total	586,530	100.00	5,044,000	4,749,000	6.2%

7 CONCLUSION

- 7.1 **Preparing the three year Revenue Budget has been a challenging task, trying to balance the increasing demands made upon the service against the financial constraints imposed on the public sector.**
- 7.2 **The Assessor has proposed savings and efficiencies where possible and has maintained the vacancy management factor within the core staffing**

budget. Senior Management will continue to look for efficiencies and savings in the budget.

- 7.3 There is potential to use general reserves to cushion the impact of increased budgets, where these cannot be covered by savings. However, this should be balanced against the potential risks to the Board identified in this report.**

Author of Report:	Susan Souter
Background papers:	Held within Accountancy Section, Moray Council
Ref:	

Line
No.

	2022-23 Core Budget	2022-23 NDR Budget	2023-24 Core Budget Proposed	2023-24 NDR Budget Proposed	2024-25 Core Budget Proposed	2024-25 NDR Budget Proposed	2025-26 Core Budget Proposed	2025-26 NDR Budget Proposed
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Employee Costs</u>								
1 Salaries	2,481	271	2,724	300	2,872	317	3,024	336
2 National Insurance	280	29	290	29	310	32	330	35
3 Superannuation	476	52	526	58	554	61	583	65
4 Additional Pensions	24	-	24	-	25	-	25	-
5 Other Employee Costs	1	-	1	-	1	-	1	-
6 Training	13	7	13	7	13	7	13	7
Total Employee Costs	3,275	359	3,578	394	3,775	417	3,976	443
<u>Property Costs</u>								
7 Accommodation Charges	330	-	249	-	231	-	231	-
8 Repairs and Maintenance	3	-	3	-	3	-	3	-
9 Energy Costs	13	-	15	-	15	-	15	-
10 Cleaning	4	-	4	-	4	-	4	-
Total Property Costs	350	-	271	-	253	-	253	-
<u>Transport Costs</u>								
11 Staff Travel and Subsistence	46	6	40	5	40	5	40	5
Total Transport Costs	46	6	40	5	40	5	40	5
<u>Supplies & Services</u>								
12 Equipment, Furniture & Materials	2	1	8	1	8	1	8	1
13 Protective Clothing	1	-	1	-	1	-	1	-
14 Text & Reference Books	10	-	9	-	9	-	9	-
15 Printing & Stationery	34	-	18	-	18	-	18	-
16 Postages & ER Printing	275	18	275	-	275	-	275	-
17 Telephones	7	-	5	-	5	-	5	-
18 Advertising	7	-	7	-	7	-	7	-
19 IT Maintenance & Support	338	18	320	18	155	18	155	18
20 Valuation Appeals	56	-	30	-	30	-	30	-
21 Members Allowances	4	-	4	-	4	-	4	-
22 Fees, Charges & Subs	3	4	3	4	3	4	3	4
23 Specialist Services	25	9	20	9	20	9	20	9
24 Conference Fees and Subsistence	2	-	2	-	2	-	2	-
25 Other Supplies & Services	2	-	4	-	4	-	4	-
Total Supplies & Services	766	50	706	32	541	32	541	32
<u>Support Services</u>								
26 Lead Authority Charge	59	-	62	-	62	-	62	-
Total Support Services	59	-	62	-	62	-	62	-
Gross Expenditure	4,496	415	4,657	431	4,671	454	4,872	480
<u>Income</u>								
27 Sales and Other Income	(13)	-	(15)	-	(15)	-	(15)	-
28 Interest on Revenue balances	(2)	-	(4)	-	(4)	-	(4)	-
Total Income	(15)	-	(19)	-	(19)	-	(19)	-
29 Net Expenditure	4,481	415	4,638	431	4,652	454	4,853	480
30 Funded from Reserves								
31 NDR Reform	-	(147)	-	(25)	-	(36)	-	(62)
32 Requisitions	(4,481)	-	(4,638)	-	(4,652)	-	(4,853)	-
33 NDR Requisitions	-	(268)	-	(406)	-	(418)	-	(418)
34 (Surplus)/Deficit for Year	-	-	-	-	-	-	-	-



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 28 OCTOBER 2022

SUBJECT: HOMOLOGATION OF DECISION TAKEN TO CLOSE THE BOARD'S OFFICES ON MONDAY 16 SEPTEMBER 2022 AND GRANT STAFF AN ADDITIONAL DAY'S LEAVE TO MARK THE STATE FUNERAL FOR HER MAJESTY QUEEN ELIZABETH II

BY: THE ASSESSOR AND ERO

1. REASON FOR REPORT

- 1.1 To make the Board aware of the decision taken to close the Board's office on Monday 19 September and award staff an additional day's leave on that day to mark the state funeral for Her Majesty Queen Elizabeth II.

2. RECOMMENDATION

- 2.1 It is recommended that the Board note the content of this report and homologate the decision to close the Board's offices on 19 September 2022 and grant staff an additional day's leave to mark the state funeral for Her Majesty Queen Elizabeth II.

3. BACKGROUND

- 3.1 On 13 September 2022, following decisions taken by Aberdeenshire Council and Moray Council to grant employees an additional day of annual leave fixed to the date of the state funeral for Her Majesty Queen Elizabeth II on 19 September 2022, I wrote to the Convener, Depute Convener and Treasurer, in line with section 4.12 of the Board's Scheme of Delegation, to seek their consent to also provide the Board's employees with an additional day's leave and close the Board's offices on 19 September.

- 3.2 Section 4.12 of the Board's Scheme of Delegation allows for a decision to be taken outside of a Board meeting and states;

If an urgent decision or action is required on a matter which falls out with the delegation contained within this Scheme, and the decision or action cannot wait until the next meeting of the Board, then the Assessor may take such decision or action as is required provided:

- the consent of the Treasurer, Convener and Depute Convener is obtained; and
- the matter is reported to the next meeting of the Board for homologation.

- 3.3 My recommendation was, that to mark this solemn occasion, the Board provided employees with an additional day's leave and closed offices on Monday 19 September. I advised that this date was not a deadline in the electoral register statutory update timetable and there were no Valuation Appeal Committee hearings scheduled for that day.
- 3.4 Whilst there was no automatic requirement to do so, the Board had previously granted employees an additional day's leave to commemorate other state occasions such as the Jubilees in 2012 and 2022.
- 3.5 The Convener, Depute Convener and Treasurer all responded on 13 September and consented to the recommendation.

4. CURRENT POSITION

- 4.1 Staff were provided with an additional day's leave and the Board's offices were closed on Monday 19 September 2022.

5. CONCLUSION

- 5.1 It is recommended that the Board homologate the above decision.

Author of Report: Mark J Adam, Assessor & ERO



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 28 OCTOBER 2022

SUBJECT: ELECTORAL REGISTRATION

BY: THE PRINCIPAL ADMIN OFFICER

1. REASON FOR REPORT

1.1 To update the Board on current developments in electoral registration.

2. RECOMMENDATION

2.1 **It is recommended that the Board consider and note the content of this report.**

3. BACKGROUND

- 3.1 The annual canvass is in progress with letters being issued to all households in Grampian during August. Follow up action for non responses is currently taking place by telephone and door to door canvass.
- 3.2 We are providing support to the Moray Council election team for a by-election being held in the Buckie ward following the resignation of a councillor.
- 3.3 Significant further legislative change is being introduced by the provisions of the Elections Act 2022.
- 3.4 A major update to our Electoral Management System will be applied in the near future providing new functionality for setting up and supporting elections.
- 3.5 Reviews are in progress in respect of both UK Parliamentary and Scottish Parliamentary boundaries.

4. ELECTORAL REGISTRATION UPDATE

4.1 Annual Canvass 2022

- 4.2 The canvass has been underway since early August with letters being issued to unmatched properties across the whole of Grampian on 2 August, to matched properties in Aberdeenshire on 9 August and to matched properties in Moray and Aberdeen City on 16 August.
- 4.3 The use of E-Communications is still in development and something we hope to utilise to encourage responses before the canvass concludes on 30 November
- 4.4 We have had considerable success in recruiting temporary staff to carry out follow up canvass visits across all of our areas, with many of these operating in their own local areas, thus cutting expenditure on travel to the more remote parts of Grampian. In all we have recruited 24 additional staff, bringing the team to 37 including our 4 full time permanent canvass staff.
- 4.5 The personal contact aspect of the canvass is being carried out in 2 phases. The first phase commenced on 12 September with all properties in rural areas being targeted along with some of the towns in Aberdeenshire and Moray and parts of Aberdeen City. 2,773 properties were available for phone canvassing as we hold a telephone number for a matched elector at the property, while a further 29,914 properties were selected for visits by the door to door canvass team. This phase of the canvass is due to conclude next week.
- 4.6 A further phase of personal contact commenced on 7 October, taking in the remainder of Aberdeen City along with the remaining towns of Aberdeenshire – Peterhead, Fraserburgh, Inverurie, Kintore, Portlethen and Westhill, and Moray – Elgin, Keith and Cullen. Currently 3,509 of these properties are eligible for telephone canvass, while 22,430 properties have been selected for a visit by a canvasser. These visits and phone calls must be completed by 30 November.
- 4.7 The additional demands of an unscheduled by-election have meant that we have not yet been able to train staff in the use of the tablet canvass solution. We are still aiming to deploy the tablets before the end of the canvass.

Local Government by-election – Moray Ward 3 Buckie

- 4.8 Due to the resignation of a councillor, a by election has been scheduled to take place on 3 November 2022.
- 4.9 The main statutory deadlines are:

Application to register to vote	Midnight Tuesday 18 October 2022
Application to vote by post, change or cancel an absent vote	5pm Wednesday 19 October 2022
Application to vote by proxy	5pm Wednesday 26 October 2022

- 4.10 With this election taking place during the annual canvass, the by election area was targeted for personal contact during the first phase. New potential electors were advised on the doorstep on how to register in time for the by-election, with follow up invitations to register being issued to all the potential electors who had not already registered.
- 4.11 Key electoral registration staff are working closely with the Moray Council election team in order to provide extracts from the electoral register and list of absent voters in a timely fashion in order to meet the timetable agreed with the election team's contract printer, Idox.
- 4.12 Poll cards were issued across the Ward on 4 October in accordance with the original plan, however planned industrial action by Royal Mail has had an impact. The original scheduled date for delivery of ballot packs coincides with a strike day on 25 October. Electoral registration staff worked quickly and positively with the election team to agree and implement an alternative schedule for extraction and upload of the ballot pack data in order to facilitate an earlier issue date for the ballots.
- 4.13 This means that some processes have to be repeated after the statutory deadline which, unfortunately, impacts on our services with respect to the staff involved and their other duties.
- 4.14 Emergency proxy rules have altered since the local government elections held in May, with the provision to apply for a emergency proxy specifically in relation to coronavirus no longer available. This provision was in place for 2 years with the period expiring on 23 September, 2022.

The Elections Act 2022

- 4.15 The Elections Act 2022 introduces the Government's manifesto commitments on electoral integrity and the wider democratic system. The Department for Levelling Up, Housing and Communities (DLUHC) has responsibility for the Electoral Integrity Programme (EIP) which will deliver the provisions within the Act.
- 4.16 The Business Change Network (BCN) is overseen by the Business Change Team (BCT) within DLUHC. The BCN enables two way flow of information between local authorities and the BCT through Regional Leads and Change agents.
- 4.17 Much of the secondary legislation needed to implement the provisions of the Act is currently in development.

- 4.18 The main provisions of the Act affecting Electoral Registration Office staff are:
- Introduction of the Voter Authority Certificate – Voter ID at polling stations at some types of election
 - Introduction of online absent voting applications and identity verification for absent voting applications for reserved polls
 - Introduction of the requirement for postal voters to make a fresh application every three years at some types of election
 - Changes to proxy voting rules
 - Removal of the 15 year limit on expatriates' right to vote
- 4.19 One of the key challenges in implementing the changes will be in relation to the divergence of rules in Scotland between those in force at UK Parliamentary elections and any UK wide national referendums, and those in force at Scottish Parliamentary, council elections and any other polls using the local government franchise.
- 4.20 This divergence has implications in respect of staff training, Electoral Management System (EMS) capability and communicating the differences to electors in order to avoid voter confusion.
- 4.21 The Electoral Commission (EC) has wide ranging responsibilities to support the changes including provision of guidance, amendments to forms and public engagement.
- 4.22 Key staff from the admin team attended a Seminar run by the Association of Electoral Administrators and DLUHC on 12 September in Birmingham. The seminar focussed on aspects of the Act to be introduced prior to polls taking in place in May 2023. A presentation and breakout session covered the Voter Authority Certificate, including a demonstration of the application portal showing the public facing application facility and the functionality for local authority staff to process applications. Other sessions covered the implications of the new voter ID rules at polling stations and the new rules around accessibility at polling stations. Finally a presentation was given on the funding model.
- 4.23 On the subject of funding, where a New Burden - a policy or initiative which increases the cost of providing local authority services - is identified, the increased costs to local authorities must be properly assessed and fully funded by the relevant government department.
- 4.24 Funding for New Burdens resulting from the implementation of the Elections Act will be met by a hybrid system of grants and Justification Led Bids. DLUHC has provided a timeline for grant applications and Justification Led Bids, but only in relation to voter ID and accessibility at this stage.

New Elections Module

- 4.25 Our software provider, Idox have released a new elections module within the EROS EMS. Senior members of the admin team attended training on the new module during September and October, however due to the by-election in Moray we will be unable to install the updated software until after polling day.
- 4.26 Initial impressions of the new module were positive, particularly in relation to the running of extremely time consuming storing and exporting tasks needed to produce outputs such as poll card and ballot pack data. According to the demonstration these processes have been reduced down to minutes rather than hours and therefore we are keen to move forward and get some hands on experience with the new system, initially in a test environment, in order to confirm that the advertised improvements will be delivered.

Constituency Boundary changes

- 4.27 The 2023 Review UK Parliament Constituencies is in progress at the Boundary Commission for Scotland. It was announced on 11 October that revised proposals will be published for a 4 week consultation period between 8 November and 5 December.
- 4.28 Boundaries Scotland conduct reviews of Scottish Parliament Constituency and Region boundaries every 8 to 12 years. The second review of Scottish Parliament boundaries commenced on 1 September 2022. It is expected that provisional proposals for consultation will be published in Spring 2023. A report will be submitted to Scottish Ministers by 1 May 2025 and, if approved, the new boundaries will be in effect for the next Scottish Parliament elections expected to take place on 1 May 2026.

5. CONCLUSION

- 5.1 **In the third year of the new canvass model the main provisions are now well understood and being implemented efficiently. However, encouraging electors to engage outwith an election period remains challenging and the cost burden of thousands of personal contacts remains considerable.**
- 5.2 **A by-election during the canvass does require some adjustment of priorities with regard to the ordering of processing, but these are not particularly burdensome. However the diversion of key staff away from planned tasks onto an unscheduled task does have an impact.**
- 5.3 **Progress has been made in our understanding of the implementation of the Elections Act, but much is still unknown as we await secondary legislation. What is clear is that there are considerable challenges ahead for electoral services teams in a number of ways, and in particular with assisting voters to understand what they need to do.**

Author of Report: Linda H Smith, Principal Administrative Officer



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 28 OCTOBER 2022

SUBJECT: VALUATION ROLL AND COUNCIL TAX VALUATION LIST

BY: THE DEPUTE ASSESSOR AND ERO (ABERDEEN AND MORAY)

1. REASON FOR REPORT

- 1.1 To provide an operational update on the valuation services provided by the Assessor including performance levels during the period 1 April 2022 to 17 October 2022.

2. RECOMMENDATION

- 2.1 **It is recommended that the Board note the report.**

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 current performance thresholds for the performance indicators that have been agreed between the Scottish Government and the Scottish Assessors Association were reviewed by the Board in June 2021.

4. VALUATION ROLL

Revaluation 2017 Appeals

- 4.1 The current position is that 11,183 revaluation appeals representing 99% of the total of 11,291 appeals have been resolved. Of the remaining 108 appeals, 107 sit with the Lands Tribunal for Scotland for disposal without limit of time and the one remaining appeal involves an outstanding procedural matter in the hands of the Vauation Appeal Committee.

Running Roll Appeals

- 4.2 Around 17,300 appeals remain outstanding, the vast majority of which are material change of circumstances (MCC) appeals arising from the Covid-19 pandemic.

Having already extended the deadline for disposal of these appeals to 31 December 2022, the Scottish Government further extended the deadline to 31 December 2023 to allow time for “Covid MCC” appeals to be invalidated through primary legislation. The resulting Non-Domestic Rates (Coronavirus) (Scotland) Act 2022 received Royal Assent on 28 July 2022 and we are now beginning to see agents withdraw these appeals. Any remaining appeals will be dealt with during 2023.

Revaluation 2023

- 4.3 2022/23 is an extremely demanding year for the valuation service with a requirement to carry out a general revaluation of all 30,000 non-domestic subjects in Grampian.

Past revaluations were carried out with regard to the levels of value prevailing two years prior to the date the new Roll came into force e.g. for the 2017 Revaluation the “tone” date was 1 April 2015.

Non-domestic rates reform resulting from the Barclay Review means that, in order to align more closely with the market, revaluations will now take place three yearly instead of five yearly and with regard to a “tone” date only one year ahead of the date the new roll is due to come into force i.e. for the 2023 Revaluation, effective from 1 April next year, the “tone” date is 1 April 2022.

The consequence of this is a considerably reduced window within which to ingather and analyse evidence and then produce and publish valuations, particularly with a new legal requirement to publish a draft roll at 30 November 2022 and at the same time, for the bulk classes of subject, to provide ratepayers with a list of rented properties that has informed the valuation of their own property.

Running roll updates

- 4.4 **Appendix 1** provides performance for running roll updates to the Valuation Roll during the period from 1 April 2022 to 17 October 2022 and the previous two years. Performance remains below the target threshold and this is reflective of the ongoing level of valuer vacancies together with the demands of the new revaluation process described above, which has been the priority task for both valuation and technical staff since the beginning of this financial year.

5. COUNCIL TAX VALUATION LIST

Updates to the List

- 5.1 **Appendix 2** provides performance information for updates to the Council Tax Valuation List during the period from 1 April 2022 to 17 October 2022 and the previous two years. Housebuilding activity continues at similar levels to the previous year. The percentage of updates achieved within the 3 month performance threshold remains below target for a normal year and reflects the challenging operational environment that exists as a result of emergence from the pandemic, valuation and technical vacancy levels and the requirements of the 2023 Revaluation.

Proposals and Appeals

- 5.2 A backlog of outstanding Council Tax proposals arising from the pandemic continues to be tackled and Valuation Appeal Committees have resumed hearings for any unresolved appeals.
- 5.3 The transfer of the functions of the local Valuation Appeals Committees (VACs) to the Scottish Courts and Tribunals Service (SCTS) that was due to take effect from 1 January 2023 has been postponed until 1 April 2023 thus increasing the window for the hearing by the VACs of any outstanding appeals prior to the transfer taking place.

6. CONCLUSION

- 6.1 **The valuation service continues to face significant challenges as we emerge from the Covid pandemic, particularly having regard to the level of valuer vacancies and the new and tighter Revaluation timescale. Nevertheless, the valuation service has performed well in regard to maintenance of both the Roll and the List.**

Author of Report: Gavin M Oag Depute Assessor and ERO

Valuation Roll Performance Indicators as at 17 October 2022

	Time period	2022/2023 (part year)	2021/2022	2020/2021
Amendments within time periods	0 - 3 Months	378	663	425
The number of amendments made to the valuation roll during the year as a result of material change of circumstances, error corrections and new subjects.	%	54.00%	39.39%	29.72%
	<i>Threshold %</i>	65.0%	65.0%	70.0%
	3 - 6 Months	170	380	278
	%	24.29%	22.58%	19.44%
	<i>Threshold %</i>	20.0%	20.0%	15.0%
The time period is the period between the effective date of the amendment and the date the corresponding Valuation Notice is issued.	Over 6 Months	152	640	727
	%	21.71%	38.03%	50.84%
	<i>Threshold %</i>	15.0%	15.0%	15.0%
Number of amendments		700	1,683	1,430
Total number of entries	At 1 April	30,326	29,950	29,714
Total Rateable Value	At 1 April	£1,002M	£1,021M	£1,020M

Appendix 2

Council Tax Valuation List Performance Indicators as at 17 October 2022

	Time Period	2022/2023 (part year)	2021/2022	2020/2021
New Entries within Time Periods 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	1,177	2,465	1,357
	%	80.95%	83.16%	61.35%
	Threshold %	94.0%	94.0%	94.0%
	3 - 6 Months	189	344	408
	%	13.00%	11.61%	18.44%
	Threshold %	3.0%	3.0%	3.0%
	Over 6 Months	88	155	447
	%	6.05%	5.23%	20.21%
	Threshold %	3.0%	3.0%	3.0%
Number of New Entries Added The Actual number of new dwellings added to the Valuation List during the year.		1,454	2,964	2,212
Total Number of Entries The actual number of properties shown in the Valuation List as at 1 April annually.		300,067	297,597	295,690
Adjusted to Band "D" Equivalent	Original ratios	298,616	295,659	293,546
	2017 ratios	314,462	311,265	308,992



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 28 OCTOBER 2022

SUBJECT: PUBLIC PERFORMANCE REPORT

BY: THE ASSESSOR AND ERO

1. REASON FOR REPORT

- 1.1 To seek approval for the publication of the 2021/22 public performance report.

2. RECOMMENDATION

- 2.1 **The Board note the content and agree to the publication of the Public Performance Report provided as an appendix to this report.**

3. BACKGROUND

- 3.1 The Board's Code of Corporate Governance requires publication of an annual report incorporating financial and performance information.

4. CURRENT POSITION

- 4.1 The public performance report provides financial, staffing and sickness absence data along with statistical data relative to the organisation's three service strands - Council Tax, Valuation Roll and Electoral Registration. The report does not provide the same level of detail provided in the routine performance reports to the Board. It does however seek to provide an overview of the organisation's performance.
- 4.2 The report focusses on the priorities identified in the management commentary to the audited accounts and provides statistical information that shows how the organisation has performed over recent years. The report also illustrates the reactive nature of services that an Assessor and ERO must be prepared to deliver against extremely tight statutory timelines and changing circumstances.
- 4.3 The net expenditure of £4.090M resulting in an underspend of £0.843M reflects a number of factors, particularly the continued high level of unfilled posts at year-end.

5. CONCLUSION

- 5.1 The organisation has again been tested in terms of capacity and agility to deliver across its service strands. In meeting the challenges of the year, my colleagues in the organisation have once again shown an extremely high level of adaptability, professionalism and dedication and I, and the Management Team, am very grateful for their hard work and support over the period.**

Author of Report: Mark J Adam, Assessor and ERO

Grampian Assessor & Electoral Registration Officer

Public performance report for 2021/22

Introduction

The Grampian Assessor & Electoral Registration Officer (ERO) is an independent statutory official appointed by the Grampian Valuation Joint Board to value non-domestic properties for rating purposes, allocate dwellings to council tax bands and provide an electoral registration service for the Aberdeen, Aberdeenshire and Moray Council areas.

General Information

The Grampian Valuation Joint Board is a public body that funds the Assessor & ERO by means of requisitions from Aberdeen, Aberdeenshire and Moray councils and the net expenditure for 2021/22 was £4.090M resulting in an underspend of £0.843M for the financial year. The Board has a full-time equivalent of 82 posts distributed between offices in Aberdeen, Banff and Elgin. As at 31 March 2022 there were 68 full-time equivalent staff in post. In the last year staff absence due to ill health was 1.6%, a slight increase from 2020/21 but comparing well to previous years.

A review of our 2021/22 priorities

The following operational priorities were specifically identified in the management commentary for the year. They must however not be considered in isolation and the organisation has a wide range of on-going priorities that relate not only to operational aspects of the organisation but also to our duty to eliminate discrimination and mainstream equalities, manage our records to the satisfaction of the Keeper of Records, protect data and provide information on request and in line with current law.

Conduct a full household canvass under the individual electoral registration (IER) regime.

The annual canvass of households has been the subject of major reform and the 2021 canvass was the second canvass where data matching was used at the outset to help identify those properties where the residents are more likely to have changed, the initial match being a comparison of the electoral register with information held by the Department for Work and Pensions (DWP). Canvass Communication letters (CCA) advising who was on the register were issued to around 199,000 households where we held matched data (Route 1) and a response was only required where there were changes - the issue of a CCA concludes the canvass for Route 1 properties. Different Canvass Communication letters (CCB) were issued to around 91,500 households where there was unmatched data (Route 2) and a response was required from these households. If no response was received from these Route 2 properties, follow up action was required, including, potentially, a personal contact. Around 230 properties, including residential homes, were selected for Route 3 whereby information about the occupants was sought from a "responsible person" rather than the occupants themselves. The revised canvass model means that a comparison of return rates and automated responses with a canvass in the years prior to 2020 is not appropriate. However, a comparison of the past 2 years is shown

below. Households are still encouraged to use our automated response channels in the first instance as they require less back-office processing and are less costly for the public purse and a total of around 59,000 automated responses were received in 2021.

Annual Canvass of households	2020	2021
DWP Match Rate	83.11%	83.09%
Number of Properties in Route 1	191,982	198,279
Number of Properties in Route 2	95,095	91,452
Route 2 overall response rate (%)	61.40%	60.30%
Number of Properties in Route 3	271	227
Number of automated responses	69,102	58,954

Publish revised registers 1 December 2021.

The revised registers were published on 1 December 2021. The local government franchise electorate rose slightly from 448,331 to 448,607 between 1 December 2020 and 1 December 2021 with the Westminster franchise electorate dropping marginally from 418,605 to 414,534 over the same period.

Register publication date	Local Government Electorate	Number of households canvassed
1 Dec 2021	448,607	289,958
1 Dec 2020	448,331	286,999
1 Feb 2020	445,960	282,999
1 Dec 2018	432,135	278,637
1 Dec 2017	438,674	279,278

Maximise Valuation Roll appeal resolution.

The pandemic seriously interrupted the independent Valuation Appeal Committees' appeal hearing and disposal programmes across Scotland and the Scottish Government extended the appeal disposal deadline to 31 December 2021 to cater for these unique circumstances. The number of appeals which required to be disposed of in Grampian was particularly challenging, even taking the extended deadline into account. However, the valuation team rose to the challenge and the loss of rateable value continued to be amongst the lowest in Scotland.

Discussions and negotiations continued throughout 2021/22 with the result that all the Revaluation 2017 appeals lodged in Grampian were disposed of by the statutory deadline of 31 December 2021 except for one appeal which is the subject of a procedural hearing to the Valuation Appeal Committee and 149 appeals which had been referred to the Lands Tribunal for Scotland. A summary is shown in the table below.

	Number	Percentage
Appeals lodged	11,291	100.000%
Appeals disposed of	11,141	98.671%
Appeals referred to Lands Tribunal for Scotland	149	1.320%
Appeals outstanding and subject to procedural hearing of the Valuation Appeal Committee	1	0.009%

Comprehensive data relating to the disposal of Revaluation appeals across Scotland can be found on the Scottish Government website here <https://www.gov.scot/publications/non-domestic-rates-revaluation-appeals-statistics/>.

Limited progress was made in Grampian, and across the whole of Scotland, in relation to the thousands of “material change of circumstances” appeals that were lodged from 2020 onwards due to the effects of the pandemic on property values. The Scottish Government made an Order in Autumn 2021 which specified that when calculating the rateable value of any properties on the 2017 Valuation Roll, no account could be taken of any matter arising on or after 1 April 2021 that is directly or indirectly attributable to coronavirus. A subsequent Act of the Scottish Parliament extended this rule back to 2 April 2020, the date which the amended definition of material change circumstances to exclude changes in economic circumstances was effective from. The deadline for disposal of appeals lodged from 1 January 2020 onwards was also extended to 31 December 2023.

Maintain complete and accurate Valuation Rolls and Valuation Lists.

These last two priorities use quantitative target-based performance indicators rather than qualitative measures and as such can be misleading at times. Maintenance of the Valuation Roll and Council Tax Valuation List continued throughout the pandemic albeit subject to the operational restrictions imposed by the requirement to work from home and the limitations on carrying out site visits. Our performance on updating the Council Tax Valuation List improved when compared to 2020/21, increasing from 61% to 83% of new dwellings being added to the list within 90 days and our performance for updating the Valuation Roll improved from 30% to 39% within the 90 day timeframe. In doing so we missed our performance targets of 94% of new dwellings being banded in the 90 day timeframe and 65% of Valuation Roll updates within the same 90 day timeframe.

The pandemic continued to impose challenges to the delivery of services during 2021/22 in a number of areas, particularly the level of staff vacancies, the requirement for home-based working and the inability to undertake site visits or hold face-to-face meetings. Nevertheless, the valuation service performed extremely well in relation to the maintenance of the Roll and the List and the disposal of valuation appeals.

Table 1 shows the number of new dwellings added to the Council Tax Valuation Lists in Grampian over the last 5 years and also the percentage that received notification within the 3 and 6 month performance windows. Table 1 also shows the performance thresholds that have been set.

Table 1 The time taken to add new dwellings to the Council Tax Valuation List

Year	Number	Within 3 months		Within 6 months	
		Threshold	Actual	Threshold	Actual
2021/22	2,964	94%	83%	97%	95%
2020/21	2,212	94%	61%	97%	80%
2019/20	3,437	94%	90%	97%	97%
2018/19	3,524	94%	94%	97%	98%
2017/18	3,231	94%	91%	97%	97%

Table 2 shows the number of alterations made to the Valuation Roll over the last 5 years along with the percentage of alterations that were made within the 3 and 6 month performance windows. The performance thresholds are also provided. Alterations include new entries to the Valuation Roll for newly constructed or converted buildings as well as alterations to existing buildings and the correction of errors.

Table 2 The time taken to alter the Valuation Roll

Year	Number	Within 3 months		Within 6 months	
		Threshold	Actual	Threshold	Actual
2021/22	1,683	65%	39%	85%	72%
2020/21	1,430	70%	30%	85%	49%
2019/20	1,984	70%	59%	85%	77%
2018/19	2,668	70%	59%	85%	77%
2017/18	2,576	77%	66%	90%	83%

Conclusion

The nature of the services that are provided by the organisation means that we must have the planning and resources in place to address and react to any new priorities and demands as efficiently and timely as possible whilst still delivering the statutory duties required of the Assessor and Electoral Registration Officer. As in the previous year, the demands on the organisation were tested but the necessary outcomes were delivered and, again, this is a testament to the professionalism, dedication, and commitment of my colleagues during another particularly challenging period.

Mark J Adam

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