

AYRSHIRE VALUATION JOINT BOARD

Minutes of meeting held on Tuesday, 19th January 2010 at 10.30 a.m. within
Cunninghame House, Irvine.

Item 1 - Sederunt.

Present:

East Ayrshire Councillors: Tom Cook, Andrew Filson and William Menzies.
North Ayrshire Councillors: Robert Barr, Andrew Chamberlain and Ryan Oldfather.
South Ayrshire Councillors: Ian Douglas and Alec Oattes (Chair).

In Attendance: William Sommerville, Assessor; Alastair Kirkwood, Depute Assessor; William Brown, Principal Administrative Officer; Eileen Howat, Treasurer; Fiona Steel, East Ayrshire Council; Christine McCourt, North Ayrshire Council; William Pollock, Corporate Administration Manager, South Ayrshire Council (for Clerk); and Avril Gerrish, Committee Administrative Officer, South Ayrshire Council.

Apologies: Councillor Alan Brown, East Ayrshire Council;
Councillor William Crawford, East Ayrshire Council;
Councillor Elisabeth Marshall, North Ayrshire Council;
Councillor John Moffat, North Ayrshire Council;
Councillor Allan Munro, North Ayrshire Council;
Councillor Andy Campbell, South Ayrshire Council;
Councillor Ian Fitzsimmons, South Ayrshire Council; and
Councillor Mike Peddie, South Ayrshire Council.

Item 2 – Minutes of Meeting held on 10th November 2009.

The Minutes of the meeting of the Joint Board held on 10th November 2009 (circulated) were submitted and approved as a correct record.

Item 3 - Revenue Monitoring Report Period to 31st December 2009.

There was submitted (circulated) a report dated 12th January 2010 by the Treasurer

- (1) advising that the Revenue Estimates for 2009/10 had been approved by the Board on 13th January 2009;
- (2) detailing the income and expenditure for the period to 31st December 2009 compared to the approved Revenue Estimates and outlining an underspend of £29,863 and
- (3) reporting that any year-end underspend would be held as an uncommitted general fund balance.

Decided:

- (a) to approve the contents of the report; and
- (b) to instruct the Treasurer to provide updated figures to the next meeting.

Item 4 – Revenue Budget 2010/11.

There was submitted (circulated) a report dated 12th January 2010 by the Treasurer

- (1) seeking approval for the adoption of the 2010/11 budget for the Ayrshire Valuation Joint Board as detailed in Appendix 1 of the report;
- (2) advising that External Audit had recommended that a reserves strategy be prepared as part of the 2010/11 budget process; and
- (3) reporting
 - (a) that the 2010/11 revenue budget had been prepared jointly by the Assessor and the Treasurer with Finance officers from North and East Ayrshire being consulted on the proposals;
 - (b) that in preparing the budget, full provision had been made for a pay award of 1.5 per cent payable from 1st April 2010 and an employer's superannuation contribution of 18.2 per cent;
 - (c) that a review of the structure within the Board had been undertaken and it was proposed that a vacancy management target of £90,218 be included in the 2010/11 budget;
 - (d) that budget adjustments resulting in a net reduction of £19,330 were requested as detailed in Appendix 2 of the report;
 - (e) that the 2009/10 budget had included the use of £18,317 of the accumulated surplus at 31st March 2008 and this would not be available for use in 2010/11;
 - (f) that the net expenditure of the Board for 2011/11 was £2,333,911, reflecting no increase on the 2009/10 requisition; and
 - (g) that discussion had taken place between the Assessor and the Treasurer in anticipation of reduced funding being available for 2011/12 onwards and for planning purposes, reductions of 4 per cent per annum required to be identified which equated to approximately £94,000.

The Treasurer further recommended a Sub-Group be established to consider various options in achieving significant savings for 2011/12 onwards.

Decided:

- (i) to approve the 2010/11 net expenditure budget in the sum of £2,339,911 being funded from the constituent authorities;
- (ii) to request that the Treasurer, in consultation with the Assessor, prepare options for 2011/12 onwards for consideration at a future meeting of the Board; and
- (iii) to approve the establishment of a Budget Sub-Group comprising of one Elected Member from each of the three Authorities to consider various options to achieve savings and that membership of the Sub-Group be considered at the next meeting of the Board on 23rd March 2010.

Item 5 – Audit Scotland Charges – 2009/10 Audits.

There was submitted (circulated) a report dated 12th January 2010 by the Treasurer

- (1) advising that she had discussed the “agreed fee” with the Joint Board’s appointed auditors (Audit Scotland) and had agreed that for 2009/10, it should be set at £6,500; and
- (2) reporting that total charges for the 2009/10 audit would be £7,800 compared to the budgeted figure of £7,718 and that the shortfall could be met from within existing resources.

Decided: to approve the contents of the report.

Item 6 – Financial Reserves Strategy.

There was submitted (circulated) a report dated 12th January 2010 by the Treasurer

- (1) proposing a strategy to determine the level and use of financial reserves in respect of the Ayrshire Valuation Joint Board;
- (2) intimating
 - (a) that guidance which previously had prevented Valuation Boards from having a general fund balance had been amended at the end of the 2007/08 audit and had allowed the Board some flexibility in deciding whether to carry forward a surplus or deficit at the year-end;
 - (b) that the Board had amended its accounting policy to reflect this change and the 2008/09 accounts reflected an accumulated surplus of £56,799; and
 - (c) that External Audit had recommended that the Board establish and approve a reserves strategy as part of the 2010/11 budget process;
- (3) advising
 - (a) that the balance on the general fund at 31st March 2009 was £56,799, with commitments as follows:-

Balance at 31 March 2009	£56,799
Less:	
Provision for implementation of single status	(£30,000)
Funding for 2009/10 revenue budget	(£18,317)
Uncommitted balance	£8,482

- (b) that a break-even position was assumed for the financial year 2009/10 and that any underspend which might materialise should be added to the uncommitted balance;
- (c) that it was generally accepted that the optimum level of uncommitted general fund balance was between 2 and 4 per cent of annual expenditure and that this was a contingency against the impact of unexpected events and emergencies; and

- (d) that for 2010/11, net expenditure had been budgeted at £2.339m and that the optimum level would, therefore, equate to between £0.047m and £0.094m and that in determining the level of reserve, members should be aware that the constituent authorities had an obligation to fund the Valuation Board; and
- (4) reporting that future budget considerations would need to ensure that the agreed level of uncommitted general fund balance be achieved over a period of years.

A question was raised by a Member of the Board in relation to whether a reserves strategy was a statutory requirement and the Treasurer advised it was a recommendation by Audit Scotland.

Decided:

- (i) to consider the level of uncommitted general fund which was required and the timescale within which this should be achieved; and
- (ii) to request the Treasurer to bring forward proposals as part of the 2011/12 budget process.

Item 7 – Non-Domestic Rating.

There was submitted (circulated) a report dated January 2010 by the Assessor outlining the current position with reference to Non-Domestic Rating.

Decided: to note the contents of the report.

Item 8 – Council Tax.

There was submitted (circulated) a report dated January 2010 by the Assessor

- (1) advising that the survey and banding of new houses was continuing with a view to achieving or improving on the performance targets; and
- (2) outlining the current position on clearing appeals as detailed in the report.

Decided: to note the position.

Item 9 – Electoral Registration.

There was submitted (circulated) a report dated January 2010 by the Assessor

- (1) detailing the statistical returns for the 2009 Canvass as outlined in Appendix 1 of the report;
- (2) advising of a case study research into Electoral Register of Great Britain in connection with the South Ayrshire Council Register; and
- (3) reporting that Appendix 2 of the report outlined the number of monthly changes that had been actioned through the Rolling registration process.

The Assessor further advised that he was exploring the possibility of using various social networking sites to encourage young people to register for voting

Decided: to note the contents of the report.

Item 10 – Staff Restructuring.

There was submitted (circulated) a report dated January 2010 by the Depute Assessor

- (1) intimating that reductions in staff numbers as the result of the non-filling of vacancies over recent years had resulted in a requirement for the staff structure to be reviewed;
- (2) proposing a number of minor changes to the Board's staff structure at this time which would reflect the reduced number of staff and consequent changes to job profiles and were intended to remove the current requirement for ongoing responsibility allowances; and
- (3) advising that Appendix 1 of the report detailed the existing staff structures and Appendix 2 of the report detailed the proposed structures.

Decided: to approve the contents of the report.

Item 11 – Single Status: Pay and Grading Structure and Revised Conditions of Service Package.

There was submitted (circulated to members only) a report dated January 2010 by the Assessor

- (1) advising
 - (a) that in line with the National Single Status agreement for Local Government Employees in Scotland and in conjunction with local implementation by South Ayrshire Council in August 2009, the Board was required to implement a job evaluation system to ensure that jobs were measured through the development of a fair and transparent pay and grading model; and
 - (b) that as part of the Single Status Agreement, a new set of terms and conditions replaced the former APT&C arrangements for the Board's employees with the exception of the Assessor and Depute Assessor who were covered separately by separately negotiated terms and conditions for SJNC Chief Officials; and
- (2) seeking approval for a new pay and grading structure and revised conditions of service package for all Joint Board staff excluding the Assessor and Depute Assessor.

Decided:

- (i) to approve the revised pay and grading structure and revised conditions of service package as detailed in the Appendices attached to the report;
- (ii) to approve the implementation arrangements; and
- (iii) to agree that authority be delegated to the Assessor and Electoral Registration Officer for full implementation of single status with the requirement to provide a further update on progress to a future meeting of the Joint Board.

Item 12 – Proposed Schedule of Meetings for 2010.

There was submitted (circulated) a note from the Clerk dated November 2009 which proposed a schedule of meetings for 2010.

Decided: to approve the dates for meetings of the Joint Board as undernoted:-

Tuesday, 23rd March – Greenholm Street, Kilmarnock.
Tuesday, 22nd June – County Buildings, Ayr.
Tuesday, 21st September – Cunninghame House, Irvine.
Tuesday, 9th November - Greenholm Street, Kilmarnock.
Tuesday, 25th January 2011 – County Buildings, Ayr.

Item 13 – Any Other Competent Business.

The Chair intimated that the Commonwealth Valuation Conference would be taking place in Cambridge from 1st to 4th August 2010 and sought the Board's approval for the Assessor to attend.

Decided: to approve the attendance of the Assessor at the above Conference.

The meeting ended at 11.20 a.m.

REPORT BY ASSESSOR

SUBJECT: Non-Domestic Rating

1.0 Revaluation 2005 Appeals

Following each general revaluation the proprietor, tenant and occupier of a non-domestic property is entitled to appeal against the Rateable Value shown in the Valuation Roll (within the appropriate time limit set out in the relevant legislation).

The vast majority of revaluation appeals lodged subsequent to the 2005 revaluation have been cleared and the 11 that remain outstanding are awaiting the consideration of the Lands Tribunal for Scotland.

Revaluation 2005					
Unitary Authority	Total No. of Appeals Lodged	Disposed of	No. Outstanding	% Cleared	% Cleared at last meeting
East Ayrshire	1,079	1,073	6	99.26%	99.26%
North Ayrshire	812	808	4	99.14%	99.14%
South Ayrshire	978	977	1	99.90%	99.28%
TOTAL	2,869	2,858	11	99.62%	99.23%

2.0 Running Roll Appeals (2005 Revaluation Roll)

Running Roll appeals are lodged by proprietors, tenants and occupiers, normally as a result of changes of circumstances or changes of occupation, on an ongoing basis throughout the lifetime of the roll. The current position with Running Roll Appeals is as shown below:-

RUNNING ROLL 2005				
Unitary Authority	Total No. of Appeals Lodged	Disposed of	No. Outstanding	% Cleared
East Ayrshire	296	260	36	87.84%
North Ayrshire	438	341	97	77.85%
South Ayrshire	450	373	77	82.89%
TOTAL	1184	974	210	82.26%

Similar to the position concerning revaluation appeals, provision exists for running roll appeals to be referred to the Lands Tribunal for Scotland. At the current time 33 of the outstanding running roll appeals are awaiting the Tribunal's consideration.

3.0 Non Domestic Valuation Appeal Committee Hearings

Consideration is now being given to the requirement for hearings in the spring of 2010.

4.0 2010 Revaluation

Draft rateable values for the next general revaluation, which is due to come into force on 1 April 2010, have been provided to the Scottish Government. It is intended that these draft Values will be made available to the general public on the internet via the Assessor's portal. However, it has been agreed to delay provision of these values to the general public until the Scottish Government is in a position to announce whether a scheme of transitional relief will be implemented. It is now thought likely that this will take place in January 2010.

Formal written notification of the final Rateable Value will be issued to the Proprietor, Tenant and Occupier of each subject during March of 2010.

5.0 Valuation Roll Amendments/New Entries & KPI Performance

The update of the Valuation Roll to reflect new properties, deletions and amendments continues on an ongoing basis.

The increased incidence of Council Tax Proposals and the requirement to undertake the 5 yearly General Revaluation has had an impact upon this key performance area. However, at the current time, performance remains on target.

6.0 Recommendation

That the Board notes the content of the Report.

REPORT BY ASSESSOR

SUBJECT: Council Tax

1.0 New Houses & KPI Performance

The survey and banding of new houses for entry in the Council Tax List continues with a view to achieving or improving on performance targets. Although, as for the non domestic valuation roll, the increased incidence of Council Tax Proposals and the requirement to undertake the 5 yearly General Revaluation has had an impact upon this key performance area, at the current time performance remains on target.

2.0 Proposals

Proposals (appeals) to alter the valuation band allocated to dwellings are normally received in small numbers each month. There has been an increase in the number of proposals lodged in recent months as a result of media attention. In many cases the proposals are invalid because they have not been lodged within the statutory timescale. Nevertheless, each proposal is being fully investigated and in the event that any errors are discovered these will be amended within the error procedures made available to the Assessor. Unresolved invalid proposals will be referred to the Local Valuation Appeal Committee.

The current position is as shown below:-

PROPOSALS LOGGED LESS THAN 3 MONTHS OLD					
Unitary Authority	Logged	Adjusted	Withdrawn	Outstanding	Outstanding at last Meeting
East Ayrshire	9	3	1	5	15
North Ayrshire	23	0	3	20	14
South Ayrshire	27	4	1	22	13
TOTAL	59	7	5	47	42

PROPOSALS LOGGED OVER 3 MONTHS OLD					
Unitary Authority	Logged	Adjusted	Withdrawn	Outstanding	Outstanding at last Meeting
East Ayrshire	1393	488	844	61	70
North Ayrshire	1921	709	1124	88	104
South Ayrshire	2099	885	1150	64	88
Total	5413	2082	3118	213	262

3.0 Council Tax Valuation Appeal Committee Hearings

Consideration is now being given to the requirement for hearings in the spring of 2010.

4.0 Recommendation

That the Board notes the content of the Report.

REPORT BY ASSESSOR

SUBJECT: Electoral Registration

1.0 Canvass

The canvass is now complete and all properties were issued, where necessary, three registration forms in an attempt to receive a return from each property. The initial and first reminder issue were all postal with the second reminders a combination of postal or door to door visits.

Listed in Appendix 1 are statistics relating to the 2009 canvass including some follow up stages where council tax payers were matched against non return properties (column 9). This figure identifies where the property has not made a return and the name on the electoral register is the same as the current council tax payer.

2.0 Case Study Research into Electoral Registers of Great Britain

Earlier last year I met, along with the Principal Admin. Officer a representative from the Electoral Commission to assist in setting up the above research in connection with the South Ayrshire Council Register. This involved supplying data which would allow MORI staff to make door to door visits to properties within South Ayrshire to check the accuracy of the register. The exercise was progressed by the use of varying data sets and comparing properties with same names together with investigating households with more than the average electors shown on the Register.

Following this stage of the exercise a telephone conference survey was undertaken with a representative from the Electoral Commission following which an interim report has been published by the Commission. The research focused on eight detailed local authority case studies and key definitions used were:-

- **Completeness:** every person who is entitled to have an entry in an electoral register is registered
- **Accuracy:** there are no false entries in an electoral register

The research study on local authority registers was divided into two phases and focused on the following areas:-

- Derby
- Glasgow city
- Hambleton
- Knowsley
- Lambeth
- South Ayrshire
- Swansea
- West Somerset

The report summarises the key interim findings, which are drawn from the first phase of the research. The findings from both phases will be presented in a final report later this year.

Results from the first phase can be viewed at:-

http://www.electoralcommission.org.uk/_data/assets/pdf_file/0019/83305/Interim-report-on-case-study-research-into-the-electoral-registers-of-Great-Britain.pdf

3.0 Rolling Registration

Appendix 2 shows the number of monthly changes that have been actioned through the Rolling Registration process.

4.0 Recommendation

That the Board notes the content of the report.

Appendix 1

Constituency	Number Issued	Postal Return	Telephone Return	Internet Return	Total Return	% Return	Late Canvass Forms	Adjusted (1) % Return	Council Tax Name Matched- No Return Made	Adjusted (2) % Return	Non-Response Empty Properties	Adjusted (3) % Return
	1	2	3	4	5	6	7	8	9	10	11	12
Ayr	34,017	12,961	10,788	3,927	27,676	81.36%	111	81.69%	3,963	93.34%	1,696	98.32%
Carrick, Cumnock & Doon Valley	36,493	13,667	10,995	4,081	28,743	78.76%	254	79.46%	5,086	93.40%	1,534	97.60%
Cunninghame North	30,159	10,588	9,533	3,250	23,371	77.49%	170	78.06%	4,905	94.32%	1,692	99.93%
Cunninghame South	38,491	15,573	12,056	3,888	31,517	81.88%	119	82.19%	4,750	94.53%	1,291	97.89%
Kilmarnock & Loudoun	37,823	14,113	12,008	4,281	30,402	80.38%	151	80.78%	4,934	93.82%	1,669	98.24%
Total	176,983	66,902	55,380	19,427	141,709	80.07%	805	80.52%	23,638	93.88%	7,882	98.33%

Appendix 2

Monthly Changes to the Register					
Month	Unitary Authority	Additions	Deletions	Amendments	Total Changes
January 2010	East Ayrshire	196	200	221	1,901
	North Ayrshire	248	214	255	
	South Ayrshire	184	175	208	
	Total	628	589	684	