



*Dunbartonshire and Argyll & Bute
Valuation Joint Board*

Council Offices
16 Church Street
Dumbarton
G82 1QL

24 February 2022

Dear Sir/Madam

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

You are requested to attend a hybrid meeting of the Valuation Joint Board to be held at **11 a.m. on Friday, 4 March 2022.**

The Convener has directed that the powers contained in Section 43 of the Local Government in Scotland Act 2003 will be used and Members will have the option to attend the meeting remotely or in person at the Civic Space, Council Offices, Church Street, Dumbarton. Joining details for those attending remotely via MS Teams will be provided separately.

The business is as shown on the enclosed agenda.

Please advise committee.admin@west-dunbarton.gov.uk if you are unable to attend the meeting.

Yours faithfully

PETER HESSETT

Clerk to the Valuation Joint Board

Distribution:-

Councillor Graham Archibald Hardie, Argyll & Bute Council
Councillor Donald MacMillan, Argyll & Bute Council
Councillor Iain Paterson, Argyll & Bute Council
Councillor Alastair Redman, Argyll & Bute Council
Councillor Richard Trail, Argyll & Bute Council **(Chair)**

Councillor Jim Gibbons, East Dunbartonshire Council
Councillor John Jamieson, East Dunbartonshire Council
Councillor Denis Johnston, East Dunbartonshire Council
Councillor Stewart MacDonald, East Dunbartonshire Council
Councillor Vaughan Moody, East Dunbartonshire Council **(Vice Chair)**
Councillor Sandra Thornton, East Dunbartonshire Council

Councillor Jim Brown, West Dunbartonshire Council
Councillor Karen Conaghan, West Dunbartonshire Council
Councillor Jonathan McColl, West Dunbartonshire Council
Councillor John Millar, West Dunbartonshire Council
Vacancy

All Substitute Councillors for information

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

FRIDAY, 4 MARCH 2022

AGENDA

1 APOLOGIES

2 DECLARATIONS OF INTEREST

Members are invited to declare if they have an interest in any of the items of business on this agenda and the reasons for such declarations.

3 MINUTES OF PREVIOUS MEETING 7 – 11

Submit, for approval as a correct record, the Minutes of Meeting of the Valuation Joint Board held on 15 September 2021.

4 MINUTES OF MEETING OF THE VALUATION JOINT BOARD RECRUITMENT PANEL 13

Submit for information the Minutes of Meeting of the Valuation Joint Board Recruitment Panel held on 25 October 2021.

5 TREASURER TO THE VALUATION JOINT BOARD 15

Submit report by the Clerk providing an update with respect to the position of Treasurer to the Joint Board.

6 AUDIT SCOTLAND'S ANNUAL AUDIT PLAN 2021/22 17 – 31

Submit report by the Treasurer presenting, for information, Audit Scotland's Annual Audit Plan for the audit of financial year 2021/22.

7 REVENUE & CAPITAL BUDGETARY CONTROL REPORT TO 31 JANUARY 2022 (PERIOD 10) 33 – 40

Submit report by the Treasurer advising on the progress of the revenue budget and the capital programme for 2021/22.

8/

11 CODE OF GOOD GOVERNANCE – ANNUAL SELF-ASSESSMENT 81 – 85

Submit report by the Assessor and Electoral Registration Officer:-

- (a) providing information on the completion of the Joint Board's annual Local Code of Good Governance self-assessment for 2021;
- (b) seeking approval of the Action Plan arising from the self-assessment; and
- (c) advising of the progress made in completing or progressing a number of actions contained in the Plan.

12 WORKFORCE PLANNING 87 – 99

Submit report by the Assessor and Electoral Registration Officer:-

- (a) advising of progress in relation to Workforce Planning within the Joint Board; and
- (b) seeking approval of a Workforce Plan for 2022/23.

13 PERSONNEL – HM THE QUEEN'S PLATINUM JUBILEE 101

Submit report by the Assessor and Electoral Registration Officer seeking approval of an additional day of paid leave for employees of the Joint Board on Friday, 3 June 2022 to facilitate celebrations to mark HM the Queen's 70th anniversary as monarch.

14 NEXT MEETING OF THE JOINT BOARD

The Joint Board is requested to agree the venue for its next meeting which will be held on Friday, 24 June 2022 at 11.00 a.m.

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

At a Meeting of the Dunbartonshire and Argyll & Bute Valuation Joint Board held by video conference on Wednesday, 15 September 2021 at 12.30 p.m.

Present: Councillors Graham Archibald Hardie, Donald McMillan, Alastair Redman and Richard Trail, Argyll & Bute Council; Councillors Stewart MacDonald* and Vaughan Moody, East Dunbartonshire Council; and Bailie Denis Agnew* and Councillors Jim Brown, Karen Conaghan and Jonathan McColl, West Dunbartonshire Council.

*Arrived later in the meeting.

Attending: David Thomson, Assessor & Electoral Registration Officer (ERO); Robert Nicol, Depute Assessor & Electoral Registration Officer; Stephen West, Treasurer; Janine Corr and Joanne Thomson, Accountants; and Scott Kelly, Committee Officer, West Dunbartonshire Council.

Also Attending: Christopher Gardner, Senior Audit Manager, and Kirsteen Sharp, Professional Trainee, Audit Scotland.

Apologies: Apologies for absence were intimated on behalf Councillors Jim Gibbons and John Jamieson, East Dunbartonshire Council. An apology was also given for Gillian McNeilly, Finance Manager, West Dunbartonshire Council.

Councillor Richard Trail in the Chair

DECLARATIONS OF INTEREST

It was noted that there were no declarations of interest in any of the items of business on the agenda.

Note: Bailie Agnew entered the meeting at this point.

MINUTES OF PREVIOUS MEETING

The Minutes of Meeting of the Valuation Joint Board held on 18 June 2021 were submitted and approved as a correct record.

AUDIT SCOTLAND'S DRAFT ANNUAL AUDIT REPORT TO MEMBERS AND THE CONTROLLER OF AUDIT

A report was submitted by the Treasurer advising of Audit Scotland's Draft Annual Audit Report to Members and the Controller of Audit for 2020/21.

Having heard Ms Thomson, Accountant, the Treasurer and the Senior Audit Manager in further explanation, the Joint Board agreed to note the issues raised in the report and also the report from the Board's external auditors which formed an appendix.

Note: Councillor MacDonald entered the meeting at this point.

ANNUAL ACCOUNTS FOR YEAR ENDING 31 MARCH 2021

A report was submitted by the Treasurer presenting the Annual Accounts for the year ending 31 March 2021.

After discussion and having heard Ms Thomson, Accountant, and the Assessor & ERO in further explanation and in answer to a Member's question, the Joint Board agreed:-

- (1) to note that the finances of the Board had been closely managed during 2020/21 allowing a better financial position to be achieved than had been planned, and that this would assist, along with ongoing consideration of further efficiencies, to allow a planned approach to any future funding restrictions on the Board; and
- (2) to approve the post-audit Annual Accounts for the year ending 31 March 2021.

REVENUE & CAPITAL BUDGETARY CONTROL REPORT TO 31 AUGUST 2021 (PERIOD 5)

A report was submitted by the Treasurer advising on the progress of the revenue budget and the capital programme for 2021/22.

Having heard Ms Thomson, Accountant, in further explanation, the Joint Board agreed:-

- (1) to note the projected favourable revenue variance of £0.130m (4% of the total budget); and
- (2) to note the updated 2021/22 Capital Budget and projected favourable variance of £0.028m (44% of the total budget) and agree a further £0.003m contribution from revenue to fund the shortfall in capital income, if required.

NON-DOMESTIC RATING AND COUNCIL TAX VALUATION UPDATE

A report was submitted by the Assessor & ERO advising:-

- (a) of progress in relation to the Assessor's Non-Domestic Rating (NDR) valuation function;
- (b) of the progress in relation to disposal of 2017 Revaluation appeals and 'running roll' appeals;
- (c) of on-going activities to implement the Non-Domestic Rating (Scotland) Act and the recommendations of the 'Barclay' Review;
- (d) of the preparations being made for the 2023 Revaluation of non-domestic property;
- (e) of progress in relation to the Assessor's Council Tax valuation function; and
- (f) on the effects of the COVID-19 outbreak and the related government restrictions on NDR and Council Tax functions.

After discussion and having heard the Assessor & ERO in further explanation and in answer to a Member's question, the Joint Board agreed to note:-

- (1) the progress in relation to disposal of Non-Domestic Rating appeals;
- (2) the progress in relation to the general maintenance of the Valuation Roll;
- (3) the progress and planning which were ongoing to effect the Non-Domestic Rating (Scotland) Act and the recommendations of the 'Barclay' Review;
- (4) the progress in relation to the general maintenance of the Council Tax List;
- (5) the progress in relation to the disposal of Council Tax proposals and appeals;
- (6) that the easing of COVID-related restrictions had allowed survey and VAC hearings to recommence; and
- (7) the difficulties in recruiting to the vacant Valuer posts and that alternatives were under consideration.

ELECTORAL REGISTRATION PROGRESS

A report was submitted by the Assessor & ERO providing an update on the current position in relation to Electoral Registration

After discussion and having heard the Assessor & ERO in further explanation and in answer to Members' questions, the Joint Board agreed:-

- (1) to note the terms of the discussion which had taken place in relation to the introduction of the Elections Bill to the House of Commons, which, if passed, would result in different administration requirements for UK Parliamentary elections than for Scottish Parliamentary and Local Government elections, notably in relation to the proposed requirement for voters to show photo ID at polling stations; and
- (2) otherwise to note the contents of the report.

POST OF DEPUTE ASSESSOR & ELECTORAL REGISTRATION OFFICER – RECRUITMENT TO FILL VACANCY

A report was submitted by the Assessor & ERO seeking approval to initiate a recruitment process to fill the soon to be vacant post of Depute Assessor and Electoral Registration Officer.

On behalf of the Joint Board, Councillor Trail, Chair, thanked Mr Nicol for his contribution as Depute Assessor & ERO over eight and a half years and wished him well in his new position as Assessor & ERO in Renfrewshire. In response, Mr Nicol thanked Councillor Trail for his kind words.

After discussion and having heard the Assessor & ERO in further explanation and in answer to Members' questions, the Joint Board agreed:-

- (1) that the process of recruiting a new Depute Assessor & ERO should commence in accordance with the recruitment timetable contained in the report (or as soon as could be practically achieved);
- (2) that the Joint Board's Recruitment Panel should complete the Short Listing, Interview and Selection processes with appropriate support from the Assessor & ERO and West Dunbartonshire Council's HR&OD team;
- (3) to note that Councillors Trail, Moody and Brown would continue to be the representatives on the Joint Board's Recruitment Panel for, respectively, Argyll & Bute Council, East Dunbartonshire Council and West Dunbartonshire Council;
- (4) to note that, if required, Councillor Archibald Hardie would act as a substitute member for Argyll & Bute Council and Councillor McColl for West Dunbartonshire Council, and that East Dunbartonshire Council would nominate a substitute member in due course should this be necessary; and
- (5) to note that the successful appointment would be reported to the Joint Board at its first full meeting following the appointment.

COMMUNICATIONS STRATEGY

A report was submitted by the Assessor & ERO seeking approval of a revised Communications Strategy for application within the Joint Board.

Having heard the Assessor & ERO in further explanation, the Joint Board agreed to approve the 2021/24 Communications Strategy.

PERSONNEL POLICY – AGILE WORKING POLICY

A report was submitted by the Assessor & ERO seeking approval of an Agile Working Policy for application within the Joint Board.

After discussion and having heard the Assessor & ERO in further explanation, the Joint Board agreed to approve the Agile Working Policy for implementation within the Joint Board.

DATES OF FUTURE MEETINGS

Having heard the Committee Officer, the Joint Board agreed that hybrid meetings of the Valuation Joint Board would be held on:-

- Friday, 4 March 2022 at 11.00 a.m. (hybrid meeting in West Dunbartonshire Council Offices, Church Street, Dumbarton).
- Friday, 24 June 2022 at 11.00 a.m. (venue to be decided at the Joint Board meeting on 4 March 2022).

The meeting closed at 1.35 p.m.

**DUNBARTONSHIRE AND ARGYLL AND BUTE
VALUATION JOINT BOARD RECRUITMENT PANEL**

At a Meeting of the Dunbartonshire and Argyll & Bute Valuation Joint Board Recruitment Panel held in the Dunbartonshire and Argyll & Bute Valuation Joint Board Offices, 235 Dumbarton Road, Clydebank on Monday, 25 October 2021 at 9.00 a.m.

Present: Councillor Richard Trail, Argyll & Bute Council; Councillor Vaughan Moody, East Dunbartonshire Council; and Councillor Jonathan McColl, West Dunbartonshire Council.

Attending: David Thomson, Assessor and Electoral Registration Officer.

Apologies: Louise Hastings, People & Change Partner, West Dunbartonshire Council.

Councillor Richard Trail in the Chair

EXCLUSION OF PRESS AND PUBLIC

The Recruitment Panel approved the following resolution:-

“That under Section 50A(4) of the Local Government (Scotland) Act 1973, the press and public be excluded from the meeting for the following item of business on the grounds that it may involve the likely disclosure of exempt information as defined in Paragraph 1 of Part I of Schedule 7A to the Act”.

POST OF DEPUTE ASSESSOR & ELECTORAL REGISTRATION OFFICER

Having considered the contents of an interview pack, the Recruitment Panel interviewed five candidates.

After deliberation, it was agreed that Russell Hewton be offered the post of Depute Assessor & Electoral Registration Officer.

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Clerk to the Valuation Joint Board

Valuation Joint Board – 4 March 2022

Subject: Treasurer to the Valuation Joint Board

1.0 Purpose of Report

- 1.1 To update members of the Joint Board with respect to the position of Treasurer to the Board.

2.0 Background

- 2.1 As members will be aware, West Dunbartonshire Council acts as lead authority for the provision of all support services, including Financial Services, to the Joint Board.
- 2.2 At the meeting of the Joint Board on 10 December 2004, the Board agreed that West Dunbartonshire Council's Section 95 Chief Financial Officer would be appointed as Treasurer to the Joint Board.
- 2.3 At its meeting on 25 November 2011, the Joint Board approved the appointment of Stephen West, West Dunbartonshire Council's Head of Service – Resources and Performance, as the Treasurer to the Valuation Joint Board.

3.0 Current Position

- 3.1 Following the retirement of Stephen West, Laurence Slavin was appointed as the Chief Officer – Resources, and new section 95 Chief Financial Officer, for the Council with effect from 1 January 2022.

4.0 Recommendations.

- 4.1 It is recommended that the Board approve the appointment of Laurence Slavin, West Dunbartonshire Council's new Chief Financial Officer, as Treasurer to the Joint Board.

Person to contact:
Peter Hessest (Clerk to the Joint Board)
Tel: 07789 396438
E-mail: peter.hessest@west-dunbarton.gov.uk

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD**Report by Treasurer****Valuation Joint Board: 4 March 2022**

Subject: Audit Scotland's Annual Audit Plan 2021/22**1. Purpose**

1.1 The purpose of this report is to present Audit Scotland's Annual Audit Plan for the audit of financial year 2021/22 to the Board for information.

2. Background

2.1 Audit Scotland has produced their Annual Audit Plan which provides an overview of the audit approach to be adopted and describes the outputs the Board can expect to receive. The plan is appended to this report for noting.

3. Main Issues

3.1 The Annual Audit plan details the risk assessment process and the areas of audit focus on pages 6 and 7; identifying the key audit risk within Exhibit 2 on page 6 of the attachment.

3.2 A summary of the proposed audit timetable is provided within Exhibit 4 on page 9 of the appended plan.

3.3 The fee for the local audit for 2021/22 is £7,810. This is a slight increase from the charge in 2020/21 (£7,610).

3.4 Representatives of the Audit Scotland Team will be in attendance at the Board meeting to answer any questions on the plan.

4. Recommendations

4.1 The Board is asked to note Audit Scotland's audit plan for the audit of financial year 2021/22.

Laurence Slavin**Treasurer****Date: 23 February 2022**

Person to Contact: Janine Corr, Accountant
West Dunbartonshire Council

E-mail: janine.corr@west-dunbarton.gov.uk

Appendix:

Audit Scotland's Annual Audit Plan 2021/22.

Dunbartonshire and Argyll & Bute Valuation Joint Board

Annual Audit Plan 2021/22



 AUDIT SCOTLAND

Prepared for Dunbartonshire and Argyll & Bute Valuation Joint Board

March 2022

Contents

Introduction	3
Financial statements audit planning	5
Reporting arrangements, timetable, and audit fee	8
Other matters	11

Introduction

Summary of planned audit work

1. This document summarises the work plan for our 2021/22 external audit of Dunbartonshire and Argyll & Bute Valuation Joint Board (DABVJB). The main elements of our work include:

- provision of an Independent Auditor's Report
- an audit opinion on other statutory information published within the annual report and accounts including the management commentary, the annual governance statement and the remuneration report.
- consideration of the wider audit dimensions arrangements in relation to financial sustainability and the annual governance statement

Impact of Covid-19

2. The coronavirus disease (Covid-19) pandemic has had a significant impact on public services and public finances, and the effects will be felt well into the future.

3. The Auditor General for Scotland, the Accounts Commission and Audit Scotland continue to assess the risks to public services and finances from Covid-19 across the full range of our audit work, including annual audits and the programme of performance audits. The well-being of audit teams and the delivery of high-quality audits remain paramount. Changes in our approach may be necessary and where this impacts on annual audits, revisions to this Annual Audit Plan may be required.

Adding value

4. We aim to add value to Dunbartonshire and Argyll & Bute Valuation Joint Board (DABVJB) through our external audit work by being constructive and forward looking, by identifying areas for improvement and by recommending and encouraging good practice. In so doing, we will help DABVJB promote improved standards of governance, better management and decision making and more effective use of resources. Additionally, we attend meetings of the joint board and actively participate in discussions.

Respective responsibilities of the auditor and Dunbartonshire and Argyll & Bute Valuation Joint Board

5. The [Code of Audit Practice \(2016\)](#) sets out in detail the respective responsibilities of the auditor and DABVJB. Key responsibilities are summarised below.

Auditor responsibilities

6. Our responsibilities as independent auditors are established by the Local Government (Scotland) Act 1973 and the [Code of Audit Practice](#) (including [supplementary guidance](#)) and guided by the Financial Reporting Council's Ethical Standard.

7. Auditors in the public sector give an independent opinion on the financial statements and other information within the annual report and accounts. We also aim to support improvement and accountability.

Dunbartonshire and Argyll & Bute Valuation Joint Board and Treasurer responsibilities

8. DABVJB is responsible for maintaining accounting records and preparing financial statements that give a true and fair view.

9. Also, DABVJB has the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and that enable them to deliver their objectives.

Managing the transition to 2022/23 audits

10. Audit appointments are usually for five years but were extended to six years due to the Covid-19 pandemic. 2021/22 is the final year of the current appointment and we will work closely with our successors to ensure a well-managed transition.

Financial statements audit planning

Materiality

11. Materiality is an expression of the relative significance of a matter in the context of the financial statements as a whole. We are required to plan our audit to determine with reasonable confidence whether the financial statements are free from material misstatement. The assessment of what is material is a matter of professional judgement over both the amount and the nature of the misstatement.

Materiality levels for the 2021/22 audit

12. We assess materiality at different levels as described in [Exhibit 1](#). The materiality values for DABVJB are set out below.

Exhibit 1

2021/22 Materiality levels for DABVJB

Materiality	Amount
Planning materiality – This is the figure we calculate to assess the overall impact of audit adjustments on the financial statements. It has been set at 1.5% of gross expenditure for the year ended 31 March 2022 based on the latest audited financial statements for 2020/21.	£45,870
Performance materiality – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality, this would indicate that further audit procedures should be considered. Using our professional judgement, we have assessed performance materiality at 75% of planning materiality.	£34,500
Reporting threshold (i.e. clearly trivial) – We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount.	£2,300

Source: Audit Scotland

Significant risks of material misstatement to the financial statements

13. Our risk assessment draws on our cumulative knowledge of Dunbartonshire and Argyll & Bute Valuation Joint Board, its major transaction streams, key systems

of internal control and risk management processes. Also, it is informed by our discussions with management, meetings with internal audit, attendance at joint board meetings and a review of supporting information.

14. Based on our risk assessment process, we identified the following significant risk of material misstatement to the financial statements. This is a risk which has the greatest impact on our planned audit procedures. [Exhibit 2](#) summarises the nature of the risk, the sources of assurance from management arrangements and the further audit procedures we plan to perform to gain assurance over the risk.

Exhibit 2

2021/22 Significant risk of material misstatement to the financial statements

Significant risk of material misstatement	Sources of assurance	Planned audit response
<p>1. Risk of material misstatement due to fraud caused by the management override of controls</p> <p>As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.</p>	<p>Owing to the nature of this risk, assurances from management are not applicable in this instance</p>	<ul style="list-style-type: none"> • Test journals entries with a focus on significant risk areas. • Evaluate significant transactions outside the normal course of business identified through audit testing of income and expenditure, accruals and cut off transactions. • Review accounting estimates for evidence of management bias including assessing any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year.

Source: Audit Scotland

15. As set out in International Standard on Auditing (UK) 240: *The auditor's responsibilities relating to fraud in an audit of financial statements*, there is a presumed risk of fraud over the recognition of revenue. There is a risk that revenue may be misstated resulting in a material misstatement in the financial statements. We have rebutted this risk for DABVJB because, while the possibility of fraud exists, we assess the risk of the financial statements being materially misstated as a result of fraud to be low. This is due to the nature of the joint board's revenue streams and key sources of income, namely government grants and the constituent councils' contributions.

16. In line with Practice Note 10: *Audit of financial statements and regularity of public sector bodies in the United Kingdom*, as most public-sector bodies are net spending bodies, the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk relating to revenue recognition. We have rebutted this risk for DABVJB, as our assessment of the joint board's expenditure streams, including consideration of historical

instances of fraud, has identified the risk of a material misstatement as a result of fraud to be low.

17. We have not, therefore, incorporated specific work into our audit plan in these areas over and above our standard audit procedures.

Other areas of audit focus – pension liability

18. As part of our assessment of audit risks, we have identified the pension liability valuation to be an area of audit focus due to the material value and significant assumptions used in the calculation of the liability. Based on our assessment of the likelihood and magnitude of the risk, we do not consider this to represent a significant risk of material misstatement.

19. We will keep this area under review as our audit progresses. If our assessment of risk changes and we consider this risk to be significant, we will communicate this to management and those charged with governance and revise our planned audit approach accordingly.

Audit risk assessment process

20. Audit risk assessment is an iterative and dynamic process. Our assessment of risks set out in this plan may change as more information and evidence becomes available during the progress of the audit. Where such changes occur, we will advise management and where relevant, report them to those charged with governance.

Audit dimensions

21. Our standard audits are based on four audit dimensions from the wider scope of public sector audit requirements. These are: financial sustainability, financial management, governance & accountability, and value for money.

22. The Code of Audit Practice includes provisions relating to the audit of small bodies. Where the application of the full wider scope is judged by auditors not to be appropriate to an audited body, then the annual audit work can focus on the appropriateness of the disclosures in the governance statement and the financial sustainability of the body and its services. In light of the financial transactions being relatively low in volume and without complexity, we plan to apply the small body provision of the Code to the 2021/22 audit of the Dunbartonshire and Argyll & Bute Valuation Joint Board.

Reporting arrangements, timetable, and audit fee

Reporting arrangements

23. Audit reporting is the visible output for the annual audit. All our outputs, as detailed in [Exhibit 3](#), and any other outputs on matters of public interest will be published on our website: www.audit-scotland.gov.uk.

24. Matters arising from our audit will be reported on a timely basis and will include agreed action plans.

25. We will provide an independent auditor's report to Dunbartonshire and Argyll & Bute Valuation Joint Board and the Accounts Commission setting out our opinions on the annual report and accounts. We will provide the DABVJB and the Accounts Commission with an annual report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

26. [Exhibit 3](#) outlines the target dates for our audit outputs, and we aim to issue the independent auditor's report by the statutory deadline of 31 October 2022. We acknowledge this will be challenging due to the ongoing pressures and uncertainties caused by Covid-19. Due to the May 2022 local government elections, the joint board's planned meeting dates from June 2022 onwards are yet to be finalised. However, our audit work has been scheduled to ensure the planned statutory deadline is met.

Exhibit 3 2020/21 Audit outputs

Audit Output	Target date	Joint board date
Annual Audit Plan	04/03/2022	04/03/2022
Independent Auditor's Report	31/10/2022	To be agreed
Annual Audit Report	31/10/2022	To be agreed

Source: Audit Scotland

Timetable

27. To support an efficient audit, it is critical that the timetable for producing the annual report and accounts for audit is achieved. We have included a proposed timetable for the audit at [Exhibit 4](#) that has been discussed with management.

28. The Covid-19 pandemic has had a considerable impact on the conduct and timeliness of the audit. We recognise that it is in the best interests of public accountability to get the reporting of audited accounts back to pre-pandemic timelines. To this end, 2021/22 is a transition year with the reporting deadline brought forward by one month relative to the two prior years. We are identifying ways to work more efficiently to expedite the 2021/22 audits whilst at the same time maintaining high standards of quality.

29. We will continue to work in close partnership with management with clarity over timescales and the requirement for high quality unaudited accounts and supporting working papers. Progress will be discussed with management and finance officers over the course of the audit.

Exhibit 4 Proposed annual report and accounts timetable

 Key stage	 Provisional Date
Consideration of the unaudited annual report and accounts by those charged with governance	June 24, 2022
Latest submission date for the receipt of the unaudited annual report and accounts with complete working papers package.	By June 2022
Latest date for final clearance meeting with Treasurer	To be agreed
Issue of Letter of Representation and proposed Independent Auditor's Report	To be agreed
Agreement of audited and unsigned annual report and accounts	To be agreed
Issue of Annual Audit Report to those charged with governance.	To be agreed
Signed Independent Auditor's Report	By 31 October 2022

Source: Audit Scotland

Audit fee

30. The proposed audit fee for the 2021/22 audit of Dunbartonshire and Argyll & Bute Valuation Joint Board is £7,810 (2020/21: £7,610). In determining the audit fee, we have taken account of the risk exposure of the DABVJB, the planned

management assurances in place and the level of reliance we plan to take from the work of internal audit.

31. Where our audit cannot proceed as planned through, for example, late receipt of unaudited annual report and accounts, the absence of adequate supporting working papers or being unable to take planned reliance from the work of internal audit, a supplementary fee may be levied. An additional fee may also be required in relation to any work or other significant exercises out with our planned audit activity.

Other matters

Internal audit

32. International standards on Auditing (UK) 610: *Considering the work of internal audit* requires us to:

- consider the activities of internal audit and their effect on external audit procedures;
- obtain an understanding of internal audit activities to inform our planning and develop an effective audit approach that avoids duplication of effort;
- perform a preliminary assessment of the internal audit function when there is scope for relying on internal audit work which is relevant to our financial statements' responsibilities; and
- evaluate and test the work of internal audit, where use is made of that work for our financial statements responsibilities to confirm its adequacy for our purposes.

33. From our initial review of the internal audit plans, we do not plan to place formal reliance on internal audit's work for our financial statements' responsibilities. We do plan to consider the findings of Internal Audit across a range of work and report relevant findings within our Annual Audit Report.

Independence and objectivity

34. Auditors appointed by the Auditor General for Scotland or Accounts Commission must comply with the [Code of Audit Practice](#) and relevant supporting guidance. When auditing the financial statements, auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has robust arrangements in place to ensure compliance with these standards including an annual *'fit and proper'* declaration for all members of staff. The arrangements are overseen by the Director of Audit Services, who serves as Audit Scotland's Ethics Partner.

35. The engagement lead (i.e. appointed auditor) for Dunbartonshire and Argyll & Bute Valuation Joint Board is Christopher Gardner, Senior Audit Manager. Auditing and ethical standards require the appointed auditor to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of DABVJB.

Quality control

36. International Standard on Quality Control (UK) 1 (ISQC1) requires a system of quality control to be established, as part of financial audit procedures, to provide reasonable assurance that professional standards and regulatory and legal requirements are being complied with and that the independent auditor's report or opinion is appropriate in the circumstances.

37. The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the [Code of Audit Practice](#) (and supporting guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards, Audit Scotland conducts peer reviews and internal quality reviews. Additionally, the Institute of Chartered Accountants of Scotland (ICAS) have been commissioned to carry out external quality reviews.

38. As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We welcome feedback at any time, and this may be directed to the engagement lead.

Dunbartonshire and Argyll & Bute Valuation Joint Board

Annual Audit Plan 2021/22

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DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD**Report by Treasurer****Valuation Joint Board – 4 March 2022**

**Subject: Revenue & Capital Budgetary Control Report to 31 January 2022
(Period 10)****1. Purpose**

- 1.1 The purpose of this report is to advise Members on the progress of the revenue budget and the capital programme for 2021/22.

2. Background**2.1 Revenue**

At the meeting of the Joint Board on 5 March 2021, Members agreed the revenue estimates for 2021/22 and a total net budget of £2.966m, funded from constituent contributions of £2.837m (including £0.225m for costs associated with the implementation of actions from the Barclay Review) and reserves of £0.129m.

- 2.2 In addition to the agreed 2021/22 estimates, uncertain levels of expenditure were anticipated in relation to the Scottish Parliamentary Elections which were funded by Scottish Government Grant funding brought forward from 2020/21.

2.3 Capital

At the meeting of the Joint Board on 5 March 2021, Members were asked to note the likely slippage of spend and earmarked resources to be carried forward from 2020/21 into 2021/22 for the flexi system and the server upgrade. Members also agreed the proposed 2021/22 capital spend in relation to new bids totalling £49,600, financed via the use of capital slippage from 2020/21 (£29,600) and Scottish Government Grant (£20,000).

- 2.4 At the meeting of the Joint Board on 15 September 2021, Members were asked to agree a further £0.003m contribution from revenue (CFCR) revising the 2021/22 annual budget to £64,187.

- 2.5 Since then, the value of the Scottish Government Grant has been increased by £608 to match the actual amount received, revising the 2021/22 annual budget to £64,795.

3. Main Issues**3.1 Revenue**

Appendix 1 to this report highlights a favourable projected year end variance of £0.236m, whilst Appendix 2 provides information on the main variances.

- 3.2 Although the report indicates a favourable variance, the projected variance should be viewed in the knowledge that there are a number of variable factors

which could arise between now and 31 March 2022 and could affect the year end results.

3.3 It is anticipated that there will be an underspend (approximately £0.054m) in relation to the £0.225m funding from the Barclay Review as noted at 2.1 above, with the balance being carried forward as an earmarked balance for use within 2022/23.

3.4 Further to 2.2, above, the grant funding provided by Scottish Government was not exhausted by expenditure on the Scottish Parliamentary Election, with a carry forward of grant available to spend within 2021/22 of £0.125m. The Scottish Government has confirmed that this balance is to be made available for ERO expenditure. As such, £0.083m of additional expenditure offset by the equivalent in income has been added to the 2021/22 estimate as shown within appendix 1. It is anticipated that the remaining balance of grant (£0.042m) will be carried forward once again to be utilised in 2022/23.

3.5 Capital

Appendix 3 highlights a projected in-year variance of £0.054m which relates to anticipated project slippage, with details of these variances noted in Appendix 4.

4. Conclusion and Recommendation

4.1 Members are asked to:

- i) Note the projected favourable revenue variance of £0.236m (8% of the total budget);
- ii) Note the anticipated carry forwards of the underspends in relation to the Barclays funding (£0.054m) and the SPE Grant (£0.042m) for use within 2022/23; and
- iii) Note the projected favourable capital variance of £0.054m (84% of the total budget).

.....
Laurence Slavin
Treasurer
Date: 23 February 2022

Person to Contact: Janine Corr, Accountant
West Dunbartonshire Council
Email:janine.corr@west-dunbarton.gov.uk

Appendix 1
Appendix 2
Appendix 3
Appendix 4

Revenue BCR Period 10
Revenue Analysis Report
Capital BCR Period 10
Capital Analysis Report

MONTH END DATE 31 January 2022

PERIOD 10

ORIGINAL ESTIMATE 2021/22	SPE GRANT C/FWD FROM 2020/21	REVISED ESTIMATE 2021/22	DESCRIPTION	SPEND TO DATE	FORECAST SPEND 2021/22	FORECAST VARIANCE	Variance %	STATUS
£ 2,422,953	£ 22,146	£ 2,445,098	EMPLOYEE COSTS	£ 1,765,794	£ 2,231,678	£ (213,421)	-9%	Favourable
107,700	-	107,700	PROPERTY COSTS	75,115	107,921	221	0%	Adverse
19,215	-	19,215	SUPPLIES & SERVICES	10,376	19,245	30	0%	Adverse
7,838	-	7,838	PAYMENT TO OTHER BODIES	2,603	7,810	(28)	0%	Favourable
361,232	60,716	421,948	ADMINISTRATION COSTS	173,678	408,740	(13,208)	-3%	Favourable
55,500	-	55,500	OTHER EXPENDITURE	27,681	48,275	(7,225)	-13%	Favourable
2,974,438	82,862	3,057,300	GROSS EXPENDITURE	2,055,247	2,823,668	(233,632)	-8%	Favourable
8,462	82,862	91,323	GROSS INCOME	9,616	93,478	(2,154)	2%	Favourable
2,965,977	-	2,965,977	NET EXPENDITURE	2,045,631	2,730,191	(235,786)	-8%	Favourable
129,414	-	129,414	BALANCES USED					
2,836,563	-	2,836,563	AUTHORITIES CONTRIBUTIONS					

UNDERSPEND	(235,786)	-8%
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REVENUE BUDGETARY CONTROL 2021/2022

ANALYSIS FOR VARIANCES

MONTH END DATE

31 January 2022

PERIOD

10

Budget Details						
Budget Area	Budget	Spend to Date	% Spend to Date of Total Budget	Forecast Spend	Forecast Variance	Status
	£	£	%	£	£	%
EMPLOYEE COSTS	2,445,098	1,765,794	72%	2,231,678	(213,421)	-9% ↑
Main Issues	The favourable variance is mainly due to vacancies and a delay in filling vacancies, partly arising from inability to attract appropriate candidates.					
Mitigating Action	Recruitment to various posts is ongoing.					
Anticipated Outcome	It is likely this budget will underspend by the year end.					
ADMINISTRATION COSTS	421,948	173,678	41%	408,740	(13,208)	-3% ↑
Main Issues	One of the main reasons for the favourable variance is in relation to the expenditure associated with the Land Valuation Appeals Court, where it is anticipated that the spend will be less than that assumed within budget.					
Mitigating Action	Officers will continue to monitor the budget.					
Anticipated Outcome	It is likely this budget will underspend by the year end.					
OTHER EXPENDITURE	55,500	27,681	50%	48,275	(7,225)	-13% ↑
Main Issues	The favourable variance is in relation to the expenditure associated with the Land Valuation Appeals panel, where it is anticipated that the spend will be less than that assumed within budget.					
Mitigating Action	Officers will continue to monitor the budget.					
Anticipated Outcome	It is likely this budget will underspend by the year end.					

MONTH END DATE **31 January 2022**

PERIOD **10**

2020/21 YEAR END ACTUAL VARIANCE (FAVOURABLE)	2020/21 YEAR END UNDERSPEND	2020/21 REVISED YEAR END SLIPPAGE CARRIED FORWARD INTO 2021/22 (c) = (a) + (b)	ADDITIONAL CFCR REQUIRED (d)	2021/22 ORIGINAL CAPITAL PLAN (e)	AGREED 2021/22 BUDGET (f) = (c) + (d) + (e)	ADDITIONAL GRANT INCOME	REVISED 2021/22 BUDGET	DESCRIPTION	2021/22 SPEND TO DATE P10	2021/22 FORECAST SPEND	2021/22 FORECAST VARIANCE	FORECAST VARIANCE %	STATUS
(a)	(b)	(c)	(d)	(e)	(f)								
£	£	£	£	£	£	£	£		£	£	£		
10,265	(8,765)	1,500	0	0	1,500	0	1,500	PRIOR YEAR PROJECTS PLANNED UPGRADE OF SERVERS	347	1,500	0	0%	Nil Variance
11,000	(2,514)	8,486	0	0	8,486	0	8,486	FLEXI SYSTEM	0	0	(8,486)	-100%	Favourable
2,487	0	2,487	0	0	2,487	0	2,487	LAPTOPS & SCANNERS	2,487	2,487	(0)	0%	Nil Variance
0	0	0	0	4,600	4,600	0	4,600	21/22 PROJECTS LAPTOP REFRESH	0	4,600	0	0%	Nil Variance
2,114	0	2,114	0	20,000	22,114	608	22,722	NDR REFORM COSTS	2,033	2,033	(20,689)	-91%	Favourable
0	0	0	0	25,000	25,000	0	25,000	UNIX SERVER RENEWAL	0	0	(25,000)	-100%	Favourable
41,187	(26,600)	14,587	0	49,600	64,187	608	64,795	GROSS EXPENDITURE	4,866	10,620	(54,175)	-84%	Favourable
(38,700)	26,600	(12,100)	0	(26,600)	(38,700)	0	(38,700)	UNAPPLIED CAPITAL RECEIPTS CARRIED FORWARD	(2,379)	(8,133)	(30,567)	79%	Favourable
(2,487)	0	(2,487)	(3,000)	0	(5,487)	0	(5,487)	CFCR	(2,487)	(2,487)	(3,000)	55%	Favourable
0	0	0	0	(20,000)	(20,000)	(608)	(20,608)	SCOTTISH GOVERNMENT GRANT	0	0	(20,608)	100%	Favourable
(41,187)	26,600	(14,587)	(3,000)	(46,600)	(64,187)	(608)	(64,795)	GROSS INCOME	(4,866)	(10,620)	(54,175)	84%	Favourable
(0)	0	(0)	(3,000)	3,000	(0)	0	(0)	PROJECTED FREE CAPITAL RECEIPTS CARRIED FORWARD	0	0	(0)	0%	Nil Variance

CAPITAL BUDGETARY CONTROL 2021/2022

ANALYSIS FOR VARIANCES

MONTH END DATE

31 January 2022

PERIOD

10

Budget Details						
Budget Area	Budget	Spend to Date	% Spend to Date of Total Budget	Forecast Spend	Forecast Variance	Status
	£	£	%	£	£	%
Flexi time recording system replacement	8,486	0	0%	0	(8,486)	-100% ↑
Project Description	The Boards flexitime recording system was approximately 20 years old and is no longer supported.					
Main Issues/Progress update	For various reasons, including the ongoing changes to homeworking, the specific requirement for this is still evolving. A new specification will be required to ensure that any system is fit for any combination of home and in office working and reflects the most suitable technology for the purpose.					
NDR Reform Costs	22,722	2,033	9%	2,033	(20,689)	-91% ↑
Project Description	Development / Purchase of Remote Survey System					
Main Issues/Progress update	No progress as yet with this project. Some new ways of working have been established during the last year as a result of periods of not being able to survey properties and these will need to be considered before proceeding with the project.					
Unix Server Renewal	25,000	0	0%	0	(25,000)	-100% ↑
Project Description	Replacement of the primary server for Valuation and Council Tax data.					
Main Issues/Progress update	For a number of both operational and strategic reasons, it was deemed prudent to completely review the options to replace this server. That review will be initiated immediately with implementation proposed for later in 2022.					

**DUNBARTONSHIRE AND ARGYLL AND BUTE VALUATION JOINT
BOARD**

Report by Treasurer

Valuation Joint Board – 4 March 2022

**Subject: Updated Long Term Financial Strategy and
Revenue and Capital Estimates 2022/2023**

1. Purpose of Report

1.1 The purpose of this report is to:

- (a) Seek approval of the updated Long Term Financial Strategy, the 2022/23 revenue estimates and the level of constituent authority requisitions in 2022/23.
- (b) Seek approval of the draft 2022/23 Capital Estimates.
- (c) Note the indicative budget positions for 2023/24 and 2024/25 for both capital and revenue.

2. Background

Long Term Financial Strategy

2.1 The Board agreed the Long Term Finance Strategy in March 2021. It describes the short, medium and long term financial position of the Board and identifies the variables and assumptions which would affect the future funding position.

Revenue

2.2 The Scottish Government provides grant funding to local authorities for Valuation Joint Board activities through Grant Aided Expenditure (GAE) allocations for:

- Valuation and Collection of Local Tax,
- Valuation and Collection of Non-Domestic Rates; and
- Electoral Registration.

2.3 GAE allocations are updated regularly from various sources of information collected by Scottish Government. Changes in allocations results in changes to local authority funding for services which can have a consequential impact on the allocation of the requisition payment from the authorities to the Joint Board.

- 2.4** The 2022/23 GAE allocations are still to be published on the Scottish Government website. Therefore it is proposed that the core budget is allocated based upon GAE allocations for 2021/22. This is consistent with the process followed in previous years.
- 2.5** The 2022/23 Scottish Government settlement to councils continues to provide funding to cover the costs of implementing the recommendations of the Barclay Review.
- 2.6** As at 31 March 2021, the Board's revenue reserves totalled £0.700m, of which £0.129m was earmarked to balance the 2021/22 budget, leaving an anticipated remaining reserve of £0.571m (including the Prudential Target of £0.100m).

Capital

- 2.7** Following good practice, the Board aims to set capital budgets prior to 1 April each year, to allow spend to start on the agreed programme.
- 2.8** The capital plan for 2021/22 together with indicative capital estimates for 2022/23 to 2023/24 were provided last year, as shown below:

	%	2021/22 £	2022/23 £	2023/24 £
Total indicative bid		49,600	18,600	4,600
Available resources		49,600	6,927	0
Indicative resources required		0	11,673	4,600
East Dunbartonshire Council	24.38	0	2,846	1,121
West Dunbartonshire Council	25.93	0	3,027	1,193
Argyll and Bute Council	49.69	0	5,800	2,286
		0	11,673	4,600

3. Main Issues

Long Term Finance Strategy

- 3.1** In preparing the 2022/23 Draft Estimates, an update of the Long Term Financial Strategy has been prepared, to help plan for longer term financial issues by providing early sight of financial and other pressures. The updated Strategy is attached as Appendix 1.

Revenue

- 3.2** The 2022/23 draft estimate shown within Appendix 2, is based on a proposed standstill level of contribution from constituent authorities and the use of £0.239m of reserves. The proposed use of reserves results in projected available resources for future use of £0.514m (including the prudential reserve). The main movements from the agreed 2021/22 budget and the draft 2022/23 budget are detailed in Appendix 3.
- 3.3** In preparing the draft estimates, the following assumptions have been made in the 'likely case' scenario:

	Assumption
Staff Turnover	3%
Pay Award	2% Increase
Non pay inflation	3% Increase
Constituent Contribution	Flat Cash
Utility Inflation	<p>Electricity - 21% in 2022/23 decreasing to 11% in future years.</p> <p>Gas - 30% in 2022/23 decreasing to 5% in future years.</p> <p>Monitoring of utility inflation and all inflation will be kept under review during 2022/23. Reserves are currently sufficient to absorb any additional increase however the constituent authorities and the Board will be informed should there be a need to revisit the estimates.</p>
Barclay Review Costs	<p>Projected based on the estimated costs as the various recommendations are phased-in.</p> <p>The costs and the associated funding have been included within the estimates. For 2022/23 it is expected that Scottish Government funding will be £0.181m with a further £0.054m carried forward from 2021/22 providing a total of £0.235m in 2022/23, £0.261m in 2023/24 and £0.300m in 2024/25.</p>

- 3.4** The agreed 2021/22 budget included Barclay funding of £0.225m. Whilst it is anticipated that all of this income will be received by the end of the financial year, the associated spend is likely to be less at £0.171m, leaving an underspend of approximately £0.054m. The Scottish Government have reduced the 2022/23 Barclay allocation by the equivalent of the projected underspend; the assumption being that the underspend will be carried forward locally via an earmarked reserve within the Joint Board accounts, thus bringing the 2022/23 allocation in line with the estimated costs provided by the Assessor of £0.235m.
- 3.5** The 2021/22 core budget also planned to use reserves of £0.129m to balance the budget. Current projections are for a net favourable outturn of £0.236m, resulting in the reserve increasing by £0.106m

by the year end. This would result in a year-end reserve balance of £0.806m. This comprises of a “free” reserve of £0.652m, an earmarked balance of £0.054m for the Barclay costs as mentioned above and the prudential reserve of £0.100m. Appendix 2 also shows the projected 2021/22 outturn.

- 3.6** In addition to the agreed 2021/22 estimates, uncertain levels of expenditure were anticipated in relation to the Scottish Parliamentary Elections (SPE) which were funded by £0.125m of Scottish Government Grant funding brought forward from 2020/21. The Scottish Government has confirmed this balance is to be made available for ERO expenditure. As such, £0.083m of identified additional expenditure offset by the equivalent in income has been added to the 2021/22 estimate as shown within Appendix 2 and highlighted within the budgetary control report for period 10, reported as a separate agenda item. The underspend of £0.042m will be carried forward to 2022/23. Expenditure plans have yet to be identified for 2022/23 and for this reason, the SPE carry forward (and associated spend) is not included within the 2022/23 estimate, however will be included within future budgetary control reports.
- 3.7** Financial pressures on the board expenditure during 2021/22 due to COVID-19 have been minimal and it is anticipated this will also be the case in future years.
- 3.8** Indicative estimates for 2023/24 and 2024/25 identify cumulative budget gaps of £0.241m and £0.303m (Appendix 2). Annex 2 of the Long Term Finance Strategy also projects forward budget gaps over the next 10 years. The budget gaps identified will require to be funded through either the use of reserves, additional constituent authority contributions, potential additional Government grant and/or service efficiencies.
- 3.9** It is proposed that the expected year-end reserves position of £0.752m which excludes the earmarked Barclay carried forward (as at 31 March 2022) is carried forward to be used to help meet budget gap in future years or for use in spend to save initiatives such as voluntary early retirement/ voluntary severance. The surplus will be monitored and its use will be reviewed if any material changes occur. Any such use of reserves will be reported to the Joint Board.

Contributions from Authorities

- 3.10** As in previous years, it is recommended that the budget for the council requisition payment 2022/23 be apportioned to constituent councils on the basis of their 2021/22 GAE figures per Appendix 4, summarised as follows:

Council	% Share	Requisition Payment £
East Dunbartonshire	27.62%	721,166
West Dunbartonshire	28.04%	732,189
Argyll & Bute	44.34%	1,157,816
		2,611,171

- 3.11** The Scottish Government has provided £0.181m 'Barclay' funding for NDR Reform as mentioned at 3.3 above, through the constituent Councils as follows:

Council	Barclay Funding £m
East Dunbartonshire	0.044
West Dunbartonshire	0.047
Argyll & Bute	0.090
	0.181

Capital

- 3.12** Based upon projections for the 2021/22 outturn (as noted within the budgetary control report for period 10, reported elsewhere on the agenda and detailed within Appendix 5), the Board is likely to carry forward resources of £0.054m fully earmarked for the slippage in timing of spend for the flexi system, the unix server renewal and NDR Reform costs.

- 3.13** Appendix 5 also details the new indicative capital bids for 2022/23 to 2024/25 with an explanation of those bids provided in Appendix 6. Should these bids be approved, it is proposed that the cost of these are met from constituent contributions (based upon current 2021/22 GAE levels) as follows:

	Share %	2022/23 £	Indicative 2023/24 £	Indicative 2024/25 £
Total bid		11,600	5,800	14,600
Constituent Contribution		11,600	5,800	14,600
Resources required		0	5,800	14,600
East Dunbartonshire Council	27.62%	3,204	1,602	4,032
West Dunbartonshire Council	28.04%	3,253	1,626	4,094
Argyll and Bute Council	44.34%	5,143	2,572	6,474
		11,600	5,800	14,600

4. Risk Analysis

- 4.1** There are a number of assumptions within the draft budget and Long Term Finance Strategy. This may lead to financial variances if the assumptions prove to be materially incorrect. Further, additional grant funding may be identified which will have a positive effect on the current projections. Officers will continue to monitor these variables on an ongoing basis and update the Board and the Financial Strategy as appropriate.
- 4.2** No consideration has been given to the effects of the Elections Bill, which is currently passing through the UK Parliament in the revenue estimates. Although the Act will bring additional burdens, The Department for Levelling Up, Housing and Communities (DLUHC) has committed to funding these. Members should be aware, however, that there is an uncertainty regarding both the resource implications of the obligations and the funding that is to be provided to meet these.

5. Conclusions and Recommendations

- 5.1** The Joint Board is requested to:
- (a) Agree the updated Long Term Financial Strategy as detailed at Appendix 1.
 - (b) Agree the draft 2022/23 revenue budget.
 - (c) Agree that any surplus as at 31 March 2022 be carried forward for future use and that free reserves will continue to be held to help manage future budgets and the level of constituent authority contributions.
 - (d) Note the indicative revenue budgets for 2023/24 and 2024/25.
 - (e) Agree the 2022/23 revenue requisition is based on each council's 2021/22 GAE figures with the apportionment as identified at 3.10 above;
 - (f) Agree the 2022/23 Barclay Review funding based on the Scottish Governments allocation as identified at 3.11 above.
 - (g) Agree the proposed 2022/23 capital spend (as detailed in Appendices 5 and 6) of £11,600 to be progressed and funded as detailed at 3.13 above.
 - (h) Note the indicative capital bids for 2023/24 and 2024/25 (as detailed in Appendix 5 and Appendix 6).

- (i) Note the likely capital slippage of spend and earmarked resources to be carried forward from 2021/22 into 2022/23 to fund the completion of the existing 2021/22 capital projects.
- (j) Note the indicative capital programmes for 2023/24 to 2024/25 and indicative constituent contributions, based upon current GAE allocations. Requests for final approval will be requested year on year.

.....
Laurence Slavin
Treasurer
Date: 23 February 2022

Person to Contact: Janine Corr, Accountant,
West Dunbartonshire Council
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Appendix 1 Draft Financial Strategy;

Appendix 2 Probable Outturn 2021/22;
Draft Revenue Estimate 2022/2023;
Indicative Estimates for 2023/24 and 2024/25.

Appendix 3 Main movement between 2021/22 approved estimate and 2022/23 draft estimate.

Appendix 4 Details of GAE allocations 2021/22 & 2022/23.

Appendix 5 Draft Capital Estimates 2022/23 and Indicative Estimates for 2023/24 and 2024/25.

Appendix 6 Details of the new 2022/23 – 2024/25 capital bids.



*Dunbartonshire and Argyll & Bute
Valuation Joint Board*

LONG TERM FINANCIAL STRATEGY

4 March 2022

INDEX

Sections		Page No.
1	Introduction	1
2	What is the point of a Financial Strategy?	3
3	Financial Summary	3
4	National Context	5
5	Local Context	6
6	Financial Management	6
7	Financial Outlook	8
8	Reserves	10
9	Monitoring & Reporting Arrangements	11
10	Risk Management	11
11	Approach to Generating Future Budgets	12
Annex		
1	Short/ Medium / Long term Issues	13
2	Longer term Financial Projections	14

DRAFT

Dunbartonshires and Argyll and Bute Valuation Joint Board Long Term Finance Strategy

1 Introduction

1.1 The purpose of the Financial Strategy is to allow the Valuation Joint Board (“the Board”) to consider and plan for longer term financial issues by providing early sight of financial and other pressures. The Financial Strategy demonstrates that the Board is clear that the outcomes it plans to achieve link directly to the financial plans for the future and that any financial challenges identified which threaten the achievement of these outcomes are managed and prioritised in an orderly manner.

1.2 In recent years, the Scottish Government has provided a single year settlement for councils. This clearly makes it difficult to predict constituent contributions going forward, though it seems clear that the trend of reducing real term funding to councils may continue on an ongoing basis which is likely to result in pressure to reduce Board requisitions. Since 2012/13 the core constituent funding to the Board has either reduced or been ‘flat cash’.

Financial pressures on the Board during financial year 2021/22 due to COVID-19 have been minimal and this is expected to be the same in future years.

However, in general, it is anticipated that the Board will face ongoing financial challenges into the future. It is therefore likely that difficult choices will continue to be required – this Strategy provides a practical framework within which choices will be identified, debated and approved.

1.3 To provide clear and consistent direction for the Board, the following objectives have been identified for the Financial Strategy – it will ensure that:

- the Board has a comprehensive, coherent balanced budget;
- resources are allocated and deployed to facilitate delivery of services;
- all key strategic decisions on the allocation and deployment of resources are made within the appropriate financial context, with due regard to levels of risk;
- the Board is able to take full account of the impact of decisions on the overall financial resources of the Board in the short, medium and long term;
- the Board has flexibility to address new policy requirements, or significant changes to existing policies, within overall available financial resources; and
- there is an ongoing focus on securing efficiencies across the organisation.

1.4 The primary financial challenges facing the Board over the period of this Strategy will be delivering a coherent, balanced revenue budget year on year. To deliver this, the Board will need to continuously review existing and revised service delivery arrangements to determine if they are effective, efficient and sustainable, consider alternative methods of service delivery where appropriate and proactively identify opportunities to secure efficiencies or reduce service provision.

1.5 There is no doubt that the information generated through this process will result in options that require hard choices – one of the main challenges for the

**Dunbartonshires and Argyll and Bute
Valuation Joint Board
Long Term Finance Strategy**

Board over the next few years will be that, once chosen, these options will often require a lead-in period prior to implementation.

- 1.6 If the Financial Strategy is to be successful, and achieve the objectives outlined, it must be a dynamic, living document reviewed on a regular basis.
- 1.7 The financial strategy undertakes some sensitivity analysis to provide a picture of best case, worst case and likely case in terms of financial projections. This allows Board to see the risk associated with the range of variables within the financial issues/pressures identified.
- 1.8 This strategy projects budgets for ten years into the future and identifies risks and issues longer term. It is clear that the further away from the current date that projections go the less certain the projections become, however they will allow Board to consider longer term views and options.

**Cllr Richard Trail
Convenor of the Board**

**David Thomson
Assessor & ERO**

DRAFT

**Dunbartonshires and Argyll and Bute
Valuation Joint Board
Long Term Finance Strategy**

2. What is the point of a Financial Strategy?

- 2.1 The purpose of a Financial Strategy is to provide clear direction, supported by a practical framework and explicitly defined parameters, on how the Board will structure and manage its financial resources in the medium to long term to ensure they are deployed effectively to comply with the statutory duties of the Assessor & ERO.
- 2.2 The Board has taken into account guidance produced by the Institute of Public Finance (IPF) for local government organisations in Scotland on developing a Financial Strategy as well as best practice from local authorities. The Valuation Joint Boards follow the accounting practices for local authorities.
- 2.3 The ambition of the Board is to produce a Financial Strategy that brings together the corporate objectives of the Board along with all the relevant financial information in a clear and accessible document over the longer term.
- 2.4 The value of such a Strategy is that it should enable the Board to understand the wider policy and financial environment within which it operates, identify and respond flexibly to opportunities and threats, manage and mitigate risks and ensure that financial resources are contributing to the statutory duties of the Assessor & ERO.
- 2.5 The Strategy will also provide information to a range of stakeholders:

Table 1 – Stakeholder Information

Stakeholder	Purpose of finance strategy
For the Board and Elected Members	to decide how available financial resources will be used and prioritised
For Chief Officers, managers and employees	to reinforce and support their roles in financial management arrangements
For partners, including constituent councils	to share the Board’s vision and help understand legislative demands on the Board

- 2.6 The Strategy identifies issues that will impact longer term so that the Board can plan ahead; it includes expenditure forecasts, and projected funding, where known.
- 2.7 Inevitably some of the information of the Financial Strategy will be based on assumptions and these will change over time - the Strategy will be reviewed and updated annually so that the Board can respond proactively to any such changes. This is particularly the case the longer into the future the projections are taken.

3. Financial Summary

Revenue Budget

- 3.1 The 2021/22 budget process was progressed through the Board in the normal manner and the Board was able to set a balanced budget through the use of reserves.

**Dunbartonshires and Argyll and Bute
Valuation Joint Board
Long Term Finance Strategy**

- 3.2 Indicative budget gaps for 2022/23 (£0.158m) and 2023/24 (£0.227m, cumulative) were reported to Members during the budget setting process for 2021/22. These indicative budgets have now been reviewed and rolled forward to 2024/25.
- 3.3 A sensitivity analysis has been undertaken on the main areas of financial pressure from 2022/23, 2023/24 and 2024/25 (Years 1, 2 and 3 respectively) using key assumptions based on a best case, worst case and likely case scenarios. The assumptions are set out in table 2:

Table 2 – Assumptions: sensitivity analysis

	Likely Projection	Best Case	Worst Case
Pay award	2% increase Years 1-3	2% increase Years 1-3	2.5% increase Years 1-3
Non Pay inflation	3% increase Years 1-3	3% increase Years 1-3	3% increase Years 1-3
Constituent Contribution	No increase	2.5% increase Years 2 & 3	2.5% decrease Years 2 & 3
Barclay Funding	Full bid awarded	Full bid awarded	No increase Years 1-3

- 3.4 These assumptions provide a range of anticipated outcomes in terms of future budget gaps as summarised in Table 3:

Table 3 – Outcome of sensitivity analysis – Projected Budget Gaps

	2022/23 £m	2023/24 £m	2024/25 £m	Cumulative £m
Likely Projection	0.239	0.241	0.303	0.783
Best Case	0.239	0.176	0.236	0.651
Worst Case	0.249	0.353	0.443	1.045

Table 3 illustrates that, following the review of the financial position, and under the “likely” set of assumptions that the gaps for 2022/23 to 2024/25 have changed due to assumptions such as pay award, constituent contributions and estimated Barclay costs.

The expectation is that the Board will plan on the “likely” projection outcome above, however Members may consider a prudent approach and consider the worst case.

Capital Budgets

- 3.5 Consideration has been given to the Board’s likely capital spend requirements from 2022/23 to 2024/25. The expectation is to request the contributing councils for a requisition annually and this projection should assist these councils with their ongoing capital planning.

**Dunbartonshires and Argyll and Bute
Valuation Joint Board
Long Term Finance Strategy**

Table 4 – Anticipated capital spend

	2022/23 £	2023/24 £	2024/25 £
Anticipated new project spend	11,600	5,800	14,600
Anticipated contribution from councils	11,600	5,800	14,600

- 3.6 Table 5 provides a summary of the Board’s projections for revenue and capital for 2022/23 to 2024/25. At this point, funding is unknown beyond 2022/23 and therefore assumptions have been made. Note these projections are based on the “likely” outcome from the sensitivity analysis identified at 3.3 and 3.4 above. This illustrates that, even after application of reserves, there is a projected funding gap in 2024/25. Consequently there is an intention to engage with each of the constituent authorities during 2022/23 with the view to increasing their contributions beyond 2022/23 to help bridge the funding gap.

Table 5 - Three Year Summary - Revenue and Capital

	2022/23 £m	2023/24 £m	2024/25 £m
Revenue Budget	3.085	3.113	3.214
<u>Funded by:</u>			
Constituent Contributions (including Barclay)	(2.846)	(2.872)	(2.911)
Reserves	(0.239)	(0.241)	(0.273)
Cumulative Funding Gap	0.000	0.000	0.000
Capital Budget			
Anticipated Spend	0.066	0.006	0.015
<u>Funded by:</u>			
Capital Contributions from Councils (including Barclay)	0.012	0.006	0.015
Unapplied Capital Reserves held	0.033	0.000	0.000
Scottish Government	0.021	0.000	0.000
Cumulative Funding Gap	0.000	0.000	0.030

4. National Context

The Financial Settlement/ Government Grant

- 4.1 The Scottish Government has provided draft settlement figures for 2022/23 to councils at this stage. Therefore it is difficult to forecast contributions to the Board beyond 2022/23.
- 4.2 The VJB’s budget has come under increasing pressure in recent years and contains an ongoing gap between net expenditure and constituent Council contributions, as can be seen in Table 5 above and Annex 2. This has arisen during a sustained period of tightening of Local Government funding, affecting constituent Council contributions to the Joint Board. During the same time, the Assessor & ERO has been subject to an

Dunbartonshires and Argyll and Bute Valuation Joint Board Long Term Finance Strategy

increased number of statutory duties and both internal and external cost pressures.

- 4.3 The Scottish Government has allocated Scotland-wide funding for 2022/23 to meet the estimated costs to be incurred by Assessors in implementing the recommendations of the Barclay Review of NDR. Whilst Scottish Government has committed to funding in 2023/24 and 2024/25, it has not confirmed that funding. Further, no commitment has been made thereafter. This anticipated reduction in funding will have a significant impact on the widening of the budget gap going forward as shown within Annex 2.

5. Local Context

- 5.1 The environment within which the Board operates has changed significantly in recent years and is likely to alter further over the period of this strategy due to changes in legislation, policy and other national developments (a recent example of this being the Barclay Review and the Non-Domestic Rating (Scotland) Act 2020 arising from that review).

The Planning Context

- 5.2 The Board's Service Plan for 2021-24 sets out the clear vision: "We professionally compile and maintain the Valuation Rolls, Council Tax Valuation Lists and Registers of Electors for the Argyll & Bute, East Dunbartonshire and West Dunbartonshire council areas and, building on our established professionalism, we aim to provide high quality, effective and responsive services to all of our stakeholders"
- 5.3 To achieve this vision the Board will work with its key partners and the Financial Strategy underpins the delivery of the vision, priorities and objectives identified in the Service Plan.

6. Financial Management

Corporate Governance

- 6.1 The Board positively promotes the principles of sound corporate governance within all aspects of its activities.
- 6.2 Corporate governance is about the structures and processes for decision-making, accountability, controls and behaviour throughout the Board. It is based around key principles of openness, equality, integrity and accountability.
- 6.3 The fundamental principles of corporate governance are reflected in the various dimensions of Board business, including:
- Ensuring the compliance with statutory duties on a sustainable basis;
 - Establishing effective management structures and processes which include clearly defined roles and responsibilities for officers;
 - Developing and maintaining effective risk management systems that form part of the Board's strategic decision making process;
 - Ensuring high standards of propriety and probity in the stewardship of the Board's funds and the management of the Board's affairs; and

Dunbartonshires and Argyll and Bute Valuation Joint Board Long Term Finance Strategy

- A commitment to openness in the Board's affairs and the provision of full, accurate and clear information to all stakeholders.

- 6.4 The Board's Financial Regulations, and any amendments to them, are approved by Board and are an essential component of the corporate governance of the Board.
- 6.5 The Treasurer has been designated as "the proper officer" and is responsible for advising the Board on all financial matters including the determination of Accounting Policies. This role is part of the responsibility of the Chief Officer – Resources from West Dunbartonshire Council.
- 6.6 The Financial Regulations are designed to facilitate the smooth running of the Board, protect its interests and the interests of members and officers, and ensure the proper administration of the Board's financial affairs.

Roles and Responsibilities

- 6.7 It is important to set out clearly the roles and responsibilities of the key parties involved in the Financial Strategy and the management of overall financial resources of the Board.

Board Members

- 6.8 Board Members, through the full Board are responsible for considering, monitoring and approving budgets and the overall Financial Strategy for the Board. Approved budgets must be financially balanced and demonstrate value for money and consider sustainability.
- 6.9 The Board scrutinises performance and management of resources, with internal and external audit information being reported. The Board's year end position and relevant audit comments are reported and monitored at the Board.
- 6.10 Throughout the year the Board receives reports which allow progress against approved budgets to be scrutinised. Members' personal development opportunities are provided through an ongoing annual programme of seminars (provided to individual Members through their relevant Council) which will include updates on financial aspects.

The Board Management Team

- 6.11 The Management Team (made up of Assessor & ERO, Depute Assessor & ERO, 2 x Divisional Assessors and Principal Admin Officer) is responsible, individually and collectively, for ensuring that best value and value for money is achieved across the Board, in service delivery, internal processes and systems of control, procurement of goods/services and the use of assets.
- 6.12 The Management Team is responsible for the management of budgets to deliver the services in line with the statutory requirements of the Assessor & ERO and remain accountable in exercising overall financial control.

The Treasurer

- 6.13 The Treasurer has a statutory role to ensure the correct arrangements are in place for the proper administration of the financial affairs of the Board. The Treasurer has the authority to comment on any financial decision and advises

Dunbartonshires and Argyll and Bute Valuation Joint Board Long Term Finance Strategy

the Management Team, the Assessor and Board members on all financial matters.

Internal Audit of West Dunbartonshire Council

- 6.14 Internal Audit provides assurance to the Board and the Assessor that the internal processes of the Board are being managed appropriately in line with the statutory requirements and outcomes are being delivered in the most efficient and effective manner.

External Audit

- 6.15 The role of External Audit is to provide assurance to the Auditor General and the Accounts Commission that the Board has spent public money properly to deliver outcomes in an efficient and effective manner. This is considered with a financial context, as well as performance and governance.
- 6.16 They provide assurance to Board members, the Management Team and general public that the Board's performance is reported in accordance with the extant financial standards and presents a fair account of the Board's activities.

Managing the Budget

- 6.17 The Board has an effective method of developing both the revenue budget and capital programme that aims to align resources with the Assessor & ERO's statutory duties.

Revenue Budget

- 6.18 The current process for considering the development of the revenue budget is undertaken by the Management Team. The process is undertaken with due consideration of, and agreement on, current policy and financial parameters for the budget, expenditure pressures and/or efficiencies.

Capital Programme

- 6.19 The Board is committed to developing its strategic financial planning. With this in mind, the Strategy brings forward a projection on Capital needed over the forthcoming years.

Freedoms and Flexibilities

- 6.20 Virements between budgets are allowed, subject to the limitations and approval requirements identified in the Financial Regulations.

Requisitioning

- 6.21 The funding requirement for the Electoral Registration Officer is currently requisitioned in accordance with S58 of the Representation of the People Act 1983, and for the Assessor in accordance with Sch 2 para 8(1) of the Valuation Joint Boards (Scotland) Order 1995.

7. Financial Outlook

- 7.1 Key financial issues are known or anticipated events and activities which will have to be addressed within the Board's overall financial resources in the

Dunbartonshires and Argyll and Bute Valuation Joint Board Long Term Finance Strategy

short-term (within three years), medium-term (within five to ten years) or long-term (over ten years). Annex 1 provides an analysis of issues.

- 7.2 Events and activities include efficiencies, planned savings, changes to service priorities and delivery, and known potential pressures - the financial impact of an event or activity may be one-off, recurring or time-limited.
- 7.3 Valuation Joint Board is expected to receive Constituent Funding of £2.611m in 2022/23. Funding has also been made available through Councils for Barclay Review costs (including carry forward from 2021/22) of £0.235m giving a total of £2.846m.
- 7.4 This Financial Strategy provides detailed revenue forecasts covering the next 3 financial years, 2022/23 to 2024/25. The forecasts for the first year being more accurate as expected levels of demand and cost for Board services are more likely to be accurate in 2022/23 than in future years. The level of funding for 2023/24 onwards is not yet known. The strategy projects that ongoing funding will remain constant in the 'likely projection' scenario, with the exception of the Barclay funding as mentioned at 4.3. Annex 2 also provides a summary of the financial projections for the next 10 years.
- 7.5 As part of the budget process the Board agrees an optimum target for an unallocated Prudential Reserve of £0.100m. At present this strategy assumes that the Prudential Reserve is calculated in the same manner for the period from 2022/23 onwards.

Employee Pay Awards

- 7.6 Future employee pay awards for 2022/23 onwards have not been agreed, however, for the purpose of the Finance Strategy pay award expectations has been assumed at 2% in the 'likely projection' scenario.

Future Challenges

- 7.7 The future will continue to present new challenges and demand additional duties which will exert cost pressures, including:-
- The change from 5 yearly NDR Revaluations to 3 yearly cycles will significantly compress workloads and increase resource requirements;
 - The NDR appeal system has been reviewed and will introduce a two-stage proposal and appeal process;
 - Increased information provision, transparency and consultative requirements as detailed in the Barclay Review of NDR;
 - A review of the valuation of plant & machinery is to be carried out by the Scottish Government and could result in significant changes to current approaches and valuation methods;
 - The removal of the exemption from the valuation roll for certain properties within, and parts of, public parks;
 - Additional checks required on the operation of self-catering units;
 - The Implementation of the Elections Bill (2021) including the requirement to issue Voter Identification cards, extensions to overseas voting rights and more frequent renewals of absent vote.

Dunbartonshires and Argyll and Bute Valuation Joint Board Long Term Finance Strategy

- Unplanned electoral events such as an independence referendum

Consequences of continued financial challenges

7.8 With many activities being statutory requirements with mandatory timetables for completion, and with approximately 80% of the Board's expenditure being on staff costs, any savings of significance will require more reductions in staffing levels. With several rounds of Voluntary Retirement and Severance having been completed, any future reduction would be likely to be dependent on applying further redundancies. Effects of applying efficiencies and staffing reductions on service provision could include:-

- The one area of service provision which is not tightly determined by timetables is the entry of new properties onto the Council Tax List. If this area of function was treated as a lower priority than at present the result would be time delays before council taxpayers could be issued with bills, with inherent build-up of back-dated liabilities, reductions in the in-year collection of Council Tax monies by constituent Councils and reductions in performance in relation to one of the Assessor's key performance indicators;
- Failure to meet demand in terms of public enquiries and electoral registration/absent voter applications, especially around the peak periods in the run-up to any electoral events. This could result in the loss of electors' votes or failure to provide registers to the Returning Officers at future electoral events;
- Delays in dealing with NDR and council tax appeals, potentially leaving stakeholders over paying for longer. This could also result in failure to meet the statutory dates for disposal of appeals and/or an increase in referrals to the Lands/Upper Tier Tribunal, at additional cost;
- The loss of experience and or skills could lead to increased Rateable Value loss and reductions of Council Tax bands on appeal, resulting in loss of income to the constituent Councils; or
- Failure to meet statutory duties in respect of completion of the annual electoral canvass could lead to legal action being taken against the ERO or intervention action being taken by the Electoral Commission and/or government.
- Failure to issue Voter ID cards timeously will result in electors losing their right to vote at elections.

8. Reserves

- 8.1 A key aspect of the consideration of the Board's revenue and capital budgets is the position of the relevant Reserves.
- 8.2 The Board's Prudential Reserves Policy states that the core "Prudential" Reserve be maintained at a level of 2% of net expenditure or £0.100m, which ever is higher.
- 8.3 Reserves can be held for two main purposes:

**Dunbartonshires and Argyll and Bute
Valuation Joint Board
Long Term Finance Strategy**

- A working balance to help cushion the impact of uneven cash flows - this forms part of general reserves;
- A means of building up funds, often referred to as earmarked reserves, to meet unknown or predicted liabilities.

8.4 For each reserve held, there should be a clear protocol on:

- The reason for/purpose of the reserve;
- How and when the reserve can be used;
- Procedures for the reserve's management and control; and
- A process and timescale for review of the reserve.

8.5 The Board's reserves as at 1 April 2021 and projected for 1 April 2022 are summarised below:

	1/4/21 £m	1/4/22 £m
<u>Revenue Reserve</u>		
Prudential Reserve	0.100	0.100
Earmarked Reserve	0.129	0.054
Unearmarked Reserve	0.471	0.652
Total Revenue Reserve	0.700	0.806
<u>Capital Reserve</u>		
Earmarked Reserve (including slippage 2020/21)	0.041	0.054
Total Capital Reserve	0.041	0.054
Total Reserves Held	0.741	0.860

9. Monitoring and Reporting Arrangements

- 9.1 The Financial Strategy will be monitored by the Management Team and the Treasurer on a regular basis - there will also be capacity to review the Strategy as and when required, particularly when a new issue arises or the impact of major policy or initiative becomes clearer.
- 9.2 The Financial Strategy will be revised when there are changes to estimates, projections or policy which have a major financial impact.
- 9.3 The financial management principles and expectations have been communicated and are understood by all budget holders.
- 9.4 The Financial Strategy has been drawn up with the full involvement of the Assessor & ERO and, will be communicated to the Management Team and throughout the organisation.
- 9.5 During the years covered in the strategy, it is planned that the Board will receive budgetary control reports at each meeting analysing variances +/-5%. The Management Team receive this information monthly from period 3 onwards.

10. Risk Management

- 10.1 The Board's strategic and operational risks registers (including risks relating to the Financial Strategy and delivery of the Financial Strategy) continue to be assessed, reviewed, and managed in line with the strategic priorities.

**Dunbartonshires and Argyll and Bute
Valuation Joint Board
Long Term Finance Strategy**

11. Approach to Generating Future Budgets

- 11.1 Currently revenue budgets are generated through the traditional process known as “Cost of Current Level of Service” with “incremental budgeting”. So, in general, budgets follow the current cost of delivery of Board statutory duties allowing for known cost increases/reductions to be built-in and for unavoidable burdens/ reductions to also be recognised as part of the cost of providing a service reflecting current Board duties. In general this process should, in theory, generate a budget which reflects Board priorities on the basis that services are set up to deliver those priorities. In essence, the base position is taken from the previous year’s budget and this is adjusted for known movements.
- 11.2 Annex 2 summarises possible budget gaps over the next 10 years based upon current levels of service and a particular set of assumptions. The budget gaps identified will require to be funded through either the use of reserves, additional constituent authority contributions, potential additional Government grant and/or service efficiencies.
- 11.3 Whilst reserves are sufficient to absorb any issues that may arise during 2022/23, projections indicate that the Board’s Reserves (including the Prudential Reserve) will be fully utilised by 2024/25 and indeed, leave a small budget gap to be financed as highlighted in table 5 above. Consequently there is an intention to engage with each of the constituent authorities during 2022/23 with the view to increasing their contributions beyond 2022/23 to help bridge the funding gap. Furthermore, should there be no opportunities for additional income, it is likely that options for future service efficiencies will require to be developed with options presented to the Board for approval to ensure the viability of the service in the longer term.

Issues (Short / Medium / Long- term)

These issues, which will need to be addressed in some way, were identified by senior management during consultation on the Financial Strategy and the impact can be one-off or recurring. Some shorter term issues (3-5 years) will continue into the medium term (5-10 years) and longer term (+10 years). This list is not exhaustive.

Risk Area	Issues Identified	Action Taken	Responsible Officer
Strategic Issues	Impact of Scottish Government Funding levels on constituent contributions and Barclay implementation. In particular, the direct 'Barclay' funding from Scottish Government will come to an end creating an cliff-edge issue relating to income.	Longer term financial strategy to help identify possible risks on budget gaps to take necessary action at an early stage	Assessor & Treasurer
Non-Domestic Rating	Scottish Government has amended the NDR Revaluation cycle from 5-yearly to 3-yearly with effect from 2023	Monitor Legislation as it develops. Consider resource implications, including staffing levels	Assessor & Treasurer
Electoral Registration Service	Changes to electoral processes arising from the UK Government's 'Elections Bill, including Voter ID cards, extended overseas voting rights and more frequent renewals of Absent Votes	Monitor Legislation as it develops. Consider resource implications, including staffing levels	ERO & Treasurer
Electoral Registration Service	Changes to electoral processes arising from the Scottish devolved powers in relation to electoral registration	Monitor Legislation as it develops. Consider resource implications, including staffing levels	ERO & Treasurer

**Dunbartonshires and Argyll and Bute
Valuation Joint Board
Long Term Finance Strategy**

Annex 2

Longer Term Financial Projections

Based upon a set of assumptions (noted below), the 3 year indicative budget has been projected forward (in the likely projection scenario) to identify projected gaps between income and expenditure, if no other changes in the Board's services take place:

	NET EXPENDITURE	STANDSTILL COUNCIL CONTRIBUTION	CONTRIBUTION FROM RESERVES	INDICATIVE BUDGET GAP
	£000	£000	£000	£000
DRAFT BUDGET 2022/23	2,850	(2,611)	(239)	(0)
INDICATIVE BUDGET 2023/24	2,852	(2,611)	(241)	(0)
INDICATIVE BUDGET 2024/25	2,914	(2,611)	(273)	30
INDICATIVE BUDGET 2025/26	3,268	(2,611)	0	657
INDICATIVE BUDGET 2026/27	3,328	(2,611)	0	717
INDICATIVE BUDGET 2027/28	3,389	(2,611)	0	778
INDICATIVE BUDGET 2028/29	3,452	(2,611)	0	841
INDICATIVE BUDGET 2029/30	3,517	(2,611)	0	906
INDICATIVE BUDGET 2030/31	3,583	(2,611)	0	972
INDICATIVE BUDGET 2031/32	3,651	(2,611)	0	1,040

Assumptions:

- Payaward 2022/23 onwards 2% increase
- Non Staffing Lines – inflation 2022/23 onwards 3% increase
- Council contributions 2022/23 onwards standstill
- Constituent Contribution – Barclay 2025/26 onwards contributions cease
- No further budget changes/ burdens / efficiencies have been included for 2022/23 onwards at this stage
- Additional projected costs for the implementation of Barclay have also been included

2020/21 OUTTURN	DESCRIPTION	2021/22 ORIGINAL ESTIMATE	SPE GRANT C/FWD	REVISED 2021/22 ESTIMATE (INCLUDING SPE GRANT C/FWD)	2021/22 PROBABLE OUTTURN	2021/22 VARIANCE	DRAFT 2022/23 ESTIMATE	INDICATIVE 2023/24 ESTIMATE	INDICATIVE 2024/25 ESTIMATE
1,626,159	APT&C - SALARIES	1,725,551	6,938	1,732,488	1,606,255	(126,234)	1,764,271	1,826,994	1,895,888
3,001	APT&C - OVERTIME	7,500	15,000	22,500	15,000	(7,500)	8,000	4,000	4,000
20,206	APT&C - TEMP	30,000		30,000	23,641	(6,359)	33,000	33,000	33,000
327,331	APT&C - SUPERANN	350,053		350,053	332,598	(17,455)	358,001	371,554	386,523
162,444	APT&C - N.I.	187,170	208	187,378	175,096	(12,282)	213,559	220,635	228,937
9,393	TRAINING COSTS	9,180		9,180	10,000	820	13,100	12,000	12,000
7,445	TRAVEL & SUBSISTENCE	46,999		46,999	14,000	(32,999)	45,000	40,000	40,000
1,668	OTHER EMPLOYEE COSTS	3,000		3,000	3,000	0	2,000	2,000	2,000
3,748	PENSION INCREASES	11,500		11,500	11,500	0	11,500	11,500	11,500
41,212	ILL HEALTH RET'MENT PREMIUMS	52,000		52,000	40,587	(11,413)	53,074	54,136	55,219
2,202,606	EMPLOYEE COSTS	2,422,953	22,146	2,445,098	2,231,678	(213,421)	2,501,504	2,575,818	2,669,067
45,934	RATES	44,050		44,050	45,374	1,324	44,702	46,043	47,424
0	FURNITURE & FITTINGS	250		250	0	(250)	250	250	250
6,215	ELECTRICITY	9,500		9,500	10,345	845	12,517	13,894	15,423
7,665	GAS	9,300		9,300	9,443	143	12,276	12,890	13,534
18,909	CONTRACT CLEANING	24,350		24,350	24,505	155	25,007	25,524	26,057
1,996	OFFICE ACCOMMODATION	2,000		2,000	1,996	(4)	2,000	2,000	2,000
6,882	REPAIRS & MAINTENANCE	15,000		15,000	13,000	(2,000)	13,000	13,000	13,000
0	REFUSE COLLECTION	1,050		1,050	1,065	15	1,097	1,130	1,164
2,478	OTHER PROPERTY COSTS	2,200		2,200	2,192	(8)	2,150	2,150	2,150
90,081	PROPERTY COSTS	107,700	0	107,700	107,921	221	112,999	116,881	121,002
78	CLOTHING UNIFORMS ETC	200		200	200	0	200	200	200
1,313	COMPUTER EQUIPMENT	0		0	361	361	3,000	0	0
1,258	OFFICE EQUIPMENT	250		250	250	0	1,500	250	250
0	COMPUTER CONSUMABLES	0		0	0	0	0	0	0
10,727	COMPUTER LICENCES	10,100		10,100	10,034	(66)	16,200	13,390	13,792
4,671	MACHINE RENTAL / LEASE	5,665		5,665	5,400	(265)	5,650	5,820	5,994
0	ICT CONSULTANCY	0		0	0	0	0	0	0
2,788	OTHER S & S	3,000		3,000	3,000	0	2,500	2,500	2,500
20,835	SUPPLIES & SERVICES	19,215	0	19,215	19,245	30	29,050	22,160	22,736
7,540	AUDIT FEES & OUTLAYS	7,838		7,838	7,810	(28)	8,044	8,286	8,534
7,540	PAYMENTS TO OTHER BODIES	7,838	0	7,838	7,810	(28)	8,044	8,286	8,534
6,916	PRINTING	7,300	2,244	9,544	10,800	1,256	10,300	8,000	8,000
18,087	STATIONERY	18,700	3,323	22,023	22,023	0	19,800	21,115	21,748
145,109	POSTAGES	104,000	52,649	156,649	159,093	2,444	129,100	129,100	129,100
16,988	TELEPHONES	23,000		23,000	23,000	0	28,500	29,355	30,236
3,666	TELEPHONES/INTERNET REG.	4,000		4,000	3,282	(718)	4,000	4,500	4,500
5,401	BOOKS & PUBLICATIONS	7,100		7,100	5,800	(1,300)	6,000	6,000	6,000
3,725	LAND VAL. APPEAL COURT	15,000		15,000	2,500	(12,500)	10,000	5,000	5,000
53,049	ELECTORAL SYSTEM SUPPORT	23,000		23,000	23,189	189	32,000	32,960	33,949
3,896	ELECTORAL PARTICIPATION	3,000	2,500	5,500	3,000	(2,500)	4,000	4,000	4,000
122,982	CENTRAL ADMIN COSTS	122,982		122,982	122,982	0	122,982	122,982	122,982
14,975	INSURANCE	15,300		15,300	15,222	(78)	15,418	15,617	15,820
15,795	OTHER ADMIN COSTS	17,850		17,850	17,850	0	16,850	16,850	16,850
4,662	CIVIL PENALTIES	0		0	0	0	0	0	0
415,252	ADMIN COSTS	361,232	60,716	421,948	408,740	(13,208)	398,950	395,479	398,185
1,250	COURSES & CONFERENCES	4,600		4,600	4,600	0	5,200	5,000	5,200
1,170	MISCELLANEOUS	1,000		1,000	775	(225)	1,000	1,000	1,000
43,344	VALUATION APPEALS PANEL	50,000		50,000	43,000	(7,000)	40,000	0	0
(670)	TEMPORARY INTEREST	(100)		(100)	(100)	0	(100)	(100)	(100)
45,094	OTHER EXPENDITURE	55,500	0	55,500	48,275	(7,225)	46,100	5,900	6,100
2,781,408	GROSS EXPENDITURE	2,974,438	82,862	3,057,300	2,823,668	(233,632)	3,096,648	3,124,523	3,225,624
2,000	RENTAL INCOME	2,000		2,000	2,000	0	2,000	2,000	2,000
8,989	SALES FEES & CHARGES	6,462		6,462	8,616	2,154	9,000	9,270	9,548
131,951	SPECIFIC GOVERNMENT GRANT	0	82,862	82,862	82,862	0	0	0	0
142,940	GROSS INCOME	8,462	82,862	91,323	93,478	2,154	11,000	11,270	11,548
2,638,468	NET EXPENDITURE	2,965,977	0	2,965,977	2,730,191	(235,786)	3,085,648	3,113,253	3,214,076
(2,611,171)	CONSTITUENT CONTRIBUTION	(2,611,171)		(2,611,171)	(2,611,171)	0	(2,611,171)	(2,611,171)	(2,611,171)
(143,876)	CONSTITUENT CONTRIBUTION - BARCLAY	(225,392)		(225,392)	(225,392)	0	(235,556)	(261,000)	(300,000)
0	TRANSFER TO/FROM RESERVES	(129,414)		(129,414)	106,373	235,786	(238,921)	0	0
(116,579)	BUDGET GAP/(SURPLUS)	0	0	0	0	(0)	0	241,082	302,905
RESERVES BROUGHT FORWARD		(700,111)	0	(700,111)	(700,111)		(752,731)		
TRANSFER TO/FROM RESERVES IN YEAR		129,414	0	129,414	(106,373)		238,921		
EARMARKED BALANCE		0	0	0	53,753		0		
RESERVES CARRIED FORWARD		(570,697)	0	(570,697)	(752,731)		(513,810)		
PRUDENTIAL TARGET		(100,000)	0	(100,000)	(100,000)		(100,000)		
EXCESS RESERVES FROM PRUDENTIAL TARGET		(470,697)	0	(470,697)	(652,731)		(413,810)		

VALUATION JOINT BOARD
EXPLANATION OF MAIN 2022/23 REVENUE BUDGET MOVEMENTS > £5,000

	£	£	
2021/22 Approved Net Expenditure		2,965,977	
Draft Net Expenditure 2022/23		3,085,648	
Increase in Net Expenditure		119,671	4.03%
Pressures			
Increase in employee costs	54,403		1.83% Allowance for Annual Pay increase and incremental movements upwards on payscale with associated increase in National Insurance and Superann costs
Specific National Insurance Increase	22,153		0.75% Implementation of increase to National Insurance employee and employer rates by 1.25%
Computer Licences	6,100		0.21% An increase in the number of licences required due an increase in the usage of the core valuation system, as a result of the NDR reform process. Additional costs associated with the restructure of a server (ie server virtualisation).
Postages	25,100		0.85% Increased Royal Mail charges, in addition to an increase in volume.
Telephones	5,500		0.19% Expectation to change from analogue to digital telephony.
Electoral System Support	9,000		0.30% Additional budget required for remote canvass licences.
		122,256	4.12%
Decreases			
Valuation Appeals Panel	(10,000)		(0.34%) Budget reduced in line with prior year actual outturns.
		(10,000)	(0.34%)

Scottish Government GAE allocation to Consituent Authorities
Allocation of the Requisition

Appendix 4

	2020/21 GAE Allocation		2021/22 GAE Allocation		2022/23 Requisition Contribution
	£000's	%	£000's	%	£
ELECTORAL REGISTRATION					
EAST DUNBARTONSHIRE COUNCIL	121	33.45	121	33.54	
WEST DUNBARTONSHIRE COUNCIL	117	32.29	116	32.24	
ARGYLL & BUTE COUNCIL	124	34.26	123	34.22	
	361	100.00	360	100.00	
VALUATION & COLLECTION OF LOCAL TAX					
EAST DUNBARTONSHIRE COUNCIL	747	33.45	747	33.54	
WEST DUNBARTONSHIRE COUNCIL	722	32.29	718	32.24	
ARGYLL & BUTE COUNCIL	766	34.26	762	34.22	
	2,235	100.00	2,226	100.00	
VALUATION & COLLECTION OF NDR					
EAST DUNBARTONSHIRE COUNCIL	170	16.42	217	16.20	
WEST DUNBARTONSHIRE COUNCIL	209	20.26	268	19.94	
ARGYLL & BUTE COUNCIL	654	63.31	857	63.86	
	1,033	100.00	1,342	100.00	
COMBINED TOTAL					
EAST DUNBARTONSHIRE COUNCIL	1,038	28.60	1,085	27.62	721,166
WEST DUNBARTONSHIRE COUNCIL	1,047	28.86	1,101	28.04	732,189
ARGYLL & BUTE COUNCIL	1,544	42.54	1,742	44.34	1,157,816
	3,629	100.00	3,928	100.00	2,611,171

DESCRIPTION	2021/22					2022/23			2023/24	2024/25
	AGREED 2021/22 BUDGET	ADDITIONAL SCOTTISH GOV GRANT	REVISED 2021/22 BUDGET	2021/22 FORECAST SPEND	2021/22 FORECAST SLIPPAGE	ANTICIPATED SLIPPAGE BROUGHT FORWARD FROM 2021/22	NEW BIDS	INDICATIVE ESTIMATE	INDICATIVE ESTIMATE	INDICATIVE ESTIMATE
	£	£	£	£	£	£	£	£	£	£
<u>PRIOR YEAR PROJECTS</u>										
PLANNED UPGRADE OF SERVERS (C/FWD 20/21)	1,500	0	1,500	1,500	0	0	0	0	0	0
FLEXI SYSTEM (C/FWD 20/21)	8,486	0	8,486	0	8,486	8,486	0	8,486	0	0
LAPTOPS & SCANNERS (C/FWD 20/21)	2,487	0	2,487	2,487	0	0	0	0	0	0
<u>21/22 PROJECTS</u>										
LAPTOP REFRESH (21/22)	4,600	0	4,600	4,600	0	0	0	0	0	0
NDR REFORM COSTS (21/22)	22,114	608	22,722	2,033	20,689	20,689	0	20,689	0	0
UNIX SERVER RENEWAL (21/22)	25,000	0	25,000	0	25,000	25,000	0	25,000	0	0
<u>22/23 PROJECTS</u>										
LAPTOP REFRESH (22/23)	0	0	0	0	0	0	5,400	5,400	0	0
NEW MONITORS	0	0	0	0	0	0	1,200	1,200	0	0
FIREWALLS AND ROUTERS	0	0	0	0	0	0	5,000	5,000	0	0
<u>23/24 PROJECTS</u>										
LAPTOP REFRESH (23/24)	0	0	0	0	0	0	0	0	4,600	0
NEW MONITORS	0	0	0	0	0	0	0	0	1,200	0
<u>24/25 PROJECTS</u>										
LAPTOP REFRESH (24/25)	0	0	0	0	0	0	0	0	0	4,600
VIRTUAL SERVER REPLACEMENT	0	0	0	0	0	0	0	0	0	10,000
GROSS EXPENDITURE	64,187	608	64,795	10,620	54,175	54,175	11,600	65,775	5,800	14,600
UNAPPLIED CAPITAL RECEIPTS CARRIED FORWARD	(38,700)	0	(38,700)	(8,133)	(30,567)	(30,567)	0	(30,567)	0	0
CFCR	(5,487)	0	(5,487)	(2,487)	(3,000)	(3,000)	0	(3,000)	0	0
SCOTTISH GOVERNMENT GRANT	(20,000)	(608)	(20,608)	0	(20,608)	(20,608)	0	(20,608)	0	0
CONSTITUENT CONTRIBUTION	0	0	0	0	0	0	(11,600)	(11,600)	(5,800)	(14,600)
GROSS INCOME	(64,187)	(608)	(64,796)	(10,620)	(54,176)	(54,176)	(11,600)	(65,776)	(5,800)	(14,600)
PROJECTED FREE CAPITAL RECEIPTS CARRIED FORWARD	(0)	0	(0)	0	(0)	(0)	0	(0)	0	0

2022/23 Forecast

PC Laptop Refresh

13 PCs/Laptops to be replaced with Laptops. Approximate estimated cost £5,400.

Monitors

Monitors are required to replace obsolete devices and to provide for implementation of the Agile Working Policy (hybrid working).
Estimated cost £1,200.

Firewalls and Routers

The existing piece of equipment is used to connect our Campbeltown office to the West Dunbartonshire Council network, it was originally installed in November 2017 and is due for replacement. A new requirement has been identified in our Clydebank office in relation to the proposed move to internet based telephony services. An indicative cost for two new devices is approximately £5,000.

2023/24 Forecast

PC Laptop Refresh

11 PCs / Laptops to be replaced with Laptop. Approximate estimated cost £4,600.

Monitors

Monitors are required to replace obsolete devices and to provide for implementation of the Agile Working Policy (hybrid working).
Estimated cost £1,200.

2024/25 Forecast

PC Laptop Refresh

11 PCs / Laptops to be replaced with Laptop. Approximate estimated cost £4,600.

Virtual Server Replacement

In line with the policy of replacing servers every 5 years, the existing two virtual servers will require to be replaced at a cost of £5,000 each. Estimate £10,000.

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 4 March 2022

Subject: Non-Domestic Rating and Council Tax Valuation Update**1.0 Purpose**

- 1.1 To advise members of the Joint Board of progress in relation to the Assessor's Non-Domestic Rating (NDR) valuation function, including disposal of 2017 Revaluation and 'running roll' appeals.
- 1.2 To advise the Joint Board of on-going activities to implement the Non-Domestic Rating (Scotland) Act and the recommendations of the 'Barclay' Review.
- 1.3 To advise members of the preparations being made for the 2023 Revaluation of non-domestic property.
- 1.4 To advise members of the Joint Board of progress in relation to the Assessor's Council Tax valuation function.
- 1.5 To advise members on the effects of the COVID-19 outbreak on NDR and Council Tax functions.

2.0 Background

- 2.1 Consequent to the 2017 Revaluation, 3,569 appeals against 3,460 subjects were received. In August 2020 the statutory disposal date for both Revaluation appeals and those 'running roll' appeals submitted up to March 2020 was extended to 31 December 2021.
- 2.2 A small number of appeals against entries in the 2005 and 2010 Valuation Rolls remain outstanding and require to be disposed of.
- 2.3 In response to the Covid-19 pandemic, 2,415 appeals were received in March 2020 and 2,165 in March 2021. The statutory date for disposal of these appeals was amended by Statutory Instrument in June 2021 to 31 December 2022.
- 2.4 In June 2021, and in response to similar announcements pertaining to England & Wales, the Scottish Government confirmed its intention to take measures to "rule out" COVID-19 appeals.
- 2.5 The Assessor is required to maintain the Valuation Roll for his area by amending it to reflect a number of circumstances including physical changes to properties. Any such change to the Valuation Roll may be appealed by relevant parties.
- 2.6 The Non-Domestic Rating (Scotland) Act was passed in March 2020 and The Non-Domestic Rates (Scotland) Act 2020 (Commencement No.2 and Transitional Provisions) Regulations 2020, specified a range of dates, from

November 2020 to April 2023, on which various sections of the Act came/will come into force. Grant funding of £245,392 was received for the 2021/22 financial year to assist with the implementation of the reforms.

- 2.7 The next general NDR Revaluation will take effect from 1 April 2023 based on a valuation date of 1 April 2022.
- 2.8 The Scottish Government's intended transfer of the functions of the local Valuation Appeal Panels to the Scottish Courts and Tribunals Service and to implement a 2-stage proposal and appeals system in April 2022, have been delayed until January 2023.
- 2.9 The Assessor is required to maintain the Council Tax Valuation List for his area by amending it to reflect new, altered and demolished properties. Additionally he must dispose of any proposals which are made against any entry in the Council Tax Lists.
- 2.10 Following a lengthy hiatus, Valuation Appeal Committee hearings recommenced earlier in the year.

3.0 Current Position

3.1 COVID-19 Outbreak and Government Restrictions

- 3.1.1 The current position for technical/valuation staff is that they are operating on a mix of home and office working, with approximately half attending the relevant office at any one time, on a week-on, week-off rota basis.
- 3.1.2 Our ability to carry out survey and inspection throughout the financial year has varied in accordance with the fluctuating government advice. Currently, staff are carrying out limited visits and inspections.
- 3.1.3 In September 2021, the Scottish Government laid The Valuation and Rating (Coronavirus) (Scotland) Order 2021 which requires that, in calculating the rateable value of any lands and heritages, no account is to be taken of any matter arising directly or indirectly attributable to coronavirus. This Order took effect from 1 April 2021.
- 3.1.4 In December 2021, the Scottish Government laid the Non-Domestic Rates (Coronavirus) (Scotland) Bill. This seeks to have similar effect to the 2021 Order but with effect from 2 April 2020. The Bill is currently at the Committee stages of its passage through Parliament.
- 3.1.5 The Scottish Assessors Association (SAA) have provided evidence to the Scottish Parliament's Local Government, Housing and Planning Committee in respect of the content of the Bill and to the Finance and Public Administration Committee in relation to the associated Financial Memorandum.
- 3.1.6 The SAA's concerns are that the Bill does not 'rule out' appeals related to Coronavirus, as was the stated intention, nor does it have effect from the start of the outbreak/restrictions in March 2020. Rather, the Bill requires the Assessor to ignore any effects of coronavirus restrictions when valuing a property. Thus, in

excess of 4,500 appeals may still have to be fully considered and administered prior to the disposal date of 31 December 2022. Further, there is a possibility that appellants could seek to have values reduced for the period leading up to 2 April 2020 and the reinstatement of rateable values on 2 April 2020 could give rise to further appeals and complex litigation.

3.1.7 Thus, the risk remains that these appeals may continue to be pursued leading to extensive litigation and delay, the impact of which could adversely affect both the delivery of the 2023 Revaluation and the transfer of appeals to the Scottish Courts and Tribunals Service on 1 January 2023.

3.2 Non-Domestic Rating Valuation

3.2.1 2017 Revaluation

By the statutory disposal date of 31 December 2021, 3,569 Revaluation appeals, representing 97% of those submitted, had been disposed of. The remaining 120 Revaluation appeals have been referred to the Lands Tribunal and therefore fall out of the general disposal schedule.

3.2.2 2005 and 2010 Revaluation Cycle Appeals

No progress has been made since the last report to the Board with 5 appeals remaining outstanding from the 2005 cycle and 20 appeals from the 2010 cycle. These have all been referred to the Lands Tribunal.

3.2.3 Maintenance of the Valuation Roll ('Running Roll')

Since April 2021, 758 changes have been made to the Valuation Roll to reflect (350) new, (276) deleted and (132) amended properties.

In the same period, 106 running roll appeals have been received and 138 disposed of leaving 4,809 outstanding at the end of January.

3.2.4 Non-Domestic Rating (Scotland) Act/Barclay Recommendations

Significant progress has been made towards making valuation details available at the Scottish Assessors web portal for a wider range of subjects than was previously the case. Currently around 10,384 subjects have their valuations available to view and it is the intention that the valuation of schools and certain other public buildings may be made available in the coming months. A further tranche of property types are scheduled for public display at the Revaluation.

The facility to enable the provision of rented property lists at the portal at the next Revaluation has been developed and tested internally. Valuers are populating the relevant fields as progress is made in the valuation of 'bulk category' (shops, offices and workshop) properties for the 2023 Revaluation.

For various reasons the Scottish Government grant funding made available for NDR Reform during the 2021/22 year will not be exhausted and the projected underspend will be offset against the grant to be made available for 2022/23. Further details are provided in finance reports to today's meeting.

3.2.5 2023 Revaluation

Preparations for the Revaluation are well under way. The ingathering of rental information is ongoing and rents received through this process are being analysed. This has allowed provisional valuation rates to be adopted for shops in a number of areas and staff have prepared the draft valuations of ~450 shops.

Other pertinent information for a wide range of property types is also being gathered and will be shared with other Assessors offices to allow the production of SAA Practice Notes (see <https://www.saa.gov.uk/non-domestic-valuation/2017-practice-notes>) which provide for consistent approaches to the valuation of over 100 categories of property.

It is expected that draft revised valuations will be published on the assessors' portal in late autumn 2022 with final values being formally advised to interested parties in March 2023.

3.2.6 Valuation Appeals Panels/Committees

A new Local Taxation Chamber has been established including a First Tier Tribunal (FTT) that will become the body responsible for the resolution of most NDR and Council Tax appeals from 1 January 2023. A Chamber President has been appointed and the Scottish Courts and Tribunals Service/Judicial Appointments Board are currently recruiting members for the FTT.

A swathe of draft legislation to transfer the relevant powers and to provide the relevant procedures for the new 2-stage proposals and appeals process has been drafted and this is currently progressing through Parliament

3.2.7 Surveyor Post Vacancies

Following a prolonged period when we were unable to recruit suitable candidates to fill vacant Valuer posts, and arising from further resignations, we recruited a new Technician, a Trainee Technician and two Trainee Valuers towards the end of 2021. Other issues regarding workforce are reported in other papers for today's meeting.

3.3 Council Tax Valuation

3.3.1 Maintenance of the Council Tax Valuation Lists

Since 1 April 2021, 1,074 dwellings have been added to the Council Tax List and 276 have been deleted.

3.3.2 Council Tax Proposals and Appeals

Between April 2021 and the end of January 2022, 130 new proposals were received and 129 were disposed of, leaving 302 outstanding.

4.0 Recommendations

4.1 Members are asked to note:-

- (a) The progress in relation to disposal of Non-Domestic Rating appeals and the ongoing risks related to large numbers of COVID-related appeals,
- (b) Progress in relation general maintenance of the Valuation Roll,
- (c) The preparations that are ongoing to effect the Non-Domestic Rating (Scotland) Act and the recommendations of the 'Barclay' Review,
- (d) Progress in relation to the 2023 Revaluation,
- (e) Progress in relation general maintenance of the Council Tax List, and
- (f) Progress in relation to the disposal of Council Tax proposals and appeals.

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DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 4 March 2022

Subject: Electoral Registration Progress**1.0 Purpose**

- 1.1 To provide the members of the Joint Board with an update on the current position in relation to Electoral Registration.

2.0 Background

The report provided to the Joint Board at the last meeting on 15 September 2021 referred to remote working, Register Updates, Canvass 2021, Elections Bill and Boundaries Scotland – Islands Review.

3.0 Current Position**3.1 Staff Remote Working**

Home working remained the default position for the majority of staff up to December 2021, though an increased office presence was required during the annual canvass. In January 2022, staff returned on a rota basis with half of the staff at home and the other half attending the offices.

This will remain under constant review as the preparations for the Local Government Elections continue towards May.

3.2 Canvass 2021

The Register was published on 1 November 2021, rather than 1 December, due to the timing of the Lomond North By-Election on 16th December 2021 (see item 4).

As has been the case since 2020, households where the electors had been data matched received 'route 1' correspondence which did not require a response unless the elector details needed to be updated or changed. Households where the register did not match to other trusted data sources received 'route 2' correspondence which did require a response. The return rates for Route 2 properties are shown below with comparison to last year.

Local Authority	2020 Return Rate	2021 Return Rate
Argyll and Bute Council	55.85%	50.83%
East Dunbartonshire Council	60.32%	55.22%
West Dunbartonshire Council	39.28%	30.54%

The lower rate of return over the three Council areas may be attributable to the fact that publication of the Register took place a month earlier than in 2020. Not all forms collected or delivered by canvassers had sufficient time for their returns to be included in these statistics.

Under the reformed canvass, EROs remained duty bound to make a 'personal contact' to households that had not made a response to a 'route 2' form. This had, as last year, to be balanced against the public health guidance pertaining at the time. After consideration, and having made changes to the canvassers approach to face-to-face contact, DABVJB proceeded to complete a full door knock during the canvass in 2021 as we did in 2020. Covid-related Health & Safety training was provided to canvassers along with their normal training. The training was delivered remotely via Microsoft Teams. No Coronavirus-related issues arose from the door-to-door canvass and no canvassers reported any negative feedback from the public during the process.

Some 16,170 households were subject to personal visits with 46% of those visits taking place in West Dunbartonshire which, historically, has a lower engagement rate than the other two authorities. Going forward, we will look at different approaches for West Dunbartonshire in an attempt to increase return rates.

3.3 Follow-Up of Invitations to Register (ITRs)

The canvass forms, which are issued during the autumn canvass, are used to identify potential new electors who are then sent an Invitation to Register (ITR). If an application is not made as a result of that invitation the ERO must issue up to two reminders and then arrange a personal visit.

Many of the ITRs issued do not reach the second reminder/personal visit stage until many weeks after the publication of the register.

Given the possible complications of issuing HNLs (see below) over the same period as the planned ITR door knock exercise, it was decided that it would not be undertaken during the normal period of February/March 2022. The number of ITRs which have reached second reminder stage by the end of March 2022 will be assessed and a decision will be made on the best course of action at that time.

3.4 Electoral Registration Update Processes

We continue to process all registration applications, including postal and proxy voter applications, whether made on-line or paper format, in line with statutory timetables.

Since publication of the Register on 1 November 2021, we have published monthly updates from December 2021 to February 2022 plus extra updates in relation to election on 16 December 2021.

This has resulted in a total of 9,827 additions to, and 5,804 deletions from, the register since publication.

4.0 **Lomond North By-Election on 16 December 2021**

Lomond North By-Election took place on 16 December 2021. As a result, publication of the revised Register had to be brought forward to 1 November.

The deadlines for the supply of data for issue of poll cards and postal ballot packs were all achieved and staff covered the registration office throughout polling hours. There were no clerical errors or emergency proxies on the day.

5.0 Fresh Signature for Absent Voters

The law requires EROs to send a notice in writing to every absent voter whose signature on the personal identifiers record is more than five years old:

- requiring them to provide a fresh signature if they wish to remain an absent voter, and
- informing them of the date on which they would cease to be entitled to vote by post or by proxy in the event of a failure or refusal to provide a fresh signature (i.e. six weeks from the date of sending the notice)

We wrote to 4,270 absent voters on 14 January 2022 (1,494 more than in January 2021). Reminders were issued to 986 electors on 10 February 2022. Those who have not provided fresh details will have their absent vote cancelled on 25 February 2022. Any elector who is removed from the absent voter lists through this process will be advised by notice and, at the same time, invited to reapply.

6.0 Local Government Elections 5 May 2022

Preparations for the Local Government Elections are under way with test poll card and absent vote data supplied to two of the three Council Returning Officers.

In line with a number of EROs, and using the brought forward balance of funds provided by Scottish Government to prepare for the 2021 election, Household Notification Letters (HNLs) have been issued to each household. These both confirm those currently registered at each address and attempt to encourage anyone who wishes to have an absent vote at the Local Government Elections to apply early.

To complement the above, a national television advert based on similar themes was commissioned and aired with costs being split across all Scottish EROs.

The HNLs were issued on 24 January 2022. There has been some increase in volumes of applications to register and for absent voting but not on the same scale as in 2021. We will continue to monitor workloads as we move towards the elections and react accordingly.

7.0 Boundaries Scotland – Islands Review

Boundaries Scotland's proposals for Argyll & Bute Council to reduce the number of Councillors from 36 to 34 and wards from 12 to 11 were rejected by Parliament.

Plans are being redrawn for submission. Any new approved proposals will not take effect prior to Local Government Elections in May.

8.0 National Park Authority Election 7 July 2022

It has been confirmed that an Election for the Loch Lomond and the Trossachs National Park Authority will take place on 7 July 2022. Preparation work will begin shortly with checks being made on all properties located within the National Park to ensure they are in the correct ward.

We will liaise with the appointed Returning Officer in Stirling Council and supply data as per a timetable which is yet to be set.

9.0 Elections Bill

The Bill, which had its first reading in the House of Commons in July 2021, is currently passing through its House of Lords stages. Royal Assent is, subject to ongoing scrutiny, scheduled for around May 2022. Secondary legislation, which will provide many of the details of the administrative processes, will follow. It is expected that the Voter Identification Card Service will go live in December 2022 with changes to postal voting, proxy voting and the overseas elector franchise likely to come into effect in summer 2023.

The Department for Levelling Up, Housing and Communities (DLUHC) has created a communications infrastructure aimed at encouraging regular and detailed two-way communications between those developing policy and electoral administrators. It is expected that these fora will provide guidance and support as we prepare for and implement the required changes.

DLUHC has also committed to funding the resources required for the new duties and obligations, though the quantum of, and mechanisms for, such funding are not yet clear.

10.0 Recommendation

Members are asked to note the content of this report.

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DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 4 March 2022

Subject: Code of Good Governance – Annual Self-assessment**1.0 Purpose**

- 1.1 To report on the completion of the Joint Board's annual Local Code of Good Governance self-assessment for 2021.
- 1.2 To seek Joint Board Members' approval of the Action Plan arising from the self-assessment.
- 1.3 To advise Members of the progress made in completing or progressing a number of actions contained in the Plan.

2.0 Background

- 2.1 The "Delivering Good Governance in Local Government: Framework" (CIPFA/Solace, 2016) has applied to annual governance statements prepared since the financial year 2016/17.
- 2.2 To support annual governance statements, a self-assessment of the Joint Board's compliance with best practice in Good Governance, as contained within the above framework, is completed annually.

3.0 Current Position

- 3.1 A self-assessment was carried out in autumn 2021 with a number of areas for improvement being identified for action.
- 3.2 An Action Plan for 2021/22 was drafted and is attached (Appendix 1) for Members' consideration.
- 3.3 A number of the Actions identified in the Plan have been completed, including:-
 - (a) The Code of Conduct for Officers has been reviewed and updated by the Board's Management Team and relayed to staff,
 - (b) Development of the back office systems required to implement Portal Rental Property Lists (PRPLs) at the SAA web portal for draft and final 2023 Revaluation values has been progressed and is in use,
 - (c) Input has been made to an SAA Working Group that is developing a suite of Key Performance Indicators (KPIs) to support the Electoral Commission's Performance Standards,
 - (d) The preparation of valuations for the 2023 Revaluation has commenced,
 - (e) Training in the use of Progress Results has been scheduled for early March,
 - (f) Variations to Revaluation and Reform timetables have been considered during service planning and budget setting processes,

- (g) The preparation of a revised Workforce Plan for Joint Board approval,
- (h) Data Protection Practitioner Certificate Training has been scheduled for the new Depute Assessor and ERO from 3 March 2022,

3.4 Several other actions are either ongoing, planned or have become business as usual.

4.0 Next Steps

- 4.1 The responsible parties identified within in the Action Plan will effect the remaining improvement actions as appropriate and the Action Plan will be reviewed for progress at regular Management Team Meetings.
- 4.2 The annual completion of a self-assessment against the CIPFA framework will be used to inform and support the Annual Governance Statement and help evidence the Joint Board's governance arrangements to Auditors as required.
- 4.3 A self-assessment will be carried out in autumn 2022, and annually, to ensure that Governance arrangements continue to comply with best practice and CIPFA Guidance.

5.0 Recommendations

5.1 Members are asked to:-

- (a) Note the completion of the 2021 self-assessment of the Joint Board's compliance with best practice in Good Governance.
- (b) Approve the 2021/22 Good Governance Action Plan.
- (c) Note that a number of the actions contained within the Plan have been completed.

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Appendix 1: Good Governance Action Plan 2021/22

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD
CODE OF CORPORATE GOVERNANCE SELF ASSESSMENT ACTION PLAN

Name	David Thomson	Designation	Assessor & Electoral Registration Officer
Action Plan Date	September 2021	Year	2021/22
Update Date	September 2021	Version	V1.0 approved by MT 02.11.2021

The Action list contains:-

1. Actions relating to improvement actions identified during the 2021 self-assessment
2. Actions outstanding from previous Action Plans.
3. Actions with an ongoing relevance (e.g. annual reviews and future commitments)

Framework Reference	Areas requiring Improvement	Responsibility	Target Date for Delivery	Progress/Additional Comments
Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law				
1.1	Review Code of Conduct for Officers	Assessor & ERO	October 2021	
1.1 (See also Principle 5, 2.4)	Consider specific induction training for VJB members	Joint Board	Post-June 2022	Members agreed that a briefing session on the functions of the Assessor and ERO should be provided to members at the formation of each new Joint Board. Action retained as reminder for when new Board is formed.
Principle 2: Ensuring openness and comprehensive stakeholder engagement				
1.1	Implement enhanced stats for SAA Annual Report	Assessor & Depute	April 2022	Further Council Tax stats for collection in April 2022 agreed at June Assessors Committee
1.1	Prepare to implement Portal Rental Property Lists (PRPLs) for draft and final R2023 values	Depute Assessor/ NDR Reform Project Team	October 2022 and March 2023	
1.2	Further expansion of the number of Valuations that are available at SAA Web portal to include Public Buildings and other properties as agreed by SAA	Depute Assessor/ NDR Reform Project Team	Ongoing/ Prior to R2023	
3.6	Review of archiving arrangements for Board papers/minutes	Depute Assessor	TBC	Dependency on WDC Archivist resource/priorities

Principle 3: Defining outcomes in terms of sustainable economic, social, and environmental benefits				
1.1 (See also Principle 4, 2.5 and Principle 6, 2.3))	Establish Electoral Registration KPIs and implement targets	ERO/PAO	December 2021	
2.2	Ensure annual review of Long-term (10-year) Financial Strategy considers effects of COVID	Treasurer/Assessor	March 2022	Retained as annual reminder
2.2 (See also Principle 4, 2.7)	Plan in detail for NDR Reforms, including 3-yearly revaluation cycles, taking account of resources which will be required to comply with new statutory duties and demands of Barclay review. Note Parliamentary approval of delay from R2022 until R2023 with a 2022 Tone date Plan for new appeals process and transfer of VAC duties to Scottish Tribunals Service	Assessor Assessor/Depute/ICT Team	Varying timetables January 2023	<u>NDR Reform</u> SAA Project Manager in place and Project Plan developed. Internal Project Team established. High level Project Plan and Risk Register in place. IT Team has revised priorities for development in light of the NDR Reform Act Commencement Order
Principle 4: Determining the interventions necessary to optimise the achievement of the intended outcomes				
1.1	Present funding scenarios/options to Finance Working Group prior to drafting 2022/23 and subsequent Budget estimates (if required by Joint Board)	Assessor & ERO	December 2021	
2.4	Retain flexible approach to 2023 Reval and NDR Reform	Assessor	Various dates	This requirement for flexibility will be about a state of mind and preparedness to change tack, rather than any specific actions.
2.5	Implement requirements of new EC Performance Framework/ Standards – specifically Establish electoral KPIs including relevant targets in line with EC Performance Standards	ERO/PAO	Ongoing	Already under consideration – assessment of current compliance completed
2.6	Provide training in the use of Progress Results	Management Team	On return to office working 2021/22	Likely to be delivered through in-house skills transfer. Date amended due to COVID office closures.
2.6	Review Idox reporting capability to inform Electoral KPIs	PAO	Ongoing	
3.1	Review requirement and funding position in light of Postponement of Revaluation and delayed implementation of new proposals and appeals system	Assessor	March 2022	

Principle 5: Developing the entity's capacity, including the capability of its leadership and the individuals within it				
1.4	Review Workforce Plan on an ongoing basis – to include review of current shortage of staff/recruits, NDR Reform and Revaluation timetables	Assessor	April 2022	Retain as annual reminder
2.4	Ensure robust approach to recruitment of Depute Assessor & ERO Ensure that induction and training (where required) are provided for new Depute Assessor & ERO	Assessor/Board Assessor	October 2021 On commencement	Board approval of process obtained September 2021
Principle 6: Managing risks and performance through robust internal control and strong public financial management				
2.4	Review Joint Board meeting cycle	Assessor/Clerk/ Joint Board	June 2022	
4.1	Provide DPO training for new Depute Assessor.	Assessor	ASAP after commencement	Will be dependent on availability of courses
4.1	Implement any new security requirements arising from GDS moving from PSN to internet connections	Depute ERO/Systems Manager	TBC by agreement	
4.1	Implement Records Management Plans Improvement Actions	Depute Assessor & ERO	Ongoing	See separate Action Plan. Progress Update Review Report received and progress noted. Actions retained as elements of the plan remain outstanding. Shut-down of some drives planned at point of server migration.
5.1	Ensure that 2022/23 and subsequent budgets take account of both the current budget gap and the future requirements of NDR reform	Assessor & ERO/ Finance Working Group/ Treasurer	March 2021	
Principle 7: Implementing good practices in transparency, reporting, and audit to deliver effective accountability				
1.2	Improve transparency of NDR system in line with Barclay Review recommendations. Specifically, display PRPLs and broader range of valuations at SAA portal	Assessor	See above re variable timetables (Prior to April 2023)	

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 4 March 2022

Subject: Workforce Planning**1.0 Purpose**

- 1.1 To advise Members of progress in relation to Workforce Planning within the Joint Board.
- 1.2 To seek Members' approval of a Workforce Plan for 2022/23

2.0 Background

- 2.1 Workforce planning is part of the Joint Board's overall approach to Best Value and Good Governance. It provides a proactive mechanism to ensure delivery of strategic objectives by identifying and implementing strategies to ensure the provision of:
 - The right number of employees;
 - With the right skill sets;
 - In the right location;
 - At the right time; and,
 - At the right cost.
- 2.2 At its meeting in March 2020, the Joint Board approved its first formal Workforce Plan. It is good practice to revise the Workforce Plan annually.

3.0 Progress**2021/22 Workforce Plan**

- 3.1 Despite the various challenges of the last year, the vast majority of the actions contained in the 2021 Workforce Plan, including planned recruitments and provision of formal training, were completed.
- 3.2 Additionally, recruitment to fill a number of vacancies arising from in-year retirements and resignations were completed at various times throughout the year.

2022/23 Workforce Plan

- 3.4 The Joint Board's Management Team has reviewed the external and internal factors affecting the Board's resource requirements and have drafted a Workforce Plan for 2022/23.
- 3.4 More details on the implementation of the 2021/22 Workforce Plan and the proposed actions for 2022/23 are included in the revised Workforce Plan which is attached (Appendix 1) for Members' consideration

4.0 Next Steps

- 4.1 If approved by the Joint Board, the 2022/23 Plan will be communicated to all employees and the actions contained within the Plan will be effected.
- 4.2 The Plan will be reviewed regularly by the Joint Board's Management Team to ensure the appropriate level of progress is being made and that the required outcomes are being met. Actions will be adjusted if they are not having the desired impact or if circumstances change.
- 4.3 Reports on progress will be provided to the Joint Board as is appropriate.

4.0 Recommendations

- 5.1 Members are asked to:-
 - (a) Note the progress in relation to implementing the 2021/22 Workforce Planning,
 - (b) Note the high level of employee turnover experienced during 2021/22 and expected during 2022/23.
 - (c) Approve the 2022/23 Workforce Plan,
 - (d) Note that progress will be monitored and evaluated and further actions will be taken as circumstances require.

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Appendices:

Appendix 1: DABVJB Workforce Plan 2022

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

WORKFORCE PLAN 2022/23

1.0 Introduction

The Valuation Joint Board approved its first formal Workforce Plan in March 2020, reflecting the critical point at which the Board was in terms of balancing new and planned statutory duties with the ongoing requirement to close an existing 'core' budget gap.

Workforce planning is a proactive approach which seeks to enable delivery of strategic objectives by identifying and implementing strategies to ensure the provision of:

- The right number of employees;
- With the right skill sets;
- In the right location;
- At the right time; and,
- At the right cost.

Effective workforce planning is informed by:

- Consideration of the Joint Board's current and future objectives;
- The needs of its service users;
- The amount of funding available; and,
- The wider policy and legislative environment in which the organisation operates.

Workforce Planning is considered in parallel with Service and Financial Planning.

This annual review will:-

- (a) Provide an update on changes and events which impacted on the implementation of the 2021/22 Workforce Plan,
- (b) Advise on the progress of the actions contained in the 2021/22 Plan,
- (c) Advise of issues and changes affecting future plans
- (d) Propose the actions required to meet the Joint Board's ongoing workforce requirements in 2022/23.

For the Methodology adopted to Workforce Planning and for the Assessor & ERO's principal service requirements, see the 2020 Workforce Plan and the current Service Plan.

2.0 Workforce Planning – Context

2021/22 was a year which continued to be affected by the COVID-19 pandemic and the various government restrictions imposed to deal with the outbreak. These had various direct and indirect impacts on the operations of the Joint Board, including the implementation of the Workforce Plan. Some of the factors related to the pandemic that were relevant to workforce planning included:-

- (a) The various restrictions on travel and workplace attendance required that we had to consolidate our capability to work from home.

- (b) c2,500 COVID-related appeals were submitted in March 2021, adding to those submitted in 2020. Although the government legislated to reduce the effect of these, the legislation passed to date and further draft legislation do not 'rule out' such appeals, as had been the stated intention.
- (c) The lack of local Valuation Appeal Committee hearings for a significant period adversely affected appeal disposal rates.
- (d) The Scottish Parliamentary Election in May 2021 resulted in a surge of absent voter applications and other registration activity. Arising from this expectation, the Convener of the EMB issued a direction to EROs to provide contingency for an expected rise in absent voters and to the Government providing funding for that purpose. As a result, temporary staff had been recruited in the period leading up to the election and they left us shortly after the event.
- (e) Our ability to provide Trainee Valuers with suitable training, mentoring and experience was directly affected by home working and delayed the point at which the planned complement of qualified surveyors can be achieved.

In the longer term, the pandemic is likely to affect the general economy in a negative way with probable consequences for public sector funding.

Independent of the pandemic, a number of internal and external factors arose or changed which either had to be considered during the year or will need to be taken into account when projecting forward.

3.0 2021 Workforce Plan - Progress

Notwithstanding the above, a number of the actions contained in the 2021 Workforce Plan, including planned recruitments and provision of formal training, were completed. Further detail is provided at Appendix 1.

As well as the various rounds of planned recruitment contained in the 2021 Workforce Plan, recruitment to fill vacancies arising from resignations and retirements were completed at various times throughout the year despite the practical difficulties arising from carrying out recruitment in the context of the pandemic. This activity included recruitment processes for the posts of:

Depute Assessor & ERO
 Divisional Assessors
 Secretary
 Technician
 Trainee Technician
 Trainee Valuers
 Administrative Assistant
 Clerical Assistants

The extent of recruitment and induction had a significant effect on the workloads of recruiting and line managers.

The approach to the annual electoral canvass was amended in 2020 to ensure distancing measures were in place and the training for temporary canvass staff was updated accordingly. That same approach to the canvass was adopted again in 2021.

During the 2021/22 year, re-evaluations of the Systems Officer and Systems Programmer posts were completed and revised grades effected. This change did help retain the services of an employee who is key to the NDR Reform agenda.

4.0 2022/23 Workforce Plan

Many of the issues which drove the requirements of the 2021/22 Workforce Plan and their impacts on the Joint Board, remain valid, including:-

- (a) The move to 3-yearly NDR Revaluations with one year between valuation date and the Revaluation with effect from 2023. Draft values are to be prepared for autumn 2022.
- (b) The ongoing commitment of the Government to implement a 2-stage, proposal and appeals system in relation to NDR.
- (c) The introduction of new criteria for defining properties as self-catering accommodation with effect from April 2022 will require reviews of over 2,000 valuation roll entries annually.
- (d) The continuing constraints on local government funding.

It is to be noted that much of the recruitment planned to implement NDR Reform has already taken place. The Assessor will, however, need to stay alert to the demands of ongoing change and react accordingly.

During 2021/22 the UK Government introduced the Elections Bill which aims to deliver on a number of 2019 Manifesto commitments. Proposed changes include:-

- (a) The requirement to provide Voter Identification (ID) to vote at reserved elections. This will require the production and distribution of Voter ID cards by the ERO where electors do not hold relevant approved documents.
- (b) Absent Voters on the UK Parliamentary Register will be required to reapply every three years.
- (c) The extension of the overseas voting franchise by removal of the existing 15 year limit on overseas electors' right to vote in UK Parliamentary elections.

The Government has recognised the additional administrative burdens that these changes will bring and has committed to “ensuring those responsible for the conduct of electoral registration have the necessary resources to deliver our elections robustly and securely as they implement these new measures. Any additional funding required to cover identified new burdens arising from this programme will be adequately funded in line with longstanding government practice.”

With few details of the new requirements known at time of writing, it is clear that the ERO service will need to react to both the resource demands of the new legislation and any funding provided to meet these.

The effects of the pandemic included an increased demand amongst staff for continued home working, in some form, after restrictions have been lifted. In response to this demand, the Joint Board approved an “Agile Working Policy” in September 2021. Ongoing government restrictions/advice and community infection levels have prevented that policy being fully implemented at time of writing but it is expected that it will be applied during 2022/23.

More detail of effects of the above, and the proposed actions to address these during 2022/23 are included in the analyses at Appendices 2A and 2B (below).

APPENDIX 1: 2021 WORKFORCE PLAN - PROGRESS

External Drivers	Agreed Actions	Responsibility	Target Date	Progress
<u>Budget pressure</u>	<p>Voluntary Early Retirement and Voluntary Severance scheme to remain open to staff.</p> <p>Utilise the opportunities offered by natural churn.</p> <p>Consider retention (rather than loss) of technical posts through Barclay Funding</p>	<p>} } } } } Assessor & } ERO } }</p>	Ongoing	<p>An underspend was delivered in 2020/21 and is projected for 2021/22 thereby relieving some of the pressure on reserves.in the short to medium term.</p> <p>Higher than expected levels of unplanned churn have allowed savings to be made. Not all posts included in budget estimates for 2021/22 were filled as planned.</p>
<u>NDR Reform</u>	<p>The appointments made in 2020/21 removed the need to further bolster the valuation teams for the purposes of NDR Reform <u>at this time</u>.</p> <p>Continue to provide/ accelerate formal training to Undergraduate Trainee Valuers and APC training to Graduate Trainee Valuers</p>	Depute Assessor/ Divisional Assessors	Ongoing	<p>Note that resignations and retirements required recruitment to be restarted to try to achieve the staffing levels that will be necessary to deliver the Revaluation and NDR Reform.</p> <p>COVID restrictions have continued to affect our ability to provide on-the job training to staff, albeit students and their mentors are now attending the office on a rota basis. Formal education has continued and several trainees made progress in that regard.</p>
<u>NDR Reform</u>	<p>Provide flexible and overtime working for peak times and project pinch points</p> <p>Continue to review need for additional programmer/ ICT officer</p>	<p>Depute Assessor</p> <p>Assessor/ Depute</p>	<p>Ongoing</p> <p>Continual review</p>	<p>None required during the year though this option will need to be considered where recruitment does not meet our targets.</p> <p>The need for such a post remains under review.</p>
<u>Civil Penalties Process</u>	<p>Provide Agresso training</p> <p>Review ongoing resource requirements of CP process</p>	<p>Assessor - By arrangement with WDC</p> <p>Assessor</p>	<p>March 2021</p> <p>Ongoing</p>	<p>Agresso training delivered</p> <p>The approach to the implementation of the CP regime has resulted in minimum resource being applied.</p>
<u>Canvass Reform</u>	Complete an analysis of the reformed 2020 canvass and review procedures for future	PAO	Spring 2021	Detailed analysis of the canvass was limited by system reporting capability and the resource demands of preparing for the Scottish Parliamentary Election (SPE). Notwithstanding, the usual review of the canvass was completed.

	Staff and Canvasser training to be reviewed for any changes arising from above review. Consider clerical/admin staffing levels and/or specific posts for change or removal.	PAO ERO/PAO	Summer 2021 Ongoing	Canvasser training was reviewed/revised in line with lessons learned. A review of issues arising from the 2021 SPE preparations, including strains on staffing, was carried out and recruitment was commenced thereafter.
Internal Drivers	Agreed Actions	Responsibility	Target Date	Progress
Retirement of one full-time Valuer (May 2021) and resignation one part-time Valuer (April 2021), both from Clydebank office.	Aim to recruit a suitably experienced Rating Surveyor/Valuer <u>Note:</u> Given the loss of experienced staff and the increase in trainee numbers, the option to replace a surveyor with a trainee is no longer an option Aim to accelerate APC training on return to office working	Assessor Depute Assessor/ Divisional Assessor	TBC TBC	Several rounds of recruitment for Valuers resulted in no applications from suitably qualified candidates being received. As a result, it was decided that we should recruit Technicians, Trainee Technicians and further Trainee Valuers (despite concerns about our capability to provide suitable mentoring). See above re ongoing training issues.
Depleted experience in the technical/valuation teams	Continue to provide formal training to Undergraduate Trainee Valuers and APC training to Graduate Trainee Valuers Continue to provide qualified staff with CPD and other learning opportunities, including attendance at VAC, Lands Tribunal and Lands Valuation Appeal Court.	Assessor/ Depute Assessor Assessor/ Depute Assessor	Ongoing Ongoing	See above. Due to ongoing restrictions on meeting, the VAC seldom met during the year. There were no relevant LT or LVAC cases to attend.
Retirement of one part-time Clerical Assistant (June 2021) in Clydebank office.	Await the completion of reformed canvass in a more 'normal' year and review staffing requirement thereafter.	Assessor & ERO/PAO	Early 2022	See above re review following the Scottish Parliamentary Election that identified the need to bring forward recruitment to bolster the clerical/admin team. As a result, recruitment was initiated and a post was filled using 'Barclay Funding' to ensure we could meet the demands of AIN maintenance and other administrative support for Revaluation preparation and NDR Reform.

APPENDIX 2A: 2022/23 - ENVIRONMENTAL ANALYSIS, WORKFORCE MODELLING AND ACTION PLANNING (EXTERNAL FACTORS)

Main Drivers	Implications/Scenarios	Other factors including Demand and Supply	Conclusions and Actions	Responsibility	Target Date	Monitoring and Evaluation
<p><u>Budget pressure</u> Static or reduced council contributions. Existing budget gap increasing in future years Inflationary and other pay rises Future exhaustion of existing 'reserves'</p>	<p>Unable to:- * fund existing staffing levels * provide current service levels and/or * deliver on future duties.</p>	<p>Efforts to achieve operational efficiencies and improve productivity will be ongoing continually</p> <p>New and better use of IT systems will be considered to assist with the above.</p> <p>Direct funding specifically for NDR/Barclay Reforms and, potentially, Elections Act</p> <p>Joint Board Working Group established to consider closing the funding gap</p>	<p>Voluntary Early Retirement and Voluntary Severance scheme to remain open to staff.</p> <p>Utilise the opportunities offered by natural churn.</p> <p>Consider retention (rather than loss) of technical posts through Barclay Funding</p>	<p>Assessor & ERO</p>	<p>Ongoing</p>	<p>Budget reports will measure whether relevant savings are being made.</p> <p>KPI and other performance reports will measure any effect on service delivery</p>
<p><u>NDR Reform</u> 3-yearly Revaluation cycle with 1-yr 'Tone' date. New proposals and appeals process. Addition of some (parts of) public parks to the valuation roll increases maintenance. Provision of comparison information to ratepayers. Increased transparency. New Self-Catering subjects criteria.</p>	<p>Valuation cycle compressed – processes which are currently 'end-on-end' will need to be carried out simultaneously/in parallel.</p> <p>Capture of new subjects and valuation information will have a 'front-end'/start-up resource implication</p> <p>Increased maintenance activity</p>	<p>Direct funding specifically for NDR/Barclay Reforms</p> <p>Market dearth of appropriately qualified surveyors</p> <p>Inflationary market for qualified surveyors</p> <p>Delaying effect on training, especially of Graduate Trainees, caused by the COVID pandemic and home working.</p> <p>Various dependencies on ICT systems developments (see below)</p>	<p>The appointments made in 2020/21 and 2021/22 reduced the need to further bolster the valuation teams – but see comments (appendix 2B) re replacement of posts which will become vacant during the year</p> <p>Continue to provide/accelerate formal training to Undergraduate Trainee Valuers and APC training the Graduate Trainee Valuers</p> <p>Aim to retain Systems Programmer</p>	<p>Assessor & ERO</p> <p>Depute Assessor/ Divisional Assessors</p> <p>Assessor/Depute</p>	<p>Various dates</p> <p>Ongoing</p> <p>Ongoing</p>	<p>NDR Reform/'Barclay' funding has been committed to the retention of technical staff. KPI and other performance reports will measure any effect on service delivery</p> <p>Management Team will monitor progress with respect to delivery of R2023 and, subsequently, appeals disposal.</p>

Main Drivers	Implications/Scenarios	Other factors including Demand and Supply	Conclusions and Actions	Responsibility	Target Date	Monitoring and Evaluation
<u>NDR Reform</u> - As above	Redevelopment of existing Valuation systems. Expansion of portal valuations. Ongoing development and maintenance of new databases (Assessor Information Notices (AINs), civil penalties etc)	Low availability of programmers with specific knowledge of platforms and Assessors business. Onerous training requirements.	Provide flexible and overtime working for peak times and project pinch points. Continue to review need for additional ICT officer	Depute Assessor Assessor/ Depute	Ongoing Continual review	Management Team will monitor progress with respect to delivery of R2023 ICT requirements
<u>Elections Act</u> Various changes including:- * Voter ID cards * AV renewals at 3 yrs * Extension to overseas elector franchise	Increased numbers of applications/checks etc Increased electorate requires more maintenance Production of Voter ID 'Cards' Divergence of process with devolved registration duties	EMS changes required. Possibly new grant funding to be made available from DLUHC Recruitment to clerical posts have attracted far fewer applications in recent months than was the case in the past	Maintain an awareness of the emerging requirements and recruit/train as required. Staff training to be reviewed for all new duties Consider other ways of publicising vacancies	PAO PAO Recruiting Managers/ HR&OD	Ongoing As required As required	Management Team reports (See Reporting Framework) will monitor service delivery
<u>COVID</u> Working from home during the pandemic has increased the demand for home/blended working	Demand for home working Display Screen Safety Assessments will be required for each home worker Several tasks/functions require an office presence	ICT equipment Potential requirement for office equipme	Implement the Agile Working Policy Line managers to consider applications and balance demands of service provision with the wishes of staff to work from home Consider the training requirements of new and trainee staff. Expand and renew lap top provision	Management Team Line managers Line managers Depute Assessor & ERO	As appropriate As required As required Spring 2022	Supply chain issues may continue to delay delivery

APPENDIX 2B: 2021/22 - ENVIRONMENTAL ANALYSIS, WORKFORCE MODELLING AND ACTION PLANNING (INTERNAL FACTORS)

Internal Factor	Implications/Scenarios	Other factors including Demand and Supply	Conclusions and Actions	Responsibility	Target Date	Monitoring and Evaluation
<p>Retirement and Resignation of Divisional Assessors wef 31 March and 3 April, respectively</p> <p>(The proposed actions assume that recruitment for both posts is complete by the end of the 21/22 financial year)</p>	Loss of experienced Valuers/Valuation knowledge	<p>Retirements and resignations in recent years have significantly depleted the levels of experience in the surveying staff of the VJB. These departures will exacerbate the loss.</p>	Carry out full induction procedures and ensure early settlement of successful candidates.	Assessor	April	<p>A variety of metrics are already in place to monitor service provision including Revaluation progress.</p>
	Loss of experienced management capability/Management Team experience		<p>Market dearth of, and inflationary market for, appropriately qualified surveyors</p>	Instruct new post-holders in systems and procedures of DABVJB, along with duties and responsibilities of DAs	Assessor/Depute/ ICT Team	
	Loss of training capability	<p>Current ratio of qualified staff to trainees is close to untenable.</p>		Depute Assessor	April 2022	
	Increased reliance on inexperienced staff			<p>Operational pressures on staff to dispose of NDR appeals and prepare for the 2023 Revaluation</p>	Assessor/ Management Team	
	Possible delays in progressing Revaluation	Complete Development & Training Review for new DAs and establish targets for 2022/23.	Assessor/Depute/DAs		As required	
Possible reduction in performance in relation to KPIs	Complete a Review of SAA Committee memberships and responsibilities					
Possible reduction in service standards.	Complete recruitment of Divisional Valuers/Valuers where internal candidates are successful in obtaining DA posts					

Known retirement plan of Divisional Valuer (Campbeltown)	Loss of experienced Valuation knowledge	See above and below re general issues in retaining and recruiting Surveyors.	Recruit to fill the post of Divisional Valuer	Assessor	Q4 2022	
	Loss of training capability		Ensure that recruitment adverts highlight the option of flexible/home working	Assessor	Q4 2022	
	Increased reliance on inexperienced staff		Consider other employment approaches such as using contractors	Assessor	As required	
Possible delays in progressing Revaluation	Possible reduction in performance in relation to service provision and KPIs	See above and below re general issues in retaining and recruiting Surveyors.	Recruit to fill the post of Valuer/Trainee	Assessor/ Depute Assessor	Spring/Summer 2022	A variety of metrics are already in place to monitor service provision including Revaluation progress.
				Assessor	Spring/Summer 2022	
				Assessor	As required	
Possible reduction in performance in relation to service provision and KPIs	Increased reliance on inexperienced staff	The reality is, however, that we may have to recruit for a Trainee Surveyor.	Recruit to fill the post of Technician/ Trainee Technician	Assessor/ Depute Assessor	Spring 2022	
				Assessor		
				Assessor		
Possible reduction in performance in relation to service provision and KPIs	Loss of training capability	See above and below re general issues in retaining and recruiting qualified technical staff.	Recruit to fill the post of Technician/ Trainee Technician	Assessor/ Depute Assessor	Spring 2022	
				Assessor		
				Assessor		
Possible reduction in performance in relation to service provision and KPIs	Loss of experience and knowledge	See above and below re general issues in retaining and recruiting qualified technical staff.	Recruit to fill the post of Technician/ Trainee Technician	Assessor/ Depute Assessor	Spring 2022	
				Assessor		
				Assessor		
Possible reduction in performance in relation to service provision and KPIs	Loss of training capability	See above and below re general issues in retaining and recruiting qualified technical staff.	Recruit to fill the post of Technician/ Trainee Technician	Assessor/ Depute Assessor	Spring 2022	
				Assessor		
				Assessor		
Possible reduction in performance in relation to service provision and KPIs	Increased reliance on inexperienced staff	See above and below re general issues in retaining and recruiting qualified technical staff.	Recruit to fill the post of Technician/ Trainee Technician	Assessor/ Depute Assessor	Spring 2022	
				Assessor		
				Assessor		

	Possible reduction in performance in relation to service provision and KPIs	The reality is we may have to recruit for a Trainee Technician				
Note/Risk: The continued loss of staff from the Campbeltown Technical Section casts doubt the section's viability in its current format and alternatives may need to be considered in the medium to longer term.						
Depleted experience in the technical/valuation teams	Loss of experience/knowledge	See above.	Continue to provide formal training to Undergraduate Trainee Valuers and APC training the Graduate Trainee Valuers	Assessor/ Depute Assessor	Ongoing	
	Inability to fulfill statutory duties.	Availability of formal, CPD and APC training opportunities.	Continue to provide qualified staff with CPD and other learning opportunities, including attendance at VAC, Lands Tribunal and Lands Valuation Appeal Court.	Assessor/ Depute Assessor	Ongoing	
	Possible delays in progressing Revaluation Higher risk of appeal losses following Revaluation Possible reduction in performance in relation to service provision and KPIs	2 x Graduate Apprenticeships at Napier University have been provisionally set-aside for 22/23 academic year.	Aim to have trainees qualified and in post as Valuers Recruit (Trainee) Valuer In Campbeltown	Assessor/ Depute Assessor Assessor/ Depute Assessor	November 2022 and thereafter June 2022	

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 4 March 2022

Subject: Personnel – HM the Queen’s Platinum Jubilee**1.0 Purpose of Report**

- 1.1 To seek Members’ approval of an additional day of paid leave for employees of the Joint Board on Friday 3 June 2022 to facilitate celebrations to mark HM the Queen’s 70th anniversary as monarch.

2.0 Background

- 2.1 A Royal Proclamation was issued by HM the Queen on 11 November 2020 announcing an additional bank holiday on Friday 3 June 2022 to facilitate celebrations to mark HM the Queen’s 70th anniversary as monarch.
- 2.2 In recognition of the above, the Corporate Services Committee of West Dunbartonshire Council (WDC) approved a day of closure of their offices on Friday 3 June 2022. Employees contracted to work that day will receive the day off with normal pay for that day. Further, WDC approved that anyone wishing to participate in the planned four days of national celebration can extend their time off work by applying for a day of annual leave for Thursday, 2 June.
- 2.3 As Members will be aware, the Joint Board normally aligns personnel and similar policies with those of West Dunbartonshire Council.

3.0 Progress

- 3.1 The Valuation Joint Board’s Management Team has, in line with the above and following consultation with the relevant Trades Union, provisionally approved the additional day of paid leave.

4.0 Recommendation

- 4.1 Members are asked to
- (a) Approve Friday 3 June 2022 as a day of paid leave.
 - (b) Note a presumption in favour of approval of requests for annual leave on Thursday 2 June 2022.
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