



*Dunbartonshire and Argyll & Bute
Valuation Joint Board*

Council Offices
16 Church Street
Dumbarton
G82 1QL

2 December 2019

Dear Sir/Madam

**DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD
FINANCE WORKING GROUP**

You are requested to attend a meeting of the above Finance Working Group to be held in **Ballantines Meeting Room**, West Dunbartonshire Council Offices, 16 Church Street, Dumbarton on **Friday, 6 December 2019 at 10.00 a.m.**

The business is as shown on the enclosed agenda.

I shall be obliged if you will advise Craig Stewart (Tel. 01389 737251, email: craig.stewart@west-dunbarton.gov.uk) if you are unable to attend the meeting.

Yours faithfully

PETER HESSETT

Clerk to the Valuation Joint Board

Distribution:

Councillor Richard Trail, Argyll & Bute Council
Councillor Vaughan Moody, East Dunbartonshire Council (Chair)
Councillor John Millar, West Dunbartonshire Council

Officers:

Kirsty Flanagan, Argyll & Bute Council – Head of Strategic Finance
Jamie Robertson, East Dunbartonshire Council – Chief Financial Officer
Stephen West, West Dunbartonshire Council – Treasurer to the Valuation Joint Board
David Thomson, Valuation Joint Board – Assessor and Electoral Registration Officer

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD
FINANCE WORKING GROUP

FRIDAY, 6 DECEMBER 2019

AGENDA

- 1 APOLOGIES**
- 2 NOTE OF PREVIOUS MEETING 5 – 8**

Submit for information the Note of Meeting of the Working Group held on 3 May 2019.
- 3 REVENUE POSITION AS AT 31 OCTOBER 2019 AND INDICATIVE ESTIMATES 2020/21 9 – 26**

Submit report by the Treasurer to the Valuation Joint Board providing an update on the Treasurer's report dated 3 May 2019, current revenue position as at 31 October 2019 and the indicative budget position for 2020/21.
- 4 BUDGET GAP – OPERATIONAL UPDATE 27 – 31**

Submit report by the Assessor & Electoral Registration Officer providing an update on the issues affecting the Joint Board's current and projected budget gaps, including the pressures on the Joint Board arising from Non-Domestic Rates Reform.

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD FINANCE WORKING GROUP

Note of Meeting of the Dunbartonshire and Argyll & Bute Valuation Joint Board Finance Working Group held in 'The Brock' Meeting Room, Council Offices, 16 Church Street, Dumbarton on Friday, 3 May 2019 at 1.10 p.m.

Present: **Argyll & Bute Council:**
Councillor Richard Trail
Kirsty Flanagan, Head of Strategic Finance (via conference call)

East Dunbartonshire Council:
Councillor Vaughan Moody
Jamie Robertson, Chief Financial Officer

West Dunbartonshire Council:
Councillor Jim Brown
Gillian McNeilly, Finance Manager
Scott Kelly, Committee Officer

Valuation Joint Board:
David Thomson, Assessor and Electoral Registration Officer

Apology: An apology for absence was intimated on behalf of Stephen West, Treasurer to the Valuation Joint Board (West Dunbartonshire Council).

APPOINTMENT OF CHAIR

It was agreed that Councillor Moody be appointed as the Chair of the Finance Working Group. Accordingly, Councillor Moody assumed the Chair.

Councillor Vaughan Moody in the Chair

TREASURER'S REPORT – REVENUE ESTIMATES 2019/20 AND INDICATIVE ESTIMATES 2020/21 AND 2021/22

A report was submitted by the Treasurer providing for consideration information on the current financial forecasts previously reported to the Joint Board within the Estimates 2019/20 report.

Ms McNeilly was heard in explanation of the report and it was noted in particular:-

- (a) that increasing budget gaps were projected, if no action is taken, to £292,000 in 2020/21 and to £441,000 in 2021/22; and

- (b) that the revised probable outturn for 2018/19 identified that a transfer of 74k from reserves would be required to balance the budget, a lesser figure than the 157k which had previously been estimated which would allow greater reserves to be brought forward to 2019/20.

Following discussion and questions, it was further noted:-

- (1) that an actuarial adjustment of employer pension contributions from 19.3% to 23.3% in 2018/19 had resulted in an increased annual cost of £63,000;
- (2) that further information provided by the pension fund actuary in relation to this point would be shared with members/officers of the Working Group, following the meeting;
- (3) that the full time equivalent (FTE) staffing level had reduced substantially, and across all grades, from 64 in 2006 to 50 currently, and that an increasing number of employees worked fewer than 35 hours per week;
- (4) that current staffing levels sometimes made it challenging for certain services to be covered on particular days;
- (5) that in Mr Thomson's view, overall, more employees would be needed to deliver the service in the coming years due to additional workload requirements;
- (6) that it was Ms Flanagan's understanding that the Scottish Government had committed to implementing a three-year settlement which would be announced in December 2019, and which would assist with budget certainty, but that the continuation of the government grant to the VJB, which was estimated for 2019/20 at £40,000, would not be continued beyond the current year;
- (7) that some efficiencies were expected to be made in printing and postage costs; and
- (8) that in view of the pressure on reserves, changes in income or expenditure would be needed in order for budgets to balance in future years.

**ASSESSOR AND ELECTORAL REGISTRATION OFFICER'S REPORT –
REVENUE ESTIMATES 2019/20 AND INDICATIVE ESTIMATES 2020/21
AND 2021/22**

A report was submitted by the Assessor and Electoral Registration Officer supplementing the Treasurer's report by providing further information on the financial pressures on the Joint Board arising from Non-Domestic Rates Reform.

Mr Thomson was heard in explanation of the report and it was noted:-

- (a) that the introduction of the Non-Domestic Rates (Scotland) Bill would affect the Assessor in that, by changing the revaluation cycle from 5 years to 3, more staff would be required to facilitate the new appeals process and to prepare for the next cycle;
- (b) that leisure trusts and ALEOs may be subject to inclusion on the valuation roll and that finance officers may wish to make representations to the Scottish Government in this regard, on behalf of their Councils;
- (c) that new civil penalties are to be introduced for non-provision of information relating to the valuation roll;
- (d) that Assessors would be expected to provide ratepayers with information on how rateable values had been arrived at, but that this had not yet been defined which made it difficult to predict exactly how much additional resource would be required to deliver this;
- (e) that the Barclay Review acknowledged additional resource implications for Assessors nationally and that the Financial Memorandum which accompanies the NDR (Scotland) Bill projected a significant increase in staffing costs in the coming years;
- (f) that the projections in the Financial Memorandum assumed a 25% fall in appeal volumes, which in Mr Thomson's view was unlikely;
- (g) that paragraph 3.6 of the report outlined the likely increase in costs to the Joint Board and that these figures would continue to be reviewed as the requirements of the new legislation became clearer;
- (h) that ICT systems would require to be developed or procured to meet the demands of the new legislation; and
- (i) that there was some scope to deliver savings in terms of digitisation and automation, and to reduce property costs, but that these would require short or medium term investment and would not deliver major savings.

Following discussion and questions, it was further noted:-

- (1) that discussion at the Settlement and Distribution Group may give an early indication as to whether Grant Aided Expenditure could be expected to rise in view of the resource implications of the new legislation;
- (2) that a review of the Assessors service was conducted on a rolling basis and that any future strategic review of the service would likely require the support of West Dunbartonshire Council;
- (3) that if Councils were to be asked to consider increasing their funding of the VJB they would wish to be assured that all cost-cutting measures had been considered; and

- (4) that a number of efficiency options had been considered and that Mr Thomson would circulate a paper detailing these to members/officers of the Working Group, following the meeting.

It was agreed that the next meeting of the Working Group would be held after September 2019 by which time it was hoped that the budget position for future years may have become clearer.

The meeting closed at 2.40 p.m.

DRAFT

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

Report by Treasurer

Valuation Joint Board – Working Group – 6 December 2019

Subject: Revenue Position as at 31 October 2019 and Indicative Estimates 2020/21

1. Purpose of Report

- 1.1** The purpose of this report is to provide members with an update on the Treasurer's report dated 3 May 2019, current revenue position as at 31 October 2019 and the indicative budget position for 2020/21.

2. Background

- 2.1** The Board on 1 March 2019 agreed to set up a Member/ Officer Working Group to consider the forecast financial position of the Board, the burdens being faced by the Board currently and into the future, with a view to agreeing a longer term financially sustainable position.

- 2.2** The purpose of this short life working group is:

- (a) To ensure that the VJB is being as efficient as possible and has considered all potential approaches to cost saving (which maintain level/quality of service); and
- (b) To consider the future funding levels given the significant change arising from the Barclay Review and other future changes, cost pressures, etc.

- 2.3** The working group had their first meeting on 3 May 2019. The main areas of discussion were historic cost pressures, efficiencies and the long term financial projections. Reports discussed at the meeting are attached as Appendices 1 and 2 for your information.

- 2.4** At the meeting of the Joint Board on 1 March 2019, Members agreed the revenue estimates for 2019/20. A total net budget of £2.898m was approved, funded from:

- constituent Council contributions of £2.111m;
- Scottish Government for costs associated with the implementation of actions arising from the Barclay Review of £0.125m; and
- use of reserves of £0.162m.

3. Main Issues

- 3.1 As at 31 March 2019, the Board held usable reserves as noted below:

	£ £000	£ £000
Capital reserves:		
Earmarked		25
Revenue reserves:		
Earmarked	162	
Prudential reserve	100	
Unearmarked	290	552
Total usable reserves		577

- 3.2 The board's revenue position as at 31 October 2019 is projecting a favourable variance of £0.112m. Although the report indicates a favourable variance, the present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and the 31 March 2020 and could affect the year end results.
- 3.3 The favourable 2019/20 revenue budget variance is mainly in employee costs. This variance has arisen due to staff vacancies, staff retirements and reduction in employee hours.
- 3.4 As previously reported, the long term financial projection report provided members with a high level 10 year forecast (appendix 2 of attached report), which projects increasing budget gaps going forward. Currently the Assessor and finance officers are working to update the draft 2020/21 estimates with a view to reviewing the 10 year forecast thereafter.

The revenue budget for 2020/21 onwards has been refreshed and current draft projections are indicating a decrease in the 2020/21 budget gap to £0.144m from the £0.292m previously projected. The draft estimates for 2020/21 (Appendix 3) assumes a standstill contribution from constituent authorities and Barclay Review contribution of £0.207m.

- 3.5 As noted in Appendix 3, when the budget was agreed for 2019/20, the reserves were expected to reduce by £0.162m to balance the net budget position. Current draft projections indicate that there is likely to be a net favourable in year position of £0.112, resulting in the reserve decreasing by only £0.051m by the year end. This would result in a year end reserve position of £0.501m, with prudential reserves of £0.100m leaving £0.401m available reserves.

The current draft 20/21 estimates indicate the use of £0.144m revenue reserves to balance the net budget position, and with £0.100m prudential reserves, leaving £0.256m available reserves.

- 3.6 Officers recognise the difficult financial climate facing public services and will continue to seek efficiencies where possible.

4. Risk Analysis

- 4.1 There are a number of assumptions within the draft 2020/21 estimates. These assumptions (e.g. Barclay Review Funding) may lead to additional burdens if they do not come to the conclusion anticipated. Alternatively, other factors including additional grant funding, may be identified which will have a positive effect on the current projections. Officers will monitor on an ongoing basis and update the Board and the Financial Strategy as appropriate.

5. Conclusions and Recommendations

- 5.1 The Working Group is requested to:

- a. Note the projected outturn for the current financial year;
- b. Note the improved reserve position; and
- c. consider the information presented for future years and a strategy over the next three financial years.

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Stephen West
Treasurer
Date: 29 November 2019

Person to Contact: Joanne Thomson, Accountant,
West Dunbartonshire Council
Telephone (01389) 737875.

Appendix 1 Revenue Estimates 2019/20 and Indicative
Estimates 20/21 and 2021/22 (as reported to the
Working Group 3 May 2019).

Appendix 2 Detailed estimates 2019/20 & Indicative 2020/21
2021/22 (as reported to the Working Group 3 May
2019).

Appendix 3 Probable Outturn 19/20 & Indicative estimates
2020/21.

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

Report by Treasurer

Valuation Joint Board – Working Group – 3 May 2019

**Subject: Revenue Estimates 2019/2020 and Indicative Estimates
2020/21 and 2021/22**

1. Purpose of Report

- 1.2** The purpose of this report is to detail information regarding the current financial forecasts for consideration previously reported to the Board within the Estimates 2019/20 Report.

2. Background

- 2.1** The Board on 1 March 2019 agreed to set up a Member/ Officer Working Group to consider the forecast financial position of the Board, the burdens being faced by the Board currently and into the future, with a view to agreeing a longer term financially sustainable position.

- 2.5** The purpose of this short life working group is:

- (c) To ensure that the VJB is being as efficient as possible and has considered all potential approaches to cost saving (which maintain level/quality of service); and
- (d) To consider the future funding levels given the significant change arising from Barclay and other future changes, cost pressures, etc.

Historic cost pressures

- 2.3** As previously reported to the Board, the Board has been subject to a number of additional statutory duties and responsibilities over the past few years, including:
- The designation of the Assessor for the DABVJB as being responsible for the valuation of Gas Utility subjects across all-Scotland in 2005. This currently is reflected in entries amounting to £109.6million being made in the West Dunbartonshire Valuation Roll;
 - Introduction of Absent Votes on demand and the requirement to maintain and refresh records of personal identifiers on a cyclical basis (2008);

- The Freedom of Information (Scotland) Act, which came into effect in January 2005, the Public Records (Scotland) Act (2011), the European General Data Protection Regulations and the Data Protection Act (2018) all introduced new duties and responsibilities in relation to the data and information held by the Assessor and ERO;
- Re-introduction of a mandatory annual door-to-door electoral canvass to follow-up on all non-returned canvass enquiry forms (this came into effect 2012, following legal interpretation and the introduction of performance standards by the EC);
- The introduction of Individual Electoral Registration in the period 2014 to 2016 replacing the old household application process;
- The extension of the franchise for Scottish and Local Government elections to 16 and 17 year-olds (formally added to the register 2015);and
- The re-introduction of Shooting Rights and Deer Forests to the Valuation Roll adding some 820 new subjects (and increase of 5.6%) to the Valuation Rolls for the DABVJB area effective from April 2017.

2.4 Also previously reported, other non-statutory pressures which have added to the financial pressures on the VJB include:

- The Pay Modernisation/Single Status process resulted in increased wage costs;
- Recent national pay awards have been in excess of expectation;
- An actuarial adjustment of employer pension contributions from 19.3% to 23.3% in 2018/19 resulting in an annual cost increase of £63,000;
- The loss of West Dunbartonshire Council as tenants of part of 235 Dumbarton Road, Clydebank in March 2016 and the resultant liability for non-domestic rates charges for unoccupied property. The combined result of these changes were a loss in rental and service charge income of around £23,500 and an increase in rates and other expenditures of around £8,000 (the office space has been advertised but as yet no potential tenants have been identified);
- The introduction and development of the Scottish Assessors' web portal;
- Increasing expectations of service users that their service will be immediate and/or provided digitally; and
- A number of cost pressures arise from operating two separate offices which are so geographically distant from each other.

Efficiencies

2.5 Also previously reported, over the same time period, a range of actions have been taken and efforts have been made to off-set increasing costs. These include:

- The FTE staffing level has been reduced from 64 in 2006 to 50 currently - a drop of almost 22%;
- Various changes have been made to management structures including a reduction from two Depute Assessor & EROs to one, three Divisional Assessors to two and three Admin Supervisors to two. Overall the Management Team has been reduced from eight members to five;
- The cost of permanent staff salaries, including overtime, has been reduced in actual monetary terms and by ~35% in real terms (RPI) since 2005/06;
- Where vacancies arise, replacing qualified staff with trainees;
- Increased use of flexible working, with around 30% of our staff having a working pattern of fewer than 35 hours resulting in a reduction to the overall FTE/salary expenditure;
- Reduction in IT team from three to two members;
- Moving to an external print & mail contract for most outgoing mail;
- There has been a very significant move to using e-mail for outgoing mail across all services;
- A reduction in the number of visits made to each household during the annual electoral door-to-door canvass;
- Providing options for making annual canvass returns by phone, text or internet and encouraging the use of these channels;
- Changing from oil fired heating to gas fired heating in our Clydebank office, centrally controlling office temperatures and switching utility suppliers;
- Moving additional filing/storage requirement in Campbeltown to cheaper premises;
- Extension of the expected life-cycle of ICT hardware; and
- Removal of desk-top printers and migration to multi-functional print and copy devices.

2.6 On 1 March 2019, the Board agreed the 2019/20 Estimates, with a standstill contribution from constituent authorities through the use of balances of £162,213. The proposed use of reserves results in projected available resources for future use of £314,929 (including the prudential reserve of £100,000).

3. Main Issues

3.1 As previously reported, the Estimates report provided the Board with a high level 10 year forecast (appendix 1), which projects increasing budget gaps going forward, if no action is taken. Also as previously reported, currently, estimates for 2020/21 and 2021/22 identify budget gaps of £292,720 in 2020/21 and

£440,994 (cumulative) in 2021/22, assuming standstill contributions from authorities (appendix 2).

- 3.2 A significant issue for constituent authorities is that funding to them from the Scottish Government has been reducing over a number of years and Directors of Finance in these authorities will always seek to ensure “value for money” in relation to the funding paid to the VJB as the requisition.
- 3.3 There are clear ongoing cost pressures facing the VJB arising from pay awards, new legislation/regulations, etc. and constituent authorities will be keen to understand the impacts of these on future costs, whether they are funded from Government, etc.
- 3.4 Consideration of the above and of potential opportunities for any further efficiencies within the VJB will provide clarity for the VJB and constituent authorities as to what can realistically be expected and required in terms of service delivery, costs and requisitions.

4. Risk Analysis

- 4.1 There are a number of assumptions within the draft budget and Finance Strategy. These assumptions (e.g. cost of valuation appeals; grant anticipated from the UK Government/Cabinet Office and Barclay funding) may lead to additional burdens if they do not come to the conclusion anticipated. Alternatively, additional grant funding may be identified which will have a positive effect on the current projections. Officers will monitor on an ongoing basis and update the Board and the Financial Strategy as appropriate.

5. Conclusions and Recommendations

- 5.2 The Working Group is requested to consider the information presented in the report and consider what information (financial and non financial) and/or actions they would like to be presented to a future Working Group meeting for further scrutiny and consideration.

Stephen West

Treasurer

Date: 19 April 2019

Person to Contact: Gillian McNeilly, Finance Manager, West
Dunbartonshire Council
Telephone (01389) 737194

Appendix 1 Long Term Financial Projections
Appendix 2 Detailed estimates 2019/20 & Indicative 2020/21
2021/22

Appendix 1

Longer Term Financial Projections

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

	NET EXPENDITURE £000	STANDSTILL COUNCIL CONTRIBUTION £000	RESERVES £000	INDICATIVE BUDGET GAP £000
DRAFT BUDGET 2019/20	2,773	(2,611)	(162)	0
INDICATIVE BUDGET 2020/21	2,904	(2,611)	0	292
INDICATIVE BUDGET 2021/22	3,052	(2,611)	0	441
INDICATIVE BUDGET 2022/23	3,185	(2,611)	0	574
INDICATIVE BUDGET 2023/24	3,268	(2,611)	0	657
INDICATIVE BUDGET 2024/25	3,382	(2,611)	0	771
INDICATIVE BUDGET 2025/26	3,467	(2,611)	0	856
INDICATIVE BUDGET 2026/27	3,554	(2,611)	0	943
INDICATIVE BUDGET 2027/28	3,643	(2,611)	0	1,032
INDICATIVE BUDGET 2028/29	3,735	(2,611)	0	1,124

Assumptions:

- Staff turnover 3%
- Payaward to 2021/22 3%
- Payaward 2022/23 onwards 2.75% increase
- Protected lines – inflation 2022/23 onwards 3% increase
- Council contributions standstill
- No further budget changes/ burdens / efficiencies have been included for 2022/23 onwards at this stage
- Additional projected costs/ income for the implementation of Barclay have also been included

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

Report by Assessor & ERO

Valuation Joint Board – Working Group – 3 May 2019

**Subject: Revenue Estimates 2019/2020 and Indicative Estimates
2020/21 and 2021/22**

1. Purpose of Report

- 1.1** The purpose of this report is to supplement the Treasurer's report to the Working Group by providing further information regarding the financial pressures on the Joint Board arising from Non-Domestic Rates Reform.

2. Background

- 2.1** On 1 March 2019 the Joint Board agreed to set up a Member/Officer Working Group to consider the forecast financial position of the Board, the financial and non-financial burdens being faced by the Board currently and into the future, with a view to agreeing a longer term financially sustainable position.
- 2.6** The purpose of this short life working group is:
- (e) To ensure that the VJB is being as efficient as possible and has considered all potential approaches to cost saving (which maintain level/quality of service); and
 - (f) To consider the future funding levels given the significant change arising from Barclay and other future changes, cost pressures, etc.
- 2.3** The Treasurer's report identifies some of the efficiency savings made and some of the additional financial and operational pressures which have challenged the Board in recent years. The purpose of this report is to expand on the current and future pressures arising from the proposed changes to the Non-Domestic Rates (NDR) system arising, largely, from the recommendations of the Barclay Review.

The Barclay Review

- 2.4** In 2016, the Scottish Ministers commissioned Ken Barclay to carry out an independent review of the non-domestic rates system in Scotland (“The Barclay Review”) with the following remit:
- “To make recommendations that seek to enhance and reform the non-domestic rates (also sometimes referred to as business rates) system in Scotland to better support business growth and long term investment and reflect changing market places, whilst still retaining the same level of income to deliver local services upon which businesses rely.”
- 2.5** The 2017 Report of the Barclay Review of Non-domestic Rates (“the Barclay Review Report”) contained 30 individual recommendations on how the rates system could be reformed in Scotland. On 12 September 2017, the Cabinet Secretary for Finance and the Constitution made a statement in the Scottish Parliament outlining substantive responses to 25 of the Barclay Review recommendations, accepting the vast majority and choosing to add further measures to support investment and growth.
- 2.6** Subsequently, the Scottish Government ran a three month public consultation, “Barclay Implementation: A consultation on non-domestic rates reform”, from 25th June to 17th September 2018 to seek views on the specific details of how the legislation underpinning several of the Barclay Review recommendations would work in a number of areas.
- The Non-Domestic Rates (Scotland) Bill
- 2.7** In February 2019 the Minister for Public Finance and Digital Economy announced the outcome of the consultation exercise and confirmed the provisions that would to be included in the draft Non-Domestic Rates (Scotland) Bill.
- 2.8** On 25 March 2019 the Scottish Government introduced the Non-Domestic Rates (Scotland) Bill along with Explanatory Notes, a Financial Memorandum and a statement on the legislative competence of the Bill. The Bill contains several of the provisions required to implement Barclay recommendation but further secondary legislation will be required to effect much of the detail.

- 2.9** The main changes to the NDR system included in the Bill, which affect the Assessor, are:-
- * Revaluations are to be effective every 3 years from 2022.
 - * The Valuation Roll will be required to mark new and improved properties to assist in the application of the “Business Growth Accelerator”.
 - * Certain properties located in public parks will be entered into the valuation roll for the first time.
 - * The current appeals system will be replaced by a 2-stage proposals and appeals process.
 - * New civil penalties are to be introduced for non-provision of information.
- 2.10** As well as providing more detail on the operation of the above, secondary legislation is expected to include a requirement to check that Self-Catering Units are actually let for 70 days in any year.
- 2.11** It is expected that the Scottish Government will separately require that Assessors provide ratepayers with information on how their Rateable Values have been arrived at and that there is much increased consultation with ratepayer representatives on valuation methods in advance of each Revaluation.

3. Financial Pressures

- 3.1** The Barclay Review Report recognised that several of its recommendations would have resource implications for Assessors.
- 3.2** The Financial Memorandum which was published with the Bill, recognises this and projects potential costs nationally as follows (£millions):-

Year	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Staffing	2.07	3.95	4.52	4.86	5.12	5.46	26.0
ICT	0.26	0.46	0.46	0.23	0.22	0.28	1.9
Portal	0.12	0.12	0.12	0.13	0.12	0.12	0.7
Other	0.05	0.07	0.08	0.09	0.08	0.09	0.5
Total	2.50	4.60	5.18	5.31	5.54	5.95	29.1

- 3.3** The costs above assume a 25% fall in appeal volumes following the 2022 Revaluation (compared to 2017), though Scottish Government has not yet indicated how this reduction would be achieved.
- 3.4** As many of the details of the forthcoming legislation are not yet known it remains difficult to be precise in projecting both specific requirements and costs.

3.5 Notwithstanding the above, it is clear that delivery of 3-yearly Revaluations and the various other miscellaneous changes can only be achieved through investment in people and development of ICT systems. Current market conditions are such that the Joint Board is very unlikely to attract qualified surveyors, so graduates or trainees will need to be recruited, preferably in 2019, in order that they are qualified and suitably experienced by, or around, 2022. Further, the Joint Board's current valuation activities are heavily dependent on a legacy ICT system which will need to be developed significantly to meet future needs. It is therefore probable an additional programmer/analyst resource will be required.

3.6 Based on an initial assessment of need, the likely costs to the Joint Board of the necessary changes were projected as follows:-

Year	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Staff	125,000	160,910	209,650	284,400	298,100	314,000
ICT		15,000	25,000	10,000	10,000	35,000
Portal	7,500	7,500	7,500	7,500	7,500	7,500
Other				2,000	2,000	2,000
Totals	132,500	183,410	242,150	303,900	317,600	358,500

It should be noted that these projections assume that the current 'base' staffing levels are maintained and do not include the same assumption of a 25% reduction in appeal volumes as was made in the table at 3.2 above.

3.7 The figures at 3.6 above will be subject to review as requirements become clearer. Indeed, the 19/20 projected costs are more likely to be significantly less than the £132,500 indicated above.

3.8 The Scottish Government's Local Government Finance Circular No.2/2019 which provides for the 2019/20 Local Government Settlement indicated additional funding for Assessor implementation of Barclay as follows:-

Authority	Funding
Argyll & Bute Council	£62,000
East Dunbartonshire Council	£30,000
West Dunbartonshire Council	£32,000
Total	£124,000

- 3.9** The budget approved by the Joint Board on 1 March 2019 included an assumption of £125,000 of additional funding for 2019/20 and projected a similar amount for 2020/21 and 2021/22. It should be noted, however, that, despite the Financial Memorandum to the NDR Reform Bill including an increasing cost into the future, no formal Government commitment has been given to provide Assessors with specific funding beyond 2019/20.

4. Conclusion

- 4.1** Although the Joint Board currently has a funding gap in its projected estimates and is under some pressure to reduce expenditure, there is a very real likelihood of an increased need for significant additional funding on staff and ICT in the coming years. Without any commitment from Government to meet these costs, the Joint Board will need to consider how these additional funding pressures are addressed.

David C Thomson

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David Thomson
Assessor & ERO

Date: April 2019

Person to Contact: David Thomson
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e-mail: david.thomson@dab-vjb.gov.uk
Tel: 0141 562 1260

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD
ESTIMATES 2019/20 AND INDICATIVE ESTIMATES 2020/21 TO 2021/22

APPENDIX 2

2017/18		2018/19			2019/20	2020/21	2021/22
OUTTURN	DESCRIPTION	ESTIMATE	PERIOD 10 ACTUAL	REVISED PROBABLE OUTTURN	DRAFT	INDICATIVE	INDICATIVE
					TOTAL ESTIMATE	TOTAL ESTIMATE	TOTAL ESTIMATE
£		£	£		£	£	£
1,544,223	APT&C - SALARIES	1,595,429	1,276,800	1,573,896	1,679,203	1,783,100	1,881,228
3,994	APT&C - OVERTIME	3,000	0	0	1,000	3,000	3,000
57,888	APT&C - TEMP	60,000	0	56,155	56,000	30,000	30,000
268,066	APT&C - SUPERANN	350,735	257,710	343,184	362,708	385,150	406,345
154,086	APT&C - N.I.	156,352	120,270	154,089	170,050	177,684	187,300
3,411	TRAINING COSTS	2,800	5,730	5,730	7,800	6,100	6,300
47,105	TRAVEL & SUBSISTENCE	45,000	33,002	45,000	45,000	45,000	45,000
218	OTHER EMPLOYEE COSTS	2,000	2,984	2,000	2,000	2,000	2,000
6,720	PENSION INCREASES	8,500	13,981	10,550	11,500	11,500	11,500
19,043	ILL-HEALTH RET'MENT PREMIUMS	21,000	23,171	23,171	28,546	30,313	31,981
2,104,755	EMPLOYEE COSTS	2,244,816	1,733,648	2,213,775	2,363,808	2,473,846	2,604,654
42,756	RATES	48,500	41,836	41,836	43,048	44,339	45,669
200	FURNITURE & FITTINGS	1,000	0	100	1,000	1,000	1,000
8,594	ELECTRICITY	10,500	4,396	9,500	10,500	11,550	12,705
9,099	GAS	9,000	4,623	9,000	9,450	9,923	10,419
17,835	CONTRACT CLEANING	18,204	18,225	22,900	23,587	24,295	25,023
5,000	OFFICE ACCOMMODATION	5,000	(5,980)	(3,980)	2,000	2,000	2,000
12,112	REPAIRS & MAINTENANCE	15,000	2,028	15,000	15,000	15,000	15,000
4,541	OTHER PROPERTY COSTS	5,000	1,182	5,000	5,000	5,000	5,000
100,137	PROPERTY COSTS	112,204	66,310	99,356	109,585	113,106	116,816
92	CLOTHING UNIFORMS ETC	300	49	100	300	300	300
580	COMPUTER EQUIPMENT	0	0	0	0	0	0
152	OFFICE EQUIPMENT	250	414	414	250	250	250
4,925	COMPUTER LICENCES	8,400	6,033	8,400	13,000	16,330	26,820
5,907	MACHINE RENTAL / LEASE	9,300	7,845	8,000	7,200	7,416	7,638
2,629	OTHER S & S	2,500	694	2,300	2,500	2,500	2,500
0	ICT CONSULTANCY	0	0	0	2,000	0	0
14,285	SUPPLIES & SERVICES	20,750	15,036	19,214	25,250	26,796	37,508
7,110	AUDIT FEES & OUTLAYS	7,200	2,440	7,200	7,320	7,540	7,766
7,110	PAYMENTS TO OTHER BODIES	7,200	2,440	7,200	7,320	7,540	7,766
14,285	PRINTING	18,000	6,456	12,000	14,000	14,000	14,000
18,069	STATIONERY	23,000	17,366	22,000	20,000	19,000	19,000
113,928	POSTAGES	130,000	99,348	120,000	120,000	100,000	100,000
15,172	TELEPHONES	20,500	12,737	19,000	20,500	21,000	23,000
8,284	TELEPHONES/INTERNET REG.	8,700	8,909	8,909	9,500	9,500	9,500
5,052	BOOKS & PUBLICATIONS	5,000	4,666	5,000	6,000	6,000	6,000
2,800	LAND VAL. APPEAL COURT	6,000	2,075	2,075	6,000	5,000	5,000
26,647	ELECTORAL SYSTEM SUPPORT	27,458	21,140	21,140	28,229	29,076	29,948
4,961	ELECTORAL PARTICIPATION	6,000	6,379	6,379	6,000	6,000	6,000
128,054	CENTRAL ADMIN COSTS	125,493		125,493	122,983	122,983	122,983
12,618	INSURANCE	13,300	16,651	13,000	12,800	13,184	13,580
6,524	OTHER ADMIN COSTS	12,000	9,730	12,000	19,500	19,500	19,500
356,394	ADMIN COSTS	395,451	205,458	366,996	385,512	365,243	368,511

2017/18		2018/19			2019/20	2020/21	2021/22
		ESTIMATE	PERIOD 10 ACTUAL	REVISED PROBABLE OUTTURN	DRAFT	INDICATIVE	INDICATIVE
OUTTURN	DESCRIPTION				TOTAL ESTIMATE	TOTAL ESTIMATE	TOTAL ESTIMATE
£		£	£		£	£	£
5,653	COURSES & CONFERENCES	6,000	2,605	6,000	6,000	6,000	6,000
775	MISCELLANEOUS	810	1,200	1,200	810	810	810
44,287	VALUATION APPEALS PANEL	45,000	19,723	45,000	45,000	40,000	40,000
20	TEMPORARY INTEREST	(100)	0	0	(100)	(100)	(100)
50,735	OTHER EXPENDITURE	51,710	23,528	52,200	51,710	46,710	46,710
2,633,416	GROSS EXPENDITURE	2,832,130	2,046,419	2,758,741	2,943,184	3,033,241	3,181,965
1,800	RENTAL INCOME	1,800	900	1,800	1,800	1,800	1,800
8,560	SALES FEES & CHARGES	2,500	5,832	5,832	3,000	3,000	3,000
70,321	GOVERNMENT GRANT	60,000	47,818	66,022	40,000	0	0
80,681	GROSS INCOME	64,300	54,551	73,654	44,800	4,800	4,800
2,552,735	NET EXPENDITURE	2,767,830	1,991,868	2,685,087	2,898,384	3,028,441	3,177,165
(2,664,460)	CONSTITUENT CONTRIBUTION - STANDSTILL	(2,611,171)		(2,611,171)	(2,611,171)	(2,611,171)	(2,611,171)
	CONSTITUENT CONTRIBUTION - BARCLAY	0		0	(125,000)	(125,000)	(125,000)
	TRANSFER TO/(FROM) RESERVES	(156,659)		(73,916)	(162,213)	0	0
	BUDGET GAP/ (SURPLUS)	0		0	0	292,270	440,994

RESERVES BROUGHT FORWARD	(551,058)	(551,058)	(477,142)
TRANSFER TO/ FROM RESERVES IN YEAR	156,659	73,916	162,213
RESERVES CARRIED FORWARD	(394,399)	(477,142)	(314,929)
PRUDENTIAL TARGET	(100,000)	(100,000)	(100,000)
EXCESS RESERVES FROM PRUDENTIAL TARGET	(294,399)	(377,142)	(214,929)

DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOAR
ESTIMATES 2020/21

Appendix 3

2018/19		2019/20				REVISED 2020/21		
OUTTURN	DESCRIPTION	ESTIMATE	PERIOD 7 ACTUAL	PROBABLE OUTTURN	VARIANCE	BASE BUDGET	DRAFT BARCLAY	DRAFT TOTAL
£		£	£	£	£	£	£	£
1,570,190	APT&C - SALARIES	1,669,204	978,408	1,588,389	(80,815)	1,543,999	132,958	1,676,957
22	APT&C - OVERTIME	11,000	11,000	11,000	0	1,000	2,300	3,300
51,475	APT&C - TEMP	56,000	2,000	59,000	3,000	34,000		34,000
326,147	APT&C - SUPERANN	362,708	177,495	345,147	(17,561)	362,840	31,245	394,085
154,271	APT&C - N.I.	170,050	94,378	161,817	(8,233)	157,295	11,966	169,261
5,730	TRAINING COSTS	7,800	5,730	5,730	(2,070)	9,000		9,000
41,020	TRAVEL & SUBSISTENCE	45,000	21,817	47,000	2,000	45,000		45,000
97	OTHER EMPLOYEE COSTS	2,000	2,000	2,000	0	2,000		2,000
10,550	PENSION INCREASES	11,500	1,500	11,500	0	11,500		11,500
23,171	ILL-HEALTH RET'MENT PREMIUMS	28,546	50,317	50,317	21,771	51,000	1,955	52,955
2,182,672	EMPLOYEE COSTS	2,363,808	1,344,646	2,281,900	(81,908)	2,217,633	180,425	2,398,058
41,836	RATES	43,048	35,564	43,048	0	44,339		44,339
0	FURNITURE & FITTINGS	1,000	126	500	(500)	500		500
9,648	ELECTRICITY	10,500	3,284	10,130	(370)	10,637		10,637
8,513	GAS	9,450	2,277	7,857	(1,593)	8,250		8,250
22,647	CONTRACT CLEANING	23,587	12,911	23,553	(34)	24,259		24,259
(5,980)	OFFICE ACCOMMODATION	2,000	0	2,000	0	2,000		2,000
5,584	REPAIRS & MAINTENANCE	15,000	996	15,000	0	15,000		15,000
1,238	REFUSE COLLECTION	0	0	1,288	1,288	1,339		1,339
3,692	OTHER PROPERTY COSTS	5,000	1,277	4,500	(500)	4,000		4,000
87,178	PROPERTY COSTS	109,585	56,435	107,876	(1,709)	110,325	0	110,325
49	CLOTHING UNIFORMS ETC	300	196	196	(104)	300		300
414	OFFICE EQUIPMENT	250	271	271	21	250		250
6,033	COMPUTER LICENCES	13,000	5,122	12,985	(15)	11,330	5,000	16,330
8,138	MACHINE RENTAL / LEASE	7,200	2,238	7,200	0	7,438		7,438
1,700	OTHER S & S	2,500	756	2,500	0	2,500		2,500
0	ICT CONSULTANCY	2,000	0	3,000	1,000	0		0
16,334	SUPPLIES & SERVICES	25,250	8,583	26,152	902	21,818	5,000	26,818
7,390	AUDIT FEES & OUTLAYS	7,320	0	7,320	0	7,540		7,540
7,390	PAYMENTS TO OTHER BODIES	7,320	0	7,320	0	7,540	0	7,540

2018/19		2019/20				REVISED 2020/21		
OUTTURN	DESCRIPTION	ESTIMATE	PERIOD 7 ACTUAL	PROBABLE OUTTURN	VARIANCE	BASE BUDGET	DRAFT BARCLAY	DRAFT TOTAL
£		£	£	£	£	£	£	£
3,872	PRINTING	14,000	4,550	10,000	(4,000)	10,000	1,500	11,500
18,141	STATIONERY	20,000	16,768	22,000	2,000	18,000	1,000	19,000
115,086	POSTAGES	120,000	95,656	128,000	8,000	105,000	8,500	113,500
17,130	TELEPHONES	20,500	9,700	18,931	(1,569)	24,000		24,000
8,909	TELEPHONES/INTERNET REG.	9,500	9,831	10,300	800	6,000		6,000
5,256	BOOKS & PUBLICATIONS	6,000	2,455	6,000	0	6,000		6,000
2,075	LAND VAL. APPEAL COURT	6,000	0	2,000	(4,000)	14,000		14,000
21,140	ELECTORAL SYSTEM SUPPORT	28,229	22,167	22,167	(6,062)	22,832		22,832
6,379	ELECTORAL PARTICIPATION	6,000	1,546	3,000	(3,000)	3,000		3,000
125,403	CENTRAL ADMIN COSTS	122,982	0	122,982	0	122,982		122,982
12,521	INSURANCE	12,800	12,800	14,800	2,000	13,997		13,997
11,075	OTHER ADMIN COSTS	19,500	9,100	19,500	0	12,000	5,850	17,850
351,038	ADMIN COSTS	385,511	187,636	384,385	(1,126)	357,811	16,850	374,661
3,875	COURSES & CONFERENCES	6,000	1,416	3,500	(2,500)	4,000		4,000
1,200	MISCELLANEOUS	810	2,275	2,275	1,465	810		810
35,222	VALUATION APPEALS PANEL	45,000	14,449	45,000	0	45,000		45,000
841	TEMPORARY INTEREST	(100)	0	(100)	0	(100)		(100)
41,138	OTHER EXPENDITURE	51,710	18,140	50,675	(1,035)	49,710	0	49,710
2,685,750	GROSS EXPENDITURE	2,943,184	1,615,440	2,858,308	(84,876)	2,764,836	202,275	2,967,110
1,800	RENTAL INCOME	1,800	950	1,900	(100)	2,000		2,000
7,307	SALES FEES & CHARGES	3,000	5,809	7,500	(4,500)	7,500		7,500
66,022	GOVERNMENT GRANT	40,000	62,721	62,721	(22,721)	0		0
75,129	GROSS INCOME	44,800	69,480	72,121	(27,321)	9,500	0	9,500
2,610,621	NET EXPENDITURE	2,898,384	1,545,960	2,786,187	(112,197)	2,755,336	202,275	2,957,610
(2,611,171)	CONSTITUENT CONTRIBUTION	(2,611,171)		(2,611,171)	0	(2,611,171)		(2,611,171)
	CONSTITUENT CONTRIBUTION - BARCLAY	(125,000)		(124,000)	1,000	0	(202,275)	(202,275)
	TRANSFER TO/(FROM) RESERVES	(162,213)		(51,016)	111,197	(144,165)	0	(144,164)
	BUDGET GAP/ (SURPLUS)	0		0	(0)	(0)	(0)	0

RESERVES BROUGHT FORWARD	(551,609)	(551,609)	(500,593)	(500,593)
TRANSFER TO/ FROM RESERVES IN YEAR	162,213	51,016	144,165	0
RESERVES CARRIED FORWARD	(389,396)	(500,593)	(356,428)	0
PRUDENTIAL TARGET	(100,000)	(100,000)	(100,000)	(100,000)
EXCESS RESERVES FROM PRUDENTIAL TARGET	(289,396)	(400,593)	(256,428)	0

DUNBARTONSHIRE AND ARGYLL AND BUTE VALUATION JOINT BOARD

Report by Assessor & ERO

Valuation Joint Board – Working Group – 6 December 2019

Subject: Budget Gap – Operational Update

1. Purpose of Report

- 1.1** The purpose of this report is to provide an update to Members on the issues affecting the Joint Board's current and projected budget gaps, including the pressures on the Joint Board arising from Non-Domestic Rates Reform.

2. Background

- 2.1** On 1 March 2019 the Joint Board agreed to set up a Member/Officer Working Group to consider the forecast financial position of the Board, the financial and non-financial burdens being faced by the Board currently and into the future, with a view to agreeing a longer term financially sustainable position.

- 2.2** At its meeting on 3 May 2019, the Working Group discussed papers by the Treasurer and the Assessor & ERO on :-

- (a) the financial challenges faced by the Joint Board and the efficiencies made in recent years; and
- (b) future pressures arising primarily from the proposed changes to the Non-Domestic Rates (NDR) system

- 2.3** The purpose of this report is to provide:

- (a) An update on the progress of the Non-Domestic Rates (Scotland) Bill and the financial implications arising;
- (b) An update on the progress of changes to the Electoral Registration system and their potential effects; and
- (c) Information on miscellaneous other matters affecting the financial position of the Joint Board.

3. The Current Position

The Barclay Review/NDR Reform

- 3.1** The Non-Domestic Rates (Scotland) Bill has completed Stage 1 of its progress through the Scottish Parliament. A significant number of amendments have been proposed at Stage 2, including a tranche from the Scottish Government which might be expected to be adopted. Some of these amendments are significant to the overall structure of and timetables for delivery of the new system and will require our planning assumptions to be revised.

- 3.2** No secondary legislation has yet been drafted so much of the detail of the new system, including the proposals and appeals process, is not yet known.

Electoral Registration Reform

- 3.3** The Representation of the People (Annual Canvass) (Amendment) Regulations 2019, which introduce various reforms to the annual electoral household canvass, have been passed by the UK Parliament and will come into effect for UK Parliamentary registers for the 2020 canvass. The Representation of the People (Annual Canvass)(Amendment) Scotland Regulations 2019 are expected to be introduced to the Scottish Parliament shortly and will bring in equivalent provisions for the local government registers.
- 3.4** The intention of the above is to introduce a model for the canvass which will have data matching (local and national) steps at the start, and will then allow a mixture of postal, email, telephone and light touch contacts where most appropriate. This will allow greater discretion for EROs to shape the canvass to activities which best suit local circumstances.
- 3.5** Scottish Ministers introduced the Scottish Elections (Franchise and Representation) Bill in Parliament on 20 June 2019. This Bill proposes changes to those allowed to vote in Scottish Parliament and Local Government Elections to include all those resident in Scotland and prisoners who are serving sentences of 12 months or less. It is expected that this will come into effect during the 2020/21 financial year requiring the details of all newly eligible residents and prisoners to be 'captured' and added to the registers.

Miscellaneous Issues affecting Joint Board Finances

- 3.6** A number of retirements and resignations have enabled savings to be made in relation to salaries during 2019/20 and some of these can be projected forward into future years.
- 3.7** The administration of 2 unscheduled electoral events during the 2019/20 financial year has increased workloads and volumes of correspondence issued.
- 3.8** Additional 'fidelity guarantee' insurance had to be taken out as a result of the incumbent insurer's unwillingness to accept the Joint Board's ICT security arrangements.
- 3.9** Two significant court cases had a direct effect on the Joint Board's pension liabilities and required two additional actuarial valuations to be carried out to allow the 2019/20 Annual Accounts to be adjusted to reflect these new liabilities.

4. Financial Issues

The Barclay Review/NDR Reform

- 4.1 As many of the details of the forthcoming legislation are not yet known it remains difficult to be precise in projecting both specific requirements and costs.
- 4.2 Notwithstanding the above, it is clear that delivery of 3-yearly Revaluations and the various other miscellaneous changes can only be achieved through investment in people and development of ICT systems.
- 4.3 Scottish Government provided Councils with additional grant to meet the requirements of the NDR reform agenda in 2019/2020 and, as a result of this process, the Joint Board received an additional £124,000 of funding.
- 4.4 Current projections of 'additional expenditure' on NDR Reform in the current year are estimated to be around £82,500, though this does not include time spent on reforms by existing staff. It is unclear what action Scottish Government might propose in relation to this underspend against original provision.
- 4.5 Scottish Government recently requested that Assessors review their estimates of additional future expenditure likely to be required to deliver on NDR Reform. The following is the best estimate of requirement which was provided to Scottish Government, albeit the submission was made prior to the publication of the proposed Stage 2 amendments.

Year	2020/21	2021/22	2022/23	2023/24	2024/25
Staff	£182,769	£211,043	£236,746	£250,473	£264,632
ICT	£3,800	£20,000	£5,000	£5,000	£30,000
Portal	£5,850	£5,850	£5,850	£5,850	£5,850
Other	£15,000	£8,000	-	-	-
Totals	£207,419	£244,893	£247,596	£261,323	£300,482

- 4.6 The figures at 4.5 above will be subject to review as requirements become clearer. It is to be noted, however, that Government has not committed to providing any direct funding for future years albeit there is recognition in the Financial Memorandum to the Bill that the estimated costs to Assessors of implementation will be in the range £4.60million to £5.95million over the period 2020/21 to 2024/25.

Electoral Registration Reform

- 4.7 The Canvass Reform proposals which will, subject to Scottish Parliamentary approval, be implemented in 2020 should bring about savings over the current format of the canvass. Current projections, which must be considered as approximations at this stage, are contained below.

Budget Line	Estimated Saving
Printing	£600
Stationery	£4,000
Postage	£21,000
Canvasser Salaries	£25,000
Electronic Returns	£3,500
Total	£54,100

- 4.8** The above must, however, be viewed in the context of the direct Cabinet Office (CO) grant funding which the ERO has received since the implementation of Individual Electoral Registration in 2014. The funding received in the current year amounts to £62,721 and the CO has advised that no funding will be provided beyond the current financial year..
- 4.9** The extension of the franchise for elections in Scotland will require the initial capture of all newly eligible residents and prisoners and will result in an expansion of the registers. The Scottish Government has indicated that it will fund the necessary development of Electoral Management Systems but here has been no indication of any funding to assist with the additional cost of maintaining a larger register.

Miscellaneous Issues affecting Joint Board Finances

- 4.10** Various resignations, retirements, and other changes to working arrangements in the current year have resulted in projected salary and on-cost savings in the current year of £22,500. When taken with further changes which will take effect in April 2020, savings of around £61,000 are currently projected into 2020/21.
- 4.11** The additional activity in relation to the preparation for electoral events is impossible to extract from normal maintenance costs but it is quite clear that these have been substantial. Further, it is expected that overtime on preparations will exceed £2,000.
- 4.12** The cost of the additional fidelity insurance was £3,164 with £2,109 attributable to 2019/20 and £1,055 set against 2020/21. It is possible that this will be a burden which will persist into future years, though efforts will be made to minimise or remove this overhead through procurement in 2020/21.
- 4.13** The cost of additional actuarial valuations in 2019/20 was £1,500, though this is expected to be a one-off cost.

5. Conclusion

- 5.1** It is clear that implementing NDR Reform continues to present challenges and that its financial effects are significant. The financial position of the Joint Board is therefore very dependent upon 'direct' funding by Scottish Government continuing.

- 5.2** The net financial effects of changes to the annual electoral canvass remain unclear and will largely be dependent upon the public response to the new system.
- 5.3** The Assessor & ERO will continue to monitor the development of legislation and implement change in as efficient a manner as possible.
- 5.4** The Assessor & ERO will also continue to seek improvements to the long-term financial sustainability of the Joint Board as and when opportunities for making savings arise.

David C Thomson

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David Thomson
Assessor & ERO

Date: 2 December 2019

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