



*Dunbartonshire and Argyll & Bute  
Valuation Joint Board*

Council Offices  
16 Church Street  
Dumbarton  
G82 1QL

25 February 2020

Dear Sir/Madam

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

You are requested to attend a meeting of the above Joint Board to be held in  
**The Pillar Room, Victoria Halls, Sinclair Street, Helensburgh G84 8TU at 11.00  
a.m. on Friday, 6 March 2020.**

The business is as shown on the enclosed agenda.

Tea and coffee will be provided on arrival and a light buffet lunch will be provided after the meeting.

I shall be obliged if you will advise Gabriella Gonda (Tel. 01389 737183, email: [gabriella.gonda@west-dunbarton.gov.uk](mailto:gabriella.gonda@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  
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  
Councillor Sandra Thornton, East Dunbartonshire Council  
Baillie Denis Agnew, West Dunbartonshire Council  
Councillor Jim Brown, West Dunbartonshire Council  
Councillor Jonathan McColl, West Dunbartonshire Council  
Councillor Marie McNair, West Dunbartonshire Council  
Councillor John Millar, West Dunbartonshire Council

All Substitute Councillors for information

Councillor Jim Anderson, Argyll & Bute Council  
Councillor Gordon Blair, Argyll & Bute Council  
Councillor Lorna Douglas, Argyll & Bute Council  
Councillor Jamie McGrigor, Argyll & Bute Council  
Councillor Barbara Morgan, Argyll & Bute Council  
Councillor Ian Dickson, West Dunbartonshire Council  
Provost William Hendrie, West Dunbartonshire Council  
Councillor Daniel Lennie, West Dunbartonshire Council  
Councillor Caroline McAllister, West Dunbartonshire Council

Date of issue: 25 February 2020

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

**FRIDAY, 6 MARCH 2020**

## **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 25 September 2019.

### **4 NON-DOMESTIC RATING AND COUNCIL TAX VALUATION PROGRESS 13 - 16**

Submit report by the Assessor and Electoral Registration Officer advising of the progress in relation to the Assessor's Non-Domestic Rating (NDR) valuation function.

### **5 ELECTORAL REGISTRATION PROGRESS 17 - 20**

Submit report by the Principal Administration Officer providing an update on the current position in relation to Electoral Registration.

### **6 SCHEME OF DELEGATED POWERS 21 - 26**

Submit report by the Clerk to Dunbartonshire and Argyll & Bute Valuation Joint Board seeking approval of a revised Scheme of Delegated Powers.

**7/**

**7 REVIEW OF SUPPORT SERVICES AGREEMENT 27 - 56**

Submit report by the Assessor and Electoral Registration Officer presenting a revised version of the Support Services Agreement between the Joint Board and West Dunbartonshire Council.

**8 WORKFORCE PLANNING 57 - 71**

Submit report by the Assessor and Electoral Registration Officer advising of progress in relation to Workforce Planning within the Joint Board and seeking approval of a Workforce Plan for 2020/21.

**9 PRINT & MAIL SERVICES CONTRACT 73 - 76**

Submit report by the Assessor and Electoral Registration Officer seeking approval to authorise the Assessor & ERO in consultation with the Strategic Lead – Regulatory Services in West Dunbartonshire Council (WDC) to conclude the award of the contract for Dunbartonshire and Argyll & Bute Valuation Joint Board's Print and Mail Services.

**10 REVISED EMPLOYER DISCRETIONS – LOCAL GOVERNMENT PENSION SCHEME (SCOTLAND) AND SALARY SACRIFICE SHARED COST AVCS 77 - 100**

Submit report by the Assessor and Electoral Registration Officer:-

- (a) updating on the review of the Joint Board's Statement of Policy in relation to Pension Scheme Discretions;
- (b) seeking approval of the proposed revisions to the Statement;
- (c) providing details of the amendment to section R17 (1) of the Joint Board's Discretions Policy Statement (Appendix 1) to allow shared cost AVCs (SCAVC) by way of salary sacrifice;
- (d) seeking approval of the above amendment.

**11 AUDIT SCOTLAND'S ANNUAL AUDIT PLAN 2019/20 101 - 113**

Submit report by the Treasurer presenting Audit Scotland's Annual Audit Plan for the audit of financial year 2019/20 to the Board for information.

12/

**12 REVENUE & CAPITAL BUDGETARY CONTROL REPORT  
TO 31 JANUARY 2020 (PERIOD 10) 115 - 121**

Submit report by the Treasurer advising Members on the progress of the revenue budget and the capital programme for 2019/20.

**13 DRAFT FINANCIAL STRATEGY AND REVENUE AND  
CAPITAL ESTIMATES 2020/2021 123 - 149**

Submit report by the Treasurer:-

- (a) seeking approval of the Financial Strategy, the revenue estimates for 2020/21 and the level of constituent authority; requisitions;
  - (b) seeking approval of the draft Capital Estimates for 2020/21; and
  - (c) noting the indicative budget positions for 2021/22 and 2022/23.
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## **DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD**

At a Meeting of the Dunbartonshire and Argyll & Bute Valuation Joint Board held in the Civic Space, 16 Church Street, Dumbarton on Wednesday, 25 September 2019 at 12.05 p.m.

**Present:** Councillors Graham Archibald Hardie, Donald MacMillan\*, and Richard Trail, Argyll & Bute Council; Councillors Jim Gibbons, John Jamieson and Sandra Thornton\*, East Dunbartonshire Council; and Bailie Denis Agnew and Councillors Jim Brown and Jonathan McColl, West Dunbartonshire Council.

\* Arrived later in the meeting.

**Attending:** David Thomson, Assessor and Electoral Registration Officer; Robert Nicol, Depute Assessor and Electoral Registration Officer; Peter Hissett, Clerk to the Valuation Joint Board; Stephen West, Treasurer; Annabel Travers, Procurement Manager; Joanne Thomson, Accountant; and Nuala Borthwick, Committee Officer, West Dunbartonshire Council.

**Also attending:** Richard Smith, Senior Audit Manager and Marie McFadden, Trainee Auditor, Audit Scotland.

**Apologies:** Apologies for absence were intimated on behalf of Councillor Iain Paterson, Argyll & Bute Council; Councillor Vaughan Moody, East Dunbartonshire Council and Councillor Marie McNair, West Dunbartonshire Council.

**Councillor Richard Trail in the Chair**

### **VARIATION IN ORDER OF BUSINESS**

After hearing the Chair, Councillor Trail, the Board agreed to vary the order of business as hereinafter minuted.

### **DECLARATIONS OF INTEREST**

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

## **MINUTES OF PREVIOUS MEETING**

The Minutes of Meeting of the Dunbartonshire and Argyll & Bute Valuation Joint Board held on 28 June 2019 were submitted and approved as a correct record.

Note: Councillors Thornton and McMillan entered the meeting during consideration of the undernoted item.

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

A report was submitted by the Treasurer advising of Audit Scotland's Annual Audit Report to Members and the Controller of Audit 2018/19.

Having heard the Senior Audit Manager, Audit Scotland in further explanation of the report and in answer to Members' questions, the Joint Board agreed to note the contents of the report.

### **ANNUAL REPORT AND FINAL ACCOUNTS FOR YEAR ENDING 31 MARCH 2019**

A report was submitted by the Treasurer presenting the Annual Report and Final Accounts for the year ending 31 March 2019.

Having heard the Accountant in further explanation of the report and in answer to Members' questions, the Joint Board agreed to approve the post-audit Annual Accounts for the year ended 31 March 2019.

### **REVENUE & CAPITAL BUDGETARY CONTROL REPORT TO 31 AUGUST 2019 (PERIOD 5)**

A report was submitted by the Treasurer advising on the progress of both the revenue budget and the capital programme for 2019/2020.

Having heard the Accountant and Assessor and ERO in further explanation of the report and in answer to Members' questions, the Joint Board agreed:-

- (1) to note the favourable revenue variance of £0.152m (5% of the total budget);
- (2) to note the 2019/20 budgetary position of the capital account; and
- (3) to note that it was anticipated that a report on the findings of the Finance Working Group would be reported at the meeting of the Board around March 2020 or thereafter which would hopefully provide a clearer picture on financial requirements for future years and an approach to addressing the current budget gaps



## **NON DOMESTIC RATES AND COUNCIL TAX VALUATION PROGRESS**

A report was submitted by the Assessor and ERO:-

- (a) advising of progress in relation to the Assessor's Non-Domestic Rating (NDR) valuation function;
- (b) advising of progress in relation to disposal of 2017 Revaluation appeals;
- (c) providing an update on progress in relation to Reform of the Non-Domestic rating system; and
- (d) advising of progress in relation to the Assessor's Council Tax valuation function.

Having heard the Assessor and ERO in further explanation of the report, the Joint Board agreed:-

- (1) to note the progress in relation to disposal of Non-Domestic Rating appeals;
- (2) to note the progress in relation to general maintenance of the Valuation Roll;
- (3) to note the progress in relation to the Non-Domestic Rating (Scotland) Bill;
- (4) to note the progress in relation to general maintenance of the Council Tax List; and
- (5) to note the progress in relation to the disposal of Council Tax proposals and appeals.

## **NON DOMESTIC RATES REFORM**

A report was submitted by the Depute Assessor and ERO providing an update on the current position in relation to the Non-Domestic Rates (Scotland) Bill and the wider Non Domestic Rates Reform changes arising from the Barclay Report.

Having heard from both the Assessor and ERO and Depute Assessor and ERO in further explanation of the report and in answer to Members' questions, the Joint Board agreed to note the contents of the report.

## **ELECTORAL REGISTRATION PROGRESS**

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

Having heard the Assessor and ERO in further explanation of the report and in answer to Members' questions, the Joint Board agreed to note the contents of the report.

## **PROPERTY – LEASE OF GRASSED AREA AT 235 DUMBARTON ROAD, CLYDEBANK**

A report was submitted by the Assessor and ERO advising of a new lease agreement for the let of a grassed area at the rear of the Joint Board's offices in Clydebank.

Having heard the Assessor and ERO in further explanation of the report and in answer to Members' questions, the Joint Board agreed to note that a formal lease arrangement has been entered into in respect of grassed area at 235 Dumbarton Road, Clydebank.

## **PUBLIC SECTOR EQUALITY DUTY**

A report was submitted by the Depute Assessor and ERO advising of the publication of The Public Sector Equality Duty Report.

Having heard the Depute Assessor and ERO in further explanation of the report and in answer to Members' questions, the Joint Board agreed to note the contents of the report.

## **REVIEW OF STANDING ORDERS**

A report was submitted by the Clerk to the Joint Board seeking approval of a revised version of the Joint Board's Standing Orders.

Having heard the Clerk in further explanation of the report and in answer to Members' questions, the Joint Board agreed:-

- (1) to approve the revised Standing Orders as appended to the report; and
- (2) to delegate responsibility to the Clerk to make necessary amendments to the appropriate terms of the Standing Orders to reflect any legislative changes arising from the United Kingdom leaving the European Union.

## **UPDATE TO THE VALUATION JOINT BOARD FINANCIAL REGULATIONS**

A report was submitted by the Treasurer seeking approval of a number of amendments to the Board's Financial Regulations.

Having heard the Treasurer in further explanation of the report, the Joint Board agreed:-

- (1) to approve the revised Financial Regulations; and
- (2)/

- (2) to delegate authority to the Treasurer, together with the Strategic Lead – Regulatory, to make necessary amendments to the Financial Regulations should the United Kingdom leave the European Union resulting in subsequent changes to procurement legislation.

### **DATES OF FUTURE MEETINGS**

Members agreed the undernoted dates for future meetings of the Valuation Joint Board:-

- (1) Friday, 6 March 2020 at 11.00 a.m. in Argyll and Bute Council Offices (venue to be confirmed);
- (2) Friday, 19 June 2020 or Friday, 26 June 2020 at 11.00 a.m. in East Dunbartonshire Council Offices (venue to be confirmed); and
- (3) Wednesday, 16 September 2020 at 12 noon in The Civic Space, West Dunbartonshire Council offices, 16 Church Street, Dumbarton G82 3QL.

Members also noted that a meeting of the Finance Working Group would be scheduled on a suitable date in December 2019.

The meeting closed at 12:53 p.m.



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

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 6 March 2020

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**Subject: Non-Domestic Rating and Council Tax Valuation Progress****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.
- 1.2 To advise members of the progress in relation to disposal of 2017 Revaluation appeals.
- 1.3 To provide members with an update on progress in relation to Reform of the Non-Domestic rating system and the forthcoming 2022 Revaluation.
- 1.4 To advise members of the Joint Board of progress in relation to the Assessor's Council Tax valuation function.

**2.0 Background**

- 2.1 The Assessor is required to carry out a general Revaluation of all Non-Domestic properties normally every five years. The most recent general Non-Domestic Revaluation took effect from 1st April 2017 and the next Revaluation will take effect from 1st April 2022.
- 2.2 The Non-Domestic Rating (Valuation of Utilities)(Scotland) Order (2005) places a duty on the Assessor for the West Dunbartonshire valuation area to value lands and heritages which are occupied and used for the transmission and distribution of gas throughout Scotland.
- 2.3 Consequent to the 2017 Revaluation, 3,569 appeals against 3,461 subjects were received by the statutory deadline.
- 2.4 Small numbers of appeals against entries in the 2005 and 2010 Valuation Rolls remain outstanding and require to be disposed of.
- 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 It has previously been reported to the Board that the Non-Domestic Rating (Scotland) Bill was introduced to the Scottish Parliament in March 2019.
- 2.7 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.

### **3.0 Current Position**

#### **3.1 Non-Domestic Rating Valuation**

##### **3.1.1 2017 Revaluation Appeals**

At the end of January 2020, 2,899 appeals, representing 81.2% of those submitted, have been disposed of to date, leaving 670 outstanding. Of those dealt with to date, 2,003 appeals (69%) have been withdrawn or otherwise disposed of without adjustment and 896 (31%) have been settled at an adjusted rateable value. The statutory date for Valuation Appeals Committees to have disposed of appeals is 31 December 2020.

In addition to the above, the appeals against the all-Scotland entries in the West Dunbartonshire Valuation Roll for Gas Distribution Networks (Rateable Value: £64,500,000) and Gas Meters (Rateable Value: £8,300,000) have now been withdrawn without adjustment.

##### **3.1.2 2005 and 2010 Revaluation Cycle Appeals**

Despite the focus on 2017 appeals, some further progress has been made in relation to appeals from previous revaluation cycles and only 36 such appeals now remain outstanding. This is down from 57 reported as outstanding at the end of August 2019.

##### **3.1.4 Maintenance of the Valuation Roll ('Running Roll')**

Since the last report to the Board, 316 changes have been made to the Valuation Roll to reflect new, deleted and amended properties bringing the total for the financial year to 31 January to 751.

In that same period, 83 running roll appeals (i.e. those relating to maintenance of the valuation roll) have been received and 124 have been disposed of leaving 425 outstanding at the end of January. A significant number of these appeals relate to 'Shooting Rights' which were reintroduced into Valuation Rolls in 2017. The majority of these are scheduled for VAC hearings in April and May and it is expected that the citations will result in the disposal of many of these appeals. Other running roll appeals will also be disposed of in parallel with revaluation appeals, and in accordance with the statutory timetables for their disposal.

##### **3.1.5 Non-Domestic Rates Reform**

The Non-Domestic Rating (Scotland) Bill has completed its passage through Stage Three of its Parliamentary scrutiny and is expected to obtain assent in March for partial implementation with effect from April 2020. The main implications for the Assessor's service include:-

- Implementation of 3-yearly Revaluations from 2022, replacing the current 5-yearly cycle, with the valuation date one year prior to the Revaluation coming into effect, rather than two years.
- Introduction of marker(s) onto the Valuation Roll to identify new or improved properties which may qualify for rates relief.

- The entry of certain/parts of public parks, and certain buildings within parks into the Valuation Roll.
- Replacement of criminal penalties for non-provision of information requested by the Assessor with civil penalties.
- Replacement of the appeal system with a two-stage proposal and appeal stage.
- Requirement to provide comparator information which will help ratepayers to better understand their Rateable Values.

The Barclay Review Report also placed a requirement on Assessors to provide more information relating to the calculation of Rateable Values to ratepayers.

An internal NDR Reform Working Group has been established and will ensure that we are able to deliver the reforms. The Working Group has established a Project Plan and Risk Register.

The requirements of the Bill, and the move to 3-yearly Revaluations in particular, have significant resource implications for Assessors and, to that end the Scottish Government provided additional funding for 2019/20 which enabled the recruitment to, and retention of, posts deemed necessary to meet the forthcoming challenges of reform. There is a reasonable expectation of further funding for 2020/21 which should allow this process to continue.

Of immediate significance is the coming into effect of civil penalties for non-provision of information to Assessors in April this year. The Assessor has engaged with both the Scottish Assessors Association and Finance Services in West Dunbartonshire Council to implement procedures and systems to ensure that the Joint Board is prepared for this new regime. Any penalties collected will be paid to the Scottish Consolidated Fund, net of the reasonable costs of administration and collection of such penalties. There is a risk, however, that income from penalties will not cover the administration and collection costs thereby resulting in a net cost to the Board.

Work in relation to implementing the various other aspects of reform, including a significant amount of ICT development, is ongoing.

Members may also wish to note the duty imposed on Valuation Joint Boards to report to the Scottish Parliament on the number of assessors and depute assessors appointed by the Board, holding office on 1 April 2025 by 31 May 2025 and 3-yearly thereafter. The report should also consider whether:-

- (a) whether that number is sufficient, and
- (b) whether the board has sufficient resources

for the proper exercise of the functions relating to non-domestic rates (NDR), along with such other matters relating to NDR as the board considers appropriate.

### 3.1.6 2022 Revaluation

The Revaluation which will take effect from 1<sup>st</sup> April 2022 will be based on rental values pertaining to 1<sup>st</sup> April 2020. Locally, we have started to ingather the information required to carry out that task and in the coming months the

information gathered will be analysed to arrive at levels of value to be applied for that Revaluation.

In parallel with this work, a number of ICT developments to facilitate the requirements of Revaluation and the NDR Reform agenda are ongoing.

Nationally, the Scottish Assessors Association has drafted a Revaluation Project Plan and the various Committees of the Association are reviewing valuation methods and levels with a view to preparing national Practice Notes on the valuation of a wide range of property types.

### **3.2 Council Tax Valuation**

#### **3.2.1 Maintenance of the Council Tax Valuation Lists**

In the period from September 2019 to January 2020, 409 new dwellings were added to the Valuation List bringing the total number of additions since April 2019 to 938. In the same period 357 properties were deleted bringing the total number of deletions to 725.

#### **3.2.2 Council Tax Proposals and Appeals**

Since August 2019, 123 proposals to change property Bands have been received (262 since April 2019) and 111 have been disposed of (245 since April 2019) leaving 209 outstanding.

## **4.0 Recommendations**

### **4.1 Members are asked to note:-**

- (a) The progress in relation to disposal of Non-Domestic Rating appeals,
- (b) Progress in relation general maintenance of the Valuation Roll,
- (c) Progress in relation to implementing the Non-Domestic Rating (Scotland) Bill,
- (d) That planning and preparations for the 2022 Revaluation have commenced,
- (e) Progress in relation general maintenance of the Council Tax List,
- (f) Progress in relation to the disposal of Council Tax proposals and appeals,

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#### **Person to contact:**

David Thomson (Assessor and ERO)

Tel: 0141 562 1260

E-mail: [david.thomson@dab-vjb.gov.uk](mailto:david.thomson@dab-vjb.gov.uk)



# DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 6 March 2020

**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 25<sup>th</sup> September 2019 referred to the 2019 autumn canvass, Canvass Reform, Scottish Elections Reform Bill, Franchise Bill & Referendums Bill.

## 3.0 Current Position

### 3.1 The 2019 Autumn Canvass

The Household Enquiry Form (HEF) return rate at completion of the canvass was 80.97%, which was down from 82.04% in 2018. This can, most likely, be attributed to the early publication of the Register on Monday 11<sup>th</sup> November 2019 (see 4.0 below), to enable UK Parliamentary election processes to take place.

Local Authority	Response Rate	
	2019	2018
Argyll and Bute Council	85%	87%
East Dunbartonshire Council	85%	86%
West Dunbartonshire Council	72%	73%

As in previous years, we provided electors with the option of responding by telephone, Internet or SMS/Text service. The number of returns by these methods was up on previous years and the table below shows electors migrating towards responding to their HEF on-line and moving away from telephone and text.

	FINAL RETURN 2018	FINAL RETURN 2019	% RETURN 2019
Telephone	13,476	8,468	15.95%
Web/On-line	23,796	39,719	<b>74.82%</b>
SMS	8,381	4,894	9.22%

### 3.2 February 2020 Follow-Up of Invitations to Register (ITRs)

Household Enquiry Forms (HEFs) 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. The further canvass/door-knock required to meet this duty began on Monday 17<sup>th</sup> February 2020, as below.

Local Authority area	Households to be canvassed
Argyll & Bute	1,900
East Dunbartonshire	1,354
West Dunbartonshire	2,118
<b>Total</b>	<b>5,372</b>

### 3.3 IER Funding 2019/20 - Cabinet Office (CO) funding for offsetting the additional costs of IER

A Justification Led Bid (JLB) for additional IER funding was submitted to the Cabinet Office on 15<sup>th</sup> January 2020 for the sum of £14,659 (inclusive of VAT). The bid has been discussed in a telephone interview with CO officials and is currently being assessed.

## 4.0 **UK Parliamentary Election 12<sup>th</sup> December 2019**

To avoid publication of the registers during the election period, and thereby avoiding complications with elector numbers changing, it was decided that the annual publication of the Register would take place on 11<sup>th</sup> November 2019 instead of the normal date of 1<sup>st</sup> December.

The six week timescale from the announcement that the election would take place to election day was intense. The deadline date for both applications to register and for postal votes being on the same day (26<sup>th</sup> November) made it difficult for staff to deal with all applications within normal working hours. 193 hours of overtime were worked at a cost of £4,383 (plus on-costs) to enable supply of data to Returning Officers to allow for poll cards and postal ballot papers to be issued according to timetables.

There was pressure on the ERO to supply data for the purpose of issuing postal votes in accordance with the timetables established between the ROs and printers but the volume of applications received in various formats resulted in extended processing and, ultimately, supply being delayed. Electors were not affected by this delay to data supply as printers have built contingency into their preparations.

Numerous duplicate applications were received but still had to be looked at by staff. An influx of overseas applications was received even though we had previously emailed those electors due to renew their registrations to remind them to do so. We also informed them of tight timescale for postal votes to be sent overseas and returned to the RO timeously, and suggested they apply for a proxy vote instead.

The table, over, shows the numbers of applications received from the announcement of the election until the deadline on 26<sup>th</sup> November and also of that number how many were received in the last two days to deadline.

	<b>30 Oct - 26 Nov</b>	<b>25 Nov &amp; 26 Nov</b>
Applications to Register	11,743	4,421
Duplicate Applications	4,805	1,682
Overseas Elector Applications	362	29
Proxy Vote Applications	103	21
Postal Vote Applications	2,183	649

The above shows that 41% of applications received were duplicates i.e. applications from electors who were already registered to vote.

It is commonly felt that the messaging from various sources made electors believe that they had to register specifically for this election, no matter that they were already registered.

Staff also provided support to Returning Officers throughout the hours of the poll.

## **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)

Requests were issued to 4,402 absent voters on 24<sup>th</sup> January 2020. Reminders were issued to 1,450 electors on Thursday 20<sup>th</sup> February 2020. Those who have not provided fresh details will have their absent vote cancelled on 11<sup>th</sup> March 2020.

## **6.0 Scottish Elections (Franchise and Representation) Bill and Scottish Elections (Reform) Bill**

The Scottish Elections (Franchise and Representation) Act will provide convicted prisoners serving sentences of 12 months or less with the right to register to vote in Local Government and Scottish Parliamentary elections with effect from 1<sup>st</sup> April 2020. The application form to be used has still to be finalised by the Electoral Commission but it may also include an absent vote application. The restricted franchise available to these electors will require that a mark is shown in registers. Arrangements are being made for the Scottish Prison Service to send regular lists of relevant prisoners to EROs who will issue ITR applications.

If the Scottish Elections (Franchise and Representation) Bill is passed in its current form, foreign nationals with indefinite leave to remain in the UK will be permitted to register with effect from 1<sup>st</sup> June 2020, though amendments to also include asylum seekers have been proposed. It is not yet clear how residency will be defined or checked. These electors will have a new marker on registers (yet to be determined) and will have the same franchise as prisoners.

The Scottish Elections (Reform) Bill will allow anyone over the age of 14 to qualify to register as an attainer from 1<sup>st</sup> June 2020. This is purely an administrative change and will only have minor effects on the ERO's functions.

## **7.0 Canvass Reform**

The Representation of the People (Annual Canvass) (Amendment) Regulations 2019 were passed in November, bringing canvass reform into effect for UK Parliamentary registers.

Regulations for Scotland (Local Government and Scottish Parliamentary franchises) are scheduled to be in place by March 2020.

The new canvass process will commence with registers being matched to government sources and a number of canvass options will be available to EROs depending on the match/non-match status of each household. To help inform the planning for the new process, data matching tests for Scottish EROs are scheduled for 17<sup>th</sup> & 18<sup>th</sup> March 2020. Our Electoral Management System provider, Idox, has supplied necessary program upgrade to enable match results to be uploaded and processed.

Four members of staff are to attend Cabinet Office training on 27<sup>th</sup> February 2020 following which cascade training will take place.

## **8.0 Recommendation**

Members are asked to note the content of this report.

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Person to contact:  
Rosemary Nelson (Principal Administration Officer)  
Tel: 01586 555312  
E-Mail: [rosemary.nelson@dab-vjb.gov.uk](mailto:rosemary.nelson@dab-vjb.gov.uk)

# DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Clerk to the Valuation Joint Board

Valuation Joint Board – 6 March 2020

## Subject: Scheme of Delegated Powers

### 1.0 Purpose

- 1.1 To seek Joint Board approval of a revised Scheme of Delegated Powers.

### 2.0 Background

- 2.1 Dunbartonshire and Argyll & Bute Valuation Joint Board was created by statute and, in order that the business of the Board could be effectively and efficiently discharged, a scheme of Delegated Powers to the Assessor and Electoral Registration Officer was put in place in December 1996.
- 2.2 The above scheme of Delegated Powers to the Assessor and Electoral Registration Officer has been subject to review on a number of occasions but it has not been amended since 2013.

### 3.0 Current Position

- 3.1 It is good practice to review all documents which direct the governance of the Valuation Joint Board. Further, a Good Governance self-assessment highlighted the lack of recent reviews.
- 3.2 As a result, the Assessor and ERO, in consultation with the Treasurer and Clerk to the Board, reviewed the scheme. A copy of the revised scheme is attached for members' consideration (Appendix 1). Additions to the scheme are shown in ***bold italics*** and removals are shown in 'strikethrough' font (thus, ~~strikethrough~~).
- 3.3 At 1.3 of the attached, the scheme makes it explicit that, where authority is delegated to the Assessor & ERO and the Depute Assessor & ERO, they have the power to further delegate such authority. Ultimate responsibility would, however, remain with the Assessor & ERO.
- 3.4 At 2.10 and 2.17, the existing cap on expenditure in respect of 'conferences and meetings' and 'providing hospitality', respectively, are removed. This is to remove the need to review these for the effects of inflation and/or the restrictions resulting from a failure to review the thresholds. Any expenditure in relation to these would remain subject to general budgetary approval and the terms of paragraphs 2.12 and 2.18 of the scheme.
- 3.5 Inserts at 3.2 and 3.7 reaffirm that the scheme, itself, forms part of the formal Governance Structure of the Joint Board.

## **4.0 Recommendations**

- 4.1 Members are asked to approve the attached revised Scheme of Delegated Powers.

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Person to contact:

Peter Hessett

Clerk to Dunbartonshire and Argyll & Bute Valuation Joint Board

Tel: 01389 737800

E-mail: [peter.hessett@west-dunbarton.gov.uk](mailto:peter.hessett@west-dunbarton.gov.uk)

# Dunbartonshire and Argyll and Bute Valuation Joint Board

## Delegated Powers

### Assessor and Electoral Registration Officer

#### 1. Introduction:

- 1.1 Dunbartonshire and Argyll & Bute Valuation Joint Board (The 'Joint Board') was created by statute and, in order that the business of the Board can be effectively and efficiently discharged, this scheme of delegation of powers to the Assessor and Electoral Registration Officer has been put in place.
- 1.2 During the implementation of Pay Modernisation, the Valuation Joint Board and UNISON Scotland entered a "Collective Agreement Incorporating Pay and Grading Structure and Terms and Conditions of Employment" and this agreement constitutes the main local variations to the "Red Book", i.e. the Scottish Joint Council for Local Government Employees National Agreement on Pay and Conditions of Service, hereinafter referred to as the "Local Government Scheme of Conditions".
- 1.3 Any reference to Assessor and Electoral Registration Officer in the following Delegated Powers shall be deemed to include a reference to Depute Assessor and Electoral Registration Officer. ***Those officers can in turn delegate any of the delegated authority to other officers under their direction.***
- 1.4 Subject to item 2.22, below, the Assessor will not exercise delegated powers where any decision would represent a departure from Joint Board policy or procedure or would be contrary to a standing instruction of the Joint Board, which shall include the Standing Orders of the Joint Board.

#### 2. Powers Delegated to the Assessor & Electoral Registration Officer:

- 2.1 To be responsible for all matters in respect of the operation, development and implementation of policy for all service areas, together with such statutory duties as may have been assigned to him/her.
- 2.2 To be responsible for all day-to-day operational matters in respect of service provision.
- 2.3 To be responsible for the appointment of all staff, including any temporary staff, below Depute Assessor level and for the management, supervision and discipline of all staff.

- 2.4 To determine appropriate car and telephone allowances, if any, to be applied to members of staff subject to such allowances being within the Local Government Scheme of Conditions.
- 2.5 To devise and issue, as required, job descriptions in respect of all officers employed by the Joint Board.
- 2.6 To apply the Conditions of Services adopted by the Joint Board as agreed nationally in respect of the Local Government Conditions of Service and any local variation thereof agreed by the Joint Board.
- 2.7 To authorise the attendance of officers at relevant courses of study and the payment of appropriate fees provided such are provided for within the approved estimates of the Joint Board.
- 2.9 To permit any member of staff to be occasionally absent temporarily from work for the purpose of attendance to duties or services of a civic, honorary, charitable, academic or social nature, provided that these do not interfere with the efficient discharge of the functions of the Joint Board and that such arrangements are within the Local Government Scheme of Conditions.
- 2.10 To approve the attendance of officers at conferences or meetings within the United Kingdom and Ireland where he considers it to be in the interests of the Joint Board and relevant to the statutory functions thereof. ~~Such authorisation is not to exceed £350 per officer per conference/meeting but, where this is exceeded, approval may be granted subject to the agreement of the Convenor.~~ In addition, subsistence and other ancillary expenses may be paid but such will not exceed the approved Local Government rates. At the discretion of the Assessor, standing permission is granted for one member of staff to attend the Association of Electoral Administrators annual conference.
- 2.11 To transfer staff between the offices of the Joint Board and to authorise the payment of transfer expenses in respect thereof in accordance with the provisions of, and limited to the amount included in, the appropriate Scheme of Conditions of Service operated by West Dunbartonshire Council.
- 2.12 Within the approved budget, or where additional specific external/grant funding has been provided, and within the provisions of Standing Orders on the placing of contracts, to purchase necessary supplies, services and equipment.
- 2.13 To manage and maintain all operational land and buildings and other assets of the Joint Board.



- 2.14 To maintain proper security for staff, buildings, stocks, stores, furniture, equipment, data and similar items under his/her control.
- 2.15 To arrange relevant insurances and/or to arrange for inclusion in the insurance arrangements of the lead authority.
- 2.16 To ensure that all activities undertaken by him/her and the staff are within the legal powers of the Joint Board or the Assessor and Electoral Registration Officer.
- 2.17 Where he/she considers it to be in the best interests of the Joint Board, to approve the provision of reasonable hospitality for representatives of other authorities, organisations, officers of the Joint Board and others. ~~up to a maximum of £200 in relation to any one occasion.~~
- 2.18 To authorise the payment of accounts due by the Joint Board for goods and services properly supplied and for which there is adequate provision in the Revenue Budget or where any additional specific external/grant funding has been provided.
- 2.19 To authorise the working of overtime in accordance with the Collective Agreement and subject to there being provision in the estimates approved by the Joint Board for such expenditure or where additional specific external/grant funding has been provided.
- 2.20 Within the statutory functions of the Joint Board and in exercise of the powers of the Assessor and Electoral Registration Officer, to sign documents.
- 2.21 To take such measures as may be required in emergency situations on any matter for which the Joint Board's approval would normally be necessary subject to advising the Convener and/or Vice-Convener of the Joint Board, where possible, and reporting to the Joint Board as soon as practicable thereafter.
- 2.22 To set fees for the sale of the Valuation Roll and other documents and services where the level of such fees is not prescribed by statute.
- 2.23 To enter into arrangements with the lead authority for the provision of support services to the Board.
- 2.24 Where legal services are not provided by the lead authority, to engage Solicitors or Counsel in respect of representation at Judicial or quasi-Judicial proceedings.
- 2.25 To respond to consultation papers unless the response recommends a departure from or significant development of Joint Board policy or procedure or is contrary to a standing instruction of the Joint Board.

### **3. Powers Reserved by the Valuation Joint Board**

- 3.1 To establish such committees/sub-committees as may be considered appropriate to conduct business and to appoint and remove Conveners, Depute Conveners and members of committees.
- 3.2 To make and amend Standing Orders, Financial Regulations **and this Scheme of Delegated Powers.**
- 3.3 To fix and amend a programme of Joint Board and committee meetings, subject to the provisions of the Joint Board's Standing Orders.
- 3.4 To determine the Joint Board's annual revenue budget and capital programmes.
- 3.5 To incur any expenditure not provided for in the annual estimates of the Joint Board unless and until such expenditure has been reported to and approved by the Joint Board.
- 3.6 To determine the process for selection, appointment, dismissal and performance of the Assessor and Electoral Registration Officer and the Depute Assessor and Electoral Registration Officer.
- 3.7 To deal with matters reserved to the Joint Board by Standing Orders, Financial Regulations, **this Scheme of Delegated Powers** and other Schemes approved by the Joint Board.
- 3.8 The approval of all policy initiatives relating to the business of the Joint Board.
- 3.9 To revoke/delete/amend/remove any delegated authority given to any committee, sub-committee or officer.

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

Report by Assessor &amp; ERO

Valuation Joint Board – 6 March 2020

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**Subject: Review of Support Services Agreement****1. Purpose**

- 1.1** The purpose of this report is to present Members with a revised version of the Support Services Agreement between the Joint Board and West Dunbartonshire Council.

**2. Background**

- 2.1** The Valuation Joint Board is provided with a range of support services, including Information and Communications Technology, Human Resources & Organisational Development, and Finance, by West Dunbartonshire Council.
- 2.2** In September 2013, Audit Scotland recommended implementing a Support Services Agreement covering the provision and management of these services.
- 2.3** In November 2013 the Joint Board approved a Support Services Agreement and in February 2017 it approved an update, which was effective for a period of 3 years.

**3. Main Issues**

- 3.1** In light of the requirement to renew the above, a review was recently initiated and input was made by the Assessor, the Treasurer and the Clerk to the Board.
- 3.2** The revised draft Support Service Agreement is appended to this report for Members' consideration.
- 3.3** The table of contents within the appended draft document summarises the areas covered within the agreement. The schedule at the end of the document describes in detail the support services provided, what is covered within those support services and provides direct contact details of Council liaison officers.
- 3.4** The amendments made to the 2017 version are minor and are generally of an administrative nature.

**4. Recommendation**

- 4.1** Members are asked to consider and approve the revised Support Service Agreement. Once agreed, the Support Service Agreement will be signed appropriately.

**David Thomson**  
**Assessor & ERO**  
**Date: February 2020**

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Person(s) to Contact: David C Thomson  
Assessor & ERO  
Telephone: 0141 562 1260  
E-mail: david.thomson@dab-vjb.gov.uk

**Appendix: Support Services Agreement (2020)**

**SERVICE AGREEMENT**

between

**WEST DUNBARTONSHIRE COUNCIL**

and

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

**2020**

Regarding the provision of corporate support services by  
West Dunbartonshire Council to  
Dunbartonshire and Argyll & Bute Valuation Joint Board

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## SUPPORT SERVICES AGREEMENT

between

- (1) WEST DUNBARTONSHIRE COUNCIL, a local authority constituted in terms of the Local Government Act 1973 and Local Government etc. (Scotland) Act 1994 and having an office at 16 Church Street, Dumbarton G82 1QL (who and whose successors are hereinafter referred to as the "Council"); and
- (2) DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD, is an independent authority which was established by The Valuation Joint Boards (Scotland) Order 1995 and having an office at 235 Dumbarton Road, Clydebank G81 4XJ (who and whose successors are hereinafter referred to as the "Board")

WHEREAS:-

- (A) The Council and the Board have agreed to enter into a Support Services Agreement (this "Agreement").
- (B) The Council has resolved to provide Support Services to the Board and the Board has agreed to accept the Support Services on the terms and conditions of this Agreement.
- (C) The parties wish to record in this Agreement the terms and conditions upon which the Council will provide the Support Services to the Board.

NOW THEREFORE IT IS HEREBY AGREED AS FOLLOWS:-

### 1. DEFINITIONS AND INTERPRETATION

- 1.1. In addition to those defined terms set out in this Agreement, the following definitions and rules of interpretation apply in this Agreement:-

"ADR Notice" shall have the meaning given to it in Clause 14.4;

"Agreement" means this Support Services Agreement and the Schedule;

"Board Nominee" means David Thomson, the Board's Assessor and Electoral Registration Officer or such other person as may be appointed by the Board as its Assessor and Electoral Registration Officer or such other person as may be nominated by the Board to be the Board's Nominee and intimated to the Council as such.

"Business Day" means any day which is not a Saturday, Sunday nor a bank holiday in Scotland;

"Confidential Information" means information, the disclosure of which would constitute an actionable breach of confidence, which has either been designated as confidential by any party hereto in writing or that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) including commercially sensitive information, information which if released would prejudice the effective conduct of public affairs, information which if released may result in a tangible risk to personal safety or a breach of criminal law or interdict, information which relates to the business, affairs, properties, assets, trading practices, developments, trade secrets, intellectual property rights, know-how, personnel, contractors and advisers of any party and all personal data and sensitive personal data within the meaning of the DPA ;

"Council Nominee" means Angela Wilson, the Council's Strategic Director - Transformation & Public Service Reform or such other person as may be appointed by the Council to be its Strategic Director - Transformation & Public Service Reform or such other person as nominated by the Council to be the Council Nominee and

intimated to the Board as such;

“Data Controller” has the meaning set out in the DPA;

“Dispute” shall have the meaning given to it in Clause 14.1;

“Dispute Notice” shall have the meaning given to it in Clause 14.2;

“DPA” means the Data Protection Act 2018, as amended and supplemented from time to time;

“Environmental Information” has the meaning given under section 2(1) of the Environmental Information Regulations;

“Environmental Information Regulations” means the Environmental Information (Scotland) Regulations 2004;

“FOI Act” means the Freedom of Information (Scotland) Act 2002, and any subordinate legislation made under that Act from time to time, together with any guidance and/or codes of practice issued by the Scottish Information Commissioner from time to time in relation to such legislation;

“Force Majeure” means any cause affecting the performance by a party of its obligations arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control including fire, flood or any disaster or an industrial dispute affecting a third party for which a substitute third party is not reasonably available. Any act, event, omission, happening or non-happening will only be considered Force Majeure if it is not attributable to the wilful act, neglect or failure to take reasonable precautions of the affected party, its agents or employees;

“Initial Period” means a period of three years commencing on the Commencement Date;

“Other Services” means the services provided by the Council to the Board, which are not included in the Schedule or financially provided for in the Service Charges.

“Personal Data” shall have the same meaning as set out in the DPA;

“Processing” has the meaning set out in the DPA, and “Process” shall be construed accordingly;

“Review Group” means a review group consisting of the Council Nominee and the Board Nominee;

“Request for Information” shall have the meaning set out in the FOI Act or any apparent request for information under the FOI Act or the Environmental Information Regulations, and Information shall be construed accordingly;

“Schedule” means the schedule annexed to and forming part of this Agreement;

“Support Services” means the services to be provided by the Council to the Board, as set out in the Schedule;

“Service Charges” means the charges payable by the Board to the Council in respect of the provision of services as set out in the Schedule by the Council to the Board;



1.2. In this Agreement unless the contrary intention appears:

1.2.1 each gender includes all genders;

1.2.2 words in the singular includes the plural and vice versa;

1.2.3 any reference to a Clause shall be to a clause of this Agreement and any reference to the Schedule shall be to the schedule annexed to this Agreement;

1.2.4 references to any statute or statutory provision include a reference to:

- any subordinate legislation made pursuant to that statute or statutory provision in force prior to the date of commencement of this Agreement; and
- that statute or statutory provision as amended, extended, consolidated and/or re-enacted from time to time except to the extent that any such amendment, extension, consolidation and/or re-enactment made after the date of commencement of this Agreement would increase the liability of any party under this Agreement;

1.2.5 references to a person include individuals, bodies corporate, unincorporated associations, partnerships (including, without limitation, limited partnerships and limited liability partnerships), joint ventures and boards and references to any of the same include the others;

1.2.6 the Schedule forms an integral part of this Agreement and references to this Agreement include the Schedule;

1.2.7 the headings to the Clauses are for convenience only and do not affect the construction or interpretation of this Agreement; and

1.2.8 references to books, documents, records or other information mean books, documents, records or other information in any form including, without limitation, paper, electronically stored data and digital and magnetic media.

## 2. PURPOSE OF AGREEMENT

2.1 The purpose of this Agreement is to provide a framework for the provision of the Support Services by the Council to the Board.

## 3. SERVICE PROVISION

3.1 The Council shall:

3.1.1 perform the Support Services to a standard reasonably to be expected of an organisation with experience in providing services of a similar type to the Support Services;

3.1.2 provide the Support Services in accordance with the terms of this Agreement, and in particular the provisions of the Schedule;

3.1.3 ensure the performance of the Support Services to at least the levels agreed between the parties, which shall in the case of certain Support Services be measured by way of the key performance indicators which shall be developed between the parties from time to time; and

3.1.4 maintain appropriate records relevant to the provision of the Support Services and make these available as requested by the Board.

3.2 The Board shall:

3.2.1 pay the Service Charges to the Council for services provided per the Schedule to the Board by the Council, in accordance with Clause 10;

3.2.2 provide all reasonable assistance required by the Council to enable the Council to provide the Support Services and such access to the properties, working space, normal office amenities and systems of the Board at such times, as may be required by the Council.

#### 4. SERVICE CHANGES

4.1 The nature of the delivery of the Support Services may evolve over time to suit the changing needs of both parties and as improvements to the Support Services are made.

4.2 Any significant variations to the delivery of the Support Services shall be agreed in advance by the Review Group.

4.3 The Board shall provide the Council with written notice if it no longer requires the Council to provide any of the Support Services. The Council shall cease to provide such Support Service(s) twelve weeks after the date of receipt of such notice from the Board and shall, if required by the Board, cooperate fully with the Board to ensure an orderly migration of the Support Service(s) to the Board or a third party. Any costs associated with such migration to be borne by the Board.

#### 5. AGREEMENT DURATION

5.1 This Agreement shall commence on the last date of execution of this Agreement and, subject to the right of earlier termination by either party under Clause 9, this Agreement shall remain in force for the Initial Period.

5.2 Thereafter, subject to Clause 9, this Agreement shall automatically renew for successive periods of one year, unless and until terminated by either party giving not less than six months prior written notice period as outlined in Clause 9 below.

#### 6. SERVICE MONITORING AND REVIEW

6.1 The Review Group will monitor and, if necessary, review the arrangements relative to this Agreement to ensure that the Support Services provided meet expectations and shall meet annually to do this.

#### 7. DAY-TO-DAY RELATIONSHIPS

7.1 The parties will establish a relationship between key team members to deal with the day-to-day matters that may arise under this Agreement. This will be handled in a proactive and inclusive manner to ensure that the required levels of Support Services are at least maintained. Any issues arising from this day-to-day contact that cannot be resolved amicably will be referred to the Review Group by either party to seek final resolution of the matter.

7.2 The Council will ensure that the Board is kept aware and informed of any new or amended Council policies and standards that may have an impact on the Support Services.

#### 8. BREACH OF THIS AGREEMENT

8.1 Without prejudice to Clause 9.1, if either party, acting reasonably, considers that the other is in breach of this Agreement it shall be entitled to serve notice detailing the

breach in question. On receipt of said notice the receiving party undertakes to respond within ten (10) Business Days with the prime aim being to remedy the breach in question within this timescale. A breach of this Agreement includes the following:

- 8.1.1 failure by the Council to provide the Support Services to the agreed standard;
- 8.1.2 failure by the Council to provide the Support Services substantially in accordance with the Schedule;
- 8.1.3 failure by the Council to meet substantially all of the agreed key performance indicators over a period of six months;
- 8.1.4 failure by the Board to make payment of any part of the Service Charges when payment is due;
- 8.1.5 failure by the Board to provide all reasonable assistance required by the Council to allow it to perform its duties; and
- 8.1.6 material failure by either party to meet any of the obligations owed by them to the other in terms of Clauses 11, 12 or 13.
- 8.2 If there is no response to the notice within ten (10) Business Days or, if in the reasonable opinion of the sender of the notice, the response is inadequate, then the sender of the notice may convene a meeting of the Review Group in order to review the position.

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## 9. TERMINATION OF AGREEMENT

- 9.1 If either party commits a breach of any material provision of this Agreement which (i) is not capable of remedy or (ii) is capable of remedy and that breach has not been remedied within twenty-eight (28) Business Days of service on the other party of a notice specifying the breach requiring it to be remedied, the other party shall be entitled to terminate or seek to vary this Agreement by serving written notice giving details of how and when such a variation or termination is to be effected.
- 9.2 In the event that a Force Majeure situation continues for a period of three months or more, then either party may terminate this Agreement by giving twenty eight (28) days' notice in writing to the other party.
- 9.3 Either party may terminate this Agreement if as a result of any Act of Parliament, Order, Regulation, Statutory Instrument or other legislation that party is required to discontinue the performance of this Agreement in whole or in part.
- 9.4 The termination of this Agreement, howsoever arising, shall be without prejudice to the accrued rights and liabilities of the parties, nor shall it affect the coming into force or continuance in force of any provision of this Agreement which is expressly or by necessary implication intended to come into or continue in force on or after such termination.

## 10. PAYMENT

- 10.1 Provided that they do not comprise Other Services, the Board shall be charged by the Council for the provision of Support Services to it by the Council. For Other Services these shall be charged as according to normal billing processes for the service being provided to the Board.
- 10.2 The Service Charges shall be paid annually in arrears and will be determined and agreed between the parties as and when appropriate.

- 10.3 The Services Charges will be as advised by the Council for the provision of such services during the Financial Year. The Service Charges will be reviewed on an annual basis.
- 10.4 The Council shall submit invoices, in arrears, to the Board which shall be payable within 30 days of receipt.

#### 11. DATA SECURITY

- 11.1 Both parties will ensure procedures are in place to respect the confidentiality of the information provided both in paper and electronic format.
- 11.2 The Board and the Council each acknowledge and agree that for the purposes of the DPA, in respect of any Personal Data, that both parties are Data Controllers. Both parties agree to work together to agree and enter into a Data Sharing Agreement.
- 11.3 In terms of the Records Management regime the Council will securely hold and properly dispose of any information/documents pertaining to the Board, in line with the Council's own Records Management Policy/plan. In addition the Board will securely hold and properly dispose of any information/documents pertaining to the Council, in line with the Board's own Records Management Policy/plan.
- 11.4 On termination of this Agreement for whatever reason, or upon written request at any time, the Board shall cease to use or Process any Personal Data received from or on behalf of the Council under this Agreement and shall return those Personal Data to the Council together with copies of those Personal Data in its possession or control. In addition the Council shall cease to use or Process any Personal Data received from or on behalf of the Board under this Agreement and shall return those Personal Data to the Board together with copies of those Personal Data in its possession or control.

#### 12. DISCLOSURE OF INFORMATION

- 12.1 Subject to Clauses 12.2 and 12.3, the parties hereto each undertake to each other that they themselves will not at any time use or divulge or communicate to any person (other than to officers, employees or professional advisers of any party whose province it is to know the same) any Confidential Information concerning the financial position, contractual arrangements, or other affairs of the other party disclosed by one party to another and relating to the subject matter of this Agreement and they shall use all reasonable endeavours to prevent the use, publication or disclosure of any such Confidential Information concerning such matters.
- 12.2 The provisions of Clause 12.1 shall not apply under the following circumstances:
  - 12.2.1 in relation to any disclosure which is, in the reasonable opinion of the disclosing party and having duly considered any relevant request for disclosure, required by law including but not limited to disclosure for the purpose of compliance with the FOI Act and/or the Environmental Information Regulations;
  - 12.2.2 in relation to any disclosure required by the law of any relevant jurisdiction, any judicial proceedings or any governmental or regulatory body to which the disclosing party submits;
  - 12.2.3 in relation to any information which is in the public domain or has been received from a third party having the right to disclose the same;
  - 12.2.4 in relation to any disclosure which is necessary to enable a party to enforce its rights or defend its position in relation to any action or claim brought against it under this Agreement, and only to the extent that such disclosure is necessary;

- 12.2.5 in relation to any use of information by either party to the extent that such use is required to enable that party to carry on its business properly and efficiently; or
- 12.2.6 in relation to any information which the disclosing party was in possession of before being provided such information from the party to which it relates, provided the disclosing party can reasonably demonstrate that it already possessed such information; and
- provided that the party proposing to disclose the information will first (except in the case of disclosure in terms of Clause 13.2.4) notify the other party of its intention and will take on board all reasonable requests of the other party and act reasonably to limit the possible adverse impact of the disclosure on the other party;
- 12.3 each party acknowledges that the other party is subject to the requirements of the FOI Act and/or the Environmental Information Regulations and each party shall provide all necessary assistance and co-operation as reasonably requested by the other party (at its own expense) to enable the other party to comply with the requirements of the FOI Act and/or the Environmental Information Regulations.
- 12.4 Where a party receives a Request for Information in relation to information which it is holding on behalf of the other party and not for its own purpose, it shall:
- 12.4.1 notify the party making that request that it does not hold the information and advise such party of the party who holds the information;
- 12.4.2 ensure that the notification referred to in Clause 12.4.1 complies with the requirements of Section 19 of the FOI Act (as that section may be amended or modified from time to time) and/or Section 4 of the Environmental Information Regulations (as that section may be amended or modified from time to time); and
- 12.4.3 notify the party on whose behalf the information sought by the Request for Information is held, that the Request for Information was made and has been refused.
- 12.5 Where a party receives a Request for Information, and that Information is held on its behalf by the other party to this Agreement, the former party shall as soon as practicable after receipt and in any event within five Business Days, or such longer period as may be reasonably necessary given the scope of the request and the obligation to respond within a set timescale of receiving the Request for Information, provide that other party with a copy of the Request for Information.
- 12.6 Each party shall be responsible for determining at its absolute discretion:
- 12.6.1 whether any Information is exempt from disclosure under the FOI Act and/or the Environmental Information Regulations; and
- 12.6.2 the information to be disclosed in response to a Request for Information.
- 12.7 Each party acknowledges that any lists or documents provided by it outlining Confidential Information are of indicative value only and that any of the other party may nevertheless be obliged to disclose Confidential Information in accordance with this Clause.
- 12.8 Subject to Clause 12.5, each party may, acting in accordance with the FOI Act or the Environmental Information Regulations, disclose information or environmental information without consulting with the other party.

### 13. ASSIGNATION

Neither party shall be entitled to assign or transfer its rights and/or obligations under this Agreement (in whole or in part) without the prior written consent of the other party

#### 14. DISPUTE RESOLUTION PROCEDURE

- 14.1 If a dispute arises out of or in connection with this Agreement (a "Dispute") then, except as expressly otherwise provided in this Agreement, the parties shall follow the procedure set out in this Clause 14.
- 14.2 Either party shall give to the other notice in writing of the dispute (the "Dispute Notice"), setting out its nature and reasonable particulars with the relevant supporting documentation. On service of the Dispute Notice, the Council Nominee and the Board Nominee shall seek in good faith to resolve the dispute.
- 14.3 If the Council Nominee and the Board Nominee are unable to resolve the dispute within twenty (20) Business Days of service of the Dispute Notice then the dispute shall be referred for resolution between the Board Nominee and the Chief Executive of the Council who shall attempt in good faith to resolve the dispute.
- 14.4 If the Chief Executive of the Council and the Board Nominee are unable to resolve the dispute within twenty (20) Business Days of it being referred to them, then the matter may, if agreed by the parties, be referred to a mediator for mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the parties, the mediator shall be nominated by CEDR Solve or another mutually agreed mediation organisation. To initiate the mediation, a party must serve notice in writing ("ADR Notice") to the other party requesting mediation. A copy of the ADR Notice should be sent to CEDR Solve or another mutually agreed mediation organisation. The mediation will start not later than sixty (60) days after the date of the ADR Notice. Unless otherwise agreed by the parties, the place of mediation shall be nominated by the mediator. If any matter arising out of or in connection with this Agreement is referred to mediation the Council shall remain responsible for the provision of the Support Services throughout the period of mediation.
- 14.5. The fees of the mediator and the cost of mediation shall be borne equally by the parties.
- 14.6. No party may commence any court proceedings in relation to any dispute arising out of this agreement until thirty (30) days after the appointment of a mediator, provided that the right to issue proceedings is not prejudiced by a delay.

#### 15. FORCE MAJEURE

- 15.1 Provided it complies with its obligations under this Clause 15, a party shall not in any circumstances be liable to the other party for any loss of any kind whatsoever whether directly or indirectly caused to or incurred by the other party which is due to Force Majeure.
- 15.2 If a party becomes aware of circumstances of Force Majeure which give rise to or which are likely to give rise to failure or delay in the performance of its obligations hereunder it shall:
- 15.2.1 forthwith notify the other party by the most expeditious method then available informing the other of the period which it is estimated that such failure or delay shall continue; and
- 15.2.2 shall use all reasonable endeavours to continue to perform, or resume performance of, its obligations hereunder for the duration of such Force Majeure event.

#### 16. NOTICES

- 16.1 Any notice required to be given under this Agreement shall be in writing signed by (or by some person duly authorised by) the party giving it and may be served by delivering it

personally to the address of the relevant party set out in Clause 16.3 or by sending it by e-mail to the either the Board or Council nominee's official e-mail account, or by pre-paid recorded delivery to the address of the relevant party set out in Clause 16.3.

16.2 Any notice so served shall be deemed to have been received:

16.2.1 if delivered personally, at the time of delivery;

16.2.2 in the case of a notice sent by pre-paid recorded delivery, forty-eight hours after the date of posting;

16.2.3 in the case of a notice sent by e-mail, if the notice was sent during the business hours of the addressee then on the day of transmission, and otherwise on the next following Business Day.

For the purposes of this Clause, "business hours" means the hours of 9.00am to 4.45pm.

16.3 Any notice required to be given under this Agreement shall be sent to the following:

- in the case of the Council:

Strategic Director: Angela Wilson

Address: 16 Church Street, Dumbarton, G82 1QL

E-mail address: am.wilson@west-dunbarton.gov.uk

- in the case of the Board:

Assessor and Electoral Registration Officer: David Thomson

Address: 235 Dumbarton Road, Clydebank G81 4XJ

E-mail address: assessor@dab-vjb.gov.uk

or to such other address or e-mail address as is notified in writing from time to time by the Council or the Board (as the case may be) to the other party to this Agreement.

## 17. VARIATION AND WAIVER

17.1 No variation of this Agreement shall be effective unless made in writing and signed by or on behalf of each of the parties by a duly authorised officer.

17.2 Any waiver of any right under this Agreement is only effective if it is in writing and signed by the waiving or consenting party and it applies only in the circumstances for which it is given and shall not prevent the party who has given the waiver or consent from subsequently relying on the provision it has waived.

17.3 No failure to exercise or delay in exercising any right or remedy provided under this agreement or by law constitutes a waiver of such right or remedy or shall prevent any future exercise in whole or in part thereof.

17.4 No single or partial exercise of any right or remedy under this Agreement shall preclude or restrict the further exercise of any such right or remedy.

17.5 Unless specifically provided otherwise, rights arising under this Agreement are cumulative and do not exclude rights provided by law.

18. COSTS

18.1 Save as expressly provided otherwise in relation to any matter in this Agreement, the parties shall pay their own costs and expenses in relation to the preparation, execution and carrying into effect of this Agreement.

18.1 SEVERABILITY

18.1 If at any time any provision of this Agreement is or becomes invalid or illegal in any respect, such provision shall be deemed to be severed from this Agreement but the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

19. NO PARTNERSHIP OR AGENCY

19.1 Nothing in this agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, nor authorise any party to make or enter into any commitments for or on behalf of any other party.

20. ENTIRE AGREEMENT

20.1 This Agreement and all agreements entered, or to be entered into, pursuant to the terms of this Agreement or entered into between the Council and the Board in writing and expressly referring to this Agreement:-

20.1.1 together constitute the entire agreement and understanding between the parties with respect to the subject matter of this Agreement; and

20.1.2 (in relation to such subject matter) supersede all prior discussions, understandings and agreements between the parties and their agents (or any of them) and all prior representations and expressions of opinion by any party (or its agent) to any other party (or its agent).

20.2 Each of the parties acknowledges that it is not relying on any statements, warranties or representations given or made by any of them in relation to the subject matter hereof, save those expressly set out in this Agreement and other documents referred to above, and that it shall have no rights or remedies with respect to such subject matter otherwise than under this Agreement (and the documents executed at the same time as it or referred to in it) save to the extent that they arise out of the fraud or fraudulent misrepresentation of any party.



21.1 APPLICABLE LAW AND JURISDICTION

21.1 This Agreement shall be governed by and construed in accordance with the Law of Scotland and each of the parties submits to the non-exclusive jurisdiction of the Scottish Courts.

IN WITNESS WHEREOF these present consisting of this and the preceding ten (10) pages are executed as follows:-

SUBSCRIBED for and on behalf of WEST DUNBARTONSHIRE COUNCIL

by

at

on the                      day of                      2020

.....  
Authorised Signatory

in the presence of:-

Witness.....

Full Name.....

.....  
Witness Signature

Address.....

.....

SUBSCRIBED for and on behalf of  
DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

by

at

on the                      day of                      2020

.....  
Assessor & ERO

in the presence of:-

Witness.....

Full Name.....

.....  
Witness signature

Address.....

.....

THIS IS THE SCHEDULE REFERRED TO  
IN THE FOREGOING SUPPORT  
SERVICES AGREEMENT BETWEEN WEST  
DUNBARTONSHIRE COUNCIL AND  
DUNBARTONSHIRE AND ARGYLL & BUTE  
VALUATION JOINT BOARD

## SCHEDULE

### 1. SUPPORT SERVICES PROVIDED

#### 1.1 PUBLIC RELATIONS AND MARKETING

The Council's corporate communication's team will support the delivery of the Board's communications requirements by co-ordinating media enquires relating to the Board and, when required, by proactively promoting the Board and its services in local and national media. Communications will be delivered by working closely with the Board and management.

In particular, the corporate communications team will:

- 1.1.1 deal with media enquiries and requests for comments in collaboration with the Board;
- 1.1.2 deal with media interview requests, if required
- 1.1.3 guidance with web content and social media activities
- 1.1.4 prepare media releases, if required;
- 1.1.5 provide crisis media management in an emergency situation affecting both parties during working hours or on a goodwill basis out-of-hours;
- 1.1.6 undertake communications planning, if required;
- 1.1.7 provide marketing advice; and
- 1.1.8 provide a graphic design service as required.

#### 1.2 LEGAL SERVICES

- 1.2.1 The Council shall provide the legal services marked against the Council in the table below. Certain legal services shall be provided by external advisors to the Board as noted in the table below.

Service	Council	External
Contract enforcement (third parties)	√	
Company law and Corporate Governance		√
Charity Law		√
Acquisition and disposal of Assets	√	
Tax Law		√
Litigation	√	√
Employment Law	√	√
Disputes and or renegotiation with WDC		√
Advice to support Non-Domestic Rating and Council Tax Valuation functions		√
Lodging of Caveats	√	

- 1.2.2 Debt recovery may be undertaken by external agents with the agreement of the Council's legal services.
- 1.2.3 Tax law may be undertaken by external agents after consultation with the Council's finance and legal services.
- 1.2.4 Litigation may be undertaken by external agents with agreement of the Council's legal services depending on nature of each case. Litigation will generally be undertaken by insurers agents where covered under Insurance policies.
- 1.2.5 Employment Law may be undertaken by external agents with the agreement of the Council's legal services depending on nature of each case. Where the issue involves matters common to terms and conditions of employment the Board and the Council, the Council's legal services will co-ordinate and oversee the conduct of all such matters.

### 1.3 COMMITTEE SERVICES

- 1.3.1 Preparation of agendas and collation of Board Reports;
- 1.3.2 Issuing of notices of meetings in time for such meetings as per the Board's Standing Orders;
- 1.3.3 Production and issuing minutes from meetings;
- 1.3.4 General correspondence with members etc.

### 1.4 FREEDOM OF INFORMATION ADMINISTRATION

- 1.4.1 Freedom of Information advice and guidance will be provided by the Council to the Board on an as required basis and from the appropriate officers.
- 1.4.2 Advice and guidance in relation to the Environmental Information (Scotland) Regulations 2014 will be provided by the Council.

### PEOPLE AND TECHNOLOGY

Comprising Human Resources, Organisational Development and Information Technology Services as follows at sections 1.5 and 2.

### 1.5. HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT

#### 1.5.1 Statement of Intent

This is the service description for human resources and organisational development ("HR & OD").

#### 1.5.2 Principles

In the spirit of collaboration, the parties will work to develop an environment of cooperation using the following partnership principles:

- Be accountable – to the joint responsibilities set out below;
- Collaborate and co-operate – establish and adhere to the governance structure to ensure that service activities are delivered and actions taken on a joint basis;
- Be open – communicate openly about major concerns, issues or opportunities relating to the services provided;
- Work collaboratively to identify business improvements, eliminate inefficiencies and reduce the cost of service provision;
- Adopt a positive outlook – demonstrate a positive, "can do" attitude, looking at ways to improve services; and
- Focus on customer service and continuous improvement.

### 1.5.3 Obligations

The Council will deliver the HR & OD Service within agreed standards and in accordance with its policies and the corporate requirements and commitments of the Board.

### 1.5.4 Description of the Service

Utilising a strategic model of HR delivery, the Council provides HR & OD services through an integrated approach to resource planning and development, provision of centralised HR expertise, HR business partnering, HR and Payroll transactional services, employee relations and case management.

The key features of HR & OD are:

- Managing the day-to-day delivery of all transactional HR and pay enquiries and information through 'HR Connect', the HR service centre;
- Provision of HR business partnering;
- Assistance and advice in development of HR strategy and policy;
- Workforce planning,;
- Provision of a comprehensive wellbeing and attendance management function;
- Provision of a resourcing and employment contract service;
- Management of a framework for job evaluation and grading of posts;
- Providing case management support on all routine and complex employment issues including performance improvement, grievance, discipline, and attendance;
- Management and ongoing development of the integrated Workforce Management and Payroll system on which the Board's key personnel information resides and is maintained;
- Employment equalities;
- Management of a payroll function including pensions administration;
- Development of a corporate approach to performance management and appraisal;
- Supporting organisational change and change management; and
- Leadership, management development and corporate development programmes, including e-learning.

### 1.5.5 Service Availability / Hours of Support

Service Availability	Hours of Support
Telephone: 01389 737373 Email: <a href="mailto:HRconnect@west-dunbarton.gov.uk">HRconnect@west-dunbarton.gov.uk</a> Information available via the Intranet: <a href="#">HR &amp; OD Knowledge Portal</a>	HR Connect: 08:00 – 17:00 Mon – Thu 08:00 – 16:00 Fri  Support Areas: 08:45 – 16:45 Mon-Thu 08:45 – 15:55 Fri

### 1.5.6 Key Service Areas

As part of the development of the HR & OD Service the following five key service areas will be reviewed on an annual basis in line with changing business needs and the Board's service priorities.

#### 1.5.6.1 Recruitment

HR & OD will deliver a professional high quality service covering all aspects of recruitment & selection to support the Board's needs and provide the Board's managers with innovative and responsive recruitment outcomes. HR & OD will:

- Advertise vacancies on "My Job Scotland" and support the recruitment process;
- Provide assistance with writing job profiles to ensure the role can be appropriately evaluated;
- Provide access to the recruitment portal to allow managers to short list candidates;

- Ensure details of all successful candidates are progressed via the service centre and that all employment checks are carried out;
- Progress applications in a timely manner;
- Use Board logos and letterheads on all correspondence etc; and
- Provide the Board with relevant equalities information and data in relation to recruitment and promotion.

The Board will, via the agreed methodology:

- Provide HR & OD with completed and authorised recruitment forms;
- Provide HR & OD with concise role profiles that have been previously evaluated (if new post);
- Provide HR & OD with essential criteria and/or applicant questions so as to limit the number of unsuitable applicants;
- Access the recruitment portal to short list candidates and update as appropriate; and
- Progress applications in a timely manner.

#### 1.5.6.2 Case Management

HR & OD will deliver a professional high quality service covering all aspects of HR case management including conduct and capability. In addition the employee relations function will work with the Board and Trades Unions with a view to maintaining and fostering a good employee relations climate and work towards a partnership approach. HR services will:

- Provide a professional advice and guidance service on a suite of policies including; discipline, grievance, attendance management and performance management policies.
- Develop information guidance and template letters to assist the Board to navigate the different policy requirements.
- Provide high quality support and training to managers on all areas of employee relations case work covering discipline; grievance; absence management; poor performance; employment legislation and policy and conditions of service advice etc
- Provide the Board with advice and guidance to work in partnership with Trade Union representatives.
- Assist the Board to find solutions to resolve employee relations issues.
- Provide regular updates on individual case management progression including discipline, grievance and absence.

The Board will, via the agreed methodology:

- Seek HR & OD case management support and advice with regard to employee relations issues and policy application;
- seek to work collaboratively with Trade Union representatives and strive to achieve mutual beneficial solutions; and
- ensure they fulfill responsibilities by ensuring that they maintain concise notes of case management issues and ensure that agreed actions are followed through and communicated to employees. Enhance their skills and knowledge by attending relevant employee relations and case management training or briefing sessions

#### 1.5.6.3 Payroll & Contractual Changes

HR & OD's HR Connect will deliver a professional and quality service to support payroll and contractual changes and ensure that all changes are progressed to meet service delivery needs and legislative requirements. HR & OD will:

- Inform employee in writing (using Board stationery) of all contractual changes;
- update the Workforce Management System ("WMS") with all contractual changes;
- process all authorised contractual changes in the next available payrun;

- process for payment all authorised overtime and travel expenses in the next available payrun;
- process all authorised allowances and deductions; and
- provide Pension Fund administration.

The Board will, via the agreed methodology:

- Provide HR & OD connect with completed and authorised employee amendment form by the deadlines required for processing;
- notify HR & OD connect timeously of all contractual changes and provide amended contractual information;
- provide completed and authorised overtime sheets by the deadline required for processing;
- provide completed and authorised travel expenses forms by the deadline required for processing; and
- notify HR Connect of any other information that may affect pay such as absence from work, maternity, leaver etc..

#### 1.5.6.4 Payroll services to be provided

Provision of information, preparation and submission of annual returns (P14, P60, P35, P11D) and payment of sums due to HMRC, Pension Fund Administrators (SPFO and SPPA), Trade Unions and any other Payroll related third parties.

#### 1.5.6.5 Managing Change – HR Business Partners

HR & OD's HR Business Partners will support the Board's management team in the development of strategic HR solutions and support organisational change to facilitate effective delivery. HR Business Partners will:

- Provide the interface between HR & OD teams and the senior management team;
- drive forward focused HR & OD solutions to support business objectives and organisational change;
- work in partnership with the Board and key stakeholders/partners to jointly develop HR strategies and plans necessary to support the delivery of services and the achievement of performance targets;
- coach, support, mentor and challenge managers in the application of HR policy and practice, and to provide appropriate HR advice and guidance in order to minimise risk and financial exposure; and
- assist and support the development and maintenance of the Board's workforce plan.

The Board will, via the agreed methodology:

- Fully engage with HR Business Partners in the development of HR solutions and workforce planning;
- Ensure effective communication with HR Business Partners in relation to service plans;
- Liaise with HR Business Partners in relation to current and future HR support requirements; and
- Advise and consult with HR Business Partners in relation to compliance with the HR & OD service.

#### 1.5.6.6 Provision of Management Information

HR & OD will be responsible for the maintenance and provision of high quality management information that will support the needs of the Board and individual managers in effectively managing their employees. HR & OD will:

- Provide management information to the Board on a range of employee information;
- update WMS with all changes notified by the Board in a timely manner;
- provide standard reports on a monthly basis; and
- provide ad-hoc reports to the Board as required within agreed timescales with WMS assistant advisor.

The Board will, via the agreed methodology:

- ensure all employee changes are notified to service centre to ensure WMS is up to date;
- Email Request for Information to WMS assistant advisor with details of format and timescales required;
- meet with WMS assistant advisor to discuss requirements in more detail if required; and
- review management information provided on a regular basis and advise if information is no longer required or needs to be amended.

#### 1.5.7 Service Dependencies

##### 1.5.7.1 External Service Provision

HR & OD has a role in negotiating appropriate support agreements with external service providers. In this regard HR & OD will enter into appropriate arrangements with:

- Strathclyde Pension Fund;
- Occupational Health Providers;
- employee counselling provision; and
- other bodies as appropriate to ensure that appropriate standards of service are provided. Appropriate monitoring arrangements and service level agreements with external service providers will be put in place together with arrangements for performance reporting.

##### 1.5.7.2 Board Responsibilities

That the services described in this document can only be consistently delivered when the Board takes responsibility in relation to HR Policy and Procedures and meet both procedural and legislative timescales.

#### 1.5.8 Service Monitoring

- 1.5.8.1 HR & OD is committed to provide services in a professional, customer focused and efficient manner consistent with legislative requirements, Council policy and best practice. A copy of the HR & OD customer services charter will be provided. The HR Business Partner will ensure HR service provision and will be the first point of contact for any complaints, comments or compliments on the HR & OD service. Any such contact will be appropriately logged.

##### 1.5.8.2 Service Comments, Complaints and Compliments

Any comments, complaints and compliments raised with the HR Business Partner and relating to services covered within the HR & OD service will be reviewed by the Strategic Lead of People and Technology and discussed with all relevant parties before also being raised at the departmental liaison meetings. Any actions identified as service improvements will be built into the appropriate service improvement plan and the progress/outcome will be included in the monthly service report and discussed at the departmental liaison meetings.

##### 1.5.8.3 Service Reporting

In accordance with the Council's development of service reporting, a range of reports are now available via HR21 and can be run by service managers at their convenience.

#### 1.5.9 Main Contacts

Name and Position	Contact Details
Transactional Services: HR CONNECT Payroll	Telephone No: 7373 Email: <a href="mailto:HRconnect@west-dunbarton.gov.uk">HRconnect@west-dunbarton.gov.uk</a> Email: <a href="mailto:payroll@west-dunbarton.gov.uk">payroll@west-dunbarton.gov.uk</a>

Victoria Rogers Strategic Lead – People and	Telephone No: 7584 <a href="mailto:vicki.rogers@west-dunbarton.gov.uk">Email: vicki.rogers@west-dunbarton.gov.uk</a>
Alison McBride Strategic People & Change ManagerChange Manager	Telephone No: 6997 <a href="mailto:alison.mcbride@west-dunbarton.gov.uk">Email: alison.mcbride@west-dunbarton.gov.uk</a>

#### 1.5.9.1 Key Personnel Changes

The Board will be informed of any changes to key personnel named within the HR & ODservice that could affect the delivery of the Support Service.

#### 1.5.9.2 Changes to Service

Either party may propose changes to the scope of the services being provided by HR & OD. The parties will aim to agree any proposed changes prior to implementation.

## 2. INFORMATION TECHNOLOGY

### 2.1 Description

The Council will provide a comprehensive range of IT and telephony Support Services to all of the Board service areas.

Support Services provided by the Council include network (to PSN standards), desktop (PCs, laptops, printers, phones, tablets, thin client technology) application development, application support, customer support, IT procurement advice, server support and hosting, telephony infrastructure, security, hardware disposal, virus protection, internet and e-mail systems/access and data communications.

Support Services are provided through a combination of direct, phone based, face to face, self- service and specialist support. The key features of the Support Services are:

- a single point of contact for all Board users and requesting services;
- a single telephone number for any customer requesting a service or raising a fault;
- a self-service facility for customers to request services or raise faults online;
- fast access to professional support with potential resolution at first point of contact;
- dedicated Council individuals to develop services, identify opportunities and liaise directly with business areas; and
- tri level tiered incident management support with specific resolution times and escalation points, 1<sup>st</sup> and 2<sup>nd</sup> line incident management delivered by IT connect team and 3<sup>rd</sup> level incident management support delivered by development teams.

### 2.2 Service Availability / Hours of Support

<b>Service Availability</b>	<b>Hours of Support</b>
Via the Internet: Self-service call logging <a href="#">LANDESK Self Service</a> Email: <a href="mailto:ict.servicedesk@west-dunbarton.gov.uk">ict.servicedesk@west-dunbarton.gov.uk</a> Telephone: 01389 737000	Service Desk: 08:00-17:00 Mon-Thurs; 08:00-16:00 Fri Support Area: 08:45-16:45 Mon-Thu 08:45-15:55 Fri
Out of Hours Support Services: It is recognised that there will be occasions where an Out of Hours Support Service will be required. These do vary in nature depending upon the requirements outlined for the out of hours working. Where there is a need for specific arrangement to be made, contact must be made with the relevant Council nominated or the ICT manager (see contact details), they will identify the requirements and commission appropriate support resources. Where possible all requirements for out of hours working should be satisfied by using the pre-authorised schedule maintenance days. If the business requirement is such that the work must be carried out with the scheduled maintenance days then a minimum of seven working days notice would be required and the Council's ability to service the request would be based on reasonable endeavours. Out of hours working will be charged at the going overtime rate.	



### 2.3 Services in Scope

The services in scope as part of this agreement are contained in the following table

1. Business Partners	2. IT Connect	3. Business Transformation	4. IT Infrastructure	5. IT Security
Board liaison	1 <sup>st</sup> Level Support	Applications Development	Network Development	Implementation of technical solutions
Schedule Monitoring	Incident Management		Infrastructure Management	
New Business	Requests For Change (RFC)	3 <sup>rd</sup> line Support	Telephony Management	
Issue Escalation	Requests	Problem Management	Infrastructure Development	
	2 <sup>nd</sup> Level Support		Telephony Development	
	2 <sup>nd</sup> Level Incident Mgt		3 <sup>rd</sup> Level Incident Management	
	Problem Management		Problem Management	
	Software Install		Server Development	
	Onsite visits		Not Relevant	
	Hardware Install		Problem Management	
	Backup Management		Unix Server Development	
	Configuration Management		Server Maintenance	
	Licence Advice. Management.		Server Installation	
	Asset Management		Server Configuration	
	Configuration Management		3 <sup>rd</sup> Level Incident Management	

## 2.4 Customer Services

### 2.4.1 Service Desk Process

When the Board contacts the Council's Service Desk via LANDESK Self Service a Service Centre Assistant (SCA) will instigate the following standard process for call logging and prioritisation. The SCA will ask a range of questions (call scripting), the answers to these questions will either enable the SCA to provide a resolution at first point of contact or it will allow them to determine the urgency and priority of the call for further assignment through the tri teared support model. All details of the call will be recorded on a central recording system. If the call is not able to be resolved at first point of contact then the following details will be provided:

- Call ID;
- Call priority;
- Timescale for resolution (based on priority);
- The next steps in progressing the call if it is to remain open; and
- Escalation point (timescale in which the call will be escalated).

### 2.4.2 Prioritising the call:

The Council's service desk analysts will ask a series of pre-determined questions (call scripting) which will allow the system to assess and assign a priority based on the impact and urgency of the call. Details of the priorities and the response / resolution levels are as follows:

Priority No.	Response Time	Resolution Time	Service Definition
Priority 1 (P1)	2 working hours	1 working day	Full loss of service – (e.g. whole network or business critical system failure) affecting multiple users with no immediate workaround available. VIP customers/services are assigned priority 1. Some systems and services are assigned VIP status at critical times, for example Finance Accounting at Year End, services responsible for managing Elections
Priority 2 (P2)	4 working hours	3 working days	Partial loss of a service with critical business impact, with no immediate workaround available.
Priority 3 (P3)	1 working day	5 working days	No immediate business impact for which a workaround is available
Priority 4 (P4)	2 working days	10 working days	General application errors and problems/faults
Change Request	42 working days	Up to 10 working days Up to 20 working days 20 working days and beyond	Standard requests Minor requests Projects.

Some timescales are dependent on underpinning contracts with third party suppliers

\* A service request is an enquiry that has been identified as not being a problem or a fault identified

### 2.4.3 Disputed call prioritisation

Should the Board dispute the call prioritisation assigned to their call they should, in the first instance, discuss the call with the Council's service desk supervisor. The service desk supervisor will examine the call and assess the correct priority to be allocated to the call.

#### 2.4.4 Escalation Procedure

Escalation points have been built into the centralised recording system which will automatically escalate the call based on the predefined timescales. The Council's service desk calls will be automatically escalated to the service desk supervisor when they have exceeded their timescales and go into 'Breach' status. Out with the automatic escalation process the escalation path for the Board is as follows:

##### Escalation Path

##### Escalation Level 1: Call updates and progression

Service desk – This is the first point of contact for call escalations. The service desk will be able to advise customers of call progress and the timescales for resolution based on the call priority.

##### Escalation Level 2: Call management and monitoring

Service desk supervisor – The service desk supervisor will investigate the call, ensure the correct priority is applied and define the next actions to the customer. The service desk supervisor will then monitor this call until resolution.

##### Escalation Level 3: Quality of service delivery, customer satisfaction

Section leader – The section leader (IT Connect) will review the call actions taken and progress with the relevant support tier until resolved. The section leader (IT Connect) will undertake regular random quality checks to see if preventative measures can be built in and to ensure continuity of service.

##### Escalation Level 4: Business relationship management

Business Partner – The Business Partner will review the call and all actions taken and will highlight direct to the ICT Manager. The Business Partner will liaise with all areas of support tiers until resolution of the call and will raise an exception report on the issue at the departmental liaison meeting.

##### Escalation Level 5: ICT Management

ICT Manager – The ICT Manager will review the call, actions taken and timescales and will ensure the correct resolution is in place. The ICT Manager will review the processes undertaken and if required take any remedial action. The ICT Manager will review the exception report and will discuss the issue at the next departmental liaison meeting.

**The escalation process is completely separate from the complaints process which is covered below.**

#### 2.5 Service Dependencies: Third Party Suppliers

The Council has a role in negotiating appropriate support agreements with third party suppliers for corporate applications however support agreements and contracts for service specific applications are the responsibility of the Board. Where a resolution to a fault or service request is dependent upon a third party supplier then the Council (for corporate applications and the Board (for the Board specific applications) will undertake to log the call within the agreed target timescales. The provision of a response from the third party supplier will be dependent on service levels established within the relevant contractual arrangements. For corporate-related applications and services – calls to the Council that are dependent on external service level agreements will have the 'clock' stopped, this is to ensure that call breaches do not occur which are relational to external service level agreements outwith the Council's direct control. The service desk monitor all external call timescales and will deal directly with the suppliers as part of a supplier management function. Any breaches for external SLAs will be directly reported to the external supplier and contracts may be reassessed due to poor performance. Calls returning from suppliers will have the clock restarted as soon as they are received back into the Council who will regularly inform the Board of the progress of the calls and will regularly hasten external suppliers as part of the automatic escalation process built into the centralised reporting system.

#### 2.6 The Board's Responsibilities

It is expected that the service levels described in this document can only be consistently delivered when the Board takes the responsibility of reporting the necessary ICT faults/problems and service request through the Council's service desk in order to action, monitor and fix the calls effectively.

### 2.6.1 Service Desk

To get the most from the service desk the Board is advised to:

- Ensure that relevant asset tag information is collected prior to initiating the helpdesk call or self-service form;
- Make a note of any error message before phoning the service desk or raising the self-service form;
- Make sure that when contact has been made to the service desk they have access to a phone near the machine that they are experiencing a fault or a problem with, or working from a machine with remote support installed;
- Keep a record of the call ID (reference number) and use it when checking progress; and
- Make sure the service desk is aware of their availability/how to contact them.

The service desk's aim is to resolve as many calls as possible, at the initial stage, the standard response / resolution times are dependent on the call priority. Therefore it is important that:

- all contact with the Council is through the service desk to ensure calls are logged and processed to ensure a call ID is generated and an accurate history of events associated with the call is maintained;
- change in key personnel or establishment details need to be communicated to the service desk;
- sufficient information is provided for the service desk to record and action the call effectively i.e. name of establishment, contact details and the nature of the call;
- ensure that staff are sufficiently trained in relevant computer hardware and software usage, health and safety, data protection, etc.;
- appropriate information relating to the urgency of the call is provided to allow the service desk to properly assess and prioritise the call; and
- appropriate information relating to the impact of the call is provided to allow the service desk to properly assess and prioritise the call.

### 2.6.2 Support Via Remote Access

The Service desk will endeavour to fix all calls at first point of contact unless during the reporting process it is established that the call requires to be escalated to the next tier of support. The Board should ensure, where possible, that the service desk is able to remotely access the Board PC in order to resolve the problem or to further assess the problem. If remote access is not convenient at the time of fault reporting then the Board is required to arrange a suitable time for the remote access to occur. It should be noted that the clock may be stopped on the call until the remote access is able to take place.

### 2.6.3 Physical Access

In instances where physical access is required to devices then this will immediately be escalated from the service desk to the second tier of support services. The Council staff will liaise with customers to ensure a convenient time for onsite visits, however, customers should ensure that the Council has the required physical access within their premises to assess or resolve any calls. This could be a chargeable item relating to travel and accommodation should the location not be within the Council boundary.

### 2.6.4 Testing

There may be occasions where the Board wishes to perform user acceptance testing (UAT) either as part of a new system installation or as part of an application upgrade process. The Council will co-ordinate any UAT, however, it is the Board's responsibility to arrange for the provision of appropriate resources for any testing for new or upgraded systems through the relevant external suppliers in accordance with the required timescales. Service desk calls will have the clock stopped as soon as the call is passed for UAT and it will be restarted

upon completion of the UAT.

#### 2.6.5 Board projects and changes requiring Council resources

Projects that require additional ICT resources such as project management and business analysis may be provided by the Council as resources permit. If the Board requires these services the Board should liaise with the Council's ICT Business Partner in the first instance. Additional charges may apply if additional resource cannot be provided within existing provision.

#### 2.7 Infrastructure Reliability and Service Availability

##### 2.7.1 Reliability

Most routine maintenance should not affect service availability. However, occasionally upgrades or enhancements may mean that the Council needs to close the service down for a short while. If this becomes necessary the Council will ensure, where possible, that it takes place out of core service hours or forms part of the scheduled maintenance plan. The scheduled maintenance plan will be made available on the Council intranet.

##### 2.7.2 Availability Targets

The availability targets outlined below:

The key performance target is 98.0% (Service time covered is 24/7 excluding holidays).

#### 2.8 Service Monitoring

##### 2.8.1 Quality of Service and Service Standards

The Council warrants that the Services will be performed in a professional, customer focused and efficient manner consistent with industry standards reasonably applicable to such. The ICT Business Partner is the first point of call for any complaints or comments on the Council's service

##### 2.8.2 Service Comments

Any comments and complaints raised with the ICT Business Partner and relating to services covered within this agreement will be reviewed by the appropriate Council officer and discussed with other appropriate Council staff before also being raised at the Council/Board liaison meetings. Any actions identified as service improvements will be considered and if suitable, built into the service improvement plan and the progress/outcome will be included in the first available quarterly service report and discussed at the Council/Board liaison meetings.

##### 2.8.3 Service Reporting

A monthly service report on actual service levels achieved will be made available to the Board via the Council.

#### 2.9 ICT General Information

##### 2.9.1 Emergency Procedure

There is an emergency procedure invoked in the event of an evacuation, major system, power or network failures. This procedure may require the suspension or reduction of services provided under this agreement for a period of time. The decision on suspension of services will be taken by the Board Nominee or their delegated representative, in collaboration with the nominated Council Nominee.

##### 2.9.2 Main Contacts

Name and Position	Contact Details
Patricia Kerr ICT Manager	Telephone No: x7574 Email: <a href="mailto:patricia.kerr@west-dunbarton.gov.uk">patricia.kerr@west-dunbarton.gov.uk</a>
James Gallacher ICT Business Partner	Telephone No: x7287 Email: <a href="mailto:james.gallacher@west-dunbarton.gov.uk">james.gallacher@west-dunbarton.gov.uk</a>

##### 2.9.3 Key Personnel Changes

The Board will be informed of any changes to key personnel named above which could affect the delivery of the Support Services.

### 3.0 FINANCIAL AND PROCUREMENT SERVICES

The Council's financial services team will provide the following Support Services to the Board:

#### 3.1 Budgeting and Financial Planning

- Preparation and distribution of budget guidelines, reports and timetable;
- Assistance, collation and consolidation of budget submissions;
- Provision of information to assist final preparation of budget reports to the Joint Board;
- Assistance and provision of information to assist in the preparation of a medium/ long term finance strategy;
- Finalisation of approved budget information and update into the Council's financial ledger, to aid monitoring of budgets;
- Completion of all relevant financial returns, on a timely basis;
- Provision of financial advice on an ad hoc basis; and
- Provision of cashflow information to inform the treasury activities.

#### Budget Monitoring

- Preparation and presentation of standard budget monitoring reports on a monthly basis;
- Assistance in preparation of financial information to the Board as required; and
- Provision of information and advice on all budget monitoring issues.

#### 3.2 Preparation of Annual Financial Statements

- Preparation and distribution of year end instructions, deadlines and timetable;
- Processing year end accountancy entries to ensure the financial ledger presents core data for preparation of the annual financial statements and audit thereafter;
- Preparation of financial information for inclusion within the Board's annual financial statements, including compliance with regulatory requirements;
- Preparation of detailed and appropriate working papers to substantiate figures contained within the financial ledger and the financial statements; and
- Assistance in preparation of the Board's reports on final outturns.

#### 3.3 Provision of Financial Ledger/Main Accountancy System

- Provision of a financial ledger, recording of budgets and actual expenditure incurred to assist with budget monitoring;
- Provision of ledger maintenance service – including processing of feeders, interdepartmental charges, reconciling of accounts, processing of budget phasings, processing of budget virements, updating and maintaining appropriate coding structures, etc;
- Ongoing review and development of reporting facilities to improve ability to report same financial information in a variety of ways; and
- Ongoing development to continuously improve use of the financial ledger system, to encourage efficient and effective ways of working, minimising duplication and manual effort.

#### 3.4 Creditor Payments

- Inputting of authorised batches of invoices to the creditors financial system. The batches should be appropriate to the Council's approved documentation and correctly authorised and coded, including Construction Industry Scheme processes;
- Processing payments by the due date (if received and correctly requested by that date);
- Investigate and progress queries from either the Board or a supplier in respect of payments;
- Provide guidance/advice on issues related to creditor payments; and
- Assist with work to improve and develop systems and procedures for payment of invoices.

#### 3.5 Insurance

- Processing of insurance claims and dealing with insurance companies, brokers, claimants and departments in respect of claims;
- Assist in the provision of any detailed information required by insurance companies/

brokers to substantiate policy cover; and

- Procurement of insurance policies and negotiation of premiums on behalf of the Board.

### 3.6 VAT administration

- Provision of management information and transactional data for the completion and submission of the VAT return; and
- Provide ad hoc advice as required on VAT related matters.

### 3.7 Income Management

- Provision of secure income collection services, subject to banking arrangements; and
- Processing income into the relevant service system and into the Council's financial ledger – including debit and credit card transactions.

### 3.8 Sundry Debtors

- Provide necessary access and training to allow the Board to process debtors accounts, as required;
- Issuing invoices and credit notes on a regular, user defined basis;
- Issuing refunds to customers where overpayments have been identified, following necessary checks;
- In accordance with the standard timetable, issuing reminders/ final notices and legal letters on debts outstanding
- Access to full services in respect of debt recovery;
- Investigating and resolving queries relating to payments received / allocated;
- Providing guidance and advice on all issues related to customer accounts;
- Provide access to run reports on accounts outstanding at agreed intervals at user defined intervals;
- Ongoing development work to improve systems and processes for issue of customer accounts; and
- Providing new customer details on request.

### 3.9 Ad hoc

- Processing of all journal entries required to correct miscodings and appropriate allocations;
- Processing of approved budget virements;
- Provision of financial advice and information as required for audit purposes, including liaison with external auditors;
- Updating of authorised signatory registers for creditors/ debtors/ journal entries as requested by the Board;
- Process of authorised access into relevant areas of financial systems, as required;
- Processing of recharges between the Council and the Board or vice versa through "internal recharge" entries as appropriate; and
- Training as required to allow relevant Board employees to understand the Council's processes to allow the Board to complete its process and control tasks, as necessary.

### 3.10 Procurement

The Council's Corporate Procurement Unit will provide the following Support Services to the Board:

#### Tendering and Contracts

- Assistance in accessing Scotland Excel and Public Contracts Scotland contracts and frameworks; and
- Assistance and guidance relating to local tendering activities.

#### Sourcing

- Assistance in the sourcing of specific goods and services; and
- Assistance in supplier selection activities.

#### WeBuy eProcurement System

- Access, administration and facilitation of the WeBuy eProcurement system;
- Provision of user and approver training as required; and
- Assistance in provision of management information, as required.

#### Supplier Management

- Assistance in supplier management activities, as required.

#### 3.11 Audit and Risk Management

The Council will provide the following audit Support Services to the Board:

- Risk based system reviews;
- Computer audit;
- Contract audit;
- Performance audit;
- Irregularity/Public Information Disclosure; Participation in the National Fraud Initiative.
- Audit Planning to include liaison with external auditors
- Business Continuity and Disaster Recovery advice; and
- Audit Planning to include liaison with external auditors
- Risk Management and Health & Safety information and advice will be provided on an ad hoc/as required basis.

#### 3.12 Main Contacts

Name and Position	Contact Details
Stephen West Strategic Lead - Resources (Treasurer to VJB)	Telephone: x7191 Email: <a href="mailto:stephen.west@west-dunbarton.gov.uk">stephen.west@west-dunbarton.gov.uk</a>
Gillian McNeilly Finance Manager	Telephone: x7194 Email: <a href="mailto:gillian.mcneilly@west-dunbarton.gov.uk">gillian.mcneilly@west-dunbarton.gov.uk</a>
Jackie Allison Finance Business Partner	Telephone x7322 Email: <a href="mailto:jackie.allison@west-dunbarton.gov.uk">jackie.allison@west-dunbarton.gov.uk</a>
Joanne Thomson Accountant	Telephone: x7875 e-mail: <a href="mailto:joanne.thomson@west-dunbarton.gov.uk">joanne.thomson@west-dunbarton.gov.uk</a>
Andi Priestman Audit Manager	Telephone: x7436 e-mail: <a href="mailto:andrea.priestman.mcdougall@west-dunbarton.gov.uk">andrea.priestman.mcdougall@west-</a>
Annabel Travers Procurement Manager	Telephone: x7748 e-mail: <a href="mailto:annabel.travers@west-dunbarton.gov.uk">annabel.travers@west-dunbarton.gov.uk</a>



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

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 6 March 2020

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**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 2020/21

**2.0 Background**

- 2.1 As part of its overall Corporate Governance arrangements the Joint Board carries out an annual self-assessment of its governance structures and processes against the 'Delivering Good Governance in Local Government: Framework' that is published by CIPFA in association with Solace and which sets the standard for local authority governance in the UK.
- 2.2 The self-assessment which was completed in autumn 2018 identified the absence of current a Workforce Plan as an area which required improvement and the development of such a plan was included in the Governance Action Plan which was approved by the Joint Board at its meeting in June 2019.
- 2.3 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.

**3.0 Progress**

- 3.1 The Assessor & ERO has engaged with West Dunbartonshire Council's Human Resources and Organisational Development (HR&OD) Service to develop an approach to Workforce Planning. The methodology adopted is in line with that outlined in West Dunbartonshire Council's Strategic Workforce Planning Strategy, albeit the approach has been truncated to reflect the smaller size and reduced complexity of the Joint Board.
- 3.2 In accordance with that strategy, four key steps were identified as follows:-
  - Environmental analysis
  - Workforce modelling
  - Action Planning
  - Monitoring and Evaluation

- 3.3 The process involves taking account of external and internal factors which either present challenges or provide opportunities to the Board, or both, and considering how the factors at 2.3 above are affected. A plan which takes account of current Service Plans, future changes in legislative requirement and likely future funding was thus prepared. The resultant Workforce Plan, including its appendices 1 and 2, is attached for Members' consideration.
- 3.4 Actions arising from the process are included in Appendices 3A and 3B of the Workforce Plan.

#### **4.0 Next Steps**

- 4.1 If approved by the Joint Board, the Plan will be communicated to all employees and the Actions contained within the Plan will be effected.
- 4.2 The Action 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 that a process of Workforce Planning has been undertaken,
  - (b) Approve the Workforce Plan (including its appendices) attached as an appendix to this report,
  - (c) Note that progress will be monitored and evaluated and further actions will be taken as circumstances require.

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#### Person to contact:

David Thomson (Assessor and ERO)

Tel: 0141 562 1260

E-mail: [david.thomson@dab-vjb.gov.uk](mailto:david.thomson@dab-vjb.gov.uk)

#### **Appendices:**

DABVJB Workforce Plan

DABVJB Workforce Plan – Appendix 3A, Modelling and Actions (External factors)

DABVJB Workforce Plan – Appendix 3B, Modelling and Actions (Internal factors)

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

## **WORKFORCE PLAN 2020**

### **1.0 Introduction**

The self-assessment of the Joint Board's compliance with CIPFA's 'Delivering Good Governance in Local Government: Framework' identified that the Joint Board did not have a current Workforce Plan and the development of such a plan was included in the Good Governance Action List which was approved by the Joint Board in March 2018.

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 though a 5 year period is considered for Workforce Planning.

### **2.0 Approach to Workforce Planning**

The methodology adopted by the Joint Board is in line with that outlined in West Dunbartonshire Council's Strategic Workforce Planning Strategy, albeit the approach has been truncated to reflect the smaller size and reduced complexity of the Joint Board.

The approach follows the following key steps:-

- Environmental analysis
- Workforce modelling
- Action Planning
- Monitoring and Evaluation

For full detail on these processes see the Strategy Document referred to above but a summary is provided here for information.

To ensure a structured approach to the environmental analysis stage PESTLE and SWOT analysis tools have been used. The outcomes of these were then used to identify the most likely scenarios and identify the workforce requirements arising. Action Plans were then devised to ensure the requirements of each scenario could be met. Monitoring and evaluation of actions taken will run continuously following approval of the Workforce Plan.

### **3.0 Future Service Provision**

More detail on the Joint Board's service provision, both current and future, can be seen in the approved Service Plan for the period 2018-21, as updated in April 2019. Although specific to a 3 year period, that plan does refer to expected change beyond 2021.

In summary, however, the Joint Board's principal service requirements are as follows:-

#### **Non-Domestic Rating**

- To carry out general Revaluations as required.
- To timeously compile and maintain the Valuation Roll in accordance with the relevant legislation, to take account of new properties, properties which should no longer be entered in the roll, properties which have been altered, changes to the parties shown in the Roll and other changes arising from statute or other decisions of the Courts.
- To deal with (proposals and) appeals by discussion with ratepayers or their agents, or by hearing of appeals before the appropriate valuation appeal bodies.
- To consolidate or improve upon the time taken between the date on which amendments to the Valuation Roll are effective and the date on which the Valuation Notice is issued.

#### **Council Tax**

- To maintain the Valuation List in accordance with the relevant legislation, to take account of new properties, properties which should no longer be entered in the List, properties which have been altered and sold, and other changes arising from statute or other decisions of the Courts.
- To deal with proposals and appeals by discussion with ratepayers or their agents, or by hearing of appeals before the appropriate valuation appeal bodies.
- To consolidate or improve upon the time taken between the date that amendments to the Valuation List are effective and the date the Banding Notices are issued.

## Electoral Registration

- To timeously compile and maintain the Electoral Register in accordance with the relevant legislation.
- To deal promptly with all new applications to register under Rolling Registration
- To deal with applications for absent votes, collect and securely store Personal Identifiers and maintain relevant Absent Voters lists
- To produce, and make available for sale, copies of the Electoral Register in accordance with statutory arrangements
- To support the efficient running of elections within the Joint Board area.

The Service Plan also provides more detail in respect of the external factors which will change over period of the Workforce Plan, but the main known effects are as follows:-

- The Non-Domestic Rating (Scotland) Bill 2019 to implement the provisions of The Barclay Review of NDR. Most notable amongst these are:-
  - the proposals to move to a 3 yearly Revaluation cycle, with Valuation dates 1 year in advance, after 2022:
  - implementation of civil penalties for non-return of information
  - Change to a 2-stage proposals and appeals process, with proposals to be received from the point of publication of draft values
  - Addition of certain (parts of or buildings within) public parks to the valuation roll
- The Valuation Appeal Panel system is to be absorbed into the Scottish Tribunals system in 2022.
- To accommodate both of the above, Scottish Government officials have indicated a commitment to reduce the number of appeals submitted, albeit no specific actions have been included in the NDR Reform Bill.
- The UK Parliament has passed a Statutory Instrument that introduces more efficient and flexible approaches to the annual electoral registration canvass, for implementation in 2020. Parallel legislation by the Scottish Parliament will be required for the local government register of electors.
- The Scottish Government has introduced the Scottish Elections (Franchise and Representation) Bill that will extend the franchise to include all residents of Scotland, regardless of their Nationality, and some prisoners.
- Local Government's funding expectations from government are at best static and more likely to be reducing.

Given current Scottish Government policy it will be assumed that there will be no significant change to the Assessor's duties in relation to Council Tax (CT). Any general Revaluation in respect of the CT system or any abolition of the system would be of very real significance and would require a complete revision of any existing workforce plan.

## **4.0 Workforce Plan - Framework**

### **4.1 Environmental Analysis**

As stated above, PESTLE and SWOT analysis tools have been used to consider the effects of forthcoming change/external factors. See Appendices 1 and 2 for PESTLE and SWOT analyses.

### **4.2 Workforce Modelling**

Having considered the external and internal drivers which will affect the Joint Board's operations in the coming years, the most likely scenarios were considered along with any other matters which were of relevance and their impacts on the workforce (in terms of future demand and corresponding risks) were projected. This included consideration of:-

- The number and nature of job roles;
- The profile of the workforce;
- The skills and behaviours required;
- Use of technology and new ways of working;
- The way employees are managed and led;

Since it is not possible to predict the future accurately, in a workforce planning context, a range of plausible future scenarios were generated which enabled demand and supply projections to be made.

Forecasting involves determination of future employee requirements over the projection period based on the various scenarios. Specific forecasts were made for the shorter term (1-3) operational needs, whilst at the same time establishing the direction toward the 5-year forecast.

### **4.3 Gap Analysis and Action Planning**

The above process allowed gaps to be identified between existing staff structures and competencies and future requirements. Once gaps were identified, strategies and specific actions to address these were determined. For each gap or change requirement consideration was given to the following:-

- Who will need to be involved and who will take ownership;
- Approximate timescales to reach the intended outcome (recognising that some will have an immediate effect whilst others may take years to be realised);
- What the associated costs are (versus likely impact);
- What the associated risks are of (as well as to) implementation

The results of the Scenario Planning, Workforce Modelling and Action Planning can be found in Appendices 3A and 3B.

#### 4.4 Monitoring and Evaluation

Successful workforce planning is an active and continuous process which requires on-going monitoring and evaluation. Action plans 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 in addressing workforce gaps.

Wherever possible, existing reports, including budget and operational function reports (KPIs etc), will be used to evaluate the effects of actions or inactions. Plans will be adjusted if they are not having the desired impact or if circumstances change.

Evaluating progress will involve a consideration of the following questions:-

- Are the identified strategies being implemented in accordance with the action plan?
- Have the strategies delivered against the required outcomes?
- Have the conditions (internal or external) changed?
- Are there any other factors preventing achievement required outcomes?
- Is there a need to modify the strategies or actions?

Reports on progress will be provided to the Joint Board as is appropriate.

#### 5.0 Equalities

The Board is committed to the promotion of equal opportunities and has established equalities into the ethos of the organisation. In implementing this Plan the Board will take all proportionate measures necessary to overcome any perceived disadvantage or to meet specific needs for employees or potential employees with protected characteristics and to foster a workplace culture which is free from unlawful discrimination, harassment, victimisation or bullying.

In particular, the Joint Board will ensure that good equal opportunities practice underpins the operation of its Recruitment policy which will apply to all applicants and employees irrespective of age; disability; sex; gender re-assignment; race; religion or belief; sexual orientation; marriage and civil partnership; and pregnancy and maternity status.

## **Appendix 1 - PESTLE Analysis**

<b>Key Driver</b>	<b>Impact</b>	<b>Level of Uncertainty</b>	<b>Level of Impact</b>
	<i>How will the key drivers impact upon your service area (and, as a result, on the workforce)?</i>	<i>Low Uncertainty Moderate Uncertainty High Uncertainty</i>	<i>Low Impact Moderate Impact High Impact</i>
<b>Political</b> Introduction of 3 yearly Revaluations with 1 year tone date and other miscellaneous changes to the NDR system	If no other changes to the NDR system are implemented in parallel, this will increase the resource/workforce requirement significantly, especially in relation to valuation/technical staff. If the appeal system is changed (see below) and that does result in a reduction in appeals received the effects would be reduced.	The change to a 3 year cycle is certain but the dependencies are very unclear.	The impact will vary depending on any changes which are brought in in parallel with the change to the revaluation cycle.
<b>Political</b> Introduction of civil penalties for non-return of requested information	Resources will need to be applied to implement the management of Assessor Information Notices, the triggering of penalties and the reconciliation of payments, though the exact process is not yet known.	It is certain that this will be implemented.	The impact should be low-moderate
<b>Economic</b> Reducing local government settlements may result in the VJB's funding being cut.	In light of the above likelihood of a requirement for an increased workforce, the possibility of reduced funding represents a very significant risk.	Low uncertainty – this is already happening	High
<b>Economic</b> The improving economy could lead to increased property development and VR and CT maintenance workload	This would add to the pressure, arising from a compressed revaluation cycle, to increase technical/valuation staff	Moderate uncertainty	Low - Moderate
<b>Social</b> Fewer young people are choosing a career in	This is likely to reduce the pool of surveyors and graduates and make prompt reactions to staffing	Low uncertainty – this is already happening	Moderate



Surveying and fewer training opportunities are available to them	change more difficult		
<b>Technological</b> New or revised ICT systems may be implemented for valuation functions	This could change the skillsets required by the Board's technical staff	Moderate uncertainty	Moderate
<b>Technological</b> It is likely that some of the future requirements of Barclay/3-yrly Revals will be delivered through increased use of the SAA web portal	This could impact on the physical (ICT) and/or personnel resources required and will result in an increased workload on ICT support staff/local system development	Low uncertainty	Low - Moderate
<b>Legal</b> Incorporation of VACs into the Scottish Tribunals system	It is unclear how this will be effected or what the appeals process will be when the change is made:- If overall appeal numbers are reduced the pressures to increase staffing levels caused by 3 yearly revaluation cycle would be reduced. To date, however, government has taken no steps to reduce the likelihood of ratepayers making appeals A two-stage process, with (similar numbers of) proposals initially being made to Assessors, could result in an overall increase in the appeals workload.	Low uncertainty	Variable
<b>Legal</b> Changes to the appeals system	It is unclear how this will be effected or what the appeals process will be in the future – see above	Low uncertainty	Variable
<b>Legal</b> CO initiatives to revise the annual canvass	Canvass reform could result in a reduced requirement for both permanent staff and temporary	Low uncertainty	Moderate Impact

	canvassers (possibly after an initial transition period).		
<b>Legal</b> The SG intention to extend the franchise to all residents of Scotland and to some prisoners	These initiatives are likely to increase workloads and, potentially, require additional staffing,	High uncertainty	Low-Moderate

## Appendix 2 - SWOT Analysis

	Impact	Level of Uncertainty	Level of Impact
<b>Key Driver</b>	<i>How will the key drivers impact upon your service area (and, as a result, on the workforce)?</i>	<i>Low Uncertainty Moderate Uncertainty High Uncertainty</i>	<i>Low Impact Moderate Impact High Impact</i>
<b>Strengths (internal)</b> The current workforce, including the management team, has a good level of experience (but see, also, weaknesses). Note, also that this is not absolutely consistent across the Joint Board.	This ensures delivery of service functions for short term	Low uncertainty	High Impact
<b>Weaknesses (internal)</b> A budget gap exists and is expected to grow in future years. External Electoral Reg funding is reducing and will cease during the currency of this plan.	Unless additional funding is provided or exceptional efficiencies can be made in operations, substantial staffing changes will be required in terms of both numbers and grades.	Certain	High
<b>Weaknesses (internal)</b> The age profile of staff, when taken with the recent change to pension rules, present an increased risk of loss of experienced staff/managers	The effects could be either:- <ul style="list-style-type: none"> <li>• significant numbers of staff choose to retire, or</li> <li>• holders of key posts choose to retire</li> </ul>	Fairly certain – happening now	Moderate - High
<b>Opportunities (external)</b> Deployment of improved ICT systems	It is possible that the deployment of more integrated systems or systems with new capabilities (e.g. appraisal systems) could reduce staffing pressures in several different ways including:- <ul style="list-style-type: none"> <li>• reduced data input</li> </ul>	Moderately Uncertain (this would require specific ICT investment)	Very variable

	<ul style="list-style-type: none"> <li>• reduced reporting effort</li> <li>• reduced analysis requirements</li> <li>• reduced paper handling etc</li> </ul> <p>This will, however, place an increased reliance and workload on internal ICT staff.</p>		
<b>Opportunities (external)</b> Scottish Government commitment to reduce the appeals workload	This may reduce the pressure for increasing valuer numbers which is the direct result of NDR Reforms	High uncertainty	Variable impacts
<b>Threats (external)</b>	See PESTLE analysis re 3-yrly Revaluations, changes to the appeals process, etc		

## DAB VJB WORKFORCE PLAN

### APPENDIX 3A - 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
<u>Budget pressure</u> Static or reduced council contributions. Existing budget gap increasing in future years Inflationary and other pay rises Exhaustion of existing 'reserves'	Unable to fund existing staffing levels	Efforts to achieve operational efficiencies and improve productivity will be ongoing continually  New and better use of IT systems will be considered to assist with the above.  Direct funding specifically for NDR/Barclay Reforms  Joint Board Working Group established to consider closing the funding gap	Voluntary Early Retirement and Voluntary Severance scheme to remain open to staff.  Utilise the opportunities offered by natural churn.  Consider retention (rather than loss) of technical posts though Barclay Funding	} } } } } Assessor & ERO } } } ]	Ongoing	Budget reports will measure whether relevant savings are being made.  KPI and other performance reports will measure any effect on service delivery
<u>NDR Reform</u> 3-yearly Revaluation cycle with 1-yr 'Tone' date New proposals and appeals process Addition of some public parks to the valuation roll Increase maintenance related Provision of comparison information Increased transparency  Civil Penalty Powers  New BGA marker New Self-Catering subjects criteria	Valuation cycle compressed – processes which are currently 'end-on-end' will need to be carried out simultaneously/in parallel.  Capture of new subjects and valuation information will have a 'front-end'/start-up resource implication  Increased maintenance activity	Direct funding specifically for NDR/Barclay Reforms  Market dearth of appropriately qualified surveyors  Inflationary market for appropriately qualified surveyors  Reduced availability of training options for trainee surveyors  Known retirements (short term)  Expected retirements (medium term)	Increased need for technical staff  Recruit graduate level trainee Surveyor (Clydebank)  Recruit entry level Trainee Surveyor (Campbeltown)	Assessor  Assessor  Assessor	Ongoing  Summer 2020  Summer 2020	KPI and other performance reports will measure any effect on service delivery  NDR Reform /Revaluation Project Team and Management Team will monitor progress wrt delivery of R2022 and, subsequently, appeals disposal.
As above	Redevelopment of existing Valuation systems. Expansion of portal valuations. Expanded DTF for portal data provision Development 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.	Increased demand for ICT resource.  Provide flexible and overtime working for peak times and project pinch points.  Continue to review need for additional programmer/ ICT officer	Depute Assessor  Assessor/ Depute	Ongoing  Continual review	NDR Reform /Revaluation Project Team and Management Team will monitor progress wrt delivery of R2022 ICT requirements
<u>Civil Penalties Process</u>	See above re ICT development Increased need for more pro-active and accurate management of AINs New tasks of initiating CPNs and liaison with WDC re recovery. Requirement to analyse payments received and reconcile to penalties issued.	Process to be delivered in partnership with WDC using their debtors system.  Process map and responsibilities to be developed and agreed  Develop appropriate data base(s)	Provide Agresso training  Potentially recruit new clerical/ admin post and/or review existing roles of clerical and admin posts to include new duties.	By arrangement with WDC Assessor	Spring 2020  Spring/Summer 2020	Training Log/PDR system  New reports on issue of, and receipts from, CPs to be introduced. Management Team reports (See Reporting Framework) will monitor service delivery
<u>Canvass Reform</u>  New 3-route approach to the annual canvass with 'No changes' no longer required to make a return	Fewer items to physically process at peak times  Fewer non-returns to follow-up	EMS changes  Cessation of grant funding from Cabinet Office  Still requires legislation in Scotland	Reduced numbers of canvassers required  Canvasser training requires to be reviewed	PAO  PAO	June 2020  Spring/Summer 2020	Staffing reports/budget will measure numbers and cost.

		Known retirements (short term)	Consider clerical/admin staffing levels and/or specific posts for change or removal.	ERO/PAO	Ongoing	Management Team reports (See Reporting Framework) will monitor service delivery
<u>Expansion of the Franchise</u>  Foreign nationals and some prisoners to be added to the registers	Capture of currently ineligible residents  Increased register requiring increased maintenance resource  New verification of qualification criteria to be introduced	EMS changes  Legislation awaited  Known retirements (short term)	May offset the potential savings from canvass reform  Consider clerical/admin staffing levels and/or specific posts for change.  Training in new legislation and procedures will be required	  ERO/PAO    PAO	  Ongoing    Spring 2020	  Management Team reports (See Reporting Framework) will monitor service delivery. Budget reports will measure whether relevant savings are being made.

# **DAB VJB WORKFORCE PLAN**

## **APPENDIX 3B - ENVIRONMENTAL ANALYSIS, WORKFORCE MODELLING AND ACTION PLANNING (INTERNAL FACTORS)**

<b>Internal Factor</b>	<b>Implications/Scenarios</b>	<b>Other factors including Demand and Supply</b>	<b>Conclusions and Actions</b>	<b>Responsibility</b>	<b>Target Date</b>	<b>Monitoring and Evaluation</b>
Retirement of Divisional Valuer (Clydebank Office) wef 31 March 2020	Loss of experienced Valuer Loss of experienced Line Manager	Retirements and resignations in recent years have significantly depleted the levels of experience in the surveying staff of the VJB. This retirement will significantly exacerbate the loss. Since the VJB restructured to remove one Divisional Assessor post in Clydebank the role of the DVs in the day-to-day maintenance of the section (Valuation Roll & Council Tax List, and in progressing appeal disposals) has grown.	Aim to recruit a suitably experienced DV in Q1 2020 to enable a start date of 1 April 2020 or ASAP thereafter.	Assessor	March 2020	Job (re)advertised February 2020 to ensure competitive interview situation
		DAB needs to maintain its representation at, and input to, SAA working groups and provide development opportunities to other Valuers.	Review SAA Committee and WG representation	Valuation Working Group	December 2019	Complete
Retirement of Technician (Campbeltown Office) wef 01 January 2020	Loss of Experienced Technician (0.8 FTE)	This particular retirement (or one from similar posts) has been expected for some time and a Technician was appointed in 2006 to cover for such an occurrence. Thus the Campbeltown Technical section has been over 'complement' in relation to Technicians for some years. Further Technician retirements can be expected in the medium term.	No action due to current excess over complement  See Appendix 3A and the plan to recruit Trainee Valuer to assist with delivery of NDR Reform	Assessor	Summer 2020	
Retirement of Administrative Officer (Clydebank Office) wef 30 November 2019	Loss of experienced Administrative Officer (J/S 0.5 FTE)	Admin Officer heads up a section of clerical and admin staff and is a critical post.	Job-sharer to return to Full-time work pattern to cover.	ERO	November 2019	Complete
Retirement of Administration Assistant (Clydebank Office) wef 06 January 2020	Loss of experienced Administration Assistant  Loss of processing/verification resource.	Four such posts were created following the introduction of IER in 2014/15 to cater for new processes and changed workloads. The effect of that change has never been fully evaluated. Canvass Reform, due in summer 2020, will bring further changes, the precise effects of which cannot be predicted. There may be benefits accrue from this section moving to a single full-time supervisor and the effects of that, if any, should be considered.	There is a case for reviewing all clerical and admin structures once Canvass Reform and the changes to the franchise have been established.  It is clear from the workloads, particularly around election time, that the Board cannot provide appropriate level of service if the number of these posts drops to 2 (as would be the case). Thus in the short term the aim will be to recruit to the post of Admin Assistant.	ERO/PAO  ERO/PAO	2021/22  February/March 2020	





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

Report by Assessor & Electoral Registration Officer (ERO)

Valuation Joint Board – 6 March 2020

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### **Subject: Print & Mail Services Contract**

#### **1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Joint Board to authorise the Assessor & ERO in consultation with the Strategic Lead - Regulatory Services in West Dunbartonshire Council (WDC) to conclude the award of the contract for Dunbartonshire and Argyll & Bute Valuation Joint Board's Print and Mail Services.

#### **2. Recommendations**

- 2.1** It is recommended that the Joint Board :

- a) Authorise the Assessor & ERO and Strategic Lead Regulatory Services to conclude the award of the contract for Dunbartonshire and Argyll & Bute Valuation Joint Board - Print and Mail Services to CFH Docmail Ltd.
- b) Note that the contract shall be for a period of two years, with the option to extend a further 12 months, at an estimated overall value, over three years, of £291,879 ex VAT. The estimated commencement date of the contract is 1<sup>st</sup> June 2020

#### **3. Background**

- 3.1** The ERO has a standing legal obligation to issue mail in various formats to electors and potential electors of the Valuation Joint Board area. The Joint Board also has statutory mailing requirements in respect of its Non-Domestic Rating and Council Tax functions, along with a general requirement to issue and receive mail for the purposes of carrying out all of its duties.
- 3.2** The Joint Board is seeking to appoint an experienced company to provide the following services:
- The printing and mailing of two types of canvass forms in two tranches, i.e. initial issue and first reminder, followed by the printing of second reminders and their delivery to Dunbartonshire and Argyll & Bute Valuation Joint Board offices;
  - The printing and mailing of various other Letters and Forms including canvass forms and Invitations to Register (ITRs) to be issued in varying numbers/frequencies throughout the year as part of the canvass, rolling registration and other statutory duties of the Assessor & Electoral Registration Officer.

- 3.3** The budget which is presented separately to the Board today makes provision for the services described above for 2020/21 and beyond. This procurement exercise has been conducted in accordance with the Joint Board's Standing Orders and Financial Regulations and the Public Contracts (Scotland) Regulations 2015 for Services. A Contract Strategy document was also approved by the Board's WDC Business Partner – Strategic Procurement Corporate Indirects on 27 November 2019.

#### **4. Main Issues**

- 4.1** A contract notice was published on the Public Contracts Scotland advertising portal and the Official Journal of the European Union (OJEU) on 4 December 2019. 16 providers expressed an interest, with two providers submitting a response by the deadline for the submissions on 9 January 2020.
- 4.2** The two tender submissions were evaluated by officers of the Joint Board along with West Dunbartonshire Council's Corporate Procurement Unit and Finance Services against pre-determined selection criteria forming part of the published tender documents which assessed competence, experience, and capacity. Two tender submissions passed the selection criteria.
- 4.3** Two tender submissions were evaluated against a set of award criteria which was based on Price/Quality ratio of 60% / 40%. The scores relative to the award criteria of each tenderer are as follows:

	Weighting	CFH Docmail Ltd	Critiqom Ltd
<b>Quality (40%)</b>			
ICT Security	<b>10%</b>	9.4%	8.1%
Quality	<b>15%</b>	12.8%	9%
Cost	<b>3%</b>	1.9%	1.5%
Service	<b>10%</b>	8.8%	7.5%
Social Benefits	<b>2%</b>	2%	2%
<b>Quality Sub-Total %:</b>	<b>40%</b>	<b>34.9%</b>	<b>28.1%</b>
<b>Price (60%)</b>			
Price per annum	<b>60%</b>	£97,293	£99,343.32
<b>Price Sub Total £ (3 year total)</b>	<b>-</b>	<b>£291,879</b>	<b>£298,029.96</b>
<b>Price Sub Total %</b>	<b>60%</b>	<b>60%</b>	<b>58.8%</b>
<b>Total Score</b>	<b>100%</b>	<b>94.9%</b>	<b>86.9%</b>

**4.4** It is recommended that the contract is awarded to CFH Docmail Ltd, of Bath, Somerset, which has provided the most economically advantageous tender. The contract shall be serviced from the provider's local office in Livingston, for a period of two years, with the option to extend a further 12 months, at an estimated overall value of £291,879 ex VAT. The value of the contract is in line with the Board's expectation.

**4.5** CFH Docmail Ltd has committed to exceed the Scottish Living Wage across all staff contracts and to the delivery of a number of social benefits as a direct result of delivery of this contract. If the contract is approved, these will be discussed at the implementation meeting with CFH Docmail Ltd and actions to take these forward will be agreed.

## **5. People Implications**

**5.1** There are no people implications.

## **6. Financial and Procurement Implications**

**6.1** Financial costs in respect of this Contract will be met from the (to be) approved Revenue budgets of the Joint Board.

**6.2** This procurement exercise was conducted in accordance with the agreed contract strategy produced by WDC's Corporate Procurement Unit in close consultation with officers of the Joint Board officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant procurement legislation.

## **7. Risk Analysis**

**7.1** The successful provider has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Joint Board.

## **8. Equalities Impact Assessment (EIA)**

**8.1** An equalities screening was undertaken for this report to determine if there is an equalities impact. The results were that there is no equalities impact.

## **9. Consultation**

**9.1** The Electoral Registration Officer consulted closely with WDC's Corporate Procurement Unit in the development and implementation of the Contract Strategy. WDC Finance Services and Legal Services have also been consulted on the contents of this report.

## **10. Strategic Assessment**

- 10.1** The Dunbartonshire and Argyll & Bute Valuation Joint Board - Print and Mail Services will contribute to the delivery of the Joint Board statutory duties and ongoing efforts to maximise financial efficiencies in service delivery.

## **11. Recommendations**

- 11.1** Members are asked to:-

- a) Authorise the Assessor & ERO and Strategic Lead Regulatory Services to conclude the award of the contract for Dunbartonshire and Argyll & Bute Valuation Joint Board - Print and Mail Services to CFH Docmail Ltd.
- b) Note that the contract shall be for a period of two years, with the option to extend a further 12 months, at an estimated overall value of £291,879 ex VAT. The estimated commencement date of the contract is 1st June 2020

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### **Person to Contact:**

David Thomson (Assessor and ERO)

Tel: 0141 562 1260

E-mail: [david.thomson@dab-vjb.gov.uk](mailto:david.thomson@dab-vjb.gov.uk)

**Appendices:** None

**Related Papers:** Budget Estimates 2020/21 Report to Joint Board 6 March 2020

## DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

Report by Assessor & Electoral Registration Officer

Valuation Joint Board – 6 March 2020

### **Subject: Revised Employer Discretions - Local Government Pension Scheme (Scotland) and Salary Sacrifice Shared Cost AVCs**

#### **1.0 Purpose**

- 1.1 The purpose of this report is to update the Joint Board on the review of the Joint Board's Statement of Policy in relation to Pension Scheme Discretions.
- 1.2 To seek Joint Board approval of the proposed revisions to the Statement.
- 1.3 In particular, to provide details of the amendment to section R17 (1) of the Joint Board's Discretions Policy Statement (Appendix 1) to allow shared cost AVCs (SCAVC) by way of salary sacrifice.
- 1.4 To seek Joint Board approval of the above amendment.

#### **2.0 Background**

##### Pension Discretions Statement of Policy

- 2.1 Employers participating in the Local Government Pension Scheme (LGPS) in Scotland are required to formulate, publish and keep under review a Statement of Policy on certain discretions in relation to the application of the scheme.
- 2.2 The Joint Board last approved a revised Statement of Policy in June 2015.
- 2.3 Since then a number of changes have been made to the LGPS.
- 2.4 Strathclyde Pension Fund Office (SPFO), which administers the Local Government Pension Scheme on behalf of the Joint Board, has recently updated its Master Statement of Policy, taking account of all Regulation amendments since the previous version was published in 2015. This resulted in the following:
  - the removal of obsolete regulations and an associated change to regulation referencing;
  - the addition of new discretions in relation to those who ceased active membership on or after 1st April 2015 and before 30th June 2015; and therefore,
  - a requirement to update the Joint Board's obligations, policy decision and the associated regulations.

##### Shared Cost Additional Voluntary Contributions

- 2.5 In addition to the normal periodic deductions from an employee's pay in respect of their occupational pension benefits, a scheme member can elect to enhance

their pension benefits through the use of additional voluntary contributions (AVC).

- 2.6 Within the LGPS regulations (R17 (1)) there is provision for employers to contribute to a shared cost AVC (SCAVC). The current Joint Board policy opts not to exercise this discretion.
- 2.7 Recently West Dunbartonshire Council, with whom the Joint Board tends to align its Personnel-related Policies, amended its discretion to offer such a scheme.

### **3.0 Current Position**

#### Pension Discretions Statement of Policy

- 3.1 A revised Statement of Policy which reflects and aligns with the LGPS changes the SPFO's Master Statement of Policy and West Dunbartonshire's Statement of Policy is attached (Appendix 1) for Members' consideration. The relevant changes are highlighted below.
- 3.2 Prior to the introduction of the 2015 Regulations, members who moved from one authority to another had the responsibility of transferring their pension to the new employer (should they wish to do so) within 12 months. The introduction of the CARE (career average revalued earnings) scheme confirmed this aggregation would be automatic, with members being able to opt out within 12 months. This provision was previously included in R85 (transfer values) and is now contained in R22. The policy has been revised to reflect that 'the Joint Board will not normally extend the 12 month time limit but may do so in exceptional circumstances. Each case will be considered on its merits'.
- 3.3 The second amendment is TP10 (6) which relates to pre 2015 deferred benefits for members who re-joined post 31st March 2015, allowing them to purchase an amount of CARE pension. The policy has been revised to reflect that 'the Joint Board will not normally extend the 12 month time limit but may do so if exceptional circumstances can be demonstrated. Each case will be considered on its merits' best managing the associated costs.
- 3.4 In June 2019 the LGPS Regulations changed to allow members to voluntarily retire from age 55 with an actuarial reduction, without their employer's consent. It is proposed that the Joint Board statement in respect of R2 29 is adopted as a discretion and enables the waiver of the actuarial reduction, in whole or in part, if this is demonstrated to be advantageous to the Joint Board or in its' operational interest. This will also involve consideration of the associated protections. Adopting this waiver provides an alternative mechanism for those wishing to leave on a voluntary basis, where added years is not appropriate and / or financially viable.
- 3.5 The discretions associated with flexible retirement have also been revised to allow the waiver of the actuarial reduction, in whole or in part, if this is demonstrated to be advantageous to the Joint Board or in its' operational interest.
- 3.7 In recognition of the financial climate, the compensatory award table, used where employees are not of pension age or are non-members of an

occupational scheme, has been amended, reducing the maximum weeks from 60 to 45 weeks. This retains an enhancement of 1.5 times the weeks available under statutory redundancy terms.

- 3.8 To increase the flexibility associated with early release and compensatory added years, regulation D8 (1) has been revised to allow alternative offers to be made that comply with best value principles. The discretion relating to Regulation D4 1 has also been revised to clarify that the weekly pay cap will be used for statutory redundancy payments.
- 3.9 Subject to approval, the Pension Discretion Statement of Policy document will be published on the Joint Board's intranet and provided to SPFO as required by the Regulations.

#### Shared Cost Additional Voluntary Contributions

- 3.9 Through SPFO, employers have been made aware of a facility to introduce contributions to AVC from employees via a salary sacrifice scheme. This is classified as a Shared Cost AVC but does not incur additional costs for the employer. Indeed, the salary sacrifice SCAVC offers a benefit to the employer in respect of lower employer National Insurance (NI) costs.
- 3.10 A number of employers, including West Dunbartonshire Council, are already offering such a scheme and consequently, the introduction and promotion of a salary sacrifice SCAVC scheme for the Joint Board's employees is felt to be of value.
- 3.11 The salary sacrifice SCAVC scheme operates as follows:
- Member sacrifices an agreed amount from their salary - The SCAVCs operate on a 'shared cost' basis with the employee paying £1 as their contribution to the shared cost and the remainder paid on their behalf, by the employer, under the salary sacrifice arrangement.
  - Employee obtains a tax benefit from the salary reduction (pensionable pay is not reduced)
  - Employee will pay lower NI contributions following the deductions from salary made through salary sacrifice.
  - The Joint Board will also pay lower NI contributions due to the lower pay.
- 3.12 The underlying premise of salary sacrifice for the SCAVC pension contributions is that the Joint Board effectively makes a contribution to the AVC of the salary sacrificed by the employee.
- 3.13 In comparison to the existing AVC scheme, employees would make the same AVC contribution but, due to additional tax relief, they would receive more take home pay.
- 3.14 The employee may also decide that this facility allows for them to increase existing AVC contributions and they can do this in the normal way.
- 3.15 It would be the intention to communicate this shared cost provision all LGPS members as soon as is practically achievable following approval.

- 3.16 Practical implementation of SCAVCs required the Pension Discretions Statement of Policy to be amended at R17 (1) (See Appendix 1).
- 3.17 SPFO have confirmed that the provision of a salary sacrifice SCAVC scheme is in line with the pension regulations. No tax complications are envisaged as West Dunbartonshire Council, who provide payroll services to the Joint Board, have already received clearance from HMRC.

#### **4.0 People Implications/Equalities Impact**

##### Pension Discretions Statement of Policy

- 4.1 A number of discretions are age specific and apply to those employees aged 55 (age 50 for protected members) or over. While this is a requirement of the regulations, age specific discretions will advantage those older than 55 (age 50 for protected members). To mitigate this, all discretion will be applied in a fair, consistent and transparent manner.

##### Shared Cost Additional Voluntary Contributions

- 4.2 The SCAVC provision will be available to all Joint Board employees. Access to the shared cost scheme is voluntary and any associated cost reductions will only be realised if employees choose this provision.
- 4.4 An Equalities Impact Assessment has been carried out in respect of the introduction of SCAVCs and the EIA is attached at Appendix 2.

#### **5.0 Consultation**

- 5.1 The relevant Trades Union are aware of the requirement to review and re-publish the Pension Discretions Statement of Policy and have been informed of the changes.
- 5.2 The proposed salary sacrifice SCAVC facility has been advised to the relevant Trade Union.

#### **4.0 Recommendations**

- 4.1 Members are asked to:-
- (a) approve of the revised Statement of Policy in respect of Pensions Discretions, and
  - (b) approve the implementation of shared cost AVCs (SCAVC) by way of salary sacrifice for employees of the Joint Board.

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##### Person to contact:

David Thomson (Assessor and ERO)

Tel: 0141 562 1260

E-mail: [david.thomson@dab-vjb.gov.uk](mailto:david.thomson@dab-vjb.gov.uk)





*Dunbartonshire and Argyll & Bute  
Valuation Joint Board*

**Dunbartonshire and Argyll & Bute Valuation Joint Board**

**Local Government Pension Scheme**

**Statement of Policy on Discretions 2020**

**March 2020**

## **Local Government Pension Scheme**

### **Statement of Policy on Discretions 2020**

#### **1. Introduction**

- 1.1 The Local Government Pension Scheme (LGPS) in Scotland states that employers must formulate, publish and keep under review a Statement of Policy on certain discretions which they have the power to exercise in relation to members of the Scheme.
- 1.2 The Local Government Pension Scheme (Scotland) Regulations 2018 amended the Scheme and the discretions which employers have the discretion to apply.
- 1.3 This Policy updates the range of discretions available to the Valuation Joint Board and the discretions which the Board will adopt in relation to the updated LGPS.

#### **2. Scope**

- 2.1 This Policy applies to early leavers (redundancy/voluntary severance/early retirement); staff requesting flexible retirement; staff in situations where augmentation of benefit would apply; staff opting out and rejoining the pension scheme.

#### **3. Key Principles**

- 3.1 The Policy describes the range of discretions available to the Joint Board. All decisions in relation to the use of these discretions will always take account of the short and long term financial implications to the Board.
- 3.2 In applying its discretions, the Board will always seek to ensure consistent and equitable application within any scheme of voluntary early retirement and voluntary severance.
- 3.3 The Board will ensure the Policy on Discretions is reviewed and updated to comply with any changes to statutory redundancy provisions and amended Pension Regulations.

#### **4. Date for review**

- 4.1 This policy statement will be kept under review and will be revised as and when necessary to reflect any changes in regulations or policy. Any changes to this policy will be communicated to the administering authority and scheme members in writing within one month of the change taking effect.

#### **5. Statutory Context**

- 5.1 The Valuation Joint Board ("The Board") is aware of its obligations under:
  - the LGPS (Scotland) Regulations 2018
  - the LGPS (Transitional Provisions and Savings) (Scotland) Regulations 2014
  - the LGPS (Scotland) Regulations 2014
  - the LGPS (Administration) (Scotland) Regulations 2008 (in respect of leavers between 1 April 2009 and 31 March 2015)

- the LGPS (Scotland) Regulations 1998 (in respect of leavers between 1 April 1998 and 31 March 2009)

5.2 In developing our policy statement, The Board has considered the LGPC document called “Discretions Policies”, see:  
<http://www.lgpsregs.org/index.php/scotland/admin-guides>

## 6. Discretions

6.1 The Tables below detail the range of discretions available to the Valuation Joint Board and the discretions which the Board will adopt in relation to the LGPS

**Note:** An asterisk (\*) in the following tables beside a regulation denotes the discretions where we are required to have a policy statement under the regulations

**Table 1** details our discretions under the LGPS (Scotland) Regulations 2018.

**Table 2** details our discretions in relation to scheme members who ceased active membership on or after 01 04 15 and before 31 05 18.

**Table 3** details our discretions in relation to scheme members who ceased active membership on or after 01 04 09 and before 01 04 15

**Table 4** details our discretions under the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended) in relation to pre 01 04 09 scheme leavers.

**Table 5** details our discretions under the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 (as amended).

**TABLE 1**

**The following table details our discretions from 01 06 18 in relation to post 01 06 18 active members and post 01 06 18 leavers, being discretions under:**

- the Local Government Pension Scheme (Scotland) Regulations 2018 [prefix **R**]
- the Local Government Pension Scheme (Scotland) Regulations 2014 [prefix **R2**]
- the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 [prefix **TP**]
- the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 [prefix **A**]
- the Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008 (as amended) [prefix **B**]
- the Local Government Pension Scheme (Transitional Provisions) (Scotland) Regulations 2008 [prefix **T**]
- the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended) [prefix **L**]

<b>Regulation</b>	<b>Discretion</b>	<b>DABVJB's policy on the exercise of this discretion</b>
<b>R3(1)(b)</b>	Decide which employees to nominate for membership (admission bodies)	Not applicable to DABVJB as a Scheduled Body.
<b>RSch 2, Part 2, para 12(c)</b>	Whether, in respect of an admission body providing a service in respect of outsourced work, to set off against payments due to that body any sums due from that body to the Fund	The Board will consider each case on an individual basis.
<b>R9(1) to R9(4)</b>	Determine the rate of employee's contributions	The employee's rate of contributions will be determined in accordance with the relevant regulations
<b>R9(8)</b>	Determine intervals at which employees' contributions are to be made	The frequency of employee contributions will be determined by the relevant pay cycle
<b>R16(2)(e)* &amp; R16(4)(d)*</b>	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	The Board will contribute 2/3rds of the cost to a SCAPC where election would not have been possible within the timescales, subject to individual circumstances
<b>R16(16)</b>	Whether to extend 30 day deadline for member to elect for a shared cost APC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, child-related leave or reserve force service leave)	The Board will extend the deadline, on production of evidence of extenuating circumstances, for a further 30 days, subject to individual circumstances.
<b>R17(1) &amp; definition of SCAVC in RSch 1</b>	Whether, and in what circumstances to contribute to a shared cost AVC scheme.	Scheme members have access to AVC arrangement on a member-only contribution basis or through the 'salary sacrifice' shared cost AVC provision. <b>(AMENDED – NEW OPTION FOR EMPLOYEES)</b>

<b>TP15(1)(b) &amp; L65(8) &amp; former L65(9)(b)</b>	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 30/6/05)	The Board will not exercise this discretion and application must be made within timescales.
<b>R19(2)</b>	No right to a return of contributions due to an offence of a fraudulent character or grave misconduct unless the employer directs a total or partial refund is to be made	The Board will exercise this discretion and will not direct a total or partial refund.
<b>R20(1)(b)</b>	Specify in an employee's contract what other payments or benefits, other than those specified in R20(1)(a) and not otherwise precluded by R20(2), are to be pensionable	Elements of pay received by an employee other than those specified in these regulations and not otherwise precluded will only be pensionable if specified as such in the member's contract of employment
<b>R21(5)</b>	In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum" Note: see tip 11(iv) available from P10 of the LGPC's "Discretions Policies" document.	The Board will consider each case on its merits.
<b>R22(7B)</b>	Whether to extend the 12 month option period for a member to elect that post 2015 deferred benefits should not be aggregated with an ongoing concurrent employment	The Board will not normally extend the 12 month time limit but may do so if exceptional circumstances can be demonstrated that are in the interests of the member and at no additional cost to the Board. Each case will be considered on its merits (NEW)
<b>R22(8B)</b>	Whether to extend the 12 month option period for a member to elect that post 2015 deferred benefits should not be aggregated with a new employment	The Board will not normally extend the 12 month time limit but may do so if exceptional circumstances can be demonstrated that are in the interests of the member and at no additional cost to the Board. Each case will be considered on its merits (NEW)
<b>TP10(6)</b>	<b>Whether to extend the 12 month option period for a member to elect that pre 2015 deferred benefits for a member who re-joined post 31 March 2015 can be aggregated to purchase an amount of CARE pension</b>	<b>The Board will not normally extend the 12 month time limit but may do so if exceptional circumstances can be demonstrated that are in the interests of the member and at no additional cost to the Board. Each case will be considered on its merits (NEW)</b>
<b>R29(7)* &amp; TP11(2) (AMENDED)</b>	Whether all or some benefits can be paid if an employee reduces their hours or grade prior to age 60 (flexible retirement) Note: see tip (iii) available from P5 of the LGPC's "Discretions Policies" document.	The Board will consider applications on an individual basis and may be granted where it can be demonstrated to be to the Board's advantage or in its operational interest.

		<b>(AMENDED)</b>
<b>R29(9)* and TPSch 2, para 2(1) (AMENDED)</b>	Whether to waive, in whole or in part, any actuarial reduction on benefits paid on flexible retirement. <b>Note: any resultant strain cost from the exercise of this discretion will be charged to the employer regardless of the member's age at date of retirement.</b>	The Board will consider applications on an individual basis and may be granted where it can be demonstrated to be to the Board's advantage or in its operational interest. <b>(AMENDED)</b>
<b>R29(9)* (AMENDED)</b>	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age, other than on the grounds of flexible retirement (where the member only has post 31/3/15 membership) <b>Note: any resultant strain costs due to the exercise of this discretion will be charged to the employer regardless of the employee's age.</b>	The Board will consider applications on an individual basis and may be granted where it can be demonstrated to be to the Board's advantage or in its operational interest. <b>(AMENDED)</b>
<b>TPSch 2, paras 1(2) and 2(1)*</b>	Whether to apply the 85 year rule for a member voluntarily drawing benefits, with employer consent, on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	The Board will not exercise the discretion to apply the 85 year rule on the basis of cost.
<b>TP3(1), TPSch 2, para 2(1) *</b>	Whether to waive, in whole or in part, any actuarial reduction on pre and post April 2015 benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1/4/15 and post 31/3/15 membership and is subject to the 85 year rule)	The Board will not waive the actuarial reduction applied to benefits paid early under regulation <b>TP3(1), TPSch 2, para 2(1) *</b>
<b>TP3(1), (5) and (12) TPSch 2, para 2(1) and B30(5)* (AMENDED)</b>	Whether to waive, in whole or in part, any actuarial reduction on pre and post April 2015 benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1/4/15 and post 31/3/15 membership)	The Board will not waive the actuarial reduction applied to benefits paid early under regulation TP3(1), (5) and (12) TPSch 2, para 2(1) <b>(NO CHANGE)</b>
<b>R30*</b>	Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £5,000 p.a.)	The Board will not exercise this discretion.
<b>R89(1) &amp; (8) R89(4)</b>	Whether to apply to Scottish Ministers for a forfeiture certificate (where a member is convicted of a relevant offence) and subsequently whether to direct that benefits are to be forfeited (other than rights to GMP – but see R92 below)	The Board will apply for a forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited.
<b>R87(2) (AMENDED)</b>	Whether to recover from the fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs / SCAVCs) where the obligation was as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a	The Board will recover from Strathclyde Pension Fund the amount of loss in cases of criminal, negligence or fraudulent acts by a member, provided that other means of recovery have been exhausted.

	result of which the person has left the employment.	<b>(NO CHANGE)</b>
<b>R89 (AMENDED)</b>	Whether, if the member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts, forfeiture under <b>R89</b> or recovery of a monetary obligation under <b>R90</b> should deprive the member or the member's surviving spouse or civil partner of any GMP (guaranteed minimum pension) entitlement.	The Board will apply for a forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited. <b>(NO CHANGE)</b>
<b>R93(5) (AMENDED)</b>	Decide whether to issue a Certificate of Protection if the member does not request one within 12 months of a reduction or restriction in pay	The Council will issue a certificate of protection of pension benefits where the member fails to apply for one. <b>(NO CHANGE)</b>
<b>R95(1)(b) (AMENDED)</b>	Agree to bulk transfer payment	The Board will consult with SPFO and the fund actuaries in this regard. <b>(NO CHANGE)</b>
<b>R85(6) (AMENDED)</b>	Extend normal time limit for acceptance of a transfer value beyond the 12 month time limit from joining the LGPS	The Board will not extend the normal time limit for acceptance of a transfer value beyond 12 months from joining the scheme. <b>(NO CHANGE)</b>
<b>TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) &amp; B11(2)</b>	Whether to allow a member to select final pay period for fees to be any 3 consecutive years ending in the 10 years prior to leaving and ending on the anniversary of the date of leaving	The Board will allow a member to select final pay for fees to be any three consecutive years ending 31 <sup>st</sup> March in the 10 years prior to leaving. The Board agree that this will be done automatically by SPFO.
<b>TP3(1)(a), A43(5)</b>	Issue a certificate of protection of pension benefits where eligible non-councillor member fails to apply for one (pay cuts / restrictions occurring pre 01 04 15)	The Board will issue a certificate of protection of pension benefits where the member fails to apply for one.
<b>R2 29 (6) and 29 (9) (NEW)</b>	Whether to grant application to waive all or part of the actuarial reduction applied for early payment of benefits on or after age 55	The Board will consider each case on its own merits and may waive all or part of the actuarial reduction where this is demonstrated to be to the Board's advantage or in its' operational interest, activating associated protections as appropriate. <b>(NEW)</b>

**TABLE 2**

**The following table details our discretions in relation to scheme members who ceased active membership on or after 01 04 15 and before 31 05 2018, being discretions under:**

- the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 [prefix **A**]
- the Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008 (as amended) [prefix **B**]
- the Local Government Pension Scheme (Transitional Provisions) (Scotland) Regulations 2008 [prefix **T**]
- the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 [prefix **TP**]
- the Local Government Pension Scheme (Scotland) Regulations 2014 [prefix **R2**]
- the Local Government Pension Scheme (Scotland) Regulations 2018 [prefix **R**]

- the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended)  
[prefix L]

Regulation	Discretion	DABVJB's policy on the exercise of this discretion
<b>TP15(1)(b) &amp; L65(8) &amp; former L65(9)(b)</b>	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 30/6/05)	The Board will not exercise this discretion and application must be made within time scales
<b>TP10(6)</b>	Whether to extend the 12 month option period for a member to elect that pre 2015 deferred benefits for a member who re-joined post 31 March 2015 can be aggregated to purchase an amount of CARE pension	The Board will not normally extend the 12 month time limit but may do so if exceptional circumstances can be demonstrated that it is in the interests of the member and at no additional cost to the Board. Each case will be considered on its' merits. (NEW)
<b>R2 ~ 29(9)*</b>	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age, other than on the grounds of flexible retirement (where the member only has post 31/3/15 membership) <b>Note: any resultant strain costs due to the exercise of this discretion will be charged to the employer regardless of the employee's age.</b>	The Board will consider each case on its own merits and may waive all or part of the actuarial reduction where this is demonstrated to be to the Board's advantage or in its' operational interest. <b>(AMENDED)</b>
<b>TPSch 2, paras 1(2) and 2(1)*</b>	Whether to apply the 85 year rule for a member voluntarily drawing benefits, with employer consent, on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	The Board will not exercise the discretion to apply the 85 year rule on the basis of cost
<b>TP3(1), TPSch 2, para 2(1) *</b>	Whether to waive, in whole or in part, any actuarial reduction on pre and post April 2015 benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1/4/15 and post 31/3/15 membership and is subject to the 85 year rule)	The Board will not waive the actuarial reduction applied to benefits paid early under regulation <b>TP3(1), TPSch 2, para 2(1) *</b>
<b>TP3(1), (5) and (12), TPSch 2, para 2(1)</b>	Whether to waive, in whole or in part, any actuarial reduction on pre and post April 2015 benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1/4/15 and post 31/3/15 membership)	The Board will not waive the actuarial reduction applied to benefits paid early under regulation <b>TP3(1), (5) and (12), TPSch 2, para 2(1) *</b>
<b>R2 ~ 86(1) &amp; (8)</b>	Whether to apply to Scottish Ministers for a	The Board will apply for a



<b>R2 ~ 86(4)</b>	forfeiture certificate (where a member is convicted of a relevant offence) and subsequently whether to direct that benefits are to be forfeited (other than rights to GMP – but see <b>R2 ~ 89</b> below)	forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited.
<b>R2 ~ 87(2)</b>	Whether to recover from the fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs / SCAVCs) where the obligation was as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left the employment.	The Board will recover from Strathclyde Pension Fund the amount of loss in cases of criminal, negligence or fraudulent acts by a member, provided that other means of recovery have been exhausted.
<b>R2 ~ 89</b>	Whether, if the member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts, forfeiture under <b>R90</b> or recovery of a monetary obligation under <b>R91</b> should deprive the member or the member's surviving spouse or civil partner of any GMP entitlement	The Board will apply for a forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited. (No change)
<b>R2 ~ 93(5)</b>	Decide whether to issue a Certificate of Protection if the member does not request one within 12 months of a reduction or restriction in pay	The Board will issue a certificate of protection of pension benefits where the member fails to apply for one
<b>R2 ~ 95(1)(b)</b>	Agree to bulk transfer payment	The Board will consult with SPFO and the fund actuaries in this regard.
<b>TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) &amp; B11(2)</b>	Whether to allow a member to select final pay period for fees to be any 3 consecutive years ending in the 10 years prior to leaving and ending on the anniversary of the date of leaving	The Board will allow a member to select final pay for fees to be any three consecutive years ending 31 <sup>st</sup> March in the 10 years prior to leaving. The Board agrees that this will be done automatically by SPFO.
<b>TP3(1)(a), A43(5)</b>	Issue a certificate of protection of pension benefits where eligible non-councillor member fails to apply for one (pay cuts / restrictions occurring pre 01 04 15)	The Board will issue a certificate of protection of pension benefits where the member fails to apply for one.
<b>R2 29 (6) and 29 (9)  (NEW)</b>	Whether to grant application to waive all or part of the actuarial reduction applied for early payment of benefits on or after age 55	The Board will consider each case on its' own merits and may waive all or part of the actuarial reduction where this is demonstrated to be to the Board's advantage or in its' operational interest. <b>(NEW)</b>

**TABLE 3**

**The following table details our discretions in relation to scheme members who ceased active membership on or after 01 04 09 and before 01 04 15, being discretions under:**

- the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 [prefix **A**]
- the Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008 (as amended) [prefix **B**]
- the Local Government Pension Scheme (Transitional Provisions) (Scotland) Regulations 2008 [prefix **T**]
- the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 [prefix **TP**]
- the Local Government Pension Scheme (Scotland) Regulations 2014 [prefix **R2**]
- the Local Government Pension Scheme (Scotland) Regulations 2018 [prefix **R**]
- the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended) [prefix **L**]

<b>Regulation</b>	<b>Discretion</b>	<b>DABVJB's Policy on the exercise of this discretion</b>
<b>A42(2)</b>	No right to a return of contributions due to an offence of a fraudulent character or grave misconduct unless the employer directs a total or partial refund is to be made	The Board will not direct a return of contributions in the event of an offence of a fraudulent character or grave misconduct.
<b>A43(5)</b>	Employer may issue a certificate of protection where an employee fails to apply for one.	The Board will issue a certificate of protection of pension benefits where the member fails to apply for one.
<b>A45 (1) &amp; (2)</b>	Whether Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions can be recovered from the Pension Fund.	The Board will consider each case on its individual merits.
<b>A66 (2) &amp; (6)</b> <b>A67 (1) &amp; (2)</b>	Whether to apply for a forfeiture certificate (where a member is convicted of a relevant offence) and subsequently whether to direct that benefits are to be forfeited.	The Board will apply for a forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited.
<b>A68(2)</b>	Whether to recover from the fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs / SCAVCs) where the obligation was as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left the employment.	The Board will recover from Strathclyde Pension Fund the amount of loss in cases of criminal, negligence or fraudulent acts by a member, provided that other means of recovery have been exhausted.
<b>A70(2) &amp; (3)</b>	Whether to recover from the fund any financial loss caused by fraudulent offence or grave misconduct of an	The Board will recover from Strathclyde Pension Fund the amount of loss caused

	employee(who has left because of that) or amount of refund if less	by fraudulent offence or grave misconduct of employee (who has left because of that), or the amount of refund if less.
<b>B11(2)</b>	Whether to allow a member to select a final pay period for fees to be any three consecutive years ending with 31 <sup>st</sup> March in the 10 years prior to leaving.	The Board will allow a member to select final pay for fees to be any three consecutive years ending 31 <sup>st</sup> March in the 10 years prior to leaving. The Board agree that this will be done automatically by SPFO.
<b>B30 (5)</b>	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	The Board will not exercise this discretion.

**TABLE 4**

The following table details our discretions under the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended) in relation to pre 01 04 09 scheme leavers.

<b>Regulation</b>	<b>Discretion</b>	<b>DABVJB's policy on the exercise of this discretion</b>
<b>30 (5)*</b>	Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early for a post 31 03 98 / pre 01 04 09 leaver <b>Note: any resultant strain cost from the exercise of this discretion will be charged to the employer regardless of the member's age at date of retirement.</b>	The Board will not exercise this discretion.
<b>30 (7A)*</b>	Pre 01 04 09 optants out only to get benefits paid from NRD if employer agrees.	The Board will not exercise this discretion.
<b>33 (1)(b)</b>	Decide, in the absence from a post 31 03 98 / pre 01 04 09 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership.	The Board will consider each case on its merits.
<b>70(7)(a)</b>	Consent to a member's former employer assigning to the new employer rights under any SCAVC life assurance policy.	The Board will not exercise this discretion.
<b>87 (2)</b>	No right to return of contributions due to offence of a fraudulent character unless employer directs a total or partial refund is to be made (pre 01 04 09 leavers).	The Board will not direct a return of contributions in the event of an offence of a fraudulent character or grave misconduct.
<b>91</b>	Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions	The Board will consider each case on its merits.

	can be recovered from the Pension Fund (pre 01 04 09 leavers).	
<b>111(2) &amp;(5) 112(1)</b>	Forfeiture of pension rights on issue of Secretary of State's certificate (pre 01 04 09 leavers).  Where forfeiture certificate is issued, direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits (pre 01 04 09 leavers).	The Board will apply for a forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited.
<b>113(2)</b>	Recovery from Fund of monetary obligation owed by former employee or, if less, the value of the member's benefits (other than transferred in pension rights) (pre 01 04 09 leavers).	The Board will seek recovery from Strathclyde Pension Fund where other internal avenues have been exhausted.
<b>115(2) &amp; (3)</b>	Recovery from Fund of financial loss caused by employee, or amount of refund if less (pre 01 04 09 leavers).	The Board will seek recovery from Strathclyde Pension Fund where other internal avenues have been exhausted.

**TABLE 5**

**The following table details our discretions under the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 (as amended)**

<b>Regulation</b>	<b>Discretion</b>	<b>DABVJB's policy on the exercise of this discretion</b>
<b>D 4 (1)</b>	Power to increase statutory redundancy payments above statutory weekly pay limit	Where redundancy is linked to the award of CAY (compensatory added years), payment will be subject to the statutory weekly limit. <b>(AMENDED)</b>
<b>D 8(1)</b>	Decision on whether to award compensatory added years to an individual on retirement on efficiency / redundancy Grounds	The Board may award up to 3 added years for retirement on redundancy grounds and up to 5 years for those on efficiency grounds. Any award will be subject to cost benefit analysis and the limits of affordability at the time of proposed release. This may result in an alternative offer, to comply with best value principals. <b>(AMENDED)</b>
<b>D 35</b>	Decision to award up to 104 weeks compensation instead of compensatory added years	The Board will consider awarding compensation up to 45 weeks (using the statutory redundancy table with a multiplier of 1.5). Eligible employees will either be

		<p>scheme members with at least 2 years continuous service and under 55 years (50 for protected members) or employees who are non-members of the scheme. Any award will be subject to cost benefit analysis and the limits of affordability at the time of proposed release.</p> <p><b>(AMENDED)</b></p>
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## Commitments and Aims

### Statement

The Board has a responsibility to exercise discretion in a fair, consistent, manner and act in the best interests of the organisation, the community and the pension fund. The following sections detail the Council's commitments in particular circumstances.

### Re-employment of individuals who have left the Board through early retirement/voluntary severance. (AMENDED)

In line with the Accounts Commission report on "Managing Early Departures from the Scottish Public Sector", where an individual leaves the employment of the Board through early retirement/voluntary severance the individual will be unable to seek re-employment with the Board at a future date. Any re-employment of former employees would be in exceptional circumstances only and must have prior approval from the Assessor & ERO.

### Cost Benefit Analysis/Voluntary Early Retirement/Voluntary Severance. (AMENDED)

To comply with best value principles, it is the aim and commitment of the Joint Board to set a consistent maximum pay-back period of two years for voluntary early retirement or severance.

In line with current processes, all Cost Benefit Analysis (CBA) are considered and approved on their merits, with consideration of current financial position and previous approaches. Approval is thereafter required of West Dunbartonshire Council's Strategic Leads - People and Technology and Resources, the Board's Treasurer and the assessor & ERO. The Board reserves the right to vary this pay-back period in exceptional circumstances and on submission of a robust business justification.

### The application of S20 Certificate of Protection (AMENDED)

Regulation 22 of the Local Government Pension Scheme (Scotland) Regulations 1998 provides a degree of protection for members who suffer a reduction in their pensionable pay through circumstances out-with their control including the member's ill health. This provision is carried forward by regulation 43 of The Local Government Pension Scheme (Administration) (Scotland) Regulations 2008.

Circumstances outwith an employee's control are defined as being:

- The employer compulsorily changed the employment resulting in a lower grade
- Job Evaluation exercise
- Equal pay correction
- Ill health
- Cessation of pensionable payments, compulsorily made

In the event that an employee suffers a reduction in their pensionable pay due to their own

conduct (disciplinary sanctions) or circumstances in which there were other alternative options, they will not be eligible or covered by this protection.

## EQUALITY IMPACT: SCREENING AND ASSESSMENT FORM

This form is to be used in conjunction with the Equality Impact Assessment Guidelines

<b>Section 1: Policy/Function/Decision (PFD) Details</b> A <b>PFD</b> is understood in the broad sense including the full range of functions, activities and decisions the Joint Board is responsible for.		
Name of PFD:	Salary sacrifice Shared Cost AVCs	
Lead/Responsible Officer	David Thomson	
Impact Assessment Team	David Thomson/Robert Nicol	
Is this a new or existing PFD?	New	
Start date of EIA:	End date of EIA: February 2020	
Who are the main target groups/ Who will be affected by the <b>PFD</b> ?	All employees with Strathclyde Pension Fund, pension membership.	
Is the PFD Relevant to the General duty to eliminate discrimination, promote equal opportunities or foster good relations? <b>Yes</b> Please enter brief detail		This proposal will foster good relations with employees, providing them with tax relief through salary sacrifice and allow them the opportunity to better provide for their future.
<b>Yes:</b>	If yes, complete all sections, 2-8	
<b>No:</b>	If no, complete only sections 1 and 8	
	If don't know, complete sections 2 & 3 to help assess relevance	
<b>Section 2: Evidence</b> Please list the available evidence used to assess the impact of this PFD, including the sources listed below. Please also identify any gaps in evidence and what will be done to address this.		
<b>Available evidence:</b> The option to opt for a SCAVC will be available to all employees who are members of the pension fund, regardless of age, gender, ability or any protected characteristic		
Consultation/ Involvement with community, including individuals or groups or staff as relevant	If the provision of salary sacrifice SCAVC is approved there will be consultation and communication with employees, including the relevant Trades Union.	

Research and relevant information			
Officer knowledge			
Equality Monitoring information – including service and employee monitoring			
Feedback from service users, partner or other organisation as relevant			
Other			
<b>Are there any gaps in evidence?</b> Please indicate how these will be addressed			
Gaps identified	No gaps in evidence		
Measure to address these	N/A		
<i>Note: Link to Section 6 below Action Plan to address any gaps in evidence</i>			
<b>Section 3: Involvement and Consultation</b> Include involvement and consultation relevant to this PFD, including what has already been done and what is required to be done, how this will be taken and results of the consultation.			
Please outline details of any involvement or consultation, including dates carried out, protected characteristics. Also include involvement or consultation to be carried out as part of the developing and implementing the policy.			
<b>Details of consultations</b>	<b>Dates</b>	<b>Findings</b>	<b>Characteristics</b>
			Race
			Sex



			Gender Reassignment
			Disability
			Age
			Religion/ Belief
			Sexual Orientation
			Civil Partnership/ Marriage
			Pregnancy/ Maternity
			Cross cutting
<i>Note: Link to Section 6 below Action Plan</i>			
<b>Section 4: Analysis of positive and Negative Impacts</b>			
<b>Protected Characteristic</b>	<b>Positive Impact</b>	<b>Negative Impact</b>	<b>No impact</b>
Race			X
Sex	This facility allows for individuals to increase their pension provision through AVCs – this is particularly relevant for females who are more likely to have pension gaps due to part time working or gaps in career.		

Gender Re-assignment			X
Disability	AVCs may be more attractive to this group as they may have gaps in their pension due to breaks in employment through health.		
Age	This provision is allowing individuals to better provide for their future pension provision.		
Religion/ Belief			X
Sexual Orientation			X
Pregnancy/ Maternity	This facility allows for individuals to increase their pension provision though AVCs – this is particularly relevant for females who are more likely to have pension gaps due to part time working or gaps in career.		
Civil Partnership/ Marriage; this PC is not listed as relevant for Specific Duties; however under the General Duty we are required to eliminate any discrimination for this PC.	The pension provisions have already been amended to account for changes in marital status / civil partnership to equalise benefits.		X
<i>Note: Link to Section 6 below Action Plan in terms of addressing impacts</i>			

### Section 5: Addressing impacts

Select which of the following apply (use can choose more than one) and give a brief explanation – to be expanded in Section 6: Action Plan

1. No major change	
2. Continue the PFD	X
3. Adjust the PFD	
4. Stop and remove the PFD	
Give reasons: The Policy has no negative impacts on any protected characteristic and offers potential benefits to several groups.	
<i>Note: Link to Section 6 below Action Plan</i>	

**Section 6: Action Plan** describe action which will be taken following the assessment in order to; reduce or remove any negative impacts, promote any positive impacts, or gather further information or evidence or further consultation

Action	Responsible person	Intended outcome	Date	Protected Characteristic
Promote option to all staff following approval – applies to all employee/protected characteristics equally	D Thomson	Knowledge of the benefits of SCAVCs		Disability
	As above	As above		Gender
	As above	As above		Gender Reassignment
	As above	As above		Race
	As above	As above		Age
	As above	As above		Religion/ Belief

	As above	As above		Sexual Orientation
	As above	As above		Civil Partnership/ Marriage
	As above	As above		Pregnancy/ Maternity
	As above	As above		Cross cutting
<b>Are there any negative impacts which cannot be reduced or removed?</b> please outline the reasons for continuing the PFD				
None.				
<b>Section 6: Monitoring and review</b>				
Please detail the arrangements for review and monitoring of the policy				
How will the PFD be monitored?		Adoption of SCAVCs		
What equalities monitoring will be put in place?				
When will the PFD be reviewed?		In line with any legislative change.		
Is there any procurement involved in this PFD?		<b>No</b>		
<b>Section 7: Signatures</b>				
The following signatures are required:				
Lead/ Responsible Officer:		Signature:		Date:
David Thomson				
EIA Trained Officer:		Signature:		Date:
Robert Nicol				

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

### **Report by Treasurer**

**Valuation Joint Board: 6 March 2020**

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**Subject: Audit Scotland's Annual Audit Plan 2019/20**

#### **1. Purpose**

- 1.1** The purpose of this report is to present Audit Scotland's Annual Audit Plan for the audit of financial year 2019/20 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 identifies the key audit risks in the Risks and Planned Work within Exhibit 1 on pages 4 and 5 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 2019/20 is £7,450. This is a slight increase from the charge in 2018/19 (£7,320).

#### **4. Recommendations**

- 4.1** The Board is asked to note Audit Scotland's audit plan for the audit of financial year 2019/20.

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**Stephen West**

**Treasurer**

**Date: 14 February 2020**

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**Person to Contact:** Joanne Thomson, Accountant  
West Dunbartonshire Council  
Telephone (01389) 737875  
E-mail: [Joanne.Thomson@west-dunbarton.gov.uk](mailto:Joanne.Thomson@west-dunbarton.gov.uk)

**Appendix:** Audit Scotland's Annual Audit Plan 2019/20



# Dunbartonshire and Argyll & Bute Valuation Joint Board

Annual Audit Plan 2019/20



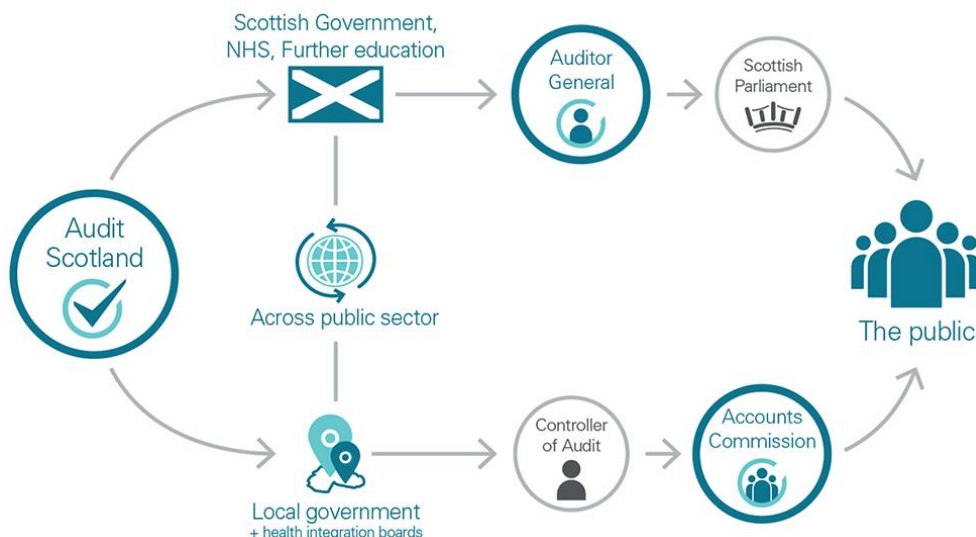
 **AUDIT SCOTLAND**

Prepared for the Dunbartonshire and Argyll & Bute Valuation Joint Board  
February 2020

## Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.



## About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.



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# Risks and planned work

1. This annual audit plan contains an overview of the planned scope and timing of our audit which is carried out in accordance with International Standards on Auditing (ISAs), the [Code of Audit Practice](#), and [guidance on planning the audit](#). This plan sets out the work necessary to allow us to provide an independent auditor's report on the annual accounts and meet the wider scope requirements of public sector audit.

2. The wider scope of public audit contributes to assessments and conclusions on financial management, financial sustainability, governance and transparency and value for money.


## Adding value

3. We aim to add value to the 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 intend to help the DABVJB promote improved standards of governance, better management and decision making and more effective use of resources.

## Audit risks

4. Based on our discussions with staff, attendance at Joint Board meetings and a review of supporting information we have identified the significant audit risks for DABVJB. We have categorised these risks into financial statements risks and wider dimension risks. The key audit risks, which require specific audit testing, are detailed in [exhibit 1](#).

## Exhibit 1 Significant risks for the 2019/20 audit

 Audit Risk	Source of assurance	Planned audit work
<b>Financial statements risks</b>		
<p><b>1 Risk of material misstatement caused by management override of controls</b></p> <p>ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk of management override of controls to change the position disclosed in the financial statements.</p>	<ul style="list-style-type: none"><li>Owing to the nature of this risk, assurances from management are not applicable in this instance.</li></ul>	<ul style="list-style-type: none"><li>Detailed testing of journal entries</li><li>Review of accounting estimates</li><li>Focused testing of accruals and prepayments</li><li>Evaluation of significant transactions that are outside the normal course of business</li></ul>
<p><b>2 Risk of material misstatement caused by fraud over expenditure</b></p> <p>The Code of Audit Practice expands the consideration of fraud</p>	<ul style="list-style-type: none"><li>Normal budget monitoring processes would establish and report the reasons for any unexpected</li></ul>	<ul style="list-style-type: none"><li>Analytical procedures on expenditure streams.</li><li>Detailed testing of expenditure transactions, focusing on the highest risk areas.</li></ul>



## Audit Risk

## Source of assurance

## Planned audit work

under ISA 240 to include the risk of fraud over expenditure.

There is an inherent risk that expenditure may be misstated resulting in a material misstatement within the financial statements.

fluctuations in expenditure during the year.

### 3 Estimations and Judgements

There is a significant degree of estimation and judgement in the measurement and valuation of the Joint Board's pension liability which is an estimate based on information provided by management and actuarial assumptions.

This subjectivity represents an increased risk of misstatement in the financial statements.

- Pension Fund valuation completed by a qualified actuary with the applicability of actuarial assumptions used reviewed by officers.

- Review of the work of the actuary, including consideration of the appropriateness of the actuarial assumptions used.
- Review of Joint Board's procedures for ensuring actuarial valuations provided are appropriate and include assumptions relating to relevant legal rulings.
- Confirm pension valuations in actuarial report are correctly reflected within the 2019/20 accounts.

## Wider dimension risks

### 4 Financial sustainability

Budget monitoring reports presented by the financial working group in December 2019 showed an estimated use of reserves of £0.051 million for 2019/20.

The paper also detailed projected budget gaps for the next 10 years with the indicative budget gap for 2028/29 being £1.124 million.

There is a risk that the financial position of the Joint Board is not sustainable in the longer term.

- Budget processes will continue to set balanced budgets with consideration of options around efficiencies.
- Ongoing discussion with funding Councils around levels of funding.

- Review financial reports when available.
- Monitor financial working group outputs.
- Attend Joint Board meetings.

### 5 Barclay review on Non-Domestic Rates

The Non-Domestic Rates (Scotland) Bill will introduce changes to the revaluation process that will impact on the workload of all valuation boards. The bill is currently awaiting Royal Assent with the changes to be introduced from April 2022 onwards.

There is a risk that the DABVJB will be unable to meet the increased operational needs due to insufficient resources.

- The cost of delivering the requirements of the finalised legislation will be built into budget projections. Any risks to the DABVJB financial position will be advised to Members.

- Continue to monitor Scottish Government and Joint Board updates.

5. International auditing standards require auditors to make a presumption of a risk of fraud in the recognition of income other than where there are circumstances that would allow this presumption to be rebutted. As the majority of the Joint Board's income is provided through funding from Argyll & Bute, East Dunbartonshire and West Dunbartonshire councils we have concluded that there is no risk of material misstatement caused by fraud over income recognition and have therefore rebutted this presumption. As a result we do not plan to conduct audit procedures to address this risk.

## Reporting arrangements

6. This audit plan, the outputs set out at [exhibit 2](#), and any other outputs on matters of public interest will be published on Audit Scotland's website: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk).

7. Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft reports will be issued to the relevant officer(s) to confirm factual accuracy, prior to the issue and publication of final reports.

8. We will provide an independent auditor's report to the Joint Board and the Accounts Commission setting out our opinions on the annual accounts. We will also provide an annual report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

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## Exhibit 2

### 2019/20 Audit outputs

Audit Output	Joint Board Date
Annual Audit Report	16 September 2020
Independent Auditor's Report	16 September 2020

Source: Audit Scotland

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## Audit fee

9. The proposed audit fee for the 2019/20 audit of Dunbartonshire and Argyll & Bute Valuation Joint Board is £7,450 (£7,320 in 2018/19). In determining the audit fee we have taken account of the risk exposure of DABVJB, the planned management assurances in place and the level of reliance we plan to take from the work of internal audit.

10. Where our audit cannot proceed as planned through, for example, late receipt of unaudited annual accounts 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 outwith our planned audit activity.

## Responsibilities

### DABVJB and Treasurer

11. Audited bodies have the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable them to successfully deliver their objectives.

12. The audit of the annual accounts does not relieve management or the DABVJB as those charged with governance, of their responsibilities.

### Appointed auditor

**13.** Our responsibilities as independent auditors are established by the Local Government (Scotland) Act 1973 and the Code of Audit Practice (including supplementary guidance), and are guided by the auditing professions ethical guidance.

**14.** Auditors in the public sector give independent opinions on the financial statements and other information within the annual accounts.

# Audit scope and timing

## Annual accounts

**15.** The annual accounts, which include the financial statements, will be the foundation and source for most of the audit work necessary to support our judgements and conclusions. We also consider the wider environment and challenges facing the public sector. Our audit approach includes:

- understanding the business of Dunbartonshire and Argyll & Bute Valuation Joint Board and the associated risks which could impact on the financial statements
- assessing the key systems of internal control, and establishing how weaknesses in these systems could impact on the financial statements
- identifying major transaction streams, balances and areas of estimation and understanding how DABVJB will include these in the financial statements
- assessing the risks of material misstatement in the financial statements
- determining the nature, timing and extent of audit procedures necessary to provide us with sufficient audit evidence as to whether the financial statements are free of material misstatement.

**16.** We will give an opinion on whether the financial statements:

- the annual accounts give a true and fair view of the state of affairs of the Joint Board and the income and expenditure of the year
- the annual accounts have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019/20
- the annual accounts have been prepared in accordance with relevant legislation.

## Other information in the annual accounts

**17.** We also review and report on the other information published within the annual accounts including the management commentary, annual governance statement and remuneration report. We give an opinion on whether these have been prepared in accordance with the appropriate regulations and guidance. We also read and consider the other information in the annual accounts and report any material inconsistencies.

## Materiality

**18.** We apply the concept of materiality in planning and performing the audit. Materiality defines the maximum error that we are prepared to accept and still conclude that the financial statements present a true and fair view. It helps assist our planning of the audit and allows us to assess the impact of any potential audit adjustments on the financial statements.

**19.** We calculate materiality at different levels as described below. The calculated materiality values for the 2019/20 audit are set out in [exhibit 3](#).



## Exhibit 3

### Materiality values

Materiality	Amount
<b>Planning materiality</b> – This is the calculated figure we use in assessing the overall impact of audit adjustments on the financial statements. It has been set at 1% of gross expenditure based on the audited accounts for the year ended 31 March 2019.	£44,000
<b>Performance materiality</b> – 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 calculated performance materiality at 75% of planning materiality.	£33,000
<b>Reporting threshold</b> – We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount. This has been calculated at 4% of planning materiality.	£2,000



Source: Audit Scotland

## Timetable

**20.** To support the efficient use of resources it is critical that a timetable is agreed with us for the production and audit of the annual accounts. The agreed timetable for the 2019/20 annual accounts is included at [exhibit 4](#).

## Exhibit 4

### Annual accounts timetable

 Key stage	 Date
Consideration of unaudited annual accounts by those charged with governance	19 or 26 June (Joint Board meeting date for June still to be confirmed)
Latest submission date of unaudited annual accounts with complete working papers package	30 June
Latest date for final clearance meeting with Treasurer	28 August
Issue of Letter of Representation and proposed independent auditor's report	2 September
Agreement of audited unsigned annual accounts	2 September
Issue of Annual Audit Report to those charged with governance	4 September
Independent auditor's report signed	16 September

## Internal audit

**21.** Auditing standards require internal and external auditors to work closely together to make best use of available audit resources. We seek to rely on the work of internal audit wherever possible and as part of our planning process we carry out an annual assessment of the internal audit function at audited bodies.

**22.** Internal audit is provided by the internal audit section of West Dunbartonshire Council. Our assessment of the internal audit function concluded that it has sound documentation standards and reporting procedures in place and complies with the main requirements of the Public Sector Internal Audit Standards (PSIAS).

**23.** As part of our wider dimension audit responsibilities we plan to consider the work of Internal Audit in the following review area:

- Review of risk management arrangements

## **Audit dimensions**

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

**25.** The Code of Audit Practice includes provisions relating to the audit of small bodies. Where the application of the full wider audit 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. Given the low volume and complexity of the financial transactions of the Joint Board, we plan to apply the small body provisions of the Code to the 2019/20 audit.

## **Independence and objectivity**

**26.** Auditors appointed by the Accounts Commission or Auditor General 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.

**27.** The appointed auditor for Dunbartonshire and Argyll & Bute Valuation Joint Board is Richard Smith, 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 the Joint Board.

## **Quality control**

**28.** International Standard on Quality Control (UK and Ireland) 1 (ISQC1) requires that a system of quality control is 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.

**29.** 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.

**30.** 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 appointed auditor or to Audit Scotland’s Audit Quality and Appointments group.



# Dunbartonshire and Argyll & Bute Valuation Joint Board

## Annual Audit Plan 2019/20

If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)

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T: 0131 625 1500 E: [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)  
[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)



# DUNBARTONSHIRE AND ARGYLL & BUTE VALUATION JOINT BOARD

## Report by Treasurer

Valuation Joint Board – 6 March 2020

### Subject: Revenue & Capital Budgetary Control Report to 31 January 2020 (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 2019/20.

#### 2. Background

##### 2.1 Revenue

The Joint Board on 1 March 2019, agreed the revenue estimates for 2019/20. A total net budget of £2.898m was approved, funded from constituent contributions of £2.736m (including £0.125m for costs associated with the implementation of actions from the Barclay Review) and reserves of £0.162m.

##### 2.2 Capital

The Joint Board on 1 March 2019, agreed the 2019/20 Capital Plan of £0.037m from constituent contributions and unapplied capital resources. Following the 2018/19 year-end capital expenditure of £0.017m was brought-forward into 2019/20, resulting in an overall capital budget of £0.054m.

#### 3. Main Issue

##### 3.1 Revenue

Appendix 1 to this report highlights a favourable projected year end variance of £0.152m, 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 the 31 March 2020 and could affect the year end results, though due to the proximity to the financial year-end the risk of significant change to the projected position is regarded as low.

- 3.3 Due to the uncertainty surrounding the delivery of the Barclay Review requirements it is projected that £0.032m of the funding will not be used in 2019/20. The Scottish Government has advised that it will recover such underspends, so no variance is showing attributable to Barclay implementation costs.

##### Capital

- 3.4 Appendix 3 highlights projected slippage (of expenditure and income) on the 2019/20 capital budget of £0.035m, 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 £0.152m (5% of the total budget); and
- ii) Note the 2019/20 budgetary position of the capital account.

.....  
**Stephen West**  
**Treasurer**  
**Date: 21 February 2020**

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

**Appendix 1** Revenue BCR Period 10  
**Appendix 2** Revenue Analysis Report  
**Appendix 3** Capital BCR Period 10  
**Appendix 4** Capital Analysis Report

MONTH END DATE 31 January 2020

PERIOD 10

REVISED ESTIMATE 2019/20	DESCRIPTION	SPEND TO DATE	FORECAST SPEND 2017/18	FORECAST VARIANCE	Variance %	STATUS
£ 2,363,808	EMPLOYEE COSTS	£ 1,872,117	£ 2,249,249	£ (114,559)	-5%	Favourable
109,585	PROPERTY COSTS	74,691	108,960	(625)	-1%	Favourable
25,250	SUPPLIES & SERVICES	12,218	26,152	902	4%	Adverse
7,320	PAYMENT TO OTHER BODIES	2,423	7,450	130	2%	Adverse
385,511	ADMINISTRATION COSTS	216,209	379,680	(5,831)	-2%	Favourable
51,710	OTHER EXPENDITURE	29,797	50,675	(1,035)	-2%	Favourable
<b>2,943,184</b>	<b>GROSS EXPENDITURE</b>	<b>2,207,456</b>	<b>2,822,166</b>	<b>(121,018)</b>	<b>-4%</b>	<b>Favourable</b>
<b>44,800</b>	<b>GROSS INCOME</b>	<b>74,985</b>	<b>75,935</b>	<b>(31,135)</b>	<b>69%</b>	<b>Favourable</b>
<b>2,898,384</b>	<b>NET EXPENDITURE</b>	<b>2,132,472</b>	<b>2,746,231</b>	<b>(152,153)</b>	<b>-5%</b>	<b>Favourable</b>
162,213	BALANCES USED					
2,736,171	AUTHORITIES CONTRIBUTIONS					

<b>UNDERSPEND</b>	<b>(152,153)</b>	<b>-5%</b>
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## REVENUE BUDGETARY CONTROL 2019/2020

## ANALYSIS FOR VARIANCES

MONTH END DATE

31 January 2020

PERIOD

10

Budget Area	Budget	Spend to Date	% Spend to Date of Total Budget	Forecast Spend	Forecast Variance		Status
	£	£	%	£	£	%	
<b>EMPLOYEE COSTS</b>	2,363,808	1,872,117	79%	2,249,249	(114,559)	-5%	↑
<b>Variance Narrative</b>							
<b>Main Issues</b>	The favourable variance is mainly in employee costs due to vacancies and a delay in filling vacancies. The employment of trainees will reduce from three to one.						
<b>Mitigating Action</b>	The service is monitoring the effect on service delivery and the vacancies will continue to the year-end.						
<b>Anticipated Outcome</b>	It is likely this budget will underspend by the year end.						
<b>GROSS INCOME</b>	44,800	74,985	167%	75,935	(31,135)	-69%	↑
<b>Variance Narrative</b>							
<b>Main Issues</b>	The level of the grant awarded to the Board is higher than anticipated. At the time of budget setting the amount awarded was uncertain due to the Cabinet Office phasing out this grant over a number of years and the timing of the confirmation of the grant, the level of reduction can't be accurately predicted.						
<b>Mitigating Action</b>	Officers will continue to monitor the budget.						
<b>Anticipated Outcome</b>	It is anticipated that the favourable variance will continue.						

MONTH END DATE **31 January 2020**

PERIOD **10**

ORIGINAL 2019/20 BUDGET	2018/19 YEAR END SLIPPAGE	REVISED 2019/20 BUDGET	DESCRIPTION	SPEND TO DATE	FORECAST SPEND	FORECAST VARIANCE	Variance %	STATUS
£	£	£		£	£	£		
20,000	0	20,000	PLANNED UPGRADE OF SERVERS	6,310	11,310	(8,690)	(0)	Favourable
0	11,000	11,000	FLEXI SYSTEM	0	0	(11,000)	(1)	Favourable
0	3,200	3,200	EROs DR SERVER	0	0	(3,200)	(1)	Favourable
13,000	0	13,000	EROs SERVER REPLACEMENT	0	1,000	(12,000)	(1)	Favourable
3,800	2,935	6,735	PC LAPTOP REFRESH	6,673	6,673	(62)	(0)	Favourable
0	0	0	UNEARMARKED BALANCES	0	0	0	0	Nil Variance
<b>36,800</b>	<b>17,135</b>	<b>53,935</b>	<b>GROSS EXPENDITURE</b>	<b>12,984</b>	<b>18,983</b>	<b>(34,952)</b>	<b>(1)</b>	<b>Favourable</b>
(8,035)	(17,135)	(25,170)	UNAPPLIED CAPITAL RECEIPTS CARRIED FORWARD	(9,246)	(9,246)	15,924	(1)	
(28,765)	0	(28,765)	AGREED LEVEL OF CONSTITUENT CONTRIBUTIONS	(3,738)	(9,737)	19,028	(1)	
<b>(36,800)</b>	<b>(17,135)</b>	<b>(53,935)</b>	<b>GROSS INCOME</b>	<b>(12,984)</b>	<b>(18,983)</b>	<b>34,952</b>	<b>0</b>	
<b>0</b>	<b>0</b>	<b>0</b>	<b>PROJECTED FREE CAPITAL RECEIPTS CARRIED FORWAR</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	

DUNBARTONSHIRE & ARGYLL & BUTE VALUATION JOINT BOARD  
CAPITAL BUDGETARY CONTROL 2019/2020  
ANALYSIS FOR VARIANCES

APPENDIX 4

MONTH END DATE

31 January 2019

PERIOD

10

Budget Area	Budget	Spend to Date	% Spend to Date of Total Budget	Forecast Spend	Forecast Variance	Status
	£	£	%	£	£	%
Planned Up-grade of Servers	20,000	6,310	32%	11,310	(8,690)	-43% ↑
Project Description	Replacement of the data share server with the removal of the file sharing application from the existing domain controllers.					
Main Issues/Progress update	Due to unscheduled electoral events during 2019/20 and the availability of resource within WDC ICT Service the start of the project was delayed. Servers have been purchased and are currently being configured and tested. This project will be completed during 2020/21					
Flexi time recording system replacement	11,000	0	0%	0	(11,000)	-100% ↑
Project Description	The Boards flexitime recording system was approximately 20 years old and is no longer supported.					
Main Issues/Progress update	Options are to be explored to either reduce the number of servers or utilise the Cloud. Due to unscheduled electoral events during 2019/20 and the availability of resource within WDC ICT Service no further progress has been made in this project. The project will be completed during 2020/21					



DUNBARTONSHIRE & ARGYLL & BUTE VALUATION JOINT BOARD  
CAPITAL BUDGETARY CONTROL 2019/2020  
ANALYSIS FOR VARIANCES

APPENDIX 4

MONTH END DATE

31 January 2019

PERIOD

10

Budget Area	Budget	Spend to Date	% Spend to Date of Total Budget	Forecast Spend	Forecast Variance	Status
	£	£	%	£	£	%
EROs DR Server	3,200	0	0%	0	(3,200)	-100% ↑
Project Description	In line with the Boards IT strategy the EROs DR server is due for renewal.					
Main Issues/Progress update	The warranty for the server has been extended while we explore alternative options that will provide the appropriate level of resilience. The replacement of this server has been looked at in conjunction with the replacement of the EROs server. Unscheduled electoral events during 2019/20 and the availability of resources within WDC ICT Service have delayed the project. The project will be completed during 2020/21					
EROs Server Replacement	13,000	0	0%	1,000	(12,000)	-92% ↑
Project Description	Replace service in conjunction with EROs DR Server Renewal.					
Main Issues/Progress update	Due to unscheduled electoral events during 2019/20 and the availability of resources within WDC ICT Service this has delayed the start of the project, work is currently ongoing and is anticipated to be completed in early 2020.					



# DUNBARTONSHIRE AND ARGYLL AND BUTE VALUATION JOINT BOARD

## Report by Treasurer

Valuation Joint Board – 6 March 2020

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**Subject: Draft Financial Strategy and Revenue and Capital Estimates 2020/2021**

### 1. Purpose of Report

1.1 The purpose of this report is to:

- (a) Seek approval of the Financial Strategy, the revenue estimates for 2020/21 and the level of constituent authority; requisitions;
- (b) Seek approval of the draft Capital Estimates for 2020/21; and
- (c) Note the indicative budget positions for 2021/22 and 2022/23.

### 2. Background

#### Long Term Financial Strategy

2.1 The Board agreed the Long Term Finance Strategy in March 2019, which described the short, medium and long term financial position of the Board and identified the variables 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:

- Council Tax Valuation;
- Electoral Registration; and
- Lands Valuation.

2.3 GAE allocations are updated regularly from various sources of information collected by Scottish Government. Changes in these allocations results in changes to funding to local authorities for the services. Therefore the allocation of Valuation Joint Board expenditure between the three constituent authorities can change, which in turn changes the allocation of the requisition payment from the authorities to the Joint Board.

2.4 The GAE allocations for 2020/21 have been provided to Councils but not yet formally published on the Scottish Government website. Therefore it is proposed that the draft core budget is allocated based upon GAE allocations for 2019/20, which is similar to the process followed in previous years.

- 2.5** At the Finance Strategy Group meeting on 6 December 2019, officers discussed the draft budget and allocations to constituent councils with the Directors of Finance of the three constituent councils. Due to the General Election in December 2019 and the unknown budget settlement to Local Authorities from the Scottish Government, Finance Officers agreed that they will accept a standstill position on the level of the core requisition provided for 2020/21.
- 2.6** The Scottish Government settlement to councils for 2020/21 continues to provide funding to cover the costs of implementing the recommendations of the Barclay Review and for 2020/21 Scotland wide, have allocated £4.922m. Directors of Finance have agreed to pass on the full Barclay funding to the Board.
- 2.7** As at 31 March 2019, revenue reserves held totalled £0.552m, of which £0.162m was earmarked to balance the 2019/20 budget, leaving an anticipated remaining reserve of £0.390m (including the Prudential Target of £100,000).

#### Capital

- 2.8** 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.
- 2.9** The capital plan for 2019./20 together with indicative capital estimates for 2020/21 to 2021/22 were provided last year, as shown below:

	%	2019/20 £	2020/21 £	2021/22 £
<b>Total indicative bid</b>		<b>36,800</b>	<b>3,800</b>	<b>27,800</b>
Available resources		(8,035)	0	0
<b>Indicative resources required</b>		<b>28,765</b>	<b>3,800</b>	<b>27,800</b>
East Dunbartonshire Council	24.25	6,977	922	6,743
West Dunbartonshire Council	25.92	7,457	985	7,206
Argyll and Bute Council	49.82	14,331	1,893	13,851
		<b>28,765</b>	<b>3,800</b>	<b>27,800</b>

### **3. Main Issues**

#### Long Term Finance Strategy

- 3.1** In preparing the Draft Estimates for 2020/21, 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** In recognition of the financial situation facing local government, efforts have been, and continue to be, made to identify efficiencies which allow for a standstill Council contribution to be recommended for 2020/21.

- 3.3** In generating the draft estimates, the following assumptions have been applied:
- Staff turnover has been assumed at 3%;
  - Pay award assumed at 3% in each financial year;
  - Barclay costs have been projected based on the estimated costs as the various recommendations are phased-in. For 2020/21 it is expected that the Scottish Government funding, will be in line with cost estimates provided by the Assessor at £197,000; and
  - No further funding from the Cabinet Office for IER is anticipated from 2020/21 onwards.
- 3.4** The budget agreed for 2019/20 planned to use reserves of £0.162m to balance the budget. Current projections indicate that there is likely to be a net favourable in year position of £0.151m, resulting in the reserve decreasing by only £0.011 by the year end. This would result in a year-end reserve balance of £0.541m. This comprises of a “free” reserve of £0.441m and the prudential reserve of £0.100m. A report on 2019/20 budgetary position is provided elsewhere on the agenda for this meeting. Appendix 2 shows the projected outturn for 2019/20.
- 3.5** The 2020/21 draft estimate (also shown in Appendix 2) is based on a proposed standstill level of contribution from constituent authorities through the use of balances of £0.153m. The proposed use of reserves results in projected available resources for future use of £0.387 (including the prudential reserve). The main movements from the agreed budget 2019/20 and the draft budget 2020/21 are detailed in Appendix 3.
- 3.6** Indicative estimates for 2021/22 and 2022/23 identify cumulative budget gaps of £0.256m and £0.326m (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.
- 3.7** It is proposed that the expected year-end reserves position of £0.541m (as at 31 March 2020) is carried forward to be used as required to help meet the budget gap over future years, Barclay requirements, 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 on to the Joint Board.

### Contributions from Authorities

- 3.8** As in previous years, it is recommended that the budget for 2020/21 be apportioned to constituent councils on the basis of their GAE figures per Appendix 4, summarised as follows:

<b>Council</b>	<b>% Share</b>	<b>£</b>
Argyll & Bute	49.69%	1,297,493
West Dunbartonshire	25.93%	677,070
East Dunbartonshire	24.38%	636,608
		<b>2,611,171</b>

### Capital

- 3.9** Based upon projections for the 2019/20 outturn (as noted within the budgetary control report for period 10, reported elsewhere on the agenda), the Board is likely to carry forward resources of £0.035m fully earmarked for the slippage in timing of spend for the flexi system and server upgrades..
- 3.10** For 2020/21, there is a number of new bids for capital funding totalling £12,500 as detailed in Appendix 5. Should these bids be approved, it is proposed that the cost of these are met by using an allocation from the Barclay Review Funding (£3,800) and the remainder from a constituent authorities contribution, as shown in the table at 3.13 (below).
- 3.11** Appendix 5 also details indicative capital bids for 2021/22 to 2021/22. Indicative capital funding required over these two additional years would result in a constituent contribution (based upon current 2018/19 GAE levels) of:

	<b>Share %</b>	<b>2020/21 £</b>	<b>Indicative 2021/22 £</b>	<b>Indicative 2022/23 £</b>
<b>Total bid</b>		<b>12,500</b>	<b>16,800</b>	<b>3,800</b>
Barclay Review Funding		3,800	0	0
<b>Resources required</b>		<b>8,700</b>	<b>16,800</b>	<b>3,800</b>
East Dunbartonshire Council	24.38	2,024	4,096	926
West Dunbartonshire Council	25.93	2,152	4,356	985
Argyll and Bute Council	49.69	4,124	8,348	1,888
		<b>8,700</b>	<b>16,800</b>	<b>3,800</b>

## **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**

### **5.1 The Joint Board is requested to:**

- (a) Agree the updated Long Term Financial Strategy as detailed at Appendix 1;
- (b) Agree the draft revenue budget for 2020/21;
- (c) Agree that any surplus as at 31 March 2020 be carried forward into 2020/21, for future use and that 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 2021/22 and 2022/23;
- (e) Agree the 2020/21 revenue requisition is based on each council's 2020/21 GAE figures with the apportionment as identified at 3.8;
- (f) Agree the proposed 2020/21 capital spend (as detailed in Appendix 5) to be progressed of £12,100 to be funded from available Barclay Review Funding and constituent council contributions as detailed in 3.10;
- (g) Note the indicative capital bids for 2021/22 and 2022/23 (as detailed in Appendix 5);
- (h) Note the likely slippage of spend and earmarked resources to be carried forward from 2019/20 into 2020/21 for the flexi system and the server upgrade (anticipated to be £0.035m); and
- (i) Note the indicative capital programmes for 2021/22 to 2022/23 and indicative constituent contributions, based upon current GAE allocations. Requests for final approval will be requested year on year.

.....  
**Stephen West**

**Treasurer**

**Date: 22 February 2020**

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

- Appendix 1 Draft Financial Strategy;
- Appendix 2 Probable Outturn 2019/20;  
Draft Revenue Estimate 2020/2021;  
Indicative Estimates for 2021/22 and 2022/23.
- Appendix 3 Main movement between 2019/20 approved estimate and 2020/21  
draft estimate.
- Appendix 4 Details of GAE allocations 2019/20 & 2020/21
- Appendix 5 Draft Capital Estimates 2020/21  
Indicative Estimates for 2021/22 and 2022/23





*Dunbartonshire and Argyll & Bute  
Valuation Joint Board*

## **LONG TERM FINANCIAL STRATEGY**

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## **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 pressures arising from areas such as: constituent authority funding reductions; service demand changes; etc. 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 funding to councils may continue on an ongoing basis which is likely to result in pressure to reduce Board requisitions.

In general it is anticipated that the Board will face significant financial challenges over at least the next five years. 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 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 Recent Audit Scotland comments in relation to financial planning suggested that longer term projections of future budget positions should be provided to allow the Board to consider making longer term decisions. This strategy therefore seeks to project budgets for ten years into the future and identify 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**

## 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 budget process for 2019/20 was progressed through the Board in the normal manner and the Board was able to set a balanced budget through the use of reserves.

- 3.2 Indicative budget gaps for 2020/21 (£0.153m) and 2021/22 (£0.255m, cumulative) were reported to Members during the budget setting process for 2020/21. These indicative budgets have now been reviewed and rolled forward to 2022/23.
- 3.3 A sensitivity analysis has been undertaken on the main areas of financial pressure to 2022/23 and this provides the range of anticipated outcomes in terms of future budget gaps based on a best case, worst case and likely case outcomes as follows:

**Table 2 – Outcome of sensitivity analysis**

	<b>2020/2021 £m</b>	<b>2021/22 £m</b>	<b>2022/223 £m</b>
Likely Projection	0.153	0.255	0.326
Best Case	0.153	0.207	0.267
Worst Case	0.156	0.313	0.392

The above illustrates that following the review of the financial position and under the “likely” set of assumptions that the gaps for 2020/21 to 2022/23 have changed due to assumptions such as pay award, employers pension contributions, Government grant 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**

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

**Table 3 – Anticipated capital spend (excluding slippage)**

	<b>2020/21 £</b>	<b>2021/22 £</b>	<b>2022/23 £</b>
Anticipated new project spend	12,800	16,800	3,800
Anticipate resources	(3,800)	0	0
<b>Anticipated contribution from councils</b>	<b>8,300</b>	<b>16,800</b>	<b>3,800</b>

- 3.5 Table 4 provides a summary of the Board's projections for revenue and capital for 2020/21 to 2022/23. At this point, funding is unknown beyond 2020/21 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.

**Table 4 - Three Year Summary - Revenue and Capital**

	200/21 £m	2021/22 £m	2022/23 £m
<b>Revenue Budget</b>	<b>2,957</b>	<b>3,071</b>	<b>3,143</b>
<u>Funded by:</u>			
Constituent Contributions (including Barclay)	(2,804)	(2,816)	(2,817)
Reserves	(0.153)	(0.00)	(0.00)
<b>Cumulative Funding Gap</b>	<b>0.00</b>	<b>0.255</b>	<b>0.326</b>
<b>Capital Budget</b>			
<b>Anticipated Spend (excluding slippage)</b>	<b>0.012</b>	<b>0.017</b>	<b>0.004</b>
<u>Funded by:</u>			
Capital Contributions from Councils (including Barclay)	0.012	0.017	0.004
Unapplied Capital Reserves held	0.000	0.000	0.000
Revenue Contributions	0.000	0.000	0.000
<b>Cumulative Funding Gap</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

#### **4. National Context**

##### The Financial Settlement/ Government Grant

- 4.1 The Scottish Government has provided draft settlement figures for 2020/21 to councils at this stage. Therefore it is difficult to forecast contributions to the Board for beyond 2020/21.
- 4.2 The Cabinet Office grant is unlikely to be available in 2020/21.
- 4.3 The Scottish Government has allocated Scotland-wide funding for 2020/21 of £4.922m to meet the estimated costs to be incurred by the Boards in implementing the recommendations of the Barclay Review of NDR.
- 4.4 The VJB's budget has come under increasing pressure in recent years and now contains an ongoing gap between net expenditure and constituent Council contributions, as can be seen in table 4 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 increased number of statutory duties and both internal and external cost pressures.

##### **Brexit**

- 4.5 The ongoing Brexit negotiations between the UK Government and the European Union present a risk to assumptions made on Scottish Government settlements. In the recent UK Budget the Chancellor of the Exchequer was clear that a "no deal" Brexit would be likely to require the Government to revisit Budget assumptions. It is anticipated that this would impact on the settlement to the Scottish Government and likely onto Councils and therefore likely to affect the Board. The extent of the risk around this is not quantifiable.

## **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 Government's Action Plan arising from that review).

### **The Planning Context**

- 5.2 The Board's draft Service Plan for 2018-21 sets out a 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
  - 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 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 Strategic Lead – 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 Board 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 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 has 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 need 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 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 2020/21. Funding has also been made available through Councils for Barclay Review costs of £0.197m, giving a total of £2.808m.

7.4 This Financial Strategy provides detailed revenue forecasts covering the next 3 financial years, 2020/21 to 2022/23. 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 2020/21 than in future years. The level of funding for 2021/22 onwards is not yet known. The strategy projects that ongoing funding will remain constant, with scenario planning giving consideration to possible reductions, due to the likely impact of the ongoing UK austerity measures. Annex 2 also provides a summary of the financial projections for the next 10 years.

7.5 As part of the budget process for 2019/20 the Board agreed 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 2020/21 onwards.

#### ***Employee Pay Awards***

7.6 Future employee pay awards for 2021/22 onwards have not been agreed, however, for the purpose of the Finance Strategy pay award expectations has been assumed at 3% for 2021/22 and 2022/23.

#### ***Future Challenges***

7.7 The future will continue to present new challenges and demand additional duties which will exert cost pressures, including:-

- The proposed change from 5 yearly NDR Revaluations to 3 yearly cycles which are out of step with others in the UK will significantly compress workloads and increase resource requirements;
- The NDR appeal system is currently subject to review and is likely to 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;
- Introduction of a new civil penalties procedure for non-provision of information to the Assessor;
- Introduction of the Business Growth Accelerator for new and improved properties comes with new obligations on the Assessor;
- The removal of the exemption from the valuation roll for certain properties within public parks;
- Additional checks required on the operation of self-catering units;
- Extension of the franchise to include some prisoners, all overseas electors and, potentially, all residents of Scotland;

- Electoral Canvass Reform. The intention of these reforms is to remove mandatory processes from the annual electoral canvass from autumn 2020 and drive down the associated print, stationery, mail and temporary staffing costs associated with the current process. The proposed process is, however, more complex than the current one and might well not provide any opportunity to reduce staffing levels. The need to prepare for and deliver this change requires that we retain an appropriate level of skills and experience; and  
The potential for unplanned electoral events.

### ***Consequences of continued financial squeezes***

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 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.

## 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:
- 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 2019 and projected for 1 April 2020 are summarised below:

	1/4/19 £m	1/4/20 £m
<b><u>Revenue Reserve</u></b>		
Prudential Reserve	0.100	0.100
Earmarked Reserve	0.162	0.153
Unearmarked Reserve	0.290	0.288
<b>Total Revenue Reserve</b>	<b>0.552</b>	<b>0.541</b>
<b><u>Capital Reserve</u></b>		
Earmarked Reserve (including slippage 2019/20)	0.025	0.047
<b>Total Capital Reserve</b>	<b>0.025</b>	<b>0.047</b>
<b>Total Reserves Held</b>	<b>0.577</b>	<b>0.588</b>

## 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.

## **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. This should assist the Board in considering longer term financial planning .
- 11.3 In light of the budget gaps being projected, the statutory nature of the work undertaken by the Board, and the cost and work pressures which have been detailed within this Strategy, in order to identify actions which can be taken, a short term working group has been established. The working group, a mix of Members and officers, will report back to the Board at a later date.

**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.

<b>Risk Area</b>	<b>Issues Identified</b>	<b>Action Taken</b>	<b>Responsible Officer</b>
Strategic Issues	Impact of Scottish Government Funding levels on constituent contributions and Barclay implementation	Longer term financial strategy to help identify possible risks on budget gaps to take necessary action at an early stage	Assessor & Treasurer
Organisational Issues	Impact of BREXIT	Monitor ongoing BREXIT discussions and potential impact on the Board's finances, the wider implications for Scottish Economy, etc. Consider implications of BREXIT on European funding	Assessor & Treasurer
Non-Domestic Rating	Scottish Government has indicated that the NDR Revaluation cycle will move to 3-yearly from 2022	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 'Modernising Electoral Registration' programme.	Monitor Legislation as it develops. Consider resource implications, including staffing levels	ERO & Treasurer
Electoral Registration Service	Changes to electoral processes and/or franchise arising from the Scottish Government's "Consultation Paper on Electoral Reform" (Dec 2017) and its recently devolved powers in relation to electoral registration	Monitor Legislation as it develops. Consider resource implications, including staffing levels	ERO & Treasurer

**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:

	<b>NET EXPENDITURE</b>	<b>STANDSTILL COUNCIL CONTRIBUTION</b>	<b>RESERVES</b>	<b>INDICATIVE BUDGET GAP</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>DRAFT BUDGET 2020/21</b>	2,764	(2,611)	(153)	0
<b>INDICATIVE BUDGET 2021/22</b>	2,867	(2,611)	0	256
<b>INDICATIVE BUDGET 2022/23</b>	2,937	(2,611)	0	326
<b>INDICATIVE BUDGET 2023/24</b>	3,011	(2,611)	0	400
<b>INDICATIVE BUDGET 2024/25</b>	3,087	(2,611)	0	476
<b>INDICATIVE BUDGET 2025/26</b>	3,165	(2,611)	0	554
<b>INDICATIVE BUDGET 2026/27</b>	3,245	(2,611)	0	634
<b>INDICATIVE BUDGET 2027/28</b>	3,323	(2,611)	0	712
<b>INDICATIVE BUDGET 2028/29</b>	3,408	(2,611)	0	797
<b>INDICATIVE BUDGET 2029/30</b>	3,496	(2,611)	0	885

**Assumptions:**

- Payaward 2022/23 onwards 3% increase
- Protected lines – inflation 2022/23 onwards 3% increase
- Council contributions 2022/23 onwards standstill
- 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



DESCRIPTION	2019/20			20/21	2021/22	2022/23
	ESTIMATE	PROBABLE		DRAFT	INDICATIVE	INDICATIVE
		OUTTURN	VARIANCE	TOTAL	TOTAL	TOTAL
	£	£	£	ESTIMATE	ESTIMATE	ESTIMATE
APT&C - SALARIES	1,669,204	1,594,377	(74,827)	1,676,957	1,751,744	1,842,175
APT&C - OVERTIME	11,000	11,000	0	5,000	6,060	4,000
APT&C - TEMP	56,000	61,000	5,000	34,000	34,000	34,000
APT&C - SUPERANN	362,708	305,792	(56,916)	394,085	411,660	432,911
APT&C - N.I.	170,050	160,532	(9,518)	169,261	176,833	185,997
TRAINING COSTS	7,800	5,730	(2,070)	9,000	9,000	9,000
TRAVEL & SUBSISTENCE	45,000	47,000	2,000	47,000	47,000	45,000
OTHER EMPLOYEE COSTS	2,000	2,000	0	2,000	2,000	2,000
PENSION INCREASES	11,500	11,500	0	11,500	11,500	11,500
ILL-HEALTH RET'MENT PREMIUMS	28,546	50,317	21,771	52,955	53,014	53,074
<b>EMPLOYEE COSTS</b>	<b>2,363,808</b>	<b>2,249,249</b>	<b>(114,559)</b>	<b>2,401,758</b>	<b>2,502,811</b>	<b>2,619,657</b>
RATES	43,048	43,221	173	44,339	46,556	48,884
FURNITURE & FITTINGS	1,000	500	(500)	500	500	500
ELECTRICITY	10,500	10,130	(370)	10,637	11,169	11,727
GAS	9,450	8,768	(682)	9,031	9,302	9,581
CONTRACT CLEANING	23,587	23,553	(34)	24,259	25,229	26,239
OFFICE ACCOMMODATION	2,000	2,000	0	2,000	2,060	2,122
REPAIRS & MAINTENANCE	15,000	15,000	0	15,000	15,000	15,000
REFUSE COLLECTION	1,238	1,288	50	1,339	1,393	1,448
OTHER PROPERTY COSTS	3,762	4,500	738	4,000	0	0
<b>PROPERTY COSTS</b>	<b>109,585</b>	<b>108,960</b>	<b>(625)</b>	<b>111,105</b>	<b>111,209</b>	<b>115,501</b>
CLOTHING UNIFORMS ETC	300	196	(104)	300	300	300
OFFICE EQUIPMENT	250	271	21	250	250	250
COMPUTER LICENCES	13,000	10,985	(2,015)	11,330	11,330	11,330
MACHINE RENTAL / LEASE	7,200	7,200	0	7,416	7,638	7,868
OTHER S & S	2,500	2,500	0	2,500	2,500	2,500
ICT CONSULTANCY	2,000	5,000	3,000	2,000	0	0
<b>SUPPLIES &amp; SERVICES</b>	<b>25,250</b>	<b>26,152</b>	<b>902</b>	<b>23,796</b>	<b>22,018</b>	<b>22,248</b>
AUDIT FEES & OUTLAYS	7,320	7,450	130	7,540	7,766	7,999
<b>PAYMENTS TO OTHER BODIES</b>	<b>7,320</b>	<b>7,450</b>	<b>130</b>	<b>7,540</b>	<b>7,766</b>	<b>7,999</b>
PRINTING	14,000	10,000	(4,000)	10,000	12,500	12,500
STATIONERY	20,000	22,000	2,000	18,000	20,000	20,000
POSTAGES	120,000	130,000	10,000	105,000	121,000	121,000
TELEPHONES	20,500	18,931	(1,569)	24,000	24,000	24,000
TELEPHONES/INTERNET REG.	9,500	10,300	800	6,000	6,000	6,000
BOOKS & PUBLICATIONS	6,000	6,000	0	6,000	6,000	6,000
LAND VAL. APPEAL COURT	6,000	0	(6,000)	15,000	8,000	8,000
ELECTORAL SYSTEM SUPPORT	28,229	22,167	(6,062)	22,832	23,517	24,222
ELECTORAL PARTICIPATION	6,000	3,000	(3,000)	3,000	3,000	3,000
CENTRAL ADMIN COSTS	122,982	122,982	0	122,982	122,982	122,982
INSURANCE	12,800	14,800	2,000	15,000	15,000	15,000
OTHER ADMIN COSTS	19,500	19,500	0	17,850	17,850	17,850
<b>ADMIN COSTS</b>	<b>385,511</b>	<b>379,680</b>	<b>(5,831)</b>	<b>365,664</b>	<b>379,849</b>	<b>380,554</b>
COURSES & CONFERENCES	6,000	3,500	(2,500)	4,000	4,000	4,000
MISCELLANEOUS	810	2,275	1,465	810	810	810
VALUATION APPEALS PANEL	45,000	45,000	0	50,225	50,225	0
TEMPORARY INTEREST	(100)	(100)	0	(100)	(100)	(100)
<b>OTHER EXPENDITURE</b>	<b>51,710</b>	<b>50,675</b>	<b>(1,035)</b>	<b>54,935</b>	<b>54,935</b>	<b>4,710</b>
<b>GROSS EXPENDITURE</b>	<b>2,943,184</b>	<b>2,822,166</b>	<b>(121,018)</b>	<b>2,964,798</b>	<b>3,078,588</b>	<b>3,150,669</b>
RENTAL INCOME	1,800	1,900	(100)	2,000	2,000	2,000
SALES FEES & CHARGES	3,000	11,314	(8,314)	5,000	5,200	5,408
GOVERNMENT GRANT	40,000	62,721	(22,721)	0	0	0
<b>GROSS INCOME</b>	<b>44,800</b>	<b>75,935</b>	<b>(31,135)</b>	<b>7,000</b>	<b>7,200</b>	<b>7,408</b>

DESCRIPTION	2019/20			20/21	2021/22	2022/23
	ESTIMATE	PROBABLE		DRAFT	INDICATIVE	INDICATIVE
		OUTTURN	VARIANCE	TOTAL	TOTAL	TOTAL
	£	£	£	ESTIMATE	ESTIMATE	ESTIMATE
NET EXPENDITURE	2,898,384	2,746,231	(152,153)	2,957,798	3,071,388	3,143,261
CONSTITUENT CONTRIBUTION	(2,611,171)	(2,611,171)	0	(2,611,171)	(2,611,171)	(2,611,171)
CONSTITUENT CONTRIBUTION - BARC	(125,000)	(124,000)	1,000	(193,200)	(204,378)	(205,822)
TRANSFER TO/(FROM) RESERVES	(162,213)	(11,060)	151,153	(153,427)		
<b>BUDGET GAP/ (SURPLUS)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>255,839</b>	<b>326,267</b>
RESERVES BROUGHT FORWARD	(551,609)	(551,609)		(540,549)		
TRANSFER TO/ FROM RESERVES	162,213	11,060		153,427		
RESERVES CARRIED FORWARD	(389,396)	(540,549)		(387,122)		
PRUDENTIAL TARGET	(100,000)	(100,000)		(100,000)		
RESERVES ABOVE PRUDENTIAL TARG	(289,396)	(440,549)		(287,122)		

**Overview of General position:**

	£	%
(a) Revenue Budget		
Draft Net Expenditure 2020/21	2,957,798	
2019/20 Approved Expenditure	2,898,384	
Increase in Net Expenditure	59,414	2.05%

**Variances over £5,000**

	£	£	%
<b><u>Pressures</u></b>			
Pay award assumption (3%)	61,600		2.13%
Ill-health retirement premiums	22,454		0.77%
Land Valuation Appeal Court	9,000		0.31%
Postages - New Canvass Procedures	10,000		0.35%
		<b>103,054</b>	
<b><u>Decreases</u></b>			
Costs associated with Barclay	(32,000)		(1.10%)
Staffing movement - excluding pay award	(27,718)		(0.96%)
Temporary Staff	(22,000)		(0.76%)
Electoral Support System	(6,000)		(0.21%)
Land Valuation Appeal	(6,000)	<b>(93,718)</b>	(0.21%)
<b><u>Movement in income</u></b>			
Reduction in expected Government Grant	(62,721)		(2.16%)
Sales Fees & Charges	(8,000)	<b>(62,721)</b>	(0.28%)

**Scottish Government GAE allocation to Consituent Authorities**  
**Allocation of the Requisition**

**Appendix 4**

	2019/20 GAE Allocation £000's		%	2020/21 GAE Allocation £000's		%	Contribution £
<b>COUNCIL TAX VALUATION</b>							
EAST DUNBARTONSHIRE COUNCIL	180		33.27	180		33.27	
WEST DUNBARTONSHIRE COUNCIL	175		32.35	174		32.16	
ARGYLL & BUTE COUNCIL	186		34.38	185		34.20	
	<b>541</b>		<b>100</b>	<b>539</b>		<b>100</b>	
<b>ELECTORAL REGISTRATION</b>							
EAST DUNBARTONSHIRE COUNCIL	121		33.24	121		33.33	
WEST DUNBARTONSHIRE COUNCIL	118		32.42	117		32.23	
ARGYLL & BUTE COUNCIL	125		34.35	125		34.45	
	<b>364</b>		<b>100</b>	<b>363</b>		<b>100</b>	
<b>LANDS VALUATION</b>							
EAST DUNBARTONSHIRE COUNCIL	179		16.67	171		16.54	
WEST DUNBARTONSHIRE COUNCIL	220		20.48	211		20.41	
ARGYLL & BUTE COUNCIL	675		62.85	652		63.06	
	<b>1,074</b>		<b>100</b>	<b>1,034</b>		<b>100</b>	
<b>COMBINED TOTAL</b>							
EAST DUNBARTONSHIRE COUNCIL	480		24.25	472		24.38	636,608
WEST DUNBARTONSHIRE COUNCIL	513		25.92	502		25.93	677,070
ARGYLL & BUTE COUNCIL	986		49.82	962		49.69	1,297,493
	<b>1,979</b>		<b>100</b>	<b>1,936</b>		<b>100</b>	<b>2,611,171</b>

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

### **EXPLANATORY NOTES BY DEPUTE ASSESSOR/ELECTORAL REGISTRATION OFFICER**

#### **2020/21**

##### **PC Laptop Refresh**

11 PC's / Laptops to be replaced approximate estimated cost £3,800

##### **Network Upgrade – Clydebank**

The current network connection at Clydebank is 10Mb it is recommended that this is upgraded to cope with the increasing amount of traffic that the network is expected to carry over the coming years. This will have both Capital and Revenue implications. The estimated installation cost is £4,900 although this cost is subject to survey and could vary.

##### **NDR Reform Costs**

The IT developments that are necessary for Non-Domestic Rate Reform mean that we are increasingly reliant on these systems to present information to our Valuation staff. In order for them to work more efficiently an additional monitor will allow them to use a number of applications at once. The total estimated cost of these monitors is £3,300. The Joint Board's funding bid to the Scottish Government also anticipates new staff, they will require IT hardware the estimated cost is £500. Both these costs are included in the Joint Board's funding bid made to the Scottish Government.

#### **2021/22 Forecast**

##### **Unix Server Renewal**

By this point the server will be 5 years old, approximate estimated cost £13,000

##### **PC Laptop Refresh**

11 PC's / Laptops to be replaced approximate estimated cost £3,800

#### **2022/23 Forecast**

##### **PC Laptop Refresh**

11 PC's / Laptops to be replaced approximate estimated cost £3,800