

AYRSHIRE VALUATION JOINT BOARD

Minutes of the meeting held on Tuesday 17 September 2019 at 10.30 a.m. within East Ayrshire Council Headquarters, London Road, Kilmarnock.

Item 1 - Sederunt

Present:

East Ayrshire: Councillors: Gordon Jenkins, John McFadzean (Chair), Maureen McKay, Jim McMahon and Jacqui Todd.

North Ayrshire: Councillors: John Glover and Donald Reid.

South Ayrshire: Councillor: Siobhian Brown

In Attendance: Helen McPhee, Assessor and Electoral Registration Officer (ERO); John McConville, Head of Valuation Services and Assistant ERO; Harry McCormick, Principal Admin and IT Development Officer; Tom Simpson, Service Lead - Corporate Accounting (SAC); Wynne Carlaw, Service Lead – Democratic Governance (SAC) (Clerk); Steven Hill, Senior Accountant (EAC); Pat Kenny, External Auditor and Alison Nelson, Co-ordinator – Democratic Support (SAC).

Apologies: Councillors John Easdale, Margaret George and Jean McClung (North Ayrshire Council); and Councillors Andy Campbell, Iain Campbell, Martin Dowey and William Grant (South Ayrshire Council).

Item 1 – Sederunt

As detailed above.

Item 2- Declarations of Interest

There were no declarations of interest by Members in terms of the Councillors' Code of Conduct.

Item 3 – Minutes of the Previous Meeting

The Minutes of the meeting of the Ayrshire Valuation Joint Board (the Board) held on 4 June 2019 were submitted.

Decided: to approve the Minutes of the meeting held on 4 June 2019.

Proposed by: Councillor Donald Reid
Seconded by: Councillor Gordon Jenkins

Item 4 – Matters Arising

Councillor Donald Reid suggested that, for future meetings of the Board, the Agenda and Reports should be published on the Board's website, the Board

Decided: to approve Councillor Donald Reid's suggestion to publish, on the Board's website, the Agenda and Reports for future meetings.

Item 5 – Final Report on the 2018/19 Audit

There was submitted a report (circulated) dated 11 September 2019 by the Treasurer to the Board submitting the external auditor's final report on the 2018/19 audit for consideration by members of the Board.

Tom Simpson, Service Lead - Corporate Accounting (SAC) introduced Pat Kenny, External Auditor who provided Board Members with an overview of the final report.

The key messages for members, as identified by the auditors, were as follows:-

- there were no issues identified regarding the significant audit risks of occurrence of income and management override of controls;
- three audit adjustments were identified which had been corrected in the annual accounts;
- unmodified audit opinion on the 2018/19 financial statements;
- no issues identified in relation to governance arrangements or fraud; and
- the Board should develop a medium term financial strategy which was aligned with that of the Scottish Government.

Decided: the Board agreed to accept the contents of Deloitte LLP's Final Audit Report.

Item 6 – 2018/19 Annual Accounts

There was submitted a report (circulated) dated 11 September 2019 by the Treasurer to the Board submitting to members of the Board the Annual Accounts for the year ended 31 March 2019 together with the proposed independent auditor's report.

The Annual Accounts reported a surplus for the year of £17,608 compared with a budgeted deficit of £146,005, which was the planned contribution from reserves. As a consequence of the deficit the accumulated General Fund reserve increased to £481,467 as at 31 March 2019.

With the audit process now concluded, the reserves position would be re-assessed. The Board previously approved a draw of £198,493 from reserves as a planned contribution to the 2019/20 revenue budget.

Proposals for how reserves could be further applied to future projects and/or budgets would be developed for the Board's consideration.

Councillor Reid enquired if the Clerk and Treasurer's fee was detailed in the accounts or was that included with the management fee from South Ayrshire Council. Tom Simpson, Service Lead – Corporate Accounting confirmed that the accounts only detailed AVJB staff salaries.

Decided:

- (1) to approve the Annual Accounts for the year ended 31 March 2019;
- (2) to authorise the Chair, Assessor and Electoral Registration Officer and Treasurer to sign and issue the Annual Accounts by 30 September 2019; and
- (3) to note that the accumulated General Fund surplus as at 31 March 2019 of £481,467 would be utilised to fund expenditure in future years, as previously approved by the Board.

Item 7 – Revenue Budget Monitoring Report 2019/20 – Position Statement at 31 July 2019

There was submitted a report (circulated) dated 11 September 2019 by the Treasurer to the Board advising members of the Board of income and expenditure for the period 31 August 2019 (monitoring period 5) as compared with the approved revenue budget.

Appendix 1 to this report summarised the year-to-date budget for each main account heading with actual expenditure and income at monitoring period 5.

The Board's net expenditure at the end of August 2018 was overspent against budget by £6,000 as outlined in paragraph 4.2 of the report. However, by financial year end the Board's net expenditure, which would include the Barclay Review Funding, was projected to underspend against budget by £75,000.

The impact of the projected full-year underspend would be to reduce the Board's contribution from reserves in the current financial year set at £198,493 in the approved budget, to approximately £123,000.

Decided: to approve the report.

Item 8 – Corporate Risk Register

There was submitted a report (circulated) dated 5 July 2019 by the Assessor and ERO updating members on the risks currently faced by the Board.

The aim of the report was to inform the Board of the current corporate risks; the potential effects of these and the control measures in place to mitigate the risk(s).

Appendix 1 of the report updated the previous risk register presented to the Board. There had been some changes to the register to address the additional risks and update other previously identified risks.

Decided:

- (1) to recognise the significant impact the loss of direct IER funding from the Cabinet Office would have on the Board's financial resources if there was not significant changes to how the annual canvass was carried out;
- (2) to recognise the significant impact the move to 3 yearly revaluations and other changes to non-domestic rates would have on the Board's financial resources; and
- (3) to note the contents of the report.

Item 9 – Valuation and Performance Report

There was submitted a report (circulated) dated 5 September 2019 by the Head of Valuation Services and Assistant ERO advising Members on the progress achieved in Valuation and Council Tax for financial year 2019/20; also providing an update to the ongoing reporting performance during the first five months of the financial year 2019/20.

Appendix 1 provided a report on Valuation and Performance in both Council Tax and non-Domestic Rates for the period 1 April 2019 to 31 August 2019 and a summary of the outstanding Council Tax and Non Domestic Valuation Appeals as at 31 August 2019.

As at the end of August 2019 performance indicators were slightly ahead but would be continually monitored against targets.

Allocating resources in an effort to balance workloads continued to be challenging with structures and work practices being constantly reviewed in an effort to work smarter, more efficiently and effectively.

Decided: to note the content of the report.

Item 10 – Electoral Registration

There was submitted a report (circulated) dated 28 August 2019 by the Principal Admin. and IT Development Officer updating members on the position with regard to the Board's function concerning electoral registration.

Appendix 1 of the report detailed some of the Electoral Registration issues that were ongoing since the previous meeting of the Board.

As a consequence of the polling station review that had now been approved by all 3 Councils, the electoral register was re-published on the 1 July 2019.

The annual Household Enquiry Canvass had commenced, and followed a similar approach to previous years and phased the initial canvass across the 3 Council areas. This would be the final year that the canvass would be undertaken in this format. The canvass started in mid-July and 1st and 2nd reminders had now been issued. Those that failed to respond by early October would be subject to a door knock by electoral canvassers.

Decided: to note the content of the report.

Item 11 – Governance and Performance Framework Review

There was submitted a report (circulated) dated 4 July 2019 by the Assessor and ERO updating the Board on a number of changes to the Governance and Performance Framework.

There had been no major significant changes to the Framework but it had been updated in line with the Board's Corporate Plan 2018 – 2021.

Decided: to note the content of the report and approve the reviewed Governance and Performance Framework.

Item 12 – Staffing Report

There was submitted a report (circulated) dated 4 September 2019 by the Head of Valuation Services and Assistant ERO advising members of current staffing issues and seeking approval for the office closure during the Christmas and New Year period.

The formation of two larger teams, a Revaluation Team and Survey Team, within the Technical Section would be monitored.

To meet the challenges of the Non-Domestic Rates (Scotland) Bill, three Property Assistants had been promoted to Trainee Valuers and were undertaking a course of study. It was anticipated that the recruitment process, to fill the three subsequent vacancies, would be completed by mid-October.

One of the clerical officers was retiring after 32 years' service to the Board.

Both short term and long term absenteeism, as detailed in the report, would continue to be monitored in accordance with the Board's Maximising Attendance Policy.

Councillor McFadzean, as a way of thanking staff for all their hard work, suggested the Board together with the Assessor and ERO write to all members of staff prior to the end of each year.

It was also proposed that the office should close on Tuesday 24 December 2019 and re-open on Friday 3 January 2020 with staff requiring to use annual leave/or flexi leave to cover 27th, 30th and 31st December 2019. After further discussion which included debate on the May public holiday and VE Day 2020 the Board

Decided:

- (1) to close the office on the 3 January 2020 and grant members of staff, on this occasion only, one day's annual leave where appropriate, for the 3 January 2020 to mark the Board's appreciation of the value placed on staff and their hard work and commitment.
- (2) that in respect of the 4 May 2020 holiday and the proposed V.E. Day holiday (8 May 2020), the Assesor and ERO be granted authority to decide which holiday(s) would be most appropriate, bearing in mind the holiday set by South Ayrshire Council and the result of consultation with staff.
- (3) to agree that, on behalf of the Board, the Chair and the Assessor and ERO write a letter of thanks to staff on an annual basis; and on this occasion this would be included within staff notification re the day's leave on the 3 January 2020; and
- (4) to note the contents of the report.

Item 13 – Service Plan Review 2019

There was submitted a report (circulated) dated 15 July 2019 by the Assessor and ERO updating the Board on developments, changes and challenges which would impact on the 2017-2020 Service Plan.

Decided: to note the contents of the Report.

Item 14 – Annual Complaints Handling Report

There was submitted a report (circulated) dated 4 September 2019 by the Head of Valuation Services and Assistant ERO advising members on the outcome of the Board's sixth year of operating the Scottish Public Services Ombudsman's (SPSO) Model Complaints Procedure and to submit a report in accordance with the SPSO's annual performance indicators.

The Head of Valuation Services and Assistant ERO provided an overview of the report and after discussion the Board

Decided:

- (1) to approve the performance indicators as detailed in Appendix 1 of the report;
- (2) to agree that the performance indicators should be published on the AVJB's website; and
- (3) to note the content of the report.

Item 15 – Scheme of Delegation

There was submitted a report (circulated) dated 4 July 2019 by the Assessor and ERO informing the Board that the Scheme of Delegation had been reviewed.

There had been no changes to the Scheme of Delegation; this was part of good governance that the Board had sight of the Scheme at appropriate intervals.

Decided: to note the content of the report.

Item 16 – Any Other Competent Business

Councillor Jenkins suggested that the Clerk arrange to contact all members to ascertain whether they wished their papers in hard copy format or electronic in an effort to reduce the level of paper copying currently being done.

Decided: to agree to Councillor Jenkins suggestion of contacting each member to ascertain their preference for either a paper or electronic version of their papers.

Item 17 – Date and Time of Next Meeting

The Board noted that the next meeting would be held on **Tuesday 14 January 2020 at 10.30am** within the Council Chamber, North Ayrshire Council Headquarters, Cunninghame House, Irvine.

The meeting ended at 11.30 am