

AYRSHIRE VALUATION JOINT BOARD

**Minutes of the meeting held on Tuesday 5 March 2019 at 10.30 a.m. within
Council Chamber, North Ayrshire Council, Irvine**

Item 1 - Sederunt

Present:

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

North Ayrshire: Councillors: Margaret George, Jean McClung, Donald Reid and Donald Lees Reid.

South Ayrshire: Councillors: Siobhian Brown, Andy Campbell and William Grant.

In Attendance: Helen McPhee, Assessor and Electoral Registration Officer (ERO); John McConville, Head of Valuation Services and Assistant ERO; Tim Baulk, Head of Finance and ICT (SAC); Tom Simpson, Service Lead - Corporate Accounting (SAC); Wynne Carlaw, Service Lead - Democratic Governance (SAC) (Clerk); Steven Hill, Senior Accountant (EAC); Coenraad Balfourt, External Audit; and Janice McClure, Committee Services Lead Officer (SAC).

Apologies: Councillors John Easdale and John Glover (North Ayrshire Council); and Councillors Iain Campbell and Martin Dowey (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 AVJB held on 8 January 2019 were submitted.

The Board heard the Assessor and Electoral Registration Officer (ERO) advise that decision (4) of item 9 entitled “ Modernisation and Transformation Programme Update” on page 5 of this Minute should read “to agree that the Assessor and ERO work on the letting of 9 Wellington Square, Ayr”.

Following a comment from a Member on the publishing of Minutes on the public website of the AVJB, the Board agreed that the draft Board Minutes should be published on the website within five working days of the meeting.

Decided:

- (1) to approve the Minutes of the meeting held on 8 January 2019 subject to the amendment on Page 5; and
- (2) to agree that all draft Board Minutes should be published on the Ayrshire Valuation Joint Board website within five working days of the meeting.

Item 4 – Matters Arising

The Board noted that there were no matters arising from the previous minutes.

Item 5 – Revenue Budget Monitoring Report 2018/19 – Position Statement at 31 January 2019

There was submitted a report (circulated) dated 26 February 2019 by the Treasurer to the Ayrshire Valuation Joint Board (the Board) advising Members of the Board of the income and expenditure for the period ended 31 January 2019 (monitoring period 10) as compared with the approved revenue budget.

The Service Lead – Corporate Accounting advised that the report compared the year-to-date budget for each main account heading with actual expenditure and income at monitoring period 10; and outlined the main variances from budget.

Following a question from a Board Member on employee costs, the Assessor and ERO outlined the present staffing position.

Decided: to approve the report.

Item 6 – Planning Report on the 2018/19 Audit

There was submitted a report (circulated) dated 26 February 2019 by the Treasurer to the Board providing background information on the presentation by Deloitte LLP of their Planning Report to the Board on the 2018/19 Audit (the Planning Report).

The External Auditor outlined the Audit Director's key messages within the report; the significant risks pinpointed by the audit and, following a question from a Board Member, provided an explanation of the significant audit risk "management override of controls".

Decided: having considered the report, to agree the Planning Report on the 2018/19 Audit as attached at Appendix 1 of the report.

Item 7 – 2019/20 Revenue and Capital Budgets

There was submitted a report (circulated) dated 28 February 2019 by the Treasurer to the Ayrshire Valuation Joint Board seeking approval of the 2019/20 revenue and capital budgets.

The Service Lead – Corporate Accounting outlined the recommendations within the report; advised of the proposals within the 2019/20 revenue budget which had been prepared by the Assessor and the Treasurer; referred to the Board's uncommitted reserves and the financial implications for the Board should these be committed to fund property renovations; advised of the limited alternative options open to the Board to fund the renovations; and confirmed that the letters to each Local Authority highlighting the issues which may have a negative impact on the Board's budget in the coming years had been drafted and would be issued once further information was received, as agreed at the last Board meeting.

Following a question from a Member on the financial implications for the Board should the uncommitted reserves not be utilised for property renovations, the Service Lead – Corporate Accounting outlined the options open to the Board.

A Board Member enquired as to the timescales for the proposed renovations taking place and the Assessor and ERO advised that she had obtained plans with options; she was currently obtaining estimates for the proposed works; and a report was being prepared to update staff on arrangements whilst the works were being carried out.

A full discussion then took place in relation to:- the expected income from rental; the position should a tenant not be obtained; the necessity not to go over budget on the renovations works; and the risks of utilising the Board's reserves for the renovation works.

Decided:

- (1) to approve the 2019/20 revenue budget as summarised at section 4 of the report and as detailed in Appendix 1;
- (2) to note that revenue requisition income from the Board's three constituent local authorities (the local authorities) would be maintained at £2,092,409 for financial year 2019/20 (as referred to in paragraph 3.1 of the report and Appendix 2 to the report);
- (3) to note the impact on the Board's reserves arising from the budgeted funding gap in 2019/20 (as referred to in paragraph 4.5 of the report);
- (4) to note the previously agreed capital funding of £70,000 from the local authorities for 2019/20 (as referred to in paragraphs 3.2 and 4.11 of the report); and
- (5) that, in regard to the property renovation works required to sustain future rental income (as referred to in paragraphs 4.6 to 4.10 of the report),
 - (a) to consider the impact on the Board's future levels of uncommitted reserves and funding arrangements; and
 - (b) to request that the Assessor and Treasurer commence discussions with the local authorities to consider future funding arrangements.

Item 8 – Corporate Risk Register Report

There was submitted a report (circulated) dated 21 February 2019 by the Assessor and ERO updating the Board on the risks currently faced by the Ayrshire Valuation Joint Board.

The Assessor and ERO outlined the main risks highlighted within the report and advised of the mock election on the new election software; the vacancies that required to be filled within the valuation team to mitigate risks with regard to Non-Domestic Rates (Barclay Review); and advised of the potential strain on the Board's budget from the under-funding of IER.

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 three yearly revaluations would have on the Board's financial resources; and
- (3) to note the content of the report.

Item 9 – Valuation and Performance Report

There was submitted a report (circulated) dated 22 February 2019 by the Head of Valuation Services and Assistant ERO advising Members on progress achieved in Valuation and Council Tax for the period 1 April 2018 to 31 January 2019.

The Head of Valuation Services and Assistant ERO advised on the number of outstanding appeals, that these had been reduced significantly and those outstanding would be dealt with within the established timescales; and provided a breakdown of figures in relation to invalid appeals and domestic alterations.

Questions were raised and responded to by the Head of Valuation Services and Assistant ERO in relation to invalid appeals; and the services provided by the Electoral Registration Service.

Decided: to note the content of the report.

Item 10 – Electoral Registration

There was submitted a report (circulated) dated 25 February 2019 by the Principal Admin. and IT Development Officer updating Members on the position with regard to the Board's functions concerning Electoral Registration.

Decided: to note the contents of the report.

Item 11 – Public Sector Equality Duty Progress Report 2019

There was submitted a report (circulated) dated 22 February 2019 by the Head of Valuation Services and Assistant ERO seeking Members approval of the Ayrshire Valuation Joint Board Public Sector Equality Duty Progress Report 2019.

The Head of Valuation Services and Assistant ERO responded to a question from a Board Member on the number of training courses attended by staff members and the Board welcomed the high level of training carried out by staff.

Decided:

- (1) to approve the content of the 'Ayrshire Valuation Joint Board Public Sector Equality Duty – Progress Report 2019';
- (2) to allow the report to be published on the Board's website prior to 30 April 2019 in accordance with the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012; and
- (3) to note the contents of the remainder of the report.

Item 12 – Proposed Schedule of Meetings for 2019/20

There was submitted a report (circulated) by the Clerk to the Ayrshire Valuation Joint Board outlining the proposed schedule of meetings for 2019/20 for members' consideration.

Following discussion, the Board agreed that meeting in January 2020 should take place one week later than the proposed date in the report.

Decided: to approve the Schedule of Meetings for 2019/20 as follows:-

- (1) Tuesday 17 September 2019 at 10.30 a.m. within Council Chamber, East Ayrshire Council, London Road, Kilmarnock;
- (2) Tuesday 14 January 2020 at 10.30 a.m. within Council Chamber, North Ayrshire Council, Cunninghame House, Irvine;
- (3) Tuesday 3 March 2020 at 10.30 a.m. within Troon Committee Room, South Ayrshire Council, County Buildings, Wellington Square, Ayr; and
- (4) Tuesday 2 June 2020 at 10.30 a.m. within Council Chamber, East Ayrshire Council, London Road, Kilmarnock.

Item 13 – Any Other Competent Business

The Board noted that there was no other business to be considered.

Item 14 – Date and Time of Next Meeting

The Board noted that the next meeting would be held on **Tuesday 4 June 2019** at 10.30 a.m. within the Troon Committee Room, County Buildings, Wellington Square, Ayr.

The meeting ended at 11.55 a.m.