

**Highland and Western Isles Valuation Joint Board**

Minutes of Meeting of the Highland and Western Isles Valuation Joint Board held in Council Headquarters, Inverness on Friday 22 September 2017 at 10.30 a.m.

**Present:**

**Representing The Highland Council:**

Ms K Currie  
Mr A Graham  
Mr J Gray  
Mr L Fraser  
Mr W MacLachlan  
Mrs P Munro  
Mr D MacLeod  
Mrs M Paterson

**Representing Comhairle nan Eilean Siar:**

Mr J Mackay  
Mr A MacLeod

**In attendance:**

Mr W Gillies, Assessor and Electoral Registration Officer  
Ms V Macdonald, Accountant, Treasurer's Office  
Ms D Sutherland, Corporate Audit Manager, Treasurer's Office  
Mr S Wright, Trainee Accountant, Treasurer's Office  
Mr L Robertson, Grant Thornton (External Auditor)  
Mr A MacInnes, Administrative Assistant, Clerk's Office

**Mr J Gray in the Chair**

**Business**

**1. Apologies  
Leisgeulan**

There were no apologies for absence.

**2. Declarations of Interest  
Foillseachaidhean Com-pàirt**

There were no declarations of interest.

**3. Minutes of Meeting of 27 June 2017  
Geàrr-chunntas Coinneamh 27 Ògmhios 2017**

The Minutes of Meeting of the Board held on 27 June, 2017 had been circulated and were **APPROVED**.

**4. Matters Arising from the Minutes  
Gnothaichean Ag Èirigh bhon Gheàrr-chunntas**

There were no matters arising from the minutes.

## **5. Membership Ballrachd**

The Board **NOTED** the following change in Highland Council appointments to the Board:

- Miss J Campbell had been appointed as a Substitute Member, replacing Mr B Lobban
- Mr A Graham had been appointed as a Substantive Member, replacing Mrs C Caddick
- Mrs C Caddick had been appointed as a Substitute Member, replacing Mr A Graham
- Ms K Currie had been appointed as a Substantive Member, replacing Mr K Gowans
- Mr B Boyd had been appointed as a Substitute Member, replacing Ms K Currie

## **6. Internal Audit Report – Valuation Roll and Council Tax List Aithisg In-Sgrùdaidh – Clàr Luachaidh agus Liosta na Cìse Comhairle**

There was circulated Report No. VAL/13/17 by the Corporate Audit Manager which provided details of the audit work undertaken since the last report to the Board.

There had been one audit report issued relating to a review of the Valuation Roll and Council Tax list. The report had an audit opinion of substantial assurance and contained one medium grade recommendation relating to the timely valuation of new build properties. In response to a query, it was explained that the Assessor's office did receive information from Planning and Building Control which did help with the timely valuation of new build properties. There were plans to introduce an electronic link between the Assessor's system and the Planning and Building Control system, so that information from Planning and Building control could be downloaded and matched against the Assessor's records, insofar as possible automatically, in order to speed up the process of the valuation of new build properties.

There was a concern raised by Members that some non domestic properties were not included on the Valuation Roll. It was advised that while staff continued to actively monitor properties that may be liable for non domestic properties, they did rely on intelligence, e.g. planning, building control or information from individuals so that enquiries could be made. Anyone with information where they think a property should be on the Valuation Roll, but it was not, then they should inform the Assessor and Electoral Registration Office.

Further, the introduction of shootings into the Valuation Roll had been a massive exercise to undertake, and some 5000 enquiry forms had been issued in Highland and Western Isles. As a result some 2300 valuation notices would be issued, making new entries in the Valuation Roll for shooting rights and deer forests.

Having scrutinised the report, the Board **NOTED** the report.

## **7. Report to Those Charged with Governance on the 2016/17 Audit Aithisg Dhaibhsan air a bheil Uallach airson Riaghladh air Sgrùdadh 2016/17**

There was circulated Report No VAL/14/17 by the External Auditor, Grant Thornton which presented the draft Annual Report on the 2016/17 Audit.

In particular, the following points were highlighted:-

- The independent auditor's report on the 2016/17 financial statements was unqualified;
- Overall, the draft financial statements were of good quality and were a complete set of annual accounts and report.
- A summary of the work on the identified significant and other audit risks and the external auditors conclusions were highlighted.
- There remained an opportunity to enhance medium term financial planning beyond the one year funding cycle, and to enhance engagement between the Board and constituent authorities around the identification and delivery of efficiency savings. It was confirmed that it would be up to the Board to determine whether to enhance financial planning beyond a one year funding cycle, although it was acknowledged that this would be challenging for constituent authorities as they currently only received a one year Local Government Grant financial settlement.

It was felt that efficiency savings should be done separately from medium term financial planning and the Action Plan would be updated to reflect this.

Thereafter, the Board **NOTED** the report.

#### **8. Audited Accounts 2016/17 Cunntasan Sgrùdaichte 2016/17**

There was circulated Report No. VAL/15/17 which comprised the Audited Statement of Accounts for the financial year 2016/17 and the annual audit letter of representation 2016/17 by the External Auditor, Grant Thornton.

The Treasurer highlighted that there were no significant changes to the Audited Accounts compared to the Unaudited Accounts presented at the last meeting of the Board. The External Auditor reported that there were no non standard issues to report on the letter of representation.

Thereafter, the Board:

- APPROVED** the Audited Accounts for signature; and
- AGREED** that the letter of representation be signed on behalf of the Board.

#### **9. Revenue Budget Monitoring Statement 2016/17 Aithris Sgrùdaidh Buidseit Teachd-a-Steach 2016/17**

There was circulated Report No VAL/16/17 by the Assessor and Electoral Registration Officer which set out the revenue monitoring position of the Board for the period to 31 August, 2017 and the projected year end position.

It was reported that as at 31 August, 2017 net expenditure was £0.965m and represented 34% of the annual budget of £2.860m. At this point in the year, the overall outturn was expected to be an underspend of £0.050m, however, this projection was sensitive to the eventual outturn of the annual electoral canvass and

uncertainty relating to costs associated with the introduction of shootings and deer forests into the valuation roll.

In response to a query regarding the underspend to date, it was advised that the Board always carried out prudent financial planning in order for the Assessor and Electoral Registration Office to carry out its function. It was a vital function that enabled constituent authorities to raise revenue and it was carried out very efficiently. Any underspend up to a maximum of 5% of budget could be carried forward into the next financial year. In the last two financial years some of the underspend had been handed back to constituent authorities.

Reference was made to a review of the non-domestic rating system that had been commissioned by the Scottish Government. The Barclay Commission had now issued its report and the Scottish Government had intimated its acceptance of most of the findings. The Scottish Assessors Association had indicated their willingness to work with Government in implementation of the recommendations that relate to Assessors in Scotland. It was advised that further details would be reported to the next meeting of the Board.

In relation to changes in data protection legislation, the Assessor's office was working in conjunction with the Governance Committee of the Scottish Assessors' Association, to co-ordinate through that Committee, measures to bring about compliance.

Thereafter, the Board **NOTED**:-

- i the contents of the report; and
- ii that a report on the Barclay Commission review of the non-domestic rating system would be submitted to the next meeting of the Board.

## **10. Departmental Report Aithisg Roinneil**

There was circulated Report No VAL/17/17 by the Assessor and Electoral Registration Officer which outlined the main business of the Office of the Assessor and Electoral Registration Officer since the last meeting of the Board.

It was reported that the main business since the last meeting of the Board had been undertaking the electoral canvass, dealing with enquiries relating to the 2017 Revaluation and the identification and valuation of shooting rights.

In relation to a query on revaluation appeals, while anyone could make an appeal on behalf of a ratepayer, the Assessor's office advice to ratepayers wishing to employ a professional agent for this purpose, was that the agent be a member of the Royal Institute of Chartered Surveyors.

It was advised that figures in relation to total valuations of shootings, deer forests and hydro electric generators in Highland and Western Isles would be provided in the next report.

The Board **NOTED** the recent activities of the Department as set out in the report.

## 11. Financial Regulations Riaghailtean Ionmhasail

There was circulated Report No. VAL/18/17 by the Assessor and Electoral Registration which provided an updated version of the Board's Financial Regulations.

Following consideration, the Board **APPROVED** the updated Financial Regulations.

## 12. AOCB

Valuation Appeal Panel – it was reported that the Secretary to the Valuation Appeal Panel had written to the Assessor and Electoral Registration Officer requesting a review of the fees paid to the Panel Secretariat. While this was an independent Panel, the funding for the services of the Panel were, by law, funded by the Board. The Valuation Appeal Panel Members were unpaid and received expenses only, but the Secretariat, who advised the Panel on matters of law, did receive remuneration for their services. The Secretary in his communication, advised that it had been nine years since the fees of the Secretariat had been reviewed, and it was felt that given the length of time since the last review, that the fees of the Panel secretariat should now be reviewed.

It was suggested that this matter be considered by the Clerk to the Board with a report back to the next meeting.

The Board **AGREED** that the Clerk to the Board report to the next meeting on the request for a review of fees for the Valuation Appeal Panel Secretariat.

The meeting concluded at 11.45 a.m.