

## Agenda Item 3

### 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 Thursday 18 January 2018 at 10.30 a.m.

#### Present:

#### Representing The Highland Council:

Ms K Currie  
Mr J Gray  
Mr L Fraser  
Mrs P Munro  
Mr K Gowans  
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  
Mr R Shepherd, Assistant Assessor and Electoral Registration Officer  
Mr S Fraser, Clerk to the Board  
Ms F Callum, Principal Accountant, Treasurer's Office  
Mr S Wright, Trainee Accountant, Treasurer's Office  
Ms R Rae, Trainee Accountant, Treasurer's Office  
Mr J Boyd, Grant Thornton (External Auditor)  
Mr A MacInnes, Administrative Assistant, Clerk's Office

#### Mr J Gray in the Chair

#### Councillor Billy MacLachlan

Prior to the commencement of formal business, the Board were informed of the sad news that Councillor Billy MacLachlan, Highland Council had recently passed away and the Board extended their condolences to Billy's family and friends. Tribute was paid to Billy who would be sorely missed.

#### 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 24 November, 2017  
Geàrr-chunntas Coinneamh 24 Samhain 2017**

The Minutes of Meeting of the Board held on 24 November, 2017 had been circulated and were **APPROVED**.

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

There were no matters arising from the Minutes.

**5. Membership  
Ballrachd**

The Board **NOTED** that Mr D Mackay had been appointed as a Substitute Member, replacing Mrs C Caddick

**6. Revenue Budget Monitoring Statement 2017/18  
Aithris Sgrùdaidh Buidseit Teachd-a-Steach 2017/18**

There was circulated Report No VAL/1/18 by the Assessor and Electoral Registration Officer which set out the revenue monitoring position of the Board for the period to 31 December 2017 and the projected year end position.

It was reported that for the period to 31 December 2017 net expenditure to date was £1.967m and represented 69% of the annual budget of £2.860m. At this point in the year, the overall outturn was expected to be an underspend of £0.085m, however, as in previous years, this projection was sensitive to the eventual outturn of the annual electoral canvass. There was also uncertainty regarding IT costs.

In relation to a query on computer charges, it was explained that this related to costs relating to licensing of software, provision of desktop computers, access to the network servers and any other IT services required of Wipro.

It was confirmed that the expected underspend of £0.085m would be returned to Constituent Authorities.

The Board having scrutinised the report, **NOTED** the contents of the report.

**7. Revenue Budget 2018/19  
Buidseat Teachd-a-Steach 2018/19**

There was circulated Report No VAL/2/18 by the Assessor and Electoral Registration Officer (ERO) which set out for approval a proposed revenue budget for the financial year 2018/19.

The budget proposal was made against a continued background of great pressures on local authority expenditure in general and at a time when the Assessor was embarking on a critical period in relation to defending the levels of value for the recently completed 2017 Revaluation. Individual Electoral Registration (IER) also continued to be an ongoing challenge. The Assessor & ERO fulfilled a fundamental role both in the process of the provision of revenue to the constituent councils through

council tax and non-domestic rates, and in the democratic process through his duty to compile and maintain the Electoral Register.

The report sought to outline the various pressures placed on the Assessor & ERO in the exercise of each of his statutory duties and considered the projected associated costs under each of the main budget heads. Overall expenditure and budget demonstrated a 0.8% reduction from £3,015,403 to £2,990,400. Therefore, a balanced budget had been achieved and the proposed requisition from the constituent Councils remained unchanged in cash terms.

Overall, the proposed budget made reasonable provision for the Assessor & ERO in the forthcoming year, although there were significant risks associated with the proposals and it may not be possible to meet any shortfall from within existing budget heads, in which case reserves may require to be accessed.

In discussion, the following main points were raised:-

- In relation to the lease of the Assessor & ERO accommodation at Moray House, Inverness, it was advised that this was not due for renewal for some time and the cost of the lease was deemed to be reasonable when compared to other office accommodation in Inverness.
- It was queried what the level of reduction in funding was anticipated from the Cabinet Office. It was advised that the projected reduction would be around £25k.
- It was queried how much it cost for each case to be heard by the Valuation Appeal Committee. It was advised that expenditure would be in the region of several thousand pounds and included the cost of room hire, expenses for Members of the Committee, with the largest cost being the services of the Secretariat to the Valuation Appeal Committee.
- It was noted that the budget for legal expenses had been set at £20k. If there was significant litigation involved with appeals there was a risk that this provision would be insufficient and any overspend would require to be funded from reserves.
- It was queried if there would be any access to funding from the Scottish Government if legal expenses were so significant that reserves would not be sufficient to cover these expenses. It was advised that both the UK Government and Scottish Government's position in the past was that funding for the Assessor to carry out his statutory duty was a matter for constituent authorities, and there were very few exceptions to this.
- One of the indicators used to determine the level of Grant Aided Expenditure (GAE) for Local Authorities was in relation to the Assessor and the number of entries in the valuation roll. If the number of entries in the valuation roll increased, which it had, then this should be recognised with an increased level of GAE for constituent authorities.
- It was queried if the Assessor for the Highland and Western Isles had a disproportionate workload as a result of the reintroduction of shootings into the valuation roll compared to other Assessors in Scotland. It was advised that while some other areas in Scotland e.g. Tayside and Borders would also be affected, Highland and Western Isles had the largest shooting rights in Scotland and would have the most significant workload associated with their reintroduction into the valuation roll due to the complexity of this task.

- It was advised that carrying out the recommendations from the Barclay Review of business rates in Scotland would have resource implications for Assessors in Scotland.

Thereafter, the Board **APPROVED** the revenue budget for the financial year 2018/19.

## **8. Annual Audit Plan 2017/18 Plana Sgrùdaidh Bliadhnail 2017/18**

There was circulated Report No VAL/3/18 by External Auditor, Grant Thornton setting out the 2017/18 Annual Audit Plan for the Highland and Western Isles Valuation Joint Board. The report set out the planned work to be carried out in connection with the 2017/18 audit.

Following consideration, the Board **NOTED** the contents of the report.

## **9. Departmental Report Aithisg Roinneil**

There was circulated Report No VAL/4/18 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 publication of the new Register of Electors, preparation for the next diet of valuation appeal hearings, running valuation roll update and consideration of subjects for re-banding on sale.

In discussion, it was advised that the total number of self catering units in the valuation roll had risen over the last ten years due to the increase in tourism in the area and was currently circa 4500. Further measures were being put in place to identify subjects that are currently described as self-catering units in the valuation roll that should properly be placed in the Council Tax list.

In relation to site visits to determine appeals against valuations, particularly for shootings, it was anticipated that an individual enquiry would have to be made against every appeal against a shootings entry in the valuation roll and depending on how much information could be verified in-house, this may require a site visit.

It was very encouraging that many users of the electronic response to the Household Enquiry Form, cited their desire to try and help save money for the Council as being a main driver for using the system.

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

## **10. Review of Fees for the Secretariat of the Valuation Appeals Panel Ath-sgrùdadh Chìsean airson Rùnaireachd Chomataidh nan Ath-thagraidhean Luachaidh**

There was circulated Report No. VAL/5/18 by the Clerk to the Board which invited the Board to consider a request to review the remuneration of the Valuation Appeals Panel Secretariat.

The Secretary to the Highland and Western Isles Valuation Appeal Panel had written to the Assessor suggesting that with a new valuation appeals cycle about to commence, it would be an opportune time to review the level of remuneration for the Panel Secretariat. It was almost nine years since the last review was undertaken. The Secretary proposed increases in both the annual retainers and hourly rate.

Given the passage of time since the previous review and that the proposed new rate was below that commonly charged for private client work in Inverness, it was recommended that the Board agree the proposed increases and seek the approval of the Sheriff Principal.

Further, in order to maintain the independence of the Appeals Panel and the Assessor it was proposed that in future all Fee Notes be submitted in the first instance to the Clerk to the Board, who would then authorise and instruct payment.

In discussion, the proposed new rates amounted to a 20% increase which was significant and it was queried if there was any scope for a reduction in the increase or a phased increase, given the financial challenges facing the Board and whether more detailed billing information could be provided. The frequency of the services required of the Secretary was also unknown. It was advised that the remuneration and allowances to be paid to the Secretary were to be agreed between the Board and the Sheriff Principal. Given that the proposed new rate was below that commonly charged for private client work in Inverness, it was felt that the Sheriff would be sympathetic to the proposed rates.

Thereafter, the Board **AGREED**:-

- i the proposed increase in both the annual retainers and hourly rate for the Secretariat to the Highland and Western Isles Valuation Appeal Panel as detailed in the report;
- ii to advise the Sheriff Principal of the Board's agreement to the revised rates;
- iii that the Clerk will liaise with the Assessor and Secretary to the Valuation Appeal Panel to agree a revised approach to submission and payment of fees; and
- iv the Clerk requests the Secretary to the Valuation Appeal Panel to provide detailed billing information/timesheets in future.

## **11. Long Service Award Duais Seirbheis Fhada**

There was circulated Report No. VAL/6/18 by the Assessor and Electoral Registration Officer which detailed the Board's policy on long service awards which applied to all full and part-time staff.

The Board **APPROVED** the Long Service Award Policy.

## **12. Whistleblowing Policy and Procedure Poileasaidh Innseireachd**

There was circulated Report No. VAL/7/18 by the Assessor and Electoral Registration Officer which detailed the Board's Whistleblowing Policy and Procedure.

The Board **APPROVED** the updated Whistleblowing Policy and Procedure.

### **13. Corporate Governance – Standing Orders and Scheme of Delegation Riaghladh Corporra – Gnàth-riaghailtean agus Sgeama Tiomnaidh**

Standing Order 5 of the Board's Standing Orders relating to the Conduct of Meetings provides that the Board will review its Standing Orders at the end of each year. These were accordingly reviewed at the end of 2017, together with the Board's Scheme of Reference and Delegation to Officers. It was recommended that no further changes were necessary at this time to Standing Orders and minor amendments to the Scheme of Reference and Delegation to reflect changes in post titles as shown below:-

Matters delegated to the Assessor:- Item 3 - "Daily administration of property, including maintenance of property and contracts, subject to the Board's Standing Orders and Financial Regulations. In these matters, the Assessor will be guided by the advice of the *Director of Development and Infrastructure*, the Highland Council." (formerly Director of Housing and Property).

Monitoring Officer - Last paragraph " The monitoring Officer for the Board is the *Democratic Services Manager*, the Highland Council" (formerly the Head of Corporate Governance)

Personnel Adviser - change in title of the Board's Personnel Adviser from Head of People and Transformation to *Head of People and Information & Communications Technology*.

The Board **AGREED**:-

i that there was no requirement for any change to the current Standing Orders Relating to the Conduct of Meetings; and

ii the amendments to the Scheme of Reference and Delegation to Officers as detailed above.

The meeting concluded at 11.55 a.m.