

ASSESSOR'S PROGRESS REPORT TO THE LOTHIAN VALUATION JOINT BOARD

2nd September 2019

1.0 PURPOSE OF THE REPORT

To advise and update members on service overview, priorities, current risks and issues, and future direction.

2.0 ELECTORAL REGISTRATION

2.1 General Maintenance 1st April to 31st August 2019

The Electoral Register is maintained throughout the year by way of insert, deletion, amendment and update of elector information. Noted below for the relevant period is information by Council area reflecting the principal maintenance activities.

Council Area	No. of Additions	No. of Deletions	No. of Modifications
City of Edinburgh	20305	11145	6055
East Lothian	2537	1369	478
Midlothian	2390	1470	491
West Lothian	4380	2580	1013
Totals	29612	16564	8037

2.2 2019 Household Canvass

The 2019 annual household canvass commenced in early July with first reminders issued during August and final reminders scheduled for early September. To date 417,518 initial and 201,756 first reminder household enquiry forms have been issued in addition to 22,630 initial and 12,732 reminder Invitation to Register forms. Door to door canvass is scheduled to cease in November prior to register publication by which time we anticipate having called at circa 80,000 households.

At this stage in the canvass the return rate of Household enquiry forms is 57.6%, compared to 59.45% in 2018 and 52.63% in 2017.

Electronic engagement continues to be a popular method of return and we continue to use email contact as appropriate throughout the canvass. To date some 118,773 electronic responses have been received during the canvass with online continuing to be the most used. (78%)

As part of the ongoing engagement process emails are being issued to electors between reminder issues to encourage returns preferably via electronic means.

2.3 Engagement

Elector engagement activities for the April to September period, as well as specific election events, have continued to draw attention to the importance and accessibility of the registration process with a particular focus on reaching under-represented groups, such as school pupils, university students and the BME community.

Schools

Working with schools to promote voter registration is one of the main focal points of the engagement strategy. A final reminder letter was issued on 1st June to all pupils not yet registered, encouraging them to register through the online system. Final analysis of the engagement process showed that registration rates were slightly higher than at the same point in 2018 – the table below shows details of registration rates across the four constituent council areas as at 30 June 2019.

Constituent Council	Eligible Students	Total Registered	% Registered	% Increase
City of Edinburgh	8132	6770	83.25	23.70
East Lothian	2432	2122	87.25	22.83
Midlothian	2031	1621	79.81	23.17
West Lothian	4678	4091	87.45	24.53
Total	17273	14604	84.55	23.56

Universities

The transient nature of the student population provides a unique challenge for electoral administrators in promoting voter registration. On the back of successful events held during Freshers' week in 2018 the Electoral Registration Office will have a presence at each of the four Universities respective Freshers' Fairs, assisting new students with the registration process at their term-time addresses. Additionally, advertising will be placed in various Students Association information publications for new students and through the Associations' social media channels.

Other Engagement Activities

A range of other engagement activities have been carried out throughout this reporting period, an example of which are noted below:-

- Registration events held in each of four council areas to encourage the return of the annual Household Enquiry forms.
- Approximately 15,000 potential electors identified using new council tax payer data with a more targeted approach to the data mining process being developed to prevent superfluous Invitation to Register forms being issued.
- Attendance at British Citizenship Ceremonies to register newly qualified electors.
- Registration stall at the MELA festival at the end of August to promote voter registration in the BME community.
- Working with care homes to ensure residents have the opportunity to register to vote.
- Online and print advertising campaigns across a variety of websites and publications – i.e. ESPC website and weekly newspaper.

2.4 Individual Electoral Registration – Update

Preparations continue at both a national and local level in respect of the anticipated changes to the annual household canvass scheduled to be introduced in 2020. The necessary actions have been taken in order to test the accuracy of local data sets as set against changes made to the register arising from the 2019 canvass. This exercise is aimed at providing Electoral Registration Officers with an indication of the accuracy and currency of local data sets should they wish to augment the national matching exercise that shall take place ahead of the 2020 canvass.

The Representation of the People (Annual Canvass) (Amendment) Regulations 2019 have been drafted and are expected to come into force at the end of the year. These regulations shall allow a test of the national data matching exercise to commence in early 2020. This shall inform and allow more accurate planning and cost modelling ahead of the canvass due to commence in July 2020.

The different canvass routes that shall be in operation from 2020, which have not altered following consultation, continue to be given consideration. These offer the ERO greater discretion and flexibility with the means of contact and include the capacity for innovation and improvement, dependant on the canvass route that is being followed for a household. While the removal of the £225k additional annual cost of IER is a principal target of these changes it is important that this is not achieved at the expense of completeness and accuracy in the register. The Board shall be kept advised of the alternative canvass options most likely to be adopted and the outcome of the local and national matching test exercises.

2.5 The Scottish Elections (Franchise and Representation) Bill

The Scottish Government laid the above Bill before Parliament on the 20th June 2019. This contains two elements of significance to electoral registration.

Firstly to extend the franchise to vote in Scottish Local Government and Parliamentary elections to foreign nationals who are legally resident in Scotland. This therefore extends the franchise beyond existing provisions that allow Commonwealth, Republic of Ireland and relevant citizens of the European Union to register, to include citizens of all countries, aged 16 and upwards, with a legal right to reside in Scotland. There is no qualifying period attached to the residency requirement. To assist with the registration process for foreign nationals the necessary amendments shall require to be made within communication material being developed for the 2020 canvass including the online registration system.

The second element, is the franchise extension to prisoners in penal and young offenders institutions who are convicted persons sentenced to terms of 12 months or less. These electors shall be able to vote either by post or by appointing a proxy. It is anticipated that the necessary information to assist this registration process will be provided by the Scottish Prison Service.

2.6 Elections and Referendums

During the current phase of Brexit considerable media coverage is given to the possibility of a snap general election, a further Scottish independence referendum and/or another EU referendum.

A major election/referendum during the annual canvass period introduces a number of additional complexities. These include timing issues in relation to student registration drives, messaging relating to actual registration alongside the return of Householder enquiry forms, and the likely considerable increase in duplicate registration.

An exercise in preparing the necessary timetable that would support such events including the identification of key workload and operational issues has been carried out over past months.

It can be envisaged that recourse to the registration service by way of phone calls and emails would be considerable, and that applications to register and for postal and proxy votes would reach very high levels. In such circumstances where the organisation has to be responsive to the expectations of the electorate there should be no doubt that additional expense shall be incurred. This would in the main come in the form of short term temporary staff, overtime and additional printing and postage. The Board is advised that the current budget allocation does not account for such major electoral

events and while every effort shall be taken to minimise the financial impact, the use of reserve funds during such periods would be inevitable.

3.0 COUNCIL TAX

The maintenance of the Council Tax List is a constant activity and the table below indicates the number of new inserts, by Council area, made to the List during the period 1st April to 31st July 2019.

Band	Edinburgh	Midlothian	West Lothian	East Lothian	Total
A	24	3	10	0	37
B	154	9	79	11	253
C	210	58	97	41	406
D	352	23	72	88	535
E	256	28	90	51	425
F	94	63	73	79	309
G	125	62	17	114	318
H	40	1	2	5	48
Total	1,255	247	440	389	2331

The level of performance in relation to the associated key performance indicators are shown below.

KPI	Less than 3 months	3 to 6 months	Greater than 6 months
Actual	93.04%	5.10%	1.89%

At the current time we have 112 outstanding council tax appeals. It is anticipated that the majority of these shall be disposed of without recourse to formal citation however a timetable is in place for the remaining part of the year with 27 appeals cited for hearing during September.

The use of external field devices for the collection of house data has now been successfully deployed and this approach is in use for all new house estates. The second phase that shall allow the remote update to core systems is under development with an initial release date towards the end of the year.

4.0 NON-DOMESTIC RATING

4.1 2017 Revaluation Appeals

The continuing disposal of NDR appeals lodged following the 2017 revaluation remains a major focus. To date 7,729 revaluation appeals have been disposed of along with 688 running roll appeals, with a further 2,342 under citation by the end of the year. As a

result, of the 13,007 revaluation appeals lodged, 10,071 (77%) shall have been dealt with leaving 2,936 for disposal during 2020.

A 2020 timetable for disposal is under discussion with an anticipated finish date of October 2020, allowing some time for continuations before the statutory end date of 31st December 2020. The concentration so far has been on bulk class subjects such as shops, offices, industrials and licensed subjects. While a small number of appeals relating to bulk class properties remain, the emphasis shall move more towards such subjects as schools, health centres, halls, clubrooms etc. and more specialised subjects.

4.2 2019 Running Roll

The maintenance of the Valuation Roll is an essential annual activity. This ensures the Roll remains current by the insertion and deletion of entries, and amended to reflect property splits and mergers and the impact of physical alterations of material consequence.

The table below provides an indication of the number and types of changes made to the Roll since 1st April.

	Shops	Offices / Car Spaces	Industrial	Licensed	Self-Cat.	Premises Under Reconstruction	Other Subjects
Edinburgh	76	311	59	15	157	57	194
Midlothian	3	8	7	2	6	3	40
West Lothian	12	45	30	0	8	15	72
East Lothian	10	21	8	1	22	3	73

In addition 2,370 Valuation Roll name changes processed and 2,341 commercial rental evidence forms issued.

In addition the performance associated with the principal maintenance activities is shown.

	< 3 months	3 – 6 months	> 6 months	Total
01/04/19 – 31/07/19	88.49%	5.60%	5.91%	1,268
01/04/18 – 31/07/18	82.45%	13.35%	4.20%	1,071

The maintenance of the Roll is a resource hungry activity and competes with appeal disposal in terms of workforce allocation. During 2019/20 new initiatives have been

introduced where the emphasis has changed from being reactive to proactive with regard to certain amendments to the valuation roll that occur on a regular basis. This should lead to improved performance while also allowing better deployment of available resource.

5.0 GOVERNANCE

5.1 Governance Group

In addition to ongoing quality assurance checks the Governance team have carried out an internal exercise assessing our Customer Support team's readiness for a major electoral event. The investigation identified a number of recommendations which are currently being reviewed and an action plan for implementation shall be completed shortly. In addition an audit involving the expansion of first line checking procedures within the Valuation Roll names change process is ongoing. Once complete and any actions carried out, these checks will be supported by second line Governance assurance checks.

A recent internal audit exercise undertaken by CEC (Audit) on LVJB Barclay Readiness, identified 1 medium finding with 7 associated outcomes around our project management framework. Work has commenced on implementing the outcomes to improve the robustness of the framework.

5.2 Risks & Issues

The current risks facing the Board have been well documented in previous reports.

Organisational pressures exist surrounding;

- the introduction of proposed changes initiated by NDR Reform programme creating major changes to the delivery of revaluations and associated appeal disposal,
- the introduction of changes to the annual electoral registration household canvass and its anticipated impact on current costs,
- the continuing uncertainty over the future of Council Tax,
- the unpredictable outcome of Brexit, planned or unplanned,
- the possibility of unexpected major electoral events creating unbudgeted pressures,
- the continuing need for fiscal constraint and efficiency savings.

5.3 Budget 2019/2020 & Business Strategy 2020/2023

The Board has been previously advised of the projected end of year budget position of an over spend of £163k. This was exclusively due to unavoidable budget growth

resulting from pay wards, salary increments and inflationary pressures. Expenditure constraint and an element of vacancy control has reduced this amount to £89k. Every effort shall be made to maintain this position throughout 2019/2020. In the event that the Board agree at financial year end to balance the out turn position by a draw down from reserves, this amount shall have minimal impact on the reserve level and its impact to service other demands.

A Business Strategy covering the period 2020/2023 is currently under construction with a key aim being to provide a 3 year budget forecast that shall allow the Board to consider options to balance the continuing delivery of service and the introduction of legislative changes, within available financial resources.

An external meeting of the Governance Group, comprising Board members, treasurer staff, internal and external audit, and LVJB senior staff has been arranged for 24 September 2019, at which the Business Strategy shall be discussed. A full report on the Business Strategy 2020/2023 shall be provided to the November meeting of the Board.

6.0 RECOMMENDATION

The Board is asked to note the content of this report.

Graeme Strachan
ASSESSOR & ERO