UPDATE ON NON DOMESTIC RATES REFORM

2 September 2019

1.0   INTRODUCTION

This report provides an update on the progress being made, at a national and local level, in respect of the implementation of NDR Reform.

2.0   LEGISLATION: THE NON DOMESTIC RATING REFORM (SCOTLAND) BILL

2.1   The Local Government and Communities Committee are continuing to take written and verbal evidence from key stakeholder groups. Information on these evidence gathering sessions is available on the Scottish Parliament website. The draft Bill and the findings of the Committee shall be debated in Parliament during October 2019 as part of the Stage 1 scrutiny process. Stage 2 of the process when amendments shall be considered in addition to further evidence sessions is scheduled to conclude by late December 2019 and Stage 3, the final debate in Parliament should take place in February 2020, with the Bill, enacted by 1st April 2020.

2.2   Legislative regulations continue to be developed by Scottish Government aimed at supporting key elements of the NDR Reform Bill, in particular the proposal/appeal framework. A set of draft regulations are expected by September/October 2019 followed by a consultation period during spring 2020.

3.0   NDR REFORM IMPLEMENTATION

3.1   At an organisational level progress continues in accordance with project timetables reflecting the necessary developments required to ensure delivery of the NDR reform package. In particular prototyping is in place for the major ICT developments supporting the shift towards a 3 year revaluation cycle.

3.2   In addition preparatory project definition work has commenced on two further developments. These shall provide the necessary internal administrative support to the introduction of civil penalties for non-return of information and the proposal/appeal framework.

3.3 Organisational resource impact, both in terms of availability and deployment, is one of the key considerations during preparations for implementation.

3.4 While further clarity is required on certain legislative requirements a number of options both for additional recruitment and organisational restructuring are under investigation. It is anticipated that by November 2019 a phased timetable of recruitment shall have commenced in conjunction with considerations of options in respect of deployment of resources.

3.5 The headline Barclay Roadmap has been subject to revision in order to add more detail and a copy is attached as appendix 1. It should be noted that until confirmation is received on the timing of certain events and activities the Roadmap reflects the current interpretation of the possible time line. Once definitive dates are available the Roadmap shall be subject to amendment and review. The Roadmap however does at this stage show the impact of the shortening revaluation cycle on the process of delivering valuations and the disposal of appeals. In both cases these actions must be completed in a reduced time frame and as a result become overlapping activities. This supports the requirement to consider the use and deployment of resources.

3.6 As the legislation surrounding the reform process is developed and as consideration is given to how best to deal with potential organisational impact communication becomes increasingly important. Staff briefings have been undertaken recently where the reform legislation and issues arising from it have been discussed. In addition all relevant information is available on the staff intranet.

4.0 NDR REFORM RISK REGISTER

4.1 Attached as appendix 2 is the revised NDR Reform Risk Register. This now incorporates outstanding high level risks previously identified, the findings of the recent CEC audit on Barclay preparedness, and includes new entries in respect of organisational implementation projects.
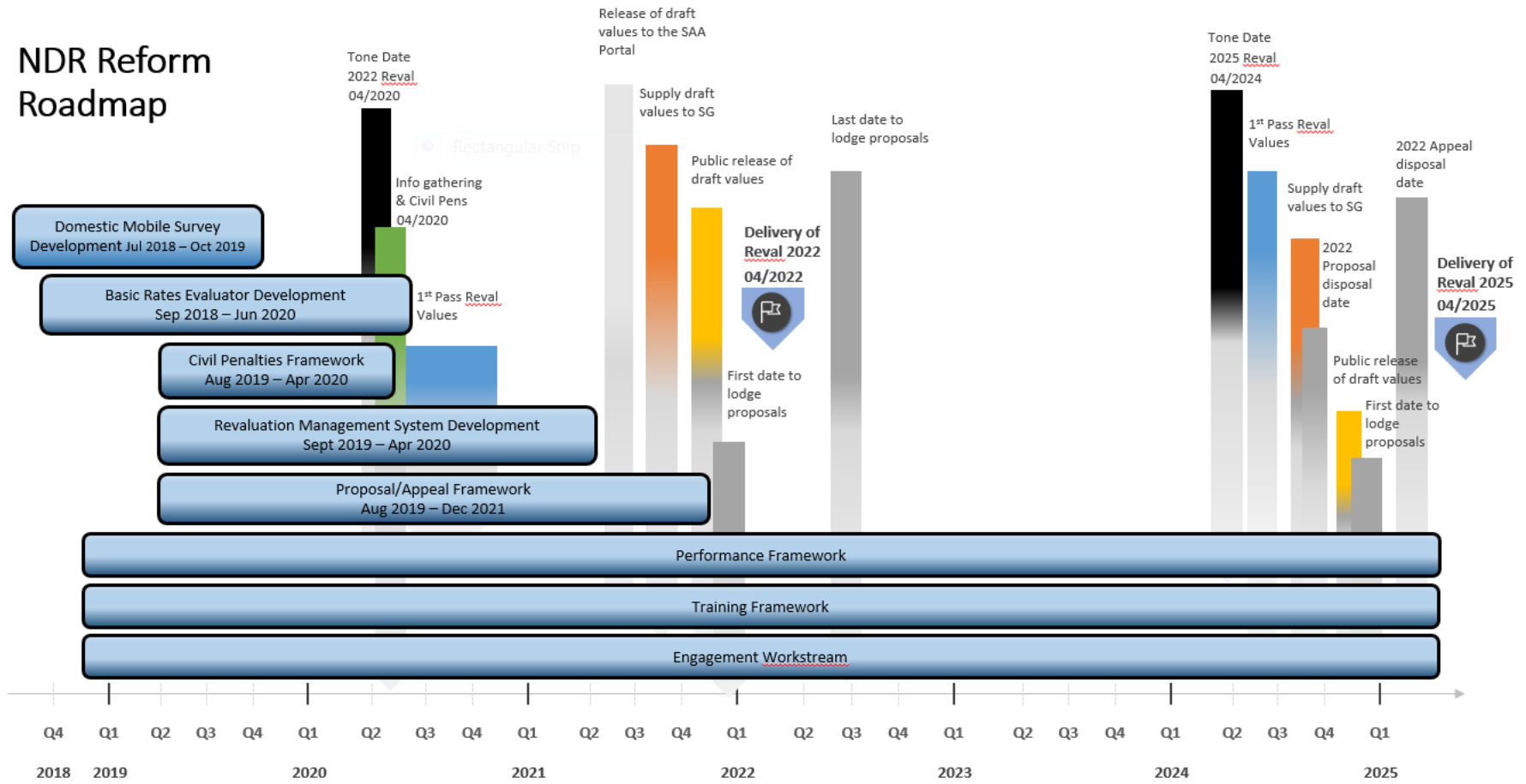
5.0 RECOMMENDATION

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

Graeme Strachan
ASSESSOR & ERO

Appendix1 NDR Reform Roadmap & Appendix 2 NDR Reform Risk Register attached

NDR Reform Roadmap

Domestic Mobile Survey Development Jul 2018 – Oct 2019

Basic Rates Evaluator Development Sep 2018 – Jun 2020

Civil Penalties Framework Aug 2019 – Apr 2020

Revaluation Management System Development Sept 2019 – Apr 2020

Proposal/Appeal Framework Aug 2019 – Dec 2021

Performance Framework

Training Framework

Engagement Workstream

Tone Date 2022 Reval 04/2020

Info gathering & Civil Pens 04/2020

1st Pass Reval Values

Release of draft values to the SAA Portal

Supply draft values to SG

Public release of draft values

Delivery of Reval 2022 04/2022

First date to lodge proposals

Last date to lodge proposals

Tone Date 2025 Reval 04/2024

1st Pass Reval Values

Supply draft values to SG

2022 Proposal disposal date

Public release of draft values

First date to lodge proposals

2022 Appeal disposal date

Delivery of Reval 2025 04/2025

Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1

2018 2019 2020 2021 2022 2023 2024 2025

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NDR REFORM RISK REGISTER

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
1	Annual Reduction in Core Funding	Finances		The creation of a Business Strategy for the period 2020/23 is underway to allow a core budget forecast to be developed in association with budget control options		G Strachan		G Strachan	Nov 2019
2	Failure to identify risks within Barclay Roadmap process	Project Board		Roadmap versioning aims to reflect the emerging picture of the full requirements including associated national timetable. Risks are assessed and mitigated as part of this process		G Strachan	Continue to monitor draft Bill progress and development of supporting regulations	CLT	Nov 2019
3	Lack of Resources to deliver Barclay requirements	Resources		Funding has been established and options for recruitment under consideration		G Strachan	Establish a recruitment timetable which allows flexibility on options adopted	CLT	Nov 2019

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
4	Organisational staffing structure fails to support delivery of Barclay requirements	Resources		Headline workload pressures have been identified arising from NDR reform in association with options for resource deployment.		CLT	Undertake projected workload volumes exercise including identification of pinch points	CLT	Dec 2019
5	Unrecognised impact on existing VR maintenance tasks	Resources		Existing Performance Framework project identifies opportunities to support BAU activities.		G Strachan	Introduce process changes and evaluate effectiveness	G Elliot	Mar 2020
6	Administrative processes unable to support delivery of Barclay requirements	Process		Project Initiation Documents have been created in order to identify level of change requirement to support these process.		CLT	Continue to monitor draft Bill development and associated regulations	N Chapman	Mar 2020
7	Lack of project Management Skills	Audit		Project definitions and required progress have been established with Project Managers and a Project Governance regime initiated.		G Strachan	N/A	Project Board	Complete

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
8	Lack of Project Board terms of Reference	Audit		Project Terms of Reference established		B Callaghan	N/A	B Callaghan	Complete
9	Lack of Project Change Management Process	Audit		Project Board shall initiate project change process		PMB	Creation of project change templates and associated approval process	B Callaghan	Oct 2019
10	Lack of process identifying project costs and benefits	Audit		The PMB meetings have incorporated this requirement, documenting outcomes and raising emerging issues with CLT		PMB	N/A	B Callaghan	Complete
11	Lack of RIADS logs for projects	Audit		Raids logs allow individual project risks and issues to be identified and mitigated.		PMB	Logs under construction allowing completion by Project Managers	B Callaghan	Aug 2019
12	Lack of system testing plan	Audit		Detailed testing plans allow effective and expected delivery and performance of major ICT developments		PMB	Existing testing plan templates to be enhanced accordingly.	B Callaghan	Nov 2019

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
13	Creation of post implementation project reviews	Audit		Project reviews allow reflection on expected deliverables and the implementation of additional remedial action if necessary		PMB	A formal and documented project review process shall be created and initiated when appropriate.	B Callaghan	Dec 2019
14	Failure of ICT developments to meet final Barclay requirements	Project Board		Current projects are being constantly aligned with current/ongoing knowledge of Barclay requirements and projects at this stage allow flexibility for change.		G Strachan	Scheduled re-assessment of project outcomes as set against requirements.	CLT	Oct 2019
15	Failure to support project development with appropriate internal communication	Communication		End user involvement during project creation and implementation creates wide knowledge base. Wider scale internal communication reflecting on the operational changes projects shall have is essential for end user acceptance		PMB	PM's to develop internal communication schedules.	Project Managers	Oct 2019

ID	Description	Category	Pre - Mitigation	Mitigation & Control	Post - Mitigation	Allocation	Further Action	Responsibility	Action Date
16	Failure to identify all required projects to deliver Barclay requirements	Project Board		Continue to monitor draft Bill development and associated regulations, review and consider organisational implications.		G Strachan	Initiate PID's as appropriate.	CLT/PMB	Oct 2019