

## INTERIM ASSESSOR'S PROGRESS REPORT TO THE LOTHIAN VALUATION JOINT BOARD

19<sup>th</sup> April 2021

### 1.0 PURPOSE

- 1.1 To provide members with an overview of current service delivery, priorities, risks and future direction.
- 1.2 It should be noted that most staff remain working at home during current Covid restrictions. There are however a limited number of staff attending the office to deal with tasks that cannot be done from home, in particular preparatory work for the upcoming May Parliamentary Election.

### 2.0 ELECTORAL REGISTRATION – MAINTENANCE

- 2.1 Since the last progress report to the Board in February 2021 all maintenance tasks supporting the registration process have continued but workloads have increased due to the upcoming SPE.
- 2.2 Total number of postal votes for each constituent council as at 8<sup>th</sup> April are

	Edinburgh	Midlothian	West Lothian	East Lothian	Totals
Electorate	395,992	73,013	143,721	84,678	697,704
Postal Votes	102,138	18,251	31,553	23,259	175,201
% of Electorate	25.79%	24.99%	21.95%	27.46%	25.11%

- 2.3 This is an increase of some 55,000 postal votes since January this year.

### 3.0 ELECTORAL LEGISLATION – BY-ELECTIONS

- 3.1 The scheduled by-election in West Lothian ward 4 Livingston South took place on the 11<sup>th</sup> March as scheduled as did the by-election in ward 5 Midlothian on the 25<sup>th</sup> March. I am pleased to report that there were no issues with either election.

## 4.0 SCOTTISH PARLIAMENTARY ELECTION

4.1 The Scottish Government provided extra funding to allow ERO's to cover the additional costs arising from the anticipated increase in postal vote applications for the Scottish Parliamentary elections. I was allocated £487,812 of this funding.

4.2 To date this additional funding has been utilised in the following categories.

- Increased postage and printing
- Additional staff overtime
- The employment of 4 staff on a temporary basis
- Additional IT equipment
- Engagement, including a proportionate share TV advertising costs for a national campaign. An additional run of this campaign was agreed between all interested parties

4.3 The closing date for postal vote applications has now passed, 5pm on the 6<sup>th</sup> April. The closing date to register to vote is Monday the 19<sup>th</sup> April.

## 5.0 SPE STATISTICS

### 5.1 Applications to Register to Vote Received

Applications to register received:	42,598
Of which were unnecessary:	8,640 (20.28%)
Unnecessary applications requesting a postal vote:	5,321

### Absent Vote Applications and Mail Stats

Postal vote applications issued:	27,452
Postal vote applications received:	54,335
Proxy vote applications issued:	168

### Mail Issued by Post and E-mail

ITRs issued:	13,816
ITRs received:	2,163
Confirmation letters issued by post:	24,858 (further 5,008 by email)
Postal vote confirmation letters issued:	40,456 (13,206 e-mailed)

### Changes to Register

#### 1st February to 8<sup>th</sup> April

34,522 additions  
16,322 deletions

### **Communication Stats**

E-mails received: 14,524  
Phone calls answered: 9,828

### **Engagement Stats**

Student e-mails sent: 44,908  
Prisoner e-mails sent: 12

### **Miscellaneous Stats**

#### **Foreign Nationals Registered (including those formerly registered as EU electors)**

CEC = 3,871 (was 3,323 on 3<sup>rd</sup> Feb)

ELC = 170 (was 147)

MLC = 155 (was 117)

WLC = 258 (was 220)

**Total = 4,454 (was 3,807)**

## **6.0 VALUATION ROLL – MAINTENANCE**

6.1 As this report comes at the end of the financial year, I have shown statistics for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021. I have also shown the figures for 19/20 for comparison purposes to see the potential impact of Covid 19.

#### **1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021**

	Edinburgh	Midlothian	W. Lothian	E. Lothian	Total
Inserts	602	51	199	110	962
Deletions	540	29	80	63	712
Amendments	482	40	82	78	682
Totals	1624	120	361	251	2356

1st April 2019 to 31<sup>st</sup> March 2020

	Edinburgh	Midlothian	W. Lothian	E. Lothian	Total
Inserts	730	69	174	195	1168
Deletions	649	127	126	59	961
Amendments	526	48	143	83	800
Totals	1905	244	443	337	2929

- 6.2 This represents 80.4% of pre-Covid levels looking at the same period in 2019/20. Taking account of Covid 19 this reduction in overall numbers is not unexpected and I'm pleasantly surprised that the reduction in numbers is as small as it is.
- 6.3 Although restrictions on external survey remain in place, staff continue to undertake necessary actions in most cases using plans and information provided in the form of photos, videos and any suitable and appropriate online resource.
- 6.4 Once lockdown measures are eased, for example the opening of non-essential retail, I intend to begin external inspections of property with suitable guidance given to staff. There will be no internal inspection of property at this time.

## **7.0 VALUATION ROLL – APPEALS**

- 7.1 There are currently c. 750 outstanding 2017 Revaluation appeals. 150 of these have been cited for hearing in April. There are in total c.10,500 outstanding running roll appeals of which 9,704 relate to Covid. Central discussions between the SAA and agents are still ongoing.
- 7.2 We recently received a further 7,000 MCC appeals bringing the total of non-standard running roll appeals to c. 17,000. At the current time 10,000 of these have a disposal date of 31<sup>st</sup> December 2021 and 7,000 have a disposal date of between 1<sup>st</sup> January and 31<sup>st</sup> March 2022.
- 7.3 This is a very large number of appeals to dispose of in a relatively short time scale. To put this into perspective the c.13,000 revaluation appeals had a 3-year disposal timetable.
- 7.4 Valuation Appeal Committee hearing dates have been agreed with the secretary of the VAC for 2021. Physical hearings are not taking place at the current time which is delaying the resolution of a number of appeals. Currently hearings are taking place remotely. A very small number of appeals are being dealt with by written submissions.

## 8.0 COUNCIL TAX – MAINTENANCE

8.1 Over the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021, 4,637 new houses have been added to the list, this compares to 6,011 for the same period in 2019/20.

New Housing	Edinburgh	Midlothian	West Lothian	East Lothian	Total
01/04/20 to 31/03/21	2,493	638	751	755	4,637
01/04/19 to 31/03/20	3,237	592	1,114	1,068	6,011

8.2 The figures for 20/21 are running at 77.1% of those of 19/20. No doubt in part to issues surrounding the Covid pandemic.

8.3 There is currently c.194 outstanding Council Tax appeals. These are being dealt with subject to the limitations imposed by the pandemic. The first case to be dealt with by written submission took place recently. The outcome is still awaited.

## 9.0 COVID – UPDATE

9.1 Staff continue to follow Government advice and are in the main still working from home. I do have staff attending the office daily to deal with the upcoming SPE. This is unavoidable as some tasks cannot be done from home.

9.2 The premises at South Gyle Crescent are being utilised as a polling station for the upcoming election. All appropriate safety measures will be in place for polling day.

## 10.0 GOVERNANCE STRATEGY GROUP

10.1 The second meeting of the Governance Strategy Group was held on the 30<sup>th</sup> March 2021. In attendance were myself, LVJB Head of Governance, Councillors Key, McGuire and Russell. A further discussion took place regarding the upcoming SP election and members were updated with progress to date. An update on phase 2 of the Transformation programme was also provided and discussed.

## 11.0 THE 2020/21 ANNUAL GOVERNANCE REPORT (ATTACHED AT APPENDIX 1)

11.1 This report provides members with overall assurance that the organisation is delivering services within an appropriate governance and internal control framework that has continued to operate throughout the COVID pandemic period.

Information is provided on the governance and internal control measures, and identified improvement plans, associated with the 7 principles of the CIPFA/SOLACE framework for Delivering Good Governance in Local Government.

Key Quality Assurance activities undertaken during the year, activity on strategic objectives, and primary corporate and service plan deliverables are also contained in the statement.

Whilst working from home, internal Quality Assurance and audit work has continued with all core activity service areas being assessed and reported on. This has included the necessary preparations for the forthcoming Scottish Parliamentary Election.

Audit work, both internally with the City of Edinburgh Council and externally with Azets has also been progressed.

Corporate, service and project risk registers have been maintained and reviewed by the LVJB Governance Committee, and a specific Covid risk assessment has been maintained.

The external LVJB Governance Group has been recently reviewed and a new Governance Strategy Group (GSG) has been formed. The GSG will provide a focal point for Board members to discuss LVJB organisational and operational objectives. It is anticipated that the activities of this group will enhance the appreciation and interpretation of the future strategic direction of LVJB.

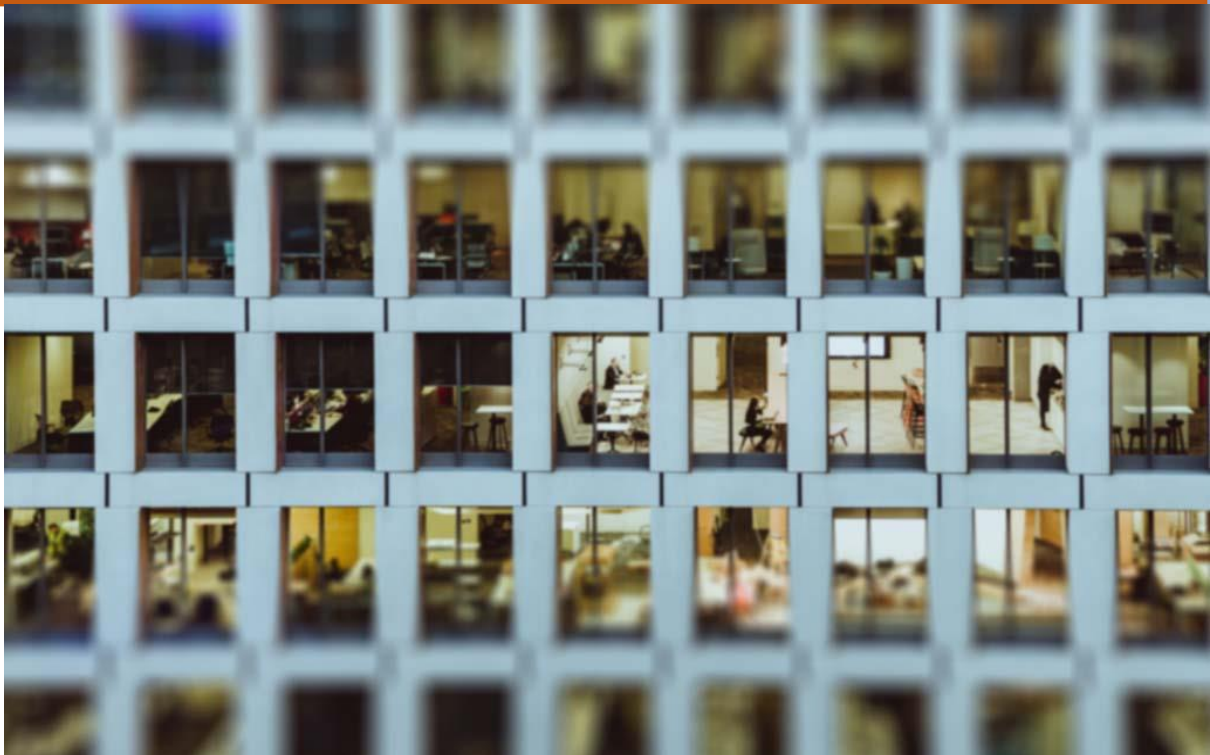
## **12.0 RECOMMENDATION**

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

**Gary Elliott**  
**INTERIM ASSESSOR & ERO**

*Attached:*  
*Appendix 1 The 2020/21 Annual Governance Report*

Annual Governance Statement



## Contents

1. Introduction .....	9
2. Impact of the COVID-19 pandemic .....	10
3. Governance Assurance Framework .....	11
4. The role of Quality Assurance .....	13
5. What have LVJB delivered?.....	14
6. Corporate and Service Plan .....	15
7. Corporate and Service plan – achievements .....	16
8. Corporate and Service plan – work in progress .....	17
9. Future work in 2021 .....	18



## 1. Introduction

Lothian Valuation Joint Board (LVJB) takes responsibility for ensuring that it conducts its business in accordance with legislation and proper standards, and that public money is properly accounted for and used economically, efficiently and effectively. LVJB has a duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, LVJB establishes proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

LVJB acknowledges its responsibility for ensuring that there is effective governance within the organisation and as such has developed a Code of Corporate Governance that defines 3 main principles.

### Accountability

- as a public body we are held accountable to citizens and stakeholders
- we implement good practice in reporting, quality assurance and auditing

### Transparency

- processes, procedures and data are directly accessible to those who need them, and enough information is provided to understand and monitor them
- we engage with our stakeholders and help them understand the services we provide

### Effectiveness & efficiency

- the organisation produces results that meet service delivery needs while making the best use of its resources
- we operate in a manner to secure an environment of continuous improvement

LVJB's Governance Group provides internal assurance and quality control over the primary functions and services of the organisation. This group also reports externally to members of the Joint Board. The responsibility for leading and directing the annual reviews of the effectiveness of LVJB's governance arrangements and providing ongoing oversight and robust challenge, is City of Edinburgh Council (CEC) Internal Audit and external auditors Azets.

## 2. Impact of the COVID-19 pandemic

The Coronavirus pandemic has presented organisations across the world with unprecedented difficulties over the last year and continues to do so. The unforeseen impact on established services and suppliers caused irreparable damage to many who simply will be unable to recover in a viable future state. Potentially, those that do recover may not operate in any previously recognisable form. The challenge faced by LVJB to provide, not only continued levels of high-quality service around its three core functions, but also to sustain the necessary governance and control mechanisms over those services was therefore a considerable undertaking.

LVJB migrated to the Microsoft O365 cloud-based software as a service model over the latter part of 2019. When the required reaction to the emerging pandemic in March 2020 became clear, LVJB could allocate staff to work from home where they would have remote access to essential systems and applications, enabling services to be maintained. An internal subset of the Corporate Leadership Group was created and met daily during this time. The group considered the implications of staff wellbeing, communication and risk, service delivery and performance, accommodation conditions and use, and kept continually appraised and informed of a constantly developing set of circumstances.

Managers were provided with procedures and guidance on how to assign, assess and measure tasks and performance. Financial resources were re-allocated to enable provision of suitable new mobile equipment and software for home use. This was supplemented by staff who were prepared to use their personal equipment for secure remote access to LVJB systems to allow processing of key tasks to continue. Through sustained investment LVJB anticipates that all staff will be supplied with corporate equipment for future use in any new home and office-based hybrid working landscape. It is recognised that this will generate additional strain on our operational budget, but the ICT investment to date has been essential to maintaining functional operability.

During this time the LVJBs Governance Committee, Project Management Framework, Quality Assurance procedures, internal first & second line checking and Corporate Leadership Team continually reviewed and assessed risk to provide ongoing assurance and support.

Our Corporate Team will reflect on this challenging year and plan ahead as it would appear that the traditional approach to office-based work has fundamentally changed. With this change, it is anticipated that new opportunities for improved efficiencies and smarter ways of working will emerge.

### 3. Governance Assurance Framework

Our governance framework comprises the culture, values, systems and processes by which the organisation is directed and controlled. It enables the LVJB to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services in an efficient manner.

Internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It assures that in conducting its business, LVJB reflects the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government.

<b>Principle 1</b>	<b>Behave with integrity, has strong ethical values and respects the rule of law</b>
<b>Evidence</b>	The Corporate Leadership Team (CLT) actively promote a culture of integrity and values. We have a code of conduct for Board members which complements our existing employee code. This, combined with other internal policies such as public interest disclosure, scheme of delegation, data protection, anti-bribery and disciplinary codes, which all fall under a regular review framework, ensures a clear understanding of the importance of exemplary behaviour and ethics in all areas of the Joint Board's work.
<b>Improvement plan</b>	<ol style="list-style-type: none"> <li>1) Implement an updated complaints handling procedure in accordance with the new SPSO framework and publish our 2021 equalities mainstreaming report</li> <li>2) Ensure the policy review timetable is being adhered to</li> </ol>
<b>Principle 2</b>	<b>Ensure openness and comprehensive stakeholder engagement</b>
<b>Evidence</b>	Continued efforts to provide transparency to stakeholders in the decisions we make and information we provide is being enhanced with the publication of additional assessors portal ( <a href="http://www.saa.gov.uk">www.saa.gov.uk</a> ) valuation data. New classifications of improved property valuation data will be uploaded to the website this year with a review being undertaken on existing information.
<b>Improvement plan</b>	<ol style="list-style-type: none"> <li>1) Continue to assess and develop new ways of engaging with stakeholders</li> <li>2) Consider what additional information can be made available to ratepayers</li> </ol>
<b>Principle 3</b>	<b>Seek outcomes in terms of sustainable economic, social, and environmental benefits</b>
<b>Evidence</b>	Continued implementation of the Business Strategy 2020/2023 which is aimed at meeting the financial position of the Board and challenges in terms of service delivery. This includes responding to fiscal constraints, delivering Non-Domestic Rates (NDR) Reform, continued modernisation, consideration of hybrid office/work anywhere approaches, process review and cultural change.
<b>Improvement plan</b>	<ol style="list-style-type: none"> <li>1) Continue to develop and monitor the implementation of the Business Strategy 2020/2023</li> <li>2) Evaluate the benefits of alternative ways of working and incorporate them into our workforce planning practices</li> </ol>
<b>Principle 4</b>	<b>Determine interventions necessary to optimise the achievement of intended outcomes</b>
<b>Evidence</b>	The current performance framework is a multi-faceted programme including training, personal development, challenging cultures, Wider Leadership Team (WLT), sessions etc. These operational elements require to be integrated into an all-encompassing structure to provide essential employee and core service support. LVJB operates under a flat cash budget with core costs approved for the 2021-2022 financial year.
<b>Improvement plan</b>	<ol style="list-style-type: none"> <li>1) Continue to assess the performance framework to ensure it is fully embedded in the organisation</li> <li>2) Continued application of the LVJB Project Management Framework to examine viability and anticipated outcome probability</li> </ol>

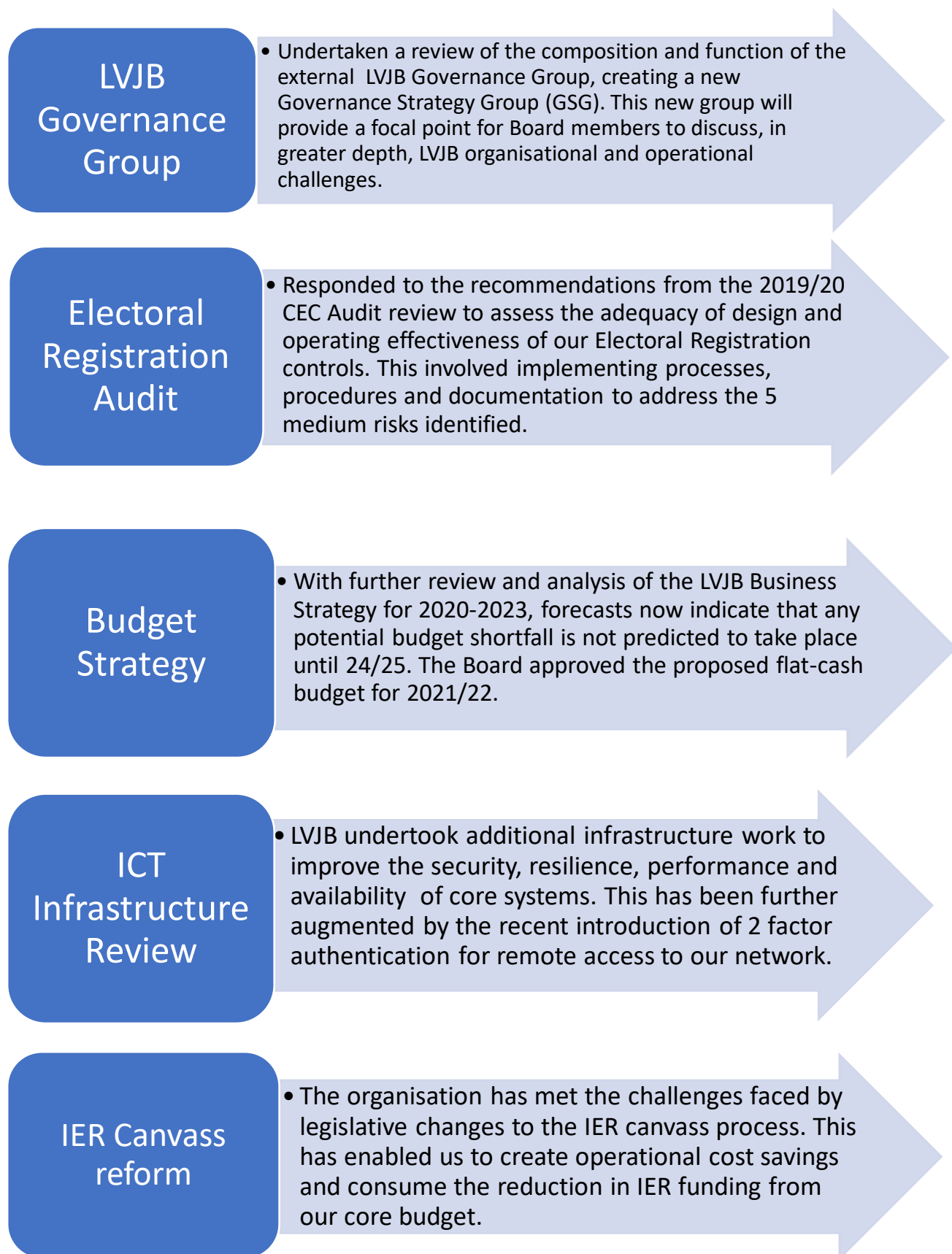
<b>Principle 5</b>	<b>Develop capacity, including the capability of its leadership and the individuals within it</b>
<b>Evidence</b>	The Business Strategy 2020/2023 is integral to not only meeting financial and service delivery challenges, it also provides a toolkit for aiding organisational transformation. LVJB continues to develop its training framework to provide staff with the essential skills and techniques required to delivery high quality services. The COVID pandemic has provided an opportunity to assess both the development of the WLT and realign the focus of the CLT.
<b>Improvement plan</b>	1) Continue to progress the role and purpose of the WLT and CLT within the organisation
<b>Principle 6</b>	<b>Manage risk and performance through robust internal control and strong financial management</b>
<b>Evidence</b>	Risk is a standing item on the bi-monthly LVJB Governance Committee agenda. Specific corporate risk, for example NDR and Electoral Registration Reform, are presented to the Joint Board and discussed at the recently formed Governance Strategy Group (GSG). The organisation is subject to annual internal and external audit review with the identification of any control weaknesses and provision of assurance recommendations. LVJB's internal Governance team are responsible for ensuring all information compliance and statutory obligations are met.
<b>Improvement plan</b>	1) In accordance with the Public Records (Scotland) Act consider a further progress update review in 2021 2) Assess the role of the CLT in risk oversight and reporting
<b>Principle 7</b>	<b>Implement good practice in transparency, reporting, and audit to deliver effective accountability</b>
<b>Evidence</b>	LVJB produce and publish a suite of reports on its external website. These include statements on annual corporate & service plans, financial regulations, records management, standing orders, annual corporate assurance statements, etc. Ongoing specific KPI and overall performance statistics and financial statements are presented to the Joint Board. A suite of audit and QA reports (see Section 3) is presented at Governance Committee meetings, delivering assurance over key service provision.
<b>Improvement plan</b>	1) Continue to review and enhance the Annual Governance Statement 2) Review the existing suite of QA reports to provide additional levels of assurance to the organisation

## 4. The role of Quality Assurance

We continue to maintain and promote the role of quality assurance within the organisation. Emphasis is placed on providing stakeholder confidence that the level of service provided meets expectation and offers additional protection against inaccuracies. The Governance Committee has overall scrutiny of all reported actions and recommendations. The current suite of QA activity checks is shown in the table below.

Function	Task	Description
<b>Council Tax</b>	Interface Audit	Audit Reports are produced for each interface period. Checked and emailed weekly to the four constituent councils.
	Point of Sale Reports	Weekly check for the same period as the interface report. Confirm accuracy of sales date which is applied as the effective and liability date for any change in banding.
	Council Tax Assurance Checks	The Council Tax managers carry out a 10% check of all self-verified transactions. QA will carry out an assurance check on 10% of all self-verified and verified transactions as a second line check. Report on any anomalies or transactions incorrectly processed. The report is run on a weekly basis for the same period as the interface report but includes additional entries for Point of Sales where the original banding has been retained which are not interfaced.
<b>Valuation Roll</b>	Interface Audit	Audit Reports are produced for each interface period. Checked and emailed weekly to the four constituent councils.
	Business Rate Assurance Checks	The Principal Surveyors will carry out 100% checks on any business growth accelerator entries and a 10% check on self-verified transactions. QA will carry out follow up assurance check on these as a second line check. Report on any anomalies or transactions incorrectly processed.
	PTO Name Checks	Valuation Roll names updates processed by Technical & Support staff receive a 10% check by Governance.
<b>Electoral Support/Processing Areas</b>	EMS reports	Check system reports to ensure that electors are correctly processed, absent voting arrangements are applied correctly and ensure the accuracy of the register. A quality assurance check will take place on 10% of the reports produced for electoral activities.
<b>Miscellaneous</b>	KPI Stat Review	Produce monthly KPI stats for review by CLT & Technical Divisions
	Building Warrant/Planning Permission Checks	QA carry out a 10% check on a sample of building warrants and planning permissions each quarter. A full end to end check is carried out. All the filtered cases on sample Planning Permissions are checked to ensure that they are removed in accordance with procedure.
	Revaluation Appeal Stats Quarterly Return	Validate the quarterly return of RVAPP stats provided to Scottish Government.
	Sales data check	Accuracy checks carried out on all domestic and commercial sales data received monthly from Registers of Scotland where there is a matched entry on the Valuation Roll or Council Tax List.

## 5. What have LVJB delivered?



## 6. Corporate and Service Plans

Our Corporate and Service plans set out the key activities and outcomes that we will deliver within the financial year and the way in which we will measure our performance.

Our key Corporate and Service priorities for 2020/21 were;



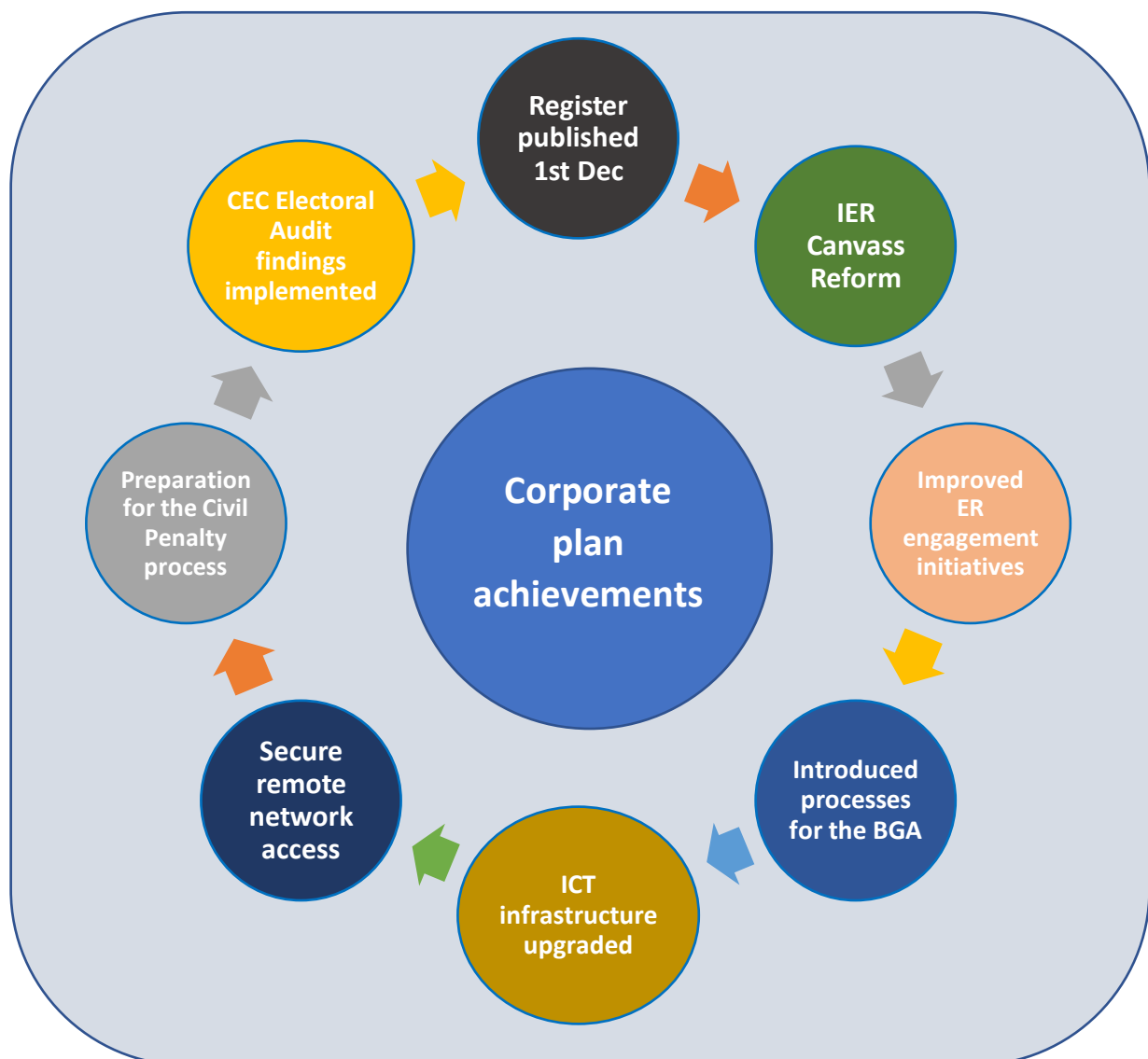
## 7. Corporate and Service plans – achievements

Our core valuation system was further developed to introduce additional functionality to handle the introduction of the Business Growth Accelerator (BGA). The BGA provides a boost to business growth as it introduces a 12 month delay before non-domestic rates apply to a new building once occupied, or in the case of an improved building, 12 months relief on any additional non-domestic rates levied on any increase in value attributable to the improvements.

IER Canvass reform introduced a number of changes to the 2020 annual household canvass. This required a number of administrative changes, enabled the use of local data matching and targeted issue. The primary aspects were;

- to make the process simpler and clearer for citizens
- to reduce the administrative burden on EROs
- to provide the capacity for innovation and improvement
- a model that is adaptable to future change

Due to the impact of the COVID pandemic and the requirement to work from home, we undertook an upgrade of our core server infrastructure and introduced a secure platform for access to our network and system applications for LVJB staff.

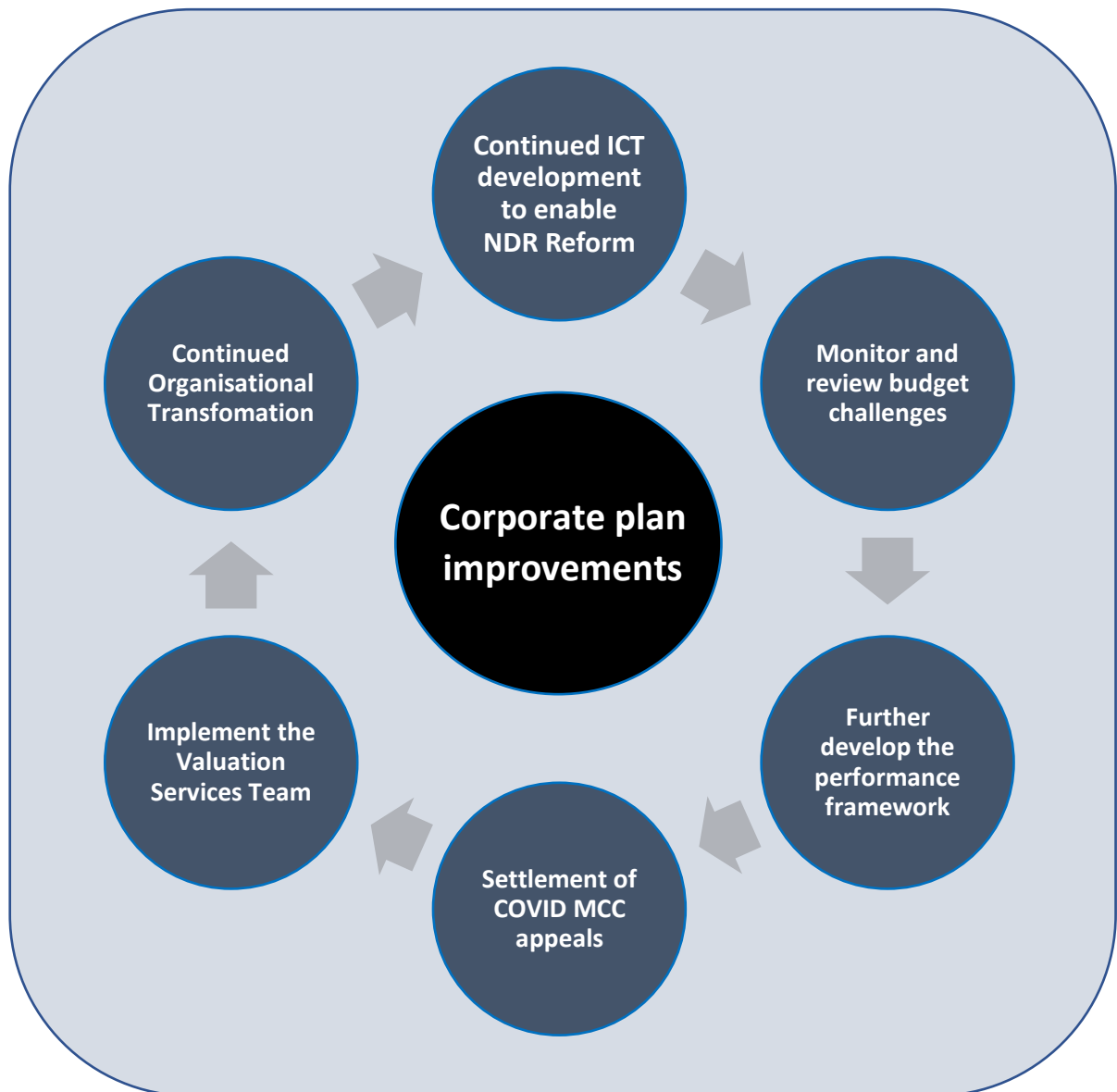




## 8. Corporate and Service plans – work in progress

LVJB recognises the importance of continually seeking to deliver improvements in organisational efficiency and performance. We acknowledge that the organisation must continue to challenge traditional ways of working and reflect on how well we function both internally and when engaging with stakeholders. challenges

Below are ongoing activities aimed at supporting this process of improvement.



## 9. Future work in 2021

### Governance Strategy Group

- Continue to review and evaluate the effectiveness of the Governance Strategy Group (GSG) and develop its role as a focal point for the discussion of LVJB operational objectives.

### Enhanced Performance Framework

- Develop a performance framework that is underpinned by clear organisational goals and objectives and supports our staff in providing our key services

### Council Tax Audit

- CEC internal audit are currently undertaking a review to assess the adequacy of design and operating effectiveness of our Council Tax controls. We will consider and react to recommendations in the outcome report.

### Working from home/hybrid working

- As the eventual easing of lockdown continues to progress, evaluate WFH performance and consider the most effective ways of balancing office and home based working to achieve optimum service delivery

### Budget challenges

- Continue to closely monitor our financial challenges and implement cost effective initiatives wherever possible to provide a stable fiscal outlook