

LANARKSHIRE VALUATION JOINT BOARD

Minutes of meeting held via Microsoft Teams on 6 December 2021

Convener:

Councillor Alex McVey, North Lanarkshire Council

Councillors Present:

North Lanarkshire Council

Councillor Jim Reddin, Councillor William Shields, Councillor Annette Valentine

South Lanarkshire Council

Councillor Walter Brogan, Councillor Peter Craig, Councillor Isobel Dorman, Councillor Lynsey Hamilton (Vice Convener), Councillor Jim Wardhaugh

Councillors' Apologies:

North Lanarkshire Council

Councillor Bob Burgess, Councillor Tom Castles, Councillor Tom Johnston, Councillor Caroline Stephen

South Lanarkshire Council

Councillor Geri Gray, Councillor Ann Le Blond

Attending:

Assessor and Electoral Registration Service

G Bennett, Assessor and Electoral Registration Officer; J Neason, Assistant Assessor and Electoral Registration Officer

Clerk's Office

N Docherty, Administration Assistant; S McLeod, Administration Officer, South Lanarkshire Council

Treasurer's Office

P Manning, Treasurer; L O'Hagan, Finance Manager (Strategy), South Lanarkshire Council

Also Attending:

Audit Scotland

B Gillespie, Lead Auditor

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Board held on 6 September 2021 were submitted for approval as a correct record.

The Board decided: that the minutes be approved as a correct record.

3 Revenue Budget Monitoring and Probable Outturn Position 2021/2022 – Lanarkshire Valuation Joint Board

A report dated 9 November 2021 by the Treasurer was submitted comparing the Board's actual expenditure at 5 November 2021 against the budgeted expenditure for 2021/2022 and providing a forecast for the year to 31 March 2022.

As at 5 November 2021, there was an underspend of £0.289 million on the Board's revenue budget. Following the probable outturn exercise, the position was an anticipated transfer to Reserves of £0.021 million compared to a budgeted transfer from Reserves of £0.307 million. This would leave a balance of £1.148 million to be carried into 2022/2023, an increase of £0.328 million compared to the anticipated balance.

The Board decided:

- (1) that it be noted that, following the probable outturn exercise, there would be a transfer to Reserves of £0.021 million for the current financial year;
- (2) that it be noted that, following the transfer to Reserves of £0.021 million, £1.148 million would be carried forward to the Balance Sheet at 31 March 2022; and
- (3) that the underspend on the Board's revenue budget of £0.289 million at 5 November 2021, as detailed in Appendix A to the report, be noted.

[Reference: Minutes of 6 September 2021 (Paragraph 3)]

4 Revenue Budget 2022/2023 – Lanarkshire Valuation Joint Board

A report dated 3 November 2021 by the Treasurer was submitted on the draft revenue budget for Lanarkshire Valuation Joint Board (LVJB) for 2022/2023.

The Board had an approved expenditure budget of £3.835 million for 2021/2022 which had formed the basis of the budget preparations for 2022/2023. The 2020/2021 budget excluded additional funding for the implementation of the Barclay Review and related spend and had provided the starting point for the 2022/2023 budget.

Details were given on:-

- ◆ the assumptions in proposing the budget for 2022/2023, which included:-
 - ◆ the anticipated cost of the pay award and related pay costs
 - ◆ savings of £0.005 million in relation to property costs
 - ◆ increased administration costs of £0.040 million, primarily to reflect the increase in postage costs
 - ◆ increased income of £0.011 million to reflect a change in the cost calculation of the sale of Electoral Registers
 - ◆ reduced requisition payments of £0.170 million as agreed by the Board at its meeting on 7 December 2020
 - ◆ an assumption that there would be a 1% reduction in the grant funding provided to the constituent authorities via the Local Government Finance Settlement. If the Local Government Finance Settlement did not reflect the budgeted 1% reduction, the Treasurer would review the position and, if an adjustment to the Requisitions was required, it would be reported to the Board at its meeting on 7 March 2022
- ◆ an anticipated transfer to Reserves of £0.021 million following the 2021/2022 probable outturn exercise which, when added to the Reserves carried forward from the previous financial year, would result in a balance on Reserves of £1.148 million at 31 March 2022 for use in 2022/2023 and beyond

Table 1 of the report summarised the movement from the base budget from 2021/2022 to the 2022/2023 budget and detailed the funding package, including the use of Reserves. Movement from the 2021/2022 base budget to the 2022/2023 budget was detailed in Appendix 1 to the report.

Scottish Government Barclay funding totalling £0.704 million was allocated to North and South Lanarkshire Councils in 2021/2022 for onward transfer to the Board. It was expected that, as the recommendations of the Barclay report continued to be implemented, costs would continue to rise. There was a level of uncertainty regarding the funding of the Barclay recommendations moving forward as no allocation had been confirmed. As such, no funding or spend had been assumed for 2022/2023. When notification of funding was received, the expenditure and income budget would be updated accordingly.

The financial strategy for 2020/2021 to 2023/2024, presented to the Board at its meeting on 7 December 2020, detailed the planned use of Reserves which would leave a balance of £0.222 million at the end of the strategy period and was based on using £0.175 million of Reserves in 2023/2024. It was acknowledged that reliance on the use of Reserves was not sustainable in the long-term and the Board would be required to make efficiency savings of £0.175 million, by 2023/2024, to offset the use of Reserves.

As indicated, following completion of the accounts for 2020/2021 and the budget/probable outturn exercise for 2021/2022, the Reserves balance at the end of 2021/2022 would be £1.148 million, an increase of £0.328 million compared to the anticipated balance. In addition, a realignment of the budget for employee costs was anticipated which would impact on the use of Reserves previously reported. As a result, a refreshed medium-term financial strategy for 2023/2024 to 2025/2026 would be reported to the Board at its meeting on 7 March 2022.

The Board decided:

- (1) that the budget strategy, resulting in a budget of £3.665 million for 2022/2023, as detailed in the report, be approved;
- (2) that the position on Barclay spend and funding, as detailed in the report, be noted;
- (3) that it be noted that the Requisitions would be reviewed following receipt of the Local Government Finance Settlement; and
- (4) that it be noted that a budget strategy for 2023/2024 to 2025/2026, including the Reserves position, would be presented to the Board at its meeting on 7 March 2022.

[Reference: Minutes of 7 December 2020 (Paragraph 4)]

5 Changes in Membership of the Board

A report dated 25 November 2021 by the Clerk was submitted on changes to South Lanarkshire Council's membership of the Lanarkshire Valuation Joint Board.

At the meeting of South Lanarkshire Council's Executive Committee held on 3 November 2021, it was agreed to amend the Council's membership of the Board to reflect the political composition of the Council. As a result, Councillors Poppy Corbett and Richard Nelson would no longer represent South Lanarkshire Council as a member and substitute member, respectively, of the Lanarkshire Valuation Joint Board.

This had resulted in a vacancy for both a member and substitute member for South Lanarkshire Council which had not been filled at the time of the Board meeting.

The Board decided:

that it be noted that Councillors Poppy Corbett and Richard Nelson would no longer represent South Lanarkshire Council as a member and substitute member, respectively, of the Lanarkshire Valuation Joint Board.

6 2017 Revaluation Appeal Disposal

A report dated 18 November 2021 by the Assistant Assessor and Electoral Registration Officer was submitted on progress in the disposal of Revaluation Appeals in respect of the 2017 Revaluation.

Lanarkshire Valuation Joint Board had received 9,281 appeals in respect of the 2017 Revaluation, an increase of almost 23% compared to the number received as a result of the 2010 Revaluation. The appeals required to be disposed of by the Valuation Appeal Committee by 31 December 2021.

As at 1 November 2021, 8,996 appeals had been disposed of. Of the remaining 285 appeals, 208 relating to more complex appeals in respect of, for example, custodial centres, electricity generation subjects, automated telling machines (ATMs) and telecoms subjects had been referred to the Lands Tribunal for Scotland. This left 77 appeals remaining which required to be dealt with by 31 December 2021.

Details of the strategy to ensure that the remaining appeals were disposed of within the relevant timescale were provided in the report and details of the categories of appeals were provided in Appendix 1 to the report.

The Board decided: that the report be noted.

[Reference: Minutes of 2 December 2019 (Paragraph 5)]

7 Progress Update

A report dated 18 November 2021 by the Assessor and Electoral Registration Officer was submitted on:-

- ◆ an overview of the Service
- ◆ current issues and Service priorities, including the response to the COVID-19 pandemic
- ◆ an update on performance
- ◆ issues affecting the future direction of the Joint Board
- ◆ Scottish Government consultations

Statistical information, illustrating progress made in terms of key areas of the work undertaken by Lanarkshire Valuation Joint Board, was provided in the appendices to the report.

Officers responded to members' questions on measures to ensure that asylum seekers were made aware of voting procedures and the impact on staffing levels in respect of the draft legislation detailed at paragraph 5.4 of the report.

The Board decided: that the report be noted.

[Reference: Minutes of 6 September 2021 (Paragraph 8)]

8 Urgent Business

There were no items of urgent business.

Convener's Closing Remarks

The Convener extended the compliments of the season to all members and officials present.