



Tuesday, 31 August 2021

Dear Councillor

## **Lanarkshire Valuation Joint Board**

The Members listed below are requested to attend a meeting of the above Board to be held as follows:-

**Date:** Monday, 06 September 2021  
**Time:** 14:00  
**Venue:** By Microsoft Teams,

The business to be considered at the meeting is listed overleaf.

Yours sincerely

**Cleland Sneddon**  
**Clerk to the Board**

### **Members**

Alex McVey (Convener), Lynsey Hamilton (Depute Convener), Bob Burgess, Tom Castles, Tom Johnston, Jim Reddin, William Shields, Caroline Stephen, Annette Valentine, Walter Brogan, Poppy Corbett, Peter Craig, Isobel Dorman, Geri Gray, Ann Le Blond, Jim Wardhaugh

### **Substitutes**

Trevor Douglas, Mary Gourlay, Nicky Shevlin, Ann Weir, Margaret Cowie, Mary Donnelly, Joe Lowe, Jim McGuigan, Lynne Nailon, Richard Nelson, Graham Scott, Josh Wilson

## BUSINESS

### 1 Declaration of Interests

- 2 **Minutes of Previous Meeting** 5 - 10  
Minutes of the meeting of the Lanarkshire Valuation Joint Board held on 7 June 2021 submitted for approval as a correct record. (Copy attached)

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#### Monitoring Item(s)

- 3 **Revenue Budget Monitoring 2021/2022 - Lanarkshire Valuation Joint Board** 11 - 14  
Report dated 26 July 2021 by the Treasurer, Lanarkshire Valuation Joint Board. (Copy attached)
- 4 **External Auditor's Annual Audit Report to the Board** 15 - 48  
Letter and Annual Report by Audit Scotland, External Auditor. (Copy attached)

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#### Item(s) for Decision

- 5 **Audited Accounts 2020/2021** 49 - 100  
Report dated 17 August 2021 by the Treasurer, Lanarkshire Valuation Joint Board. (Copy attached)
- 6 **Proposal to Live Stream Future Meetings** 101 - 102  
Report dated 24 August 2021 by the Clerk, Lanarkshire Valuation Joint Board. (Copy attached)

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#### Item(s) for Noting

- 7 **Change in Membership of the Board** 103 - 104  
Report dated 15 July 2021 by the Clerk, Lanarkshire Valuation Joint Board. (Copy attached)
- 8 **Progress Update** 105 - 120  
Report dated 24 August 2021 by the Assessor and Electoral Registration Officer. (Copy attached)

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#### Urgent Business

- 9 **Urgent Business**  
Any other items of business which the Chair decides are urgent.

#### ***For further information, please contact:-***

Clerk Name: Stuart McLeod

Clerk Telephone: 01698 454815

Clerk Email: [stuart.mcleod@southlanarkshire.gov.uk](mailto:stuart.mcleod@southlanarkshire.gov.uk)





# LANARKSHIRE VALUATION JOINT BOARD

2

Minutes of meeting held via Microsoft Teams on 7 June 2021

**Convener:**

Councillor Alex McVey, North Lanarkshire Council

**Councillors Present:**

**South Lanarkshire Council**

Councillor Walter Brogan, Councillor Poppy Corbett, Councillor Peter Craig, Councillor Isobel Dorman, Councillor Lynsey Hamilton (Vice Convener), Councillor Ann Le Blond

**Councillors' Apologies:**

**North Lanarkshire Council**

Councillor Bob Burgess, Councillor Tom Castles, Councillor Tom Johnston, Councillor Jim Reddin, Councillor William Shields, Councillor Caroline Stephen, Councillor Annette Valentine

**South Lanarkshire Council**

Councillor Geri Gray, Councillor Jim Wardhaugh

**Attending:**

**Assessor and Electoral Registration Service**

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

**Clerk's Office**

C Sneddon, Clerk; S McLeod, Administration Officer; L Wyllie, Administration Assistant, South Lanarkshire Council

**Treasurer's Office**

Y Douglas, Audit and Compliance Manager; P Manning, Treasurer; L O'Hagan, Finance Manager (Strategy), South Lanarkshire Council

**Also Attending:**

**Audit Scotland**

B Gillespie, Lead Auditor; A Kerr, Senior Audit Manager

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## Convener's Opening Remarks

The Convener advised that Andrew Kerr had replaced Dave Richardson, who had recently retired, as the appointed auditor for the Joint Board and welcomed him to his first meeting. Mr Kerr responded in suitable terms.

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## 1 Declaration of Interests

No interests were declared.

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## 2 Minutes of Previous Meeting

The minutes of the meeting of the Board held on 1 March 2021 were submitted for approval as a correct record.

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

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### **3 Revenue Budget Monitoring 2021/2022 - Lanarkshire Valuation Joint Board**

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A report dated 25 May 2021 by the Treasurer was submitted comparing the Board's actual expenditure at 23 April 2021 against the budgeted expenditure for 2021/2022 and providing a forecast for the year to 31 March 2022.

As at 23 April 2021, there was an underspend on the Board's revenue budget of £0.016 million. The financial forecast to 31 March 2022 was a breakeven position.

The Board, at its meeting on 7 December 2020, had approved a budget of £3.835 million for 2021/2022, which included a 1% reduction in the constituent authorities' requisition payments in anticipation of a 1% reduction in the grant funding provided by the Scottish Government. As a result of the Scottish Government settlement not being reduced, the budgeted requisition payments had been reinstated and had been offset by a reduction in the use of reserves to balance the budget.

The Scottish Government had granted funding totalling £0.704 million for 2021/2022 to address and identify costs to the Board arising from the Barclay Review. The sums from North and South Lanarkshire Councils, each amounting to £0.352 million, had been transferred to the Board through additional requisition payments.

As a result of the Canvass Reform, there was no longer Cabinet Office funding for Individual Electoral Registration which had resulted in the budgets for income and administration costs both being reduced by £0.020 million.

The adjustments and revised budget for 2021/2022 of £4.519 million, which reflected the level of requisitions and use of reserves, were detailed in Appendix A to the report.

#### **The Board decided:**

- (1) that an underspend of £0.016 million on Lanarkshire Valuation Joint Board's revenue budget, as detailed in Appendix A of the report, be noted; and
- (2) that the forecast to 31 March 2022 of a break even position be noted.

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

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### **4 Internal Audit Annual Assurance Report 2020/2021**

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A report dated 25 May 2021 by the Executive Director (Finance and Corporate Resources), South Lanarkshire Council was submitted:-

- ◆ detailing progress on, and performance of, Internal Audit services to Lanarkshire Valuation Joint Board in 2020/2021
- ◆ providing an independent audit opinion on the adequacy and effectiveness of the Board's framework of governance, risk management and control arrangements for the year ended 31 March 2021

The Internal Audit Annual Report in relation to the Lanarkshire Valuation Joint Board covered:-

- ◆ workload and performance
- ◆ basis of the audit opinion
- ◆ delivery of audit actions
- ◆ audit findings
- ◆ the opinion of Internal Audit on the adequacy and effectiveness of the Board's internal control systems

The opinion of Internal Audit for the year 2020/2021 was that a reasonable level of assurance could be placed on the adequacy and effectiveness of the Board's internal control systems and governance arrangements.

**The Board decided:**

- (1) that the Internal Audit Annual Report for 2020/2021 for the Lanarkshire Valuation Joint Board be noted; and
- (2) that the opinion of Internal Audit be considered in the preparation of the 2020/2021 Statement of Governance for the Lanarkshire Valuation Joint Board.

*[Reference: Minutes of 1 June 2020 (Paragraph 4)]*

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## **5 Annual Governance Statement**

A report dated 25 May 2021 by the Treasurer was submitted on the Annual Governance Statement for 2020/2021 which would be included in the Lanarkshire Valuation Joint Board's 2020/2021 Annual Accounts.

The Board's Annual Governance Statement 2020/2021, which was attached as an appendix to the report, provided details of the systems for internal control which were in place to ensure a robust governance structure. For 2020/2021, the Treasurer's opinion was that the systems for internal control were effective. Those would continue to be reviewed and improved, as appropriate, in 2021/2022.

**The Board decided:** that the Annual Governance Statement, attached as an appendix to the report, be approved for inclusion in the Lanarkshire Valuation Joint Board's 2020/2021 Annual Accounts.

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## **6 2020/2021 Annual Report and Accounts - Lanarkshire Valuation Joint Board**

A report dated 25 May 2021 by the Treasurer was submitted on the Board's Annual Report and Accounts for the financial year ending 31 March 2021.

At its meeting on 1 March 2021, the Board had been advised of a probable outturn transfer to reserves of £0.140 million. Appendix 1 to the report detailed the actual position for the Board for the year ended 31 March 2021 which showed a transfer to reserves of £0.161 million. The unaudited Annual Report and Accounts, attached as Appendix 2 to the report, detailed the Revenue Accounts and Balance Sheet position as at 31 March 2021 which showed a net deficit position of £0.257 million. After implementing statutory accounting practice, the net position on the Board's General Fund Balance was a surplus of £0.161 million, as shown in Appendix 1. This sum, when added to the General Reserve of £0.947 million carried forward from 2019/2020, gave the Board a closing General Reserve position of £1.108 million at 31 March 2021.

**The Board decided:** that the unaudited Annual Report and Accounts for the Board for the year ended 31 March 2021, attached as an appendix to the report, be approved for submission to the external auditors, Audit Scotland.

*[Reference: Minutes of 7 December 2020 (Paragraph 3) and 1 March 2021 (Paragraph 3)]*

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## **7 Change in Membership of the Board**

A report dated 25 May 2021 by the Clerk was submitted on a change to North Lanarkshire Council's membership of the Lanarkshire Valuation Joint Board.

At the meeting of North Lanarkshire Council held on 1 April 2021, it was agreed that Councillor Tom Johnston replace Councillor Lynne Anderson as a member of the Lanarkshire Valuation Joint Board.

**The Board decided:** that it be noted that Councillor Tom Johnston had replaced Councillor Lynne Anderson as a nominated representative of North Lanarkshire Council on the Lanarkshire Valuation Joint Board.

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## **8 Equality Reporting: Mainstreaming Equalities Report and Equalities Outcomes 2021 to 2025**

A report dated 25 May 2021 by the Assessor and Electoral Registration Officer was submitted on the progress of the Board's Mainstreaming Equalities Report and Equality Outcomes 2021 to 2025.

The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 and 2016 respectively required the Board to:-

- ◆ gather and use information on the composition, recruitment, development and retention of employees
- ◆ publish gender pay gap information together with a statement on equal pay and include information on occupational segregation

This information had been included in the Mainstreaming Equalities Report and Equality Outcomes 2021 to 2025 which was attached as an appendix to the report.

In response to a question from the Convener, the Assessor and Electoral Registration Officer advised that there had been a reduction in the gender pay gap since the previous report had been published and that efforts continued to identify ways to further reduce the gap.

**The Board decided:** that the report be noted.

*[Reference: Minutes of 3 June 2019 (Paragraph 7) and 1 June 2020 (Paragraph 9)]*

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## **9 Lanarkshire Valuation Joint Board Public Performance Report 2020/2021**

A report dated 25 May 2021 by the Assessor and Electoral Registration Officer was submitted on the Board's Public Performance Report for the financial year 2020/2021. The Public Performance Report, attached as an appendix to the report, outlined the Board's performance in its core service delivery areas during 2020/2021.

The Assessor and Electoral Registration Officer responded to a question regarding the risk of appeals in terms of Council Tax bands and provided reasons why he considered the risk of appeals was low.

**The Board decided:** that the report be noted.

*[Reference: Minutes of 1 June 2020 (Paragraph 10)]*

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## 10 Lanarkshire Valuation Joint Board Efficiency Gains 2020/2021

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A report dated 25 May 2021 by the Assistant Assessor and Electoral Registration Officer was submitted on the Board's efficiency gains for the financial year 2020/2021.

The report outlined Lanarkshire Valuation Joint Board's efficiency measures implemented in 2020/2021 and detailed both cashable and non-cashable efficiency gains totalling £328,199.13.

Details of the efficiency gains for 2020/2021 were provided in the appendix to the report.

**The Board decided:** that the report be noted.

*[Reference: Minutes of 1 June 2020 (Paragraph 8)]*

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## 11 Monitoring of Complaints - 1 April 2020 to 31 March 2021

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A report dated 25 May 2021 by the Assistant Assessor and Electoral Registration Officer was submitted on complaints received by the Lanarkshire Valuation Joint Board in the period 1 April 2020 to 31 March 2021.

A total of 6 complaints had been received in the period 1 April 2020 to 31 March 2021. Of those, 2 related to Council Tax, 3 related to non-domestic rating and 1 related to electoral registration. No complaints had been classified as upheld, 5 had not been upheld and 1 had been partially upheld. One of the complaints partially related to equal opportunities and the equal opportunities element of the complaint had not been upheld.

No complaints had proceeded to the Scottish Public Services Ombudsman (SPSO) during the year 2020/2021.

**The Board decided:** that the report be noted.

*[Reference: Minutes of 1 June 2020 (Paragraph 12)]*

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## 12 Progress Update

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A report dated 25 May 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
- ◆ 3 complaints received and dealt with since the last quarterly report

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.

The Assessor and Electoral Registration Officer responded to members' questions regarding arrangements for the Valuation Appeal Committee to hold virtual hearings.

**The Board decided:** that the report be noted.

*[Reference: Minutes of 1 March 2021 (Paragraph 8)]*

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**13 Urgent Business**

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There were no items of urgent business.

# Report

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Report to:	<b>Lanarkshire Valuation Joint Board</b>
Date of Meeting:	<b>6 September 2021</b>
Report by:	<b>Treasurer to Lanarkshire Valuation Joint Board</b>

Subject:	<b>Revenue Budget Monitoring 2021/2022 - Lanarkshire Valuation Joint Board</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2021 to 16 July 2021
- ◆ provide a forecast for the year to 31 March 2022

## 2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):-

- (1) that an underspend of £0.136 million on Lanarkshire Valuation Joint Board's revenue budget, as detailed in Appendix A of the report, be noted; and
- (2) that it be noted that the forecast to 31 March 2022 will continue to be monitored, with the expected outturn position updated at the next meeting.

## 3. Background

3.1. This is the second revenue budget monitoring report presented to the Lanarkshire Valuation Joint Board for the financial year 2021/2022.

3.2. The report details the financial position for Lanarkshire Valuation Joint Board on Appendix A.

## 4. Employee Implications

4.1. None

## 5. Financial Implications

5.1. **Period 4 Monitoring Position:** As at 16 July 2021, the variance from phased budget is an underspend of £0.136 million.

5.2. In the main, the underspend is a result of vacant posts for which the recruitment is ongoing.

5.3. **Forecast Position:** The financial forecast to 31 March 2022 will continue to be monitored, with the expected outturn position updated to the next meeting of the Board.

## **6. Climate Change, Sustainability and Environmental Implications**

- 6.1. There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

## **7. Other Implications**

- 7.1. The main risk associated with the Board's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget management applied. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.

## **8. Equality Impact Assessment and Consultation Arrangements**

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 8.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

**Paul Manning**  
**Treasurer**

26 July 2021

## **Previous References**

- ♦ Revenue Budget Monitoring 2021/2022 - Lanarkshire Valuation Joint Board - 7 June 2021

## **List of Background Papers**

- ♦ Revenue Budget 2021/2022 – Lanarkshire Valuation Joint Board – 7 December 2020

## **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601 (Tel: 01698 452601)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

## LANARKSHIRE VALUATION JOINT BOARD

## Revenue Budget Monitoring Report

Period Ended 16 July 2021 (No.4)

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 16/07/21	Actual 16/07/21	Variance 16/07/21		% Variance 16/07/21	Note
	£000	£000	£000	£000	£000	£000			
<b><u>Budget Category</u></b>									
Employee Costs	3,372	3,372	0	917	765	152	under	16.6%	1
Property Costs	5	5	0	0	0	0	-	n/a	
Supplies & Services	108	108	0	60	78	(18)	over	(30.0%)	2
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	510	510	0	47	45	2	under	4.3%	
Payments to Other Bodies	76	76	0	3	3	0	-	0.0%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	14	14	0	1	1	0	-	0.0%	
<b>Total Controllable Exp.</b>	4,085	4,085	0	1,028	892	136	under	13.2%	
<b>Total Controllable Inc.</b>	(7)	(7)	0	0	0	0	-	n/a	
<b>Net Controllable Exp.</b>	4,078	4,078	0	1,028	892	136	under	13.2%	
<b>Add Non Controllable Budgets</b>									
Central Support Costs	441	441	0	6	6	0	-	0.0%	
<b>Total Budget</b>	4,519	4,519	0	1,034	898	136	under	13.2%	
<b>Funded By:</b>									
North Lanarkshire Council	(2,106)	(2,106)	0	(702)	(702)	0	-	0.0%	
South Lanarkshire Council	(2,106)	(2,106)	0	(702)	(702)	0	-	0.0%	
Transfer (From) Reserves	(307)	(307)	0	0	0	0	-	n/a	
<b>Net Budget</b>	0	0	0	(370)	(506)	136	under	(36.8%)	

**Variance Explanations**

- Employee Costs:** The underspend reflects vacant posts for which the recruitment is ongoing.
- Supplies and Services:** The overspend is mainly due to spend in compliance with the Equality Act 2010 Public Sector Duty to make reasonable adjustments, as well as some other minor spend on office equipment.



## Lanarkshire Valuation Joint Board

6 September 2021

### Lanarkshire Valuation Joint Board Audit of 2020/21 annual accounts

#### Independent auditor's report

1. Our audit work on the 2020/21 annual accounts is now substantially complete. We anticipate being able to issue unqualified audit opinions in the independent auditor's report on 6 September 2021 (the proposed report is attached at [Appendix A](#)).

#### Annual audit report

2. We also present for your consideration our proposed annual audit report on the 2020/21 audit. International Standard on Auditing (ISA) 260 (Communication with those charged with governance) requires auditors to report specific matters arising from the audit of the annual accounts to those charged with governance, in sufficient time to enable appropriate action.

3. The annual audit report will be issued in its final form after the annual accounts have been approved for issue and the independent auditor's report has been signed.

#### Fraud, subsequent events and compliance with laws and regulations

4. In presenting this report to the Joint Board we also seek confirmation that we have been informed of:

- any instances of actual, suspected, or alleged fraud.
- any events that have occurred since 31 March 2021 which could have a significant impact on the annual accounts.
- any instances of non-compliance with legislation.

#### Unadjusted misstatements

5. We also report to those charged with governance all unadjusted misstatements which we have identified during our audit, other than those of a trivial nature and request that these misstatements be corrected.

6. There are no unadjusted misstatements to be reported.

## Representations from management

**7.** International Standard on Auditing 580 (Management representations) requires auditors to obtain representations on certain matters from management. Accordingly, as part of the audit completion process, we seek written assurances from the Treasurer, as the "proper officer" appointed by virtue of section 95 of the Local Government (Scotland) Act 1973, on aspects of the annual accounts.

**8.** A draft letter of representation is attached at [Appendix B](#). This should be signed and returned to us by the Treasurer with the signed annual accounts prior to the independent auditor's report being certified.

Andrew Kerr  
Senior Audit Manager  
Audit Scotland  
4th Floor, The Athenaeum Building  
8 Nelson Mandela Place  
Glasgow, G2 1BT

## Appendix A: Proposed Independent Auditor's Report

### Independent auditor's report to the members of Lanarkshire Valuation Joint Board and the Accounts Commission

#### Reporting on the audit of the financial statements

##### Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Lanarkshire Valuation Joint Board for the year ended 31 March 2021 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Expenditure and Funding Analysis, Comprehensive Income and Expenditure Statement, Balance Sheet, Movement in Reserves Statement, Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the 2020/21 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2020/21 Code of the state of affairs of Lanarkshire Valuation Joint Board as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2020/21 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 June 2021. This is my first year of appointment. I am independent of the Lanarkshire Valuation Joint Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the Lanarkshire Valuation Joint Board. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the

Lanarkshire Valuation Joint Board's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

## **Risks of material misstatement**

I report in a separate annual audit report, available from the [Audit Scotland](#) website, the most significant assessed risks of material misstatement that I identified and my judgements thereon.

## **Responsibilities of the Treasurer and Lanarkshire Valuation Joint Board for the financial statements**

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the Lanarkshire Valuation Joint Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

The Lanarkshire Valuation Joint Board is responsible for overseeing the financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the Lanarkshire Valuation Joint Board is complying with that framework;
- identifying which laws and regulations are significant in the context of the Lanarkshire Valuation Joint Board;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Lanarkshire

Valuation Joint Board's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## **Reporting on other requirements**

### **Opinion prescribed by the Accounts Commission on the audited part of the Remuneration Report**

I have audited the part of the Remuneration Report described as audited. In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

### **Statutory other information**

The Treasurer is responsible for the statutory other information in the annual accounts. The statutory other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

My responsibility is to read all the statutory other information and, in doing so, consider whether the statutory other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this statutory other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the statutory other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

### **Opinions prescribed by the Accounts Commission on Management Commentary and Annual Governance Statement**

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements

and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

### **Matters on which I am required to report by exception**

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or

I have nothing to report in respect of these matters.

### **Conclusions on wider scope responsibilities**

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

### **Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Andrew Kerr CA  
Senior Audit Manager  
Audit Scotland  
4th Floor, The Athenaeum Building  
8 Nelson Mandela Place  
Glasgow, G2 1BT

6 September 2021

## **Appendix B: Letter of Representation (ISA 580)**

Andrew Kerr, Senior Audit Manager  
Audit Scotland  
8 Nelson Mandela Place  
Glasgow  
G2 1BT

Dear Andrew

### **Lanarkshire Valuation Joint Board Annual Accounts 2020/21**

I confirm to the best of my knowledge and belief, and having made appropriate enquiries of the Joint Board, the following representations given to you in connection with your audit of Lanarkshire Valuation Joint Board for the year ended 31 March 2021.

This representation letter is provided in connection with your audit of the annual accounts of Lanarkshire Valuation Joint Board for the year ended 31 March 2021 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the financial reporting framework, and for expressing other opinions on the remuneration report, management commentary and annual governance statement.

#### **General**

The Joint Board and I have fulfilled our statutory responsibilities for the preparation of the 2020/21 annual accounts. All the accounting records, documentation, and other matters which I am aware are relevant to the preparation of the annual accounts have been made available to you for the purposes of your audit. All transactions undertaken by Lanarkshire Valuation Joint Board have been recorded in the accounting records and are properly reflected in the financial statements.

I confirm that the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. I am not aware of any uncorrected misstatements other than those reported by you.

#### **Financial Reporting Framework**

The annual accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (2020/21 accounting code), and in accordance with the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003, and The Local Authority Accounts (Scotland) Regulations 2014.

In accordance with the 2014 regulations, I have ensured that the financial statements give a true and fair view of the financial position of Lanarkshire Valuation Joint Board at 31 March 2021 and the transactions for 2020/21.

#### **Accounting Policies & Estimates**

All significant accounting policies applied are as shown in the notes to the financial statements. The accounting policies are determined by the 2020/21 accounting code where applicable. Where the code does not specifically apply, I have used judgement in developing and applying an accounting policy that results in information that is relevant and reliable. All accounting

policies applied are appropriate to Lanarkshire Valuation Joint Board's circumstances and have been consistently applied.

The significant assumptions used in making accounting estimates are reasonable and properly reflected in the financial statements. Judgements used in making estimates have been based on the latest available, reliable information. Estimates have been revised where there are changes in the circumstances on which the original estimate was based or as a result of new information or experience.

### **Going Concern Basis of Accounting**

I have assessed Lanarkshire Valuation Joint Board's ability to continue to use the going concern basis of accounting and have concluded that it is appropriate. I am not aware of any material uncertainties that may cast significant doubt on Lanarkshire Valuation Joint Board's ability to continue as a going concern.

### **Assets**

The assets shown in the books and accounts at 31 March 2021 were owned by the Joint Board. The assets are free from any lien, encumbrance, or charge.

All leasing arrangements have been reviewed and correctly classified as operating leases within the annual accounts.

### **Liabilities**

All liabilities have been provided for in the balance sheet, including the liabilities for all purchases to which title has passed prior to 31 March 2021.

The accrual recognised in the financial statements for holiday untaken by 31 March 2021 has been estimated on a reasonable basis.

The pension assumptions made by the actuary in the IAS 19 report for Lanarkshire Valuation Joint Board have been considered and I confirm that they are consistent with management's own view.

### **Provisions and Contingent liabilities**

I have considered the need for provisions and/or contingent liabilities in the financial statements and concluded that, other than the contingent liabilities disclosed at note 9, there are no material liabilities which have resulted or may be expected to result, by legal action or otherwise, from events which had occurred by 31 March 2021 and of which Joint Board could reasonably be expected to be aware.

### **Fraud**

I have provided you with all information in relation to:

- my assessment of the risk that the financial statements may be materially misstated because of fraud
- any allegations of fraud or suspected fraud affecting the financial statements
- fraud or suspected fraud that I am aware of involving management, employees who have a significant role in internal control, or others that could have a material effect on the financial statements.

## **Laws and Regulations**

I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

## **Related Party Transactions**

All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with the 2020/21 accounting code. I have made available to you the identity of all the Lanarkshire Valuation Joint Board's related parties and all the related party relationships and transactions of which I am aware.

## **Remuneration Report**

The remuneration report has been prepared in accordance with the Local Authority Accounts (Scotland) Amendment Regulations 2014, and all required information of which I am aware has been provided to you.

## **Management commentary**

**9.** I confirm that the management commentary has been prepared in accordance with the statutory guidance and the information is consistent with the financial statements.

## **Corporate Governance**

I confirm that Lanarkshire Valuation Joint Board has undertaken a review of the system of internal control during 2020/21 to establish the extent to which it complies with proper practices set out in the Delivering Good Governance in Local Government: Framework 2016. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.

I confirm that the annual governance statement has been prepared in accordance with the Delivering Good Governance in Local Government: Framework 2016 and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements or issues identified, since 31 March 2021, which require to be reflected.

## **Events Subsequent to the Date of the Balance Sheet**

All events subsequent to 31 March 2021 for which the 2020/21 accounting code requires adjustment or disclosure have been adjusted or disclosed.

Yours sincerely

Paul Manning

Treasurer to the Lanarkshire Valuation Joint Board



# Lanarkshire Valuation Joint Board

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Proposed 2020/21 Annual Audit Report



 AUDIT SCOTLAND

Prepared by Audit Scotland  
August 2021

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# Contents

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Key messages	3
Introduction	4
1. Audit of 2020/21 annual accounts	6
2. Financial sustainability	11
3. Governance arrangements and performance	15
Appendix 1. Significant audit risks	19
Appendix 2. Summary of 2020/21 national performance reports	23

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# Key messages

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## 2020/21 annual accounts

- 1 An unqualified independent auditor's report has been issued for the 2020/21 annual accounts.
- 2 The management commentary, governance statement and remuneration report are consistent with the financial statements and properly prepared in accordance with relevant legislation.

## Financial sustainability

- 3 The Joint Board reported an underspend of £0.180 million against its final 2020/21 budget.
- 4 The Joint Board is financially sustainable over the medium to longer-term.

## Governance arrangements and performance

- 5 Governance and operational arrangements have been appropriately adjusted in light of the ongoing disruption caused by the Covid-19 pandemic.
- 6 The Joint Board's performance was impacted by the pandemic but historically it continues to perform well when compared with other Scottish valuation joint boards.

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# Introduction

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1. The scope of our audit was set out in our [annual audit plan](#) presented to the March 2021 meeting of the Joint Board.

2. This report sets out our findings from:

- the audit of the annual accounts
- consideration of the Joint Board's financial sustainability, governance arrangements and performance.

## Responsibilities and reporting

3. The management of the Joint Board, has responsibility for:

- preparing financial statements which give a true and fair view.
- putting in place proper arrangements for the conduct of its affairs.
- maintaining proper accounting records and appropriate governance arrangements.

4. Our responsibilities, as independent auditor appointed by the Accounts Commission, are established by the Local Government (Scotland) Act 1973, the [Code of Audit Practice 2016](#) and supplementary guidance and International Standards on Auditing in the UK. We undertake our audit in accordance with International Standards on Auditing, and the auditing profession's ethical guidance.

5. At the conclusion of our audit, we provide an independent auditor's report for inclusion in the annual accounts.

6. Audit Scotland's Code of Audit Practice 2016 includes provisions relating to the audit of small bodies. Where the application of the full wider audit scope is judged by auditors not to be appropriate to an audited body then annual audit work can focus on the financial sustainability of the body and the disclosures in the governance statement. In our 2020/21 annual audit plan we conveyed our intention to apply the small body provisions to the 2020/21 audit of the Joint Board's annual accounts.

7. Best Value is about ensuring that there is good governance and effective management of resources, with a focus on improvement, to deliver the best possible outcomes for citizens. As we have applied the Code of Audit Practice small body provisions to the audit of the Joint Board our wider scope responsibilities do not fully apply. Our Best Value work is limited to our audit work on financial sustainability and governance arrangements. In addition, we have reviewed and commented on the Joint Board's performance outcomes

**8.** This report raises matters from our audit. Weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues we raise and to maintain adequate systems of control.

## **Adding value through the audit**

**9.** In addition to our primary responsibility of reporting on the annual accounts we seek to add value to the Joint Board by identifying areas for improvement and by recommending and encouraging good practice. In so doing, we aim to help the organisation promote improved standards of governance, better management and decision making, and more effective use of resources.

## **Auditor Independence**

**10.** Auditors appointed by the Accounts Commission or Auditor General must comply with the Code of Audit Practice and relevant supporting guidance. When auditing the financial statements auditors must comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies.

**11.** We can confirm that we comply with the Financial Reporting Council's Ethical Standard. We can also confirm that we have not undertaken any non-audit related services and therefore the 2020/21 audit fee of £7,610 as set out in our annual audit plan, remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.

**12.** This report is addressed to both members of the Joint Board and the Controller of Audit and will be published on Audit Scotland's website [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) in due course.

**13.** We would like to thank the management and staff who have been involved in our work for their cooperation and assistance during the audit.

# 1. Audit of 2020/21 annual accounts

The principal means of accounting for the stewardship of resources and performance.

## Key messages

An unqualified independent auditor's report has been issued for the 2020/21 annual accounts.

The management commentary, governance statement and remuneration report are consistent with the financial statements and properly prepared in accordance with relevant legislation.

## Our audit opinions on the annual accounts are unmodified

**14.** The annual accounts for the year ended 31 March 2021 were approved for issue by the Joint Board following its meeting on 6 September 2021.

**15.** We reported in the independent auditor's report that:

- the financial statements give a true and fair view and were properly prepared in accordance with relevant legislation and the Code of Practice on Local Authority Accounting in the UK.
- the management commentary, governance statement and remuneration report were all consistent with the financial statements and properly prepared in accordance with relevant legislation.

**16.** We concluded that there were no matters upon which we are required to report, by exception, to the Accounts Commission.

## The unaudited annual accounts were submitted for audit in line with the agreed timetable

**17.** Despite the ongoing restrictions caused by the Covid-19 pandemic, we received the unaudited annual accounts on 8 June 2021 in line with the agreed audit timetable. The annual accounts submitted for audit were of a satisfactory standard as were supporting working papers. Finance staff provided good support to the audit team which helped ensure the final accounts audit process ran smoothly.

## Our audit identified and addressed the risks of material misstatement

**18.** The concept of audit risk is of central importance to our audit approach. During the planning stage of our audit, we identified a number of key audit risks which could impact on the annual accounts. We set out in our annual audit plan the audit work we proposed to undertake to secure appropriate levels of assurance. [Appendix 1](#) sets out the significant audit risks identified and how we addressed each risk in arriving at our opinion on the annual accounts.

## Our audit testing reflected the calculated materiality levels

**19.** Materiality can be defined as the maximum amount by which auditors believe the annual accounts could be misstated and still not be expected to affect the perceptions and decisions of users of the annual accounts. The assessment of what is material is a matter of professional judgement. A misstatement or omission, which would not normally be regarded as material by value, may be important for other reasons (for example, an item contrary to law).

**20.** Our initial assessment of materiality for the annual accounts is undertaken during the planning phase of the audit. On receipt of the unaudited annual accounts, and following completion of audit testing, we reviewed our original materiality calculations and concluded that they remained appropriate. Our materiality levels are set out at [exhibit 1](#).

### Exhibit 1

#### Materiality levels

Materiality level	Amount
<b>Overall materiality</b> - This is the figure we use in assessing the overall impact of potential adjustments on the financial statements. It has been set at 1% of gross expenditure for the year ended 31 March 2021.	£47,000
<b>Performance materiality</b> - This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement, we calculated performance materiality at 75% of planning materiality.	£35,000
<b>Reporting threshold</b> - We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount. This has been set at 5% of planning materiality.	£2,000

Source: Audit Scotland

**Identified misstatements of £0.200 million were adjusted in the annual accounts, these were above our performance materiality and as such we revised our audit approach accordingly**

**21.** We identified misstatements with a gross value of £0.200 million in the unaudited annual accounts. As the total was above our performance materiality level, we revised our audit approach accordingly.

**22.** It is our responsibility to request that all misstatements are corrected although the final decision on this lies with those charged with governance, taking into account advice from senior officers and materiality levels. Management have adjusted for the errors. These accounting adjustments have contributed to the total expenditure decreasing by £0.196 million, with a corresponding decrease in net liabilities of £0.196 million. Further details are included in [exhibit 2](#).

**We have significant findings to report on the annual accounts**

**23.** International Standard on Auditing (UK) 260 requires us to communicate significant findings from the audit to “those charged with governance”. The qualitative aspects of the Joint Board’s accounting practices, accounting policies, accounting estimates and accounts disclosures are satisfactory and appropriate to the Joint Board.

**24.** Significant findings are summarised at [exhibit 2](#).

**25.** In addition to the issues set out below, and in accordance with normal audit practice, a number of presentational and disclosure amendments were discussed and agreed with management.

## Exhibit 2

### Significant findings from the audit of the annual accounts

Issue	Resolution
<p><b>1. Capitalisation of expenditure</b></p> <p>Our testing identified £0.181 million of expenditure that we considered to be capital in nature. This had been incorrectly charged as revenue expenditure in the unaudited annual accounts.</p> <p>The correction had the effect of increasing the non-current assets balance for the year by £0.177 million (£0.181 million less depreciation of £0.004 million charged on these assets for 2020/21).</p>	<p>Management made the appropriate adjustment in the audited annual accounts.</p> <p>Our audit testing did not identify any further issues. We have therefore accepted that this was an isolated error.</p>
<p><b>2. Year-end prepayment omission</b></p> <p>Our testing identified a prepayment that had been omitted from the unaudited annual accounts.</p> <p>The correction had the effect of increasing the debtors balance for the year by £0.019 million.</p>	<p>Management made the appropriate adjustment in the audited annual accounts.</p> <p>As part of our testing of prepayments we reviewed a further sample and did not identify issues. We have therefore accepted that this was an isolated error.</p>

Source: Audit Scotland

## Other areas of audit interest from the annual accounts

### Contingent liability

**26.** A large number of revaluation and running roll appeals have been lodged on the basis that the effect of Covid-19 is a material change of circumstances affecting the annual value of non-domestic properties. As reported to the June 2021 Joint Board meeting, there were 436 revaluation appeals and 6,025 running roll appeals outstanding. This is a significant number of appeals, which will be resource intensive for the Joint Board both administratively, and in legal terms, as it ensures these are disposed of correctly and timeously.

**27.** We consider the disclosures made by management in the annual accounts in respect of this contingent liability to be appropriate.

### Pension liability

**28.** This section is included for information as we consider that the large year-on year movements in the pension liability figure requires explanation and comment. We are satisfied that the Joint Board's disclosure of its pension liabilities complies with required accounting practices.

**29.** The pension liability represents the difference between expected future payments to pensioners and the underlying value of pension fund assets available to meet this liability.

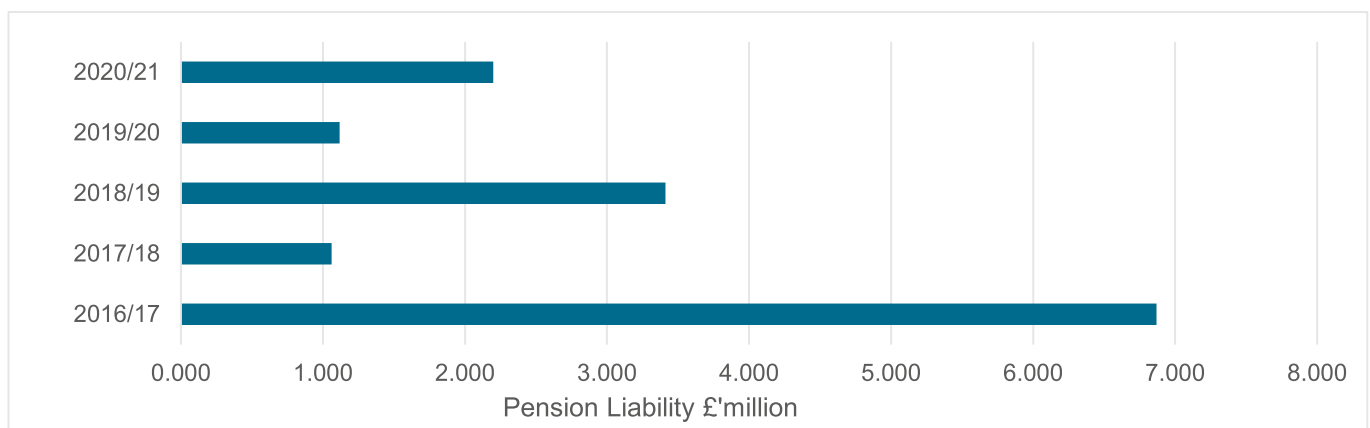
**30.** The Joint Board is an admitted member of Strathclyde Pension Fund. Valuation of pension fund assets and liabilities is assessed by an independent firm of actuaries (Hymans Robertson LLP). Pension liabilities are calculated annually for each individual member body, by the actuary, for inclusion in the annual accounts. Annual valuations are dependent on a number of external variables, including projected rates of return on assets, projected rates of price and pay inflation, interest rates and mortality estimates. We have reviewed the actuarial assumptions used for the valuation and are satisfied that they appear reasonable and in line with assumptions used by other public sector actuaries over the same period.

**31.** The Strathclyde Pension Fund actuary provided an estimate of the Joint Board's liability as at 31 March 2021. The liability advised by the actuary (£2.200 million) was a significant increase over that included in 2019/20 (£1.118 million).

**32.** [Exhibit 3](#) sets out the movement in the Joint Board's pension liabilities over the last five years. Historically there has been considerable volatility year-on-year in the valuation of pension fund assets and liabilities across the public sector. Small changes in actuarial assumptions can have a significant impact on the calculation of the closing position and this is reflected in the movements in the Joint Board's pension liability over the last five years.

### Exhibit 3

#### Pension fund liability 2016/17 – 2020/21



Source: Lanarkshire VJB audited annual accounts 2016/17 – 2020/21

### Follow up of prior year recommendations

**33.** There were no actions raised in our [2019/20 Annual Audit Report](#).

## 2. Financial sustainability

Financial Sustainability looks forward to the medium and long term to consider whether a body is planning effectively to continue to deliver its services.

### Key messages

The Joint Board reported an underspend of £0.180 million against its final 2020/21 budget.

The Joint Board is financially sustainable over the medium to longer-term.

### **The Joint Board reported an underspend of £0.180 million against its final budget in 2020/21 with the majority of this underspend relating to employee costs**

**34.** The Joint Board is mainly funded by requisitions from its constituent members North Lanarkshire Council and South Lanarkshire Council. Other sources of income include funding from the Cabinet Office for Individual Electoral Registration (IER) and income from fees and charges.

**35.** The Joint Board approved its initial 2020/21 budget in December 2019. This was set on the basis of gross expenditure of £4.283 million, with a planned contribution from the Board's reserves of £0.175 million. During the year, this budget was revised to include additional funding received to support areas such as postal vote applications (£0.362 million) and household notification letters (£0.123 million). This gave a final budget of £5.033 million for 2020/21.

**36.** The actual outturn in 2020/21 was total expenditure of £4.274 million and total income of £4.454 million. An underspend for the year of £0.180 million. When compared with the final budget of £5.033 million, this actual underspend of £0.180 million represents an improved position of £0.550 million against the budgeted deficit of £0.370 million.

**37.** Most of the variance against budget is in relation to employee costs. The underspends in employee costs both in 2020/21 (£0.759 million) and in previous years (£0.711 million in 2019/20) has led to the general fund reserve balance increasing substantially, [exhibit 4](#). Management advised that despite running recruitment campaigns, there were a number of vacant posts not filled throughout the year that contributed to this underspend. Members should ensure that they understand all the factors which have contributed to the accumulation of unplanned reserves.

## The Joint Board is financially sustainable over the medium to longer-term

### Reserve position

**38.** The CIPFA Local Authority Accounting Panel (LAAP) bulletin 99 provides guidance on the establishment and maintenance of reserves. The bulletin notes that reserves are generally held for the following main purposes:

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing.
- A contingency to mitigate the impact of unexpected events or emergencies.
- A means of building up funds to meet known or predicted requirements.

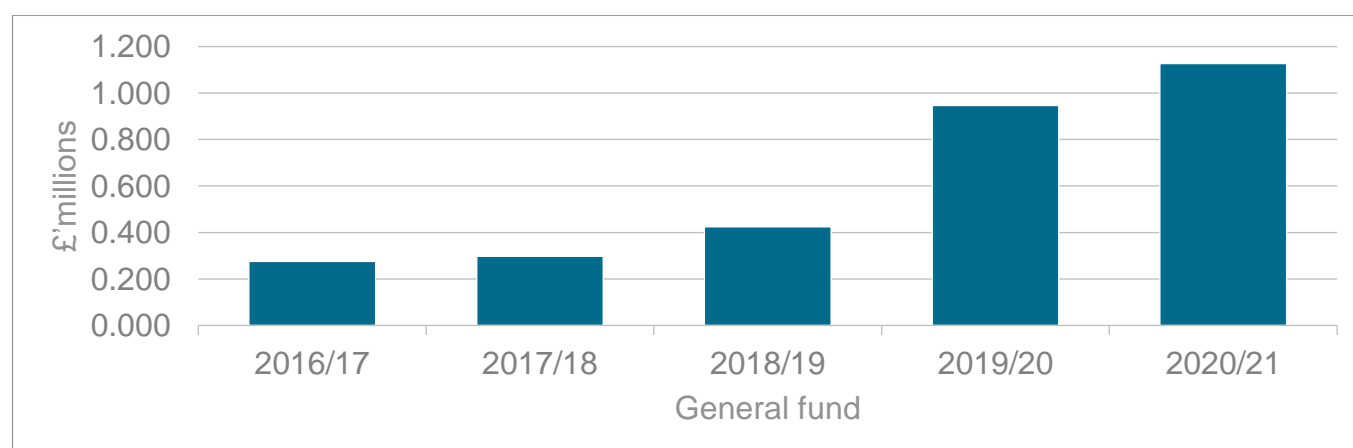
**39.** As at 31 March 2021 the Joint Board's general fund stands at £1.127 million (31 March 2020: £0.947 million). [Exhibit 4](#) provides an analysis of the Joint Board's general fund over the last five years. The reserve balance has increased substantially over the past few year's primarily as a result of unplanned underspends in employee costs.

**40.** As part of the 2021/22 budget, it was proposed that there would be a temporary use of reserves in 2021/2022 and 2022/2023 to cover reduced requisitions from constituent councils. The higher requisitions are planned to be reinstated in 2023/2024.

**41.** The guidance does not prescribe a level of reserves but places the responsibility on the 'chief financial officer' to advise the Joint Board on the creation and levels of reserves appropriate to the Joint Board's circumstances. We are aware that there will be a statement on the adequacy of reserves included in the 2022/2023 budget strategy paper. Members should take the opportunity to consider the appropriateness of the plans together with the current level of reserves held by the Joint Board.

### Exhibit 4

#### Analysis of general fund 2016/17 – 2020/21



Source: Lanarkshire VJB audited annual accounts 2016/17 – 2020/21

### 2021/22 budget

**42.** As part of the budget setting process revenue estimates are prepared on a three-year rolling basis. This allows management and members to identify pressures and take early actions to mitigate the pressures.

**43.** The Joint Board approved the 'Financial Strategy 2019/20 to 2021/22 and Longer-Term Outlook' in March 2018. The plan outlines the Joint Board's statutory obligations and services and outlines details of key activities and outcomes which will allow the objectives of the plan to be achieved over the three-year period. The plan includes activities and outcomes in relation to financial planning, budgeting, and monitoring.

**44.** The Joint Board approved its 2021/22 budget in December 2020. This was set based on gross expenditure of £3.932 million, with a planned contribution from the Board's reserves of £0.345 million. The budget requires efficiency savings of £0.097 million to balance it. The Joint Board has achieved efficiency savings of £0.328 million in 2020/21. The amount required to be saved in 2021/22 is not considered a significant risk to the budget.

**45.** The budget monitoring update presented to the June 2021 Joint Board meeting noted a forecast break-even position for the year-ended 31 March 2022.

### Workforce planning

**46.** Employee costs comprise the greater part of the Joint Board's annual expenditure (2020/21 66% of total expenditure). This should dictate that the Joint Board adopts a strategic approach to workforce and succession planning and that this should be closely related to the Joint Board's other corporate strategies.

**47.** The Joint Board has recognised the need for a longer-term approach and established a workforce plan. This will help ensure it meets the demands placed on it by its stakeholders over the coming years. The plan covers the financial years 2020/21 – 2023/24.

**48.** The Joint Board will see an increase in its workload over the coming years including preparations for the first non-domestic rating revaluation in 2023 following the Barclay review. There is likely to be an increased demand for qualified chartered surveyors to ensure compliance with the recommendations of this review. The workforce plan has identified that several staff within the valuation section are eligible for retirement in the next few years. Taken together, there is the potential for capacity issues to arise in delivering future services and objectives.

**49.** To help management address and monitor the workforce requirements, in conjunction with the workforce plan, an action plan sits alongside this. This focusses on areas where significant change has been identified and where action is needed to deliver on core functions. The action plan identifies the number of staff needed for each of the core objectives together with actions to help achieve future workload priorities.

**50.** The Joint Board's financial position is sustainable in the foreseeable future. There is an ongoing need for management to closely monitor the workforce. This will ensure capacity pressures do not negatively impact on the Joint

Board's ability to deliver its services and objectives. The development of a workforce plan should support management in this regard.

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## 3. Governance arrangements and performance

The effectiveness of scrutiny and oversight, and transparent reporting of information, including performance

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### Key messages

Governance and operational arrangements have been appropriately adjusted in light of the ongoing disruption caused by the Covid-19 pandemic.

The Joint Board's performance was impacted by the pandemic but historically it continues to perform well when compared with other Scottish valuation joint boards.

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### The annual governance statement includes appropriate disclosure of the impact Covid-19 had on the Joint Board's governance arrangements during 2020/21

**51.** A Local Code of Corporate Governance was approved by the Joint Board in March 2019. We reviewed the Local Code of Governance and concluded that it reflects the principles set out in the Delivering Good Governance in Local Government Framework (2016). Each year the Joint Board undertakes a review of its governance arrangements against these principles.

**52.** We concluded that the information in the governance statement is consistent with the financial statements and our knowledge of the Joint Board's operations.

**53.** Public bodies have had to quickly change how they deliver services in response to the ongoing Covid-19 outbreak and the related restrictions introduced. The widespread use of virtual working and the rapid introduction of new programmes and working practices create a range of potential financial risks and challenges to internal controls. In its annual governance statement, the Joint Board has made appropriate disclosure of the impact that Covid-19 has had on its governance arrangements in 2020/21 and the steps it has taken in response to this.

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## Good practice

The Joint Board was proactive in re-focussing its working practices for 2020/21. Its Business Continuity/Emergency Planning team was responsible for overseeing staff welfare, homeworking arrangements and reviewing the Board's ability to continue with its statutory responsibilities during the pandemic.

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## High-level systems of internal control operated effectively during 2020/21

**54.** South Lanarkshire Council, as host authority, provides support in some key areas of business, particularly in finance, legal and information technology. As part of our audit, we reviewed the high-level controls in a number of the systems used by South Lanarkshire Council for the processing and recording of transactions and the preparation of the annual accounts of the Joint Board.

**55.** Our overall conclusion was that the key controls within the council's main financial systems were operating satisfactorily, and no significant risks to the Joint Board were identified.

**56.** This view is supported by the Joint Board's internal audit function. Internal audit provides the Joint Board with independent assurance on risk management, internal control, and corporate governance processes.

**57.** The Internal Audit Manager's annual assurance statement concluded that a reasonable level of assurance could be placed on the adequacy and effectiveness of the Joint Board's framework of governance, risk management and control arrangements for the year ended 31 March 2021. This assurance has been disclosed in the Joint Board's annual governance statement.

## The Joint Board's 2020/21 management commentary provides a good picture of its performance and operational activity for the year

**58.** The management commentary is intended to expand upon and provide clarity and context to the information in the annual accounts. Guidance emphasises that each body has scope for innovation and variation on how it "tells its story," the general principle is that it should provide "a fair, balanced and understandable" analysis of a body's performance to meet the needs of members and other stakeholders, including members of the public.

**59.** We concluded that the 2020/21 management commentary is consistent with our knowledge and experience of the organisation and presents a reasonable picture of the Joint Board's performance.

## The Joint Board's performance was impacted by the pandemic but historically it continues to perform well when compared with other Scottish valuation joint boards

**60.** Service performance is measured by standard performance indicators agreed between that Scottish Government and the Scottish Assessors' Association. We assessed the Joint Board's published data against that of the other Scottish valuation joint boards.

**61.** We concluded that, in respect of adding new houses to the council tax valuation list, the Joint Board is performing above the national average and despite the pandemic, has been able to sustain this level of performance over the last three years, [exhibit 5](#). The performance achieved was in line with targets as set out in the Joint Board's performance report.

### Exhibit 5

Council tax – addition of new houses to the council tax list

		Average of comparator boards			Lanarkshire VJB		
	Year	2018/19	2019/20	2020/21	2018/19	2019/20	202/21
<b>Achievement</b>							
Within 3 months		93%	92%	83%	96%	96%	93%
Within 6 months		98%	97%	94%	99%	99%	98%

Source: Scottish Assessors Association – KPIs 2020/21

**62.** In respect of amendments to the valuation roll, the Joint Board's performance was significantly impacted by the pandemic. The business support grant scheme introduced by the Government to support businesses through the pandemic resulted in the Joint Board receiving many applications from organisations seeking to alter their valuation roll in response to the scheme. The Joint Board's performance in this area is marginally below the national average when compared with the other Scottish boards, [exhibit 6](#). From review of the Joint board's historical performance, and given the mitigating circumstances in 2020/21, this is considered to be a one-off and does not in itself raise concerns of the Joint Board's performance.

**Exhibit 6**

Valuation roll – amendments to the valuation roll

		Average of comparator boards			Lanarkshire VJB		
	Year	2018/19	2019/20	2020/21	2018/19	2019/20	202/21
<b>Achievement</b>							
Within 3 months		67%	68%	54%	80%	84%	38%
Within 6 months		83%	82%	72%	90%	93%	66%

Source: Scottish Assessors Association – KPIs 2020/21

**National performance reports**

**63.** Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. National performance reports, published in 2020/21, which may be of interest to members are listed at [appendix 2](#).

# Appendix 1. Significant audit risks

The table below sets out the audit risks we identified on the 2020/21 audit and how we addressed each risk in arriving at our conclusion. The risks are categorised between those where there is a risk of material misstatement in the financial statements and those relating to our wider responsibility under the Code of Audit Practice 2016.

## Overarching financial statements and wider dimension risk

Audit risk	Assurance procedure	Results and conclusions
<p><b>1. Impact of Covid-19</b></p> <p>The Covid-19 disruption has had a fundamental impact on what and how services are delivered by the Joint Board.</p> <p><b>Risk:</b> The impact of Covid-19 will have a pervasive effect on all aspects of the Joint Board's operations and presents a wide range of risks for the 2020/21 audit.</p>	<p>We will continue to monitor the governance arrangements, including any temporary measures put in place as a result of the pandemic.</p> <p>We will review the Joint Board's ongoing budget monitoring and medium to longer term financial planning in the context of the challenges and uncertainties it is facing because of Covid-19.</p> <p>We will continue to discuss our audit approach, and timetable with management during the year to agree on how we can work together to adapt and respond to the changing circumstances.</p>	<p><b>Results:</b> The Joint Board's governance and operational arrangements have been appropriately adjusted in the light of the ongoing Covid-19 disruption.</p> <p>The Joint Board has in place effective financial reporting and budget monitoring arrangements. It has recently produced a workforce plan to aid in its longer-term financial plan.</p> <p>There were no delays to the annual accounts timetable.</p> <p><b>Conclusion:</b> No issues were identified from our work in response to this risk.</p>

## Risks of material misstatements in the annual accounts

Audit risk	Assurance procedure	Results and conclusions
<p><b>2. Risk of management override of controls</b></p> <p>International Auditing Standards require that audits are planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes the risk of fraud due to the management override of controls.</p>	<p>Detailed testing of journal entries.</p> <p>Review of accounting estimates.</p> <p>Focused testing of accruals and prepayments.</p> <p>Evaluation of significant transactions that are outside the normal course of business.</p>	<p><b>Results:</b> Journal adjustments were tested, and no indications of management override of controls were found.</p> <p>Judgements and estimations applied were tested to confirm they were appropriate and reasonable. No issues were highlighted with the judgements and estimates applied.</p> <p>We tested accruals and prepayments and confirmed that income and expenditure was properly accounted for in the financial year.</p> <p>We reviewed transactions during the year – no issues highlighted of significant transactions outside the normal course of business.</p> <p><b>Conclusion:</b> Other than issue 2 in <a href="#">exhibit 2</a>, no issues were identified from our work in response to this risk.</p>
<p><b>3. Risk for expenditure fraud</b></p> <p>Audit Scotland's Code of Audit Practice requires that auditors should plan to address the risk that the financial statements may be materially misstated as a result of fraud.</p>	<p>Payroll expenditure (2019/20 66% of expenditure) is well forecast and will be reconciled to the payroll system, the risk of material misstatement is not significant.</p> <p>We will focus on non-pay expenditure. We consider any risk to be particularly prevalent around the year end and therefore focus our testing on cut-off of non-pay expenditure using analytical procedures on expenditure streams as appropriate.</p>	<p><b>Results:</b> We obtained satisfactory explanations for any significant increases or decreases in expenditure.</p> <p>Satisfactory results were obtained from our testing of expenditure transactions. Our testing confirmed that expenditure was accounted for in the correct financial year.</p> <p><b>Conclusion:</b> No issues were identified from our work in response to this risk.</p>

Audit risk	Assurance procedure	Results and conclusions
<b>4. Estimation and judgments</b> <p>There is a significant degree of subjectivity in the measurement and valuation of the pension liability included in the balance sheet.</p> <p>The value of the pension liability is an estimate based on information provided by management and actuarial assumptions.</p>	<p>Assessment of the appropriateness of the actuarial assumptions.</p> <p>Focused testing of pension disclosures.</p>	<p><b>Results:</b> We assessed the reliability of the actuary and reviewed their work.</p> <p>Pension disclosures agreed in full to information from actuaries, or to financial records where applicable.</p> <p><b>Conclusion:</b> No issues were identified from our work in response to this risk.</p>

## Wider dimension risk

Audit risk	Assurance procedure	Results and conclusions
<b>5. Impact on performance</b> <p>There is a risk that there will be insufficient resources to meet the increased operational needs in relation to:</p> <ul style="list-style-type: none"> <li>the recommendations arising from the Barclay review of non-domestic rates.</li> <li>potential increased workload arising from the demands of the designated assessor responsibility in the valuation of electricity utilities.</li> <li>inability to attract suitably qualified staff.</li> </ul>	<p>Review of workforce plan.</p> <p>Ongoing discussions with key client staff.</p> <p>Review of budget monitoring reports during the year and comment on the financial position within the annual audit report.</p> <p>Review of performance indicators.</p>	<p><b>Results:</b> The Joint Board has developed a workforce plan covering 2020/21 – 2023/24</p> <p>As noted in <a href="#">paragraphs 60 – 62</a>, overall, the Joint Board's performance was not impacted by resourcing pressures. Although Covid-19 did affect performance relating to amendments to the valuation roll, this is considered an isolated issue.</p> <p>There was a budget underspend of £0.759 in employee costs for 2020/21 partly due to vacant posts for which recruitment is ongoing.</p> <p><b>Conclusion:</b> Although resource pressures remain, these did not negatively impact on the Joint Board's performance in 2020/21.</p>
<b>6. Scottish Parliamentary Elections</b> <p>Scottish Parliamentary Elections are scheduled for May 2021. A significant</p>	<p>Monitor Joint Board updates on preparation for the 2021 elections.</p> <p>Review budget monitoring reports to identify additional</p>	<p><b>Results:</b> There was a significant increase in postal vote applications. These were processed timeously.</p>

Audit risk	Assurance procedure	Results and conclusions
<p>increase in registration and postal vote applications is expected.</p> <p>There is a risk that this increased workload, associated costs and the current software restrictions will impact on the requirements of the 2021 elections.</p>	<p>costs associated with the elections.</p>	<p>Additional funding of £0.352 million was received from the Scottish Government to support the anticipated increase in postal vote applications. However, the uptake was not as anticipated and £0.277 million of this funding has been returned to South Lanarkshire Council to hold in reserves on the Board's behalf.</p> <p><b>Conclusion:</b> The Joint Board successfully dealt with the increased postal votes for the Scottish Parliamentary election that took place on 6 May 2021.</p>

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# Appendix 2. Summary of 2020/21 national performance reports

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## April

[Affordable housing](#)

## June

[Highlands and Islands Enterprise: Management of Cairngorm mountain and funicular railway](#)

[Local government in Scotland Overview 2020](#)

## July

[The National Fraud Initiative in Scotland 2018/19](#)

## January

[Digital progress in local government](#)

[Local government in Scotland: Financial overview 2019/20](#)

## February

[NHS in Scotland 2020](#)

## March

[Improving outcomes for young people through school education](#)

# Lanarkshire Valuation Joint Board

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# Report

Report to:	<b>Lanarkshire Valuation Joint Board</b>
Date of Meeting:	<b>6 September 2021</b>
Report by:	<b>Treasurer to Lanarkshire Valuation Joint Board</b>

Subject:	<b>Audited Accounts 2020/2021</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:

- ♦ advise members of the requirement to approve the Audited Accounts for 2020/2021 for signature, following the external audit of the Accounts

## 2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):

- (1) that it be noted that the Accounts 2020/2021 received a clean audit certificate (section 4.3.);
- (2) that the audited Accounts 2020/2021 (Appendix 1), be approved for signature; and
- (3) that it be noted that the audited Accounts 2020/2021 will be available on the Board's website (section 4.4).

## 3. Background

3.1. The Board's external auditor, Audit Scotland, is required to supply an audit certificate outlining the findings of the audit process undertaken in relation to the Accounts 2020/2021.

3.2. Following the publication of The Local Authority Accounts (Scotland) Regulations 2014, the members of the Board have to meet to consider whether to approve the audited Accounts for signature. Due to the ongoing impact of COVID-19, the Scottish Government has extended the deadline for approval from 30 September to 30 November 2021. The members are also required to have regard to any report made or advice provided on the Accounts by the auditor.

## 4. Audited Accounts

4.1. As noted in 3.2. above, members are now required to approve the audited Accounts for signature. Appendix 1 attached provides a copy of the Accounts for members' consideration.

- 4.2. As detailed in a previous report, the Board's current external auditors, Audit Scotland, have completed an audit which extends across the 2020/2021 Accounts and related matters.
- 4.3. In summary, the report provides a clean audit certificate. There were no issues arising from the 2020/2021 audit work which merited a recommendation or action plan point.
- 4.4. The audited Accounts for 2020/2021 will be uploaded to the Lanarkshire Valuation Joint Board website. Paper copies are also available on request from Finance Services, Floor 4, Council Offices, Almada Street, Hamilton or from the Assessor's office at David Dale House, Blantyre.

## **5. Employee Implications**

- 5.1. None

## **6. Financial Implications**

- 6.1. The financial details of the Auditor's report are contained within section 4 above.

## **7. Climate Change, Sustainability and Environmental Implications**

- 7.1. There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

## **8. Other Implications**

- 8.1. The main risk associated with the Board's Annual Report and Accounts is a qualified audit report. The risk was minimised by the detailed preparation in relation to the year end process and training undertaken by key finance staff. Finance and the Board's staff work together to achieve key deadlines and actions set from timetables. This has resulted in a clean audit certificate.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 9.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

**Paul Manning**  
**Treasurer**

17 August 2021

## **Previous References**

- ◆ Lanarkshire Valuation Joint Board Unaudited Annual Report and Accounts 2020/2021 (Board Meeting, 7 June 2021)

## **List of Background Papers**

- ◆ External Auditor's report

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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ANNUAL ACCOUNTS 2020/2021



## Contents

		<b>Content</b>
3		Membership of the Board
4 – 9		Management Commentary
10 - 11		Statement of Responsibilities
12 - 15		Annual Governance Statement
16 - 20		Remuneration Report
21		Expenditure and Funding Analysis
22		Comprehensive Income and Expenditure Statement
23		Balance Sheet
24 - 25		Movement in Reserves Statement
26 - 27		Cash Flow Statement
		<b>Notes to the Financial Statements</b>
28 - 30	Note 1	Accounting Policies
31	Note 2	Prior Period Adjustments
31	Note 3	Accounting Standards issued but not Adopted
31	Note 4	Critical Judgements in Applying Accounting Policies
32 - 33	Note 5	Notes to the Expenditure and Funding Analysis - Adjustments Between Funding and Accounting Basis
33	Note 6	Adjustments between Accounting Basis and Funding Basis Under Regulations
34	Note 7	Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty
34	Note 8	Events after the Balance Sheet date
34 - 35	Note 9	Contingent Liabilities
35	Note 10	Leases
35	Note 11	Property, Plant and Equipment – Movement on Balances
36	Note 12	Intangible Assets
36	Note 13	Short Term Debtors
36	Note 14	Short Term Creditors
37	Note 15	Related Party Transactions
38 - 41	Note 16	Defined Benefit Pension Schemes
41	Note 17	External Audit Costs
42	Note 18	Grant Income
42	Note 19	Balance Sheet Reserves
43	Note 20	Financing and Management of Liquid Resources
43	Note 21	Comprehensive Income and Expenditure Statement – financing and investment income and expenditure
43	Note 22	Going Concern
44 - 47		Audit Opinion

## Membership of the Board

Lanarkshire Valuation Joint Board (herein after referred to as 'the Board') is comprised of Elected Members from its two constituent local authorities. The serving Members of the Board during financial year 2020/2021 were as follows:

### South Lanarkshire Council

Councillor Lynsey Hamilton (Depute Convenor)  
Councillor Poppy Corbett  
Councillor Peter Craig  
Councillor Isobel Dorman  
Councillor Geri Gray  
Councillor Ann Le Blond  
Councillor Jim Wardhaugh  
Councillor Walter Brogan  
Councillor Margaret Walker  
(*substitute covering maternity leave*)

### North Lanarkshire Council

Councillor Alex McVey (Convenor)  
Councillor Caroline Stephen  
Councillor Bob Burgess  
Councillor Tom Castles  
Councillor Lynne Anderson  
Councillor Jim Reddin  
Councillor William Shields  
Councillor Annette Valentine

## Chief Officers

Assessor and Electoral Registration Officer: Gary Bennett BSc MSc AEA (Cert-Scotland)  
MRICS IRRV (Hons)

The following appointed office bearers of the Board are employed on a substantive basis by South Lanarkshire Council:

Clerk:

Cleland Sneddon (Chief Executive of South Lanarkshire Council)

Treasurer:

Paul Manning (Executive Director of Finance and Corporate Resources, South Lanarkshire Council)

## **Management Commentary 2020/21**

The management commentary provides an overview of the key messages in relation to the objectives and strategy of Lanarkshire Valuation Joint Board (the Board) and its financial performance for the year ended 31 March 2021. It also provides an indication of the issues and risks that may impact upon the Board's finances in the future.

The Board was established by the Valuation Joint Boards (Scotland) Order 1995 and came into existence on 1 April 1996. It provides a range of valuation and electoral registration services to and on behalf of South Lanarkshire Council and North Lanarkshire Council (the constituent authorities), working in partnership with other Valuation Joint Boards and professional bodies throughout Scotland.

### **Core Purpose, Vision, Service Function and Core Objectives**

The Board's Service Plan was approved at the Board meeting in March 2019 and covers the period April 2019 through to March 2022. The Plan incorporates the Board's Vision statement, which is "to deliver quality in the work which we undertake, provide efficient services to all service users, and ensure completeness and accuracy of the Electoral Registers, Valuation Rolls and the Valuation (Council Tax) Lists".

- The Plan sets out the key business areas identified for Lanarkshire Valuation Joint Board over the three-year period, with a view to ensuring that LVJB's services are delivered as effectively and efficiently as possible to service users.

Where deemed appropriate, each key business area is supported by a series of priorities and measurable key actions, against which performance is regularly reported to the Board.

### **Review of Performance**

The Board's performance against key performance indicator (KPI) targets during 2020/21, was as follows:

- Of 2,116 new Council Tax entries added, 93% were completed within 3 months of the effective date against a target of 87%. 98% were completed within 6 months against a target of 92%.
- Of 561 alterations to the non-domestic valuation roll, 38% were completed within 3 months of the effective date against a target of 77%. 66% were completed within 6 months against a target of 92%. The three monthly and six monthly targets were not met. This is as a result of the pandemic, and in particular the valuation roll changes which resulted from the grants scheme introduced by central government which required an entry in the valuation roll before a grant payment could be made.

With regards to electoral registration, within the period 2020/2021, in addition to two by-elections held in North Lanarkshire, the principal activities centred on maintaining the completeness and accuracy of the registers. Early 2021 involved significant preparatory work for the Scottish Parliament Election, held on 6 May 2021, including dealing with the significant increase in postal voting applications received as a result of the pandemic.

The annual canvass of electors 2020 was subject to major reform with introduction of The Representation of the People (Annual Canvass) (Miscellaneous Amendments) (Scotland) Regulations 2020. Under the reformed canvass, data matching was used at the outset of the

canvass to help identify those properties where the residents are more likely to have changed. All EROs in Great Britain were required to match specified data they hold on registered electors against the Department for Work and Pensions' Customer Information System (DWP CIS) dataset. This dataset is already used in the electoral registration process to verify an applicant's identity.

Due to the lockdown restrictions and social distancing rules during the pandemic, the household visit element of the 2020 canvass was not able to go proceed, however the canvass reforms allowed for e-communications which included telephone and email contact. The canvass was concluded successfully and the registers were published on 1 December 2020.

More information on the Board's performance during 2020/2021 can be found on the Board's website at [www.lanarkshire-vjb.gov.uk](http://www.lanarkshire-vjb.gov.uk)

## **Financial Performance**

### **Revenue**

The Comprehensive Income and Expenditure Statement on page 22 summarises the total costs of providing services and the income available to fund those services. The Board set a net operating expenditure budget for 2020/2021 of £4.283m to be funded by requisitions from the two constituent local authorities and the Cabinet Office. The budget was based on experience of expenditure and income levels during previous years and included a planned contribution from the Board's reserves of £0.175m. During the year, this budget was revised to include additional funding received from the Scottish Government (Electoral Registration, Postal Votes, Household Notification and Barclay Review), reduced funding from the Cabinet Office and an increase from Reserves to cover the costs of the office relocation. This gives a final budget of £5.033m.

In comparison to this revised 2020/2021 budget, the Board returned a surplus of income over expenditure of £0.180m which, compared with the budgeted deficit of £0.370m, resulted in £0.550m of an improvement in the Board's position. This surplus excludes the accounting adjustments relating to pensions and short-term accumulating absences.

The Table overleaf compares the revised budget of the Board at the 31 March 2021. The difference between the net expenditure figure overleaf and that reported in the Comprehensive Income and Expenditure Statement is due to the accounting adjustments, which are analysed in the Expenditure and Funding Analysis on page 21.

## Lanarkshire Valuation Joint Board Revenue Budget 2020/2021

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
	£000	£000	£000
Employee Costs	3,470	2,711	759
Property Costs	384	381	3
Supplies and Services	87	122	(35)
Transport and Plant	0	0	0
Administration Costs	871	848	23
Payments to Other Bodies	33	28	5
Financing Charges	195	202	(7)
<b>Total Expenditure</b>	<b>5,040</b>	<b>4,292</b>	<b>748</b>
Income	(7)	(18)	11
<b>Net Expenditure</b>	<b>5,033</b>	<b>4,274</b>	<b>759</b>
<b>Funded by:</b>			
Requisition Income	(4,612)	(4,403)	(209)
Government Funding (Cabinet Office and Scottish Government Grant)	(51)	(51)	0
<b>Total</b>	<b>(4,663)</b>	<b>(4,454)</b>	<b>(209)</b>
<b>(Surplus) / Deficit for the Financial Year</b>	<b>370</b>	<b>(180)</b>	<b>550</b>

The main underspend was in respect of employee costs. This reflects a combination of the turnover of staff and the current level of spend in relation to the implementation of the Barclay recommendations. Recruitment is ongoing for posts made vacant through staff turnover, and posts required to undertake the workload associated with the Barclay Review.

### Balance Sheet

The Board's Balance Sheet as at 31 March 2021 reported net liabilities of £1.017m compared with net liabilities of £0.205m as at 31 March 2020, a movement of £0.812m during the year. This is mainly due to a £1.082m increase in the Board's pension fund liability which is calculated by independent actuaries as part of the Strathclyde Pension Fund.

Adding the surplus on the Balance Sheet as at 31 March 2021 (£0.180m) to the Board's General Reserve carried forward from 2019/2020 (£0.947m), gives the Board a closing General Reserve position of £1.127m at the end of 2020/21. This is shown in the Expenditure and Funding Analysis on page 21 and the Movement in Reserves Statement on page 24.

### Pension Fund

The disclosure requirements for pension benefits under International Accounting Standard 19 are detailed at Note 14. The appointed actuary assessed the Board's share of Strathclyde Pension Fund as a net liability of £2.200m as at 31 March 2021, compared with a net liability of £1.118m as at 31 March 2020. Changes in the assumptions used by the actuary when calculating the liability, including financial and demographic assumptions, resulted in a reduction in the liability, however these were partially offset by service costs and a negative return on assets. The net effect was an increase to the overall pension liability. The Pension Liability shown is the result of the accounting legislation and standards and reflects the cost to the Board if all staff retired as at 31 March 2021.

Whilst indicative of a broad position in terms of a pension liability, the reader should be aware of a range of factors, inherent in the figure, before drawing conclusions on such a significant number in the Board's Financial Statements. The Board is meeting pension contributions on an annual basis. Note 14: Defined Benefit Pension Schemes on page 36 provides more details on pensions including the factors affecting the pension liability such as assumptions about mortality, salary inflation, pension inflation and discount rates.

The Board's actuary has confirmed that the IAS19 Balance Sheet is based on financial market values and future market expectation indicators as at 31 March 2021 to comply with the standard. The financial markets at the accounting date will have taken into account COVID19 risks as one of many national and worldwide economic considerations.

### **Provisions, contingencies and write-offs**

The Board is not aware of any eventualities which may have a material effect on its financial position and has therefore made no provision for such eventualities. Contingent assets and liabilities are disclosed as a note to the financial statements. No debts were written off during the financial year.

### **Service changes and future developments.**

The Board approved LVJB's Service Plan at its meeting of March 2019. An update on the service plan is provided annually to the Board. Future developments are anticipated in the following service areas:

### **Electoral registration**

Following the Scottish Parliament Election, preparatory work will again commence for the annual canvass of electors. It is unclear whether the door to door element of the canvass will be undertaken given the on-going uncertainties with the pandemic. Principal work in connection with electoral registration will continue to centre on maintaining the electoral registers. It is also expected that a number of by-elections will take place within the period 2021/22.

### **Valuation**

Preparatory work associated with implementing the Non-Domestic Rates (Scotland) Act 2020, which came into force on 11 March 2020, will continue into the period 2021/22. The disposal of outstanding appeals, both the remaining 2017 non domestic revaluation appeals and the voluminous levels of appeals received as a result of the coronavirus pandemic, will require significant resource allocation, particularly if statutory disposal timescales (31 December 2021 for 2017 revaluation appeals and running roll appeals received before 31 March 2020) are not revised. The Scottish Assessors Association remain in dialogue with ratepayers' representatives and the Scottish Government in this regard.

The impact of the coronavirus on the ability to undertake site visits will continue to present particular challenges in respect of making changes to the valuation roll and valuation list. New working practices have been introduced, such as encouraging the provision of digital photographs, to reduce the requirement to carry out site visits. This has worked particularly well in respect of making changes to the valuation list for council tax, whereby targets were met in respect of adding new dwellings to the list.

### **Financial Outlook**

Most economic commentators forecast that pressures on public finances will continue for the foreseeable future. The Board recognises the impact of this difficult financial

climate on its constituent authorities and as a consequence it continues to seek to generate efficiencies where possible. A three-year Financial Budget Strategy for 2020/21 to 2021/22 was approved by the Board at its meeting in March 2018. An extension to the Strategy was approved by the Board in June 2019 to include the years to 2023/24. The Financial Strategy assists in managing a number of key risks which directly impact on the funding available to deliver the Board's objectives. It also identifies a future strategy in respect of financial reserves. The Board's Strategy is revised annually with consideration given to any changes in the financial horizon, which will be presented to the Board.

Consequently, the Assessor and Electoral Registration Officer will look to continue to implement efficiency savings in future, although with a significant number of statutory duties to be met, the continual reduction of resources could have an adverse impact on performance and service delivery.

### **Risks and Uncertainties**

The Board noted the Risk Register Update 2021 at its meeting in March 2021. The main risks highlighted are: the inability to deal with the increase in non-domestic appeals activity; failure to deliver electoral registers and data exports in time for elections; the inability to process registration applications due to voluminous levels received in the run up to an election; and the inability to process voluminous postal vote applications in connection with, in particular, the Scottish Parliamentary election scheduled for May 2021. All risks are monitored by the senior management team of the Board and reported to the Board on an annual basis.

### **Coronavirus Pandemic**

Like all organisations, LVJB's operations were materially affected by the pandemic. The sudden closure of our offices with the requirement to work from home posed significant challenges in ensuring that statutory undertakings could be carried out. The securement of laptop computers for all staff early in the financial year 2020/21 ensured that a level of service continued to be provided across all three main business areas. The roll out of remote telephone technology prior to the annual canvass of electors was key in maintaining service throughout the canvass process. The main impact on LVJB's operations of the pandemic were, and continue to be, the ability to carry out site visits for council tax, non-domestic changes, and electoral matters. A variety of new working practices have been introduced to deal with business whilst such site visits remain suspended. LVJB's staff have embraced such new working practices and have to be commended on their flexibility and commitment during a very challenging period.

## **Conclusion**

Given the challenges which all organisations have faced as a result of the coronavirus pandemic, operational performance, in the circumstances, continued to remain positive for the period 2020/21. Sound financial management and medium term planning has enabled the Board to successfully manage the financial challenges faced during financial year 2020/21. However, there remain a number of challenges going forward, not least the challenges posed by the worldwide coronavirus pandemic, and in particular its effect on being able to carry out site visits and the door to door visits normally undertaken each year as part of the annual canvass of electors.

We wish to acknowledge the significant efforts of all staff in contributing to the Board's operational performance, of budget managers and support staff whose financial stewardship contributed to the Board's financial position at 31 March 2021, and to everyone involved in the preparation of the Annual Accounts.

**Paul Manning**  
Treasurer

**Gary Bennett**  
Assessor and ER Officer

**Councillor Alex McVey**  
Convenor

## **Statement of Responsibilities**

This statement sets out the respective responsibilities of the Board and the Treasurer for the Annual Accounts.

### **The Board's Responsibilities**

The Board is required to:

- make arrangements for the proper administration of its financial affairs, and to ensure that one of its officers has responsibility for the administration of those affairs. For the Board, that officer is the Executive Director of Finance and Corporate Resources for South Lanarkshire Council, designated as the Treasurer of the Board;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014) and is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003); and
- approve the Annual Accounts for signature

I confirm that these Annual Accounts were approved for signature by the Board at its meeting on 6 September 2021.

**Councillor Alex McVey**  
**Convenor of Lanarkshire Valuation Joint Board**  
**6 September 2021**

## **The Treasurer's Responsibilities**

The Treasurer is responsible for the preparation of the Board's Annual Accounts which, in terms of the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom is required to present a true and fair view of the financial position of the Board at the accounting date, and its comprehensive income and expenditure for the financial year then ended.

In preparing the Annual Accounts, the Treasurer has:

- Selected suitable accounting policies, and applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with legislation; and
- Complied with the Code of Practice on Local Authority Accounting in the United Kingdom.

The Treasurer has also:

- Kept proper accounting records which were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the Board at 31 March 2021, and its income and expenditure for the year ended 31 March 2021.

**Paul Manning**  
**Treasurer of Lanarkshire Valuation Joint Board**  
**6 September 2021**

## **Annual Governance Statement**

This statement sets out the framework within which the Board has proper arrangements for the governance of the Board's affairs, thereby facilitating the effective exercise of its functions, ensuring that appropriate arrangements are in place for the management of risk and appropriate systems of internal control are in place. While the Board's governance arrangements have not been consolidated in a formal Code of Corporate Governance, the Annual Governance Statement has been prepared within the context of the Board's governance framework, and meets legislative requirements to include the Annual Governance Statement with the Annual Accounts. A consolidated Code of Corporate Governance was approved at the Board meeting of 4 March 2019.

### **Scope of Responsibility**

In delivering its aims and objectives, the Board is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Board also has a statutory duty to make arrangements to secure best value under the Local Government in Scotland Act 2003. In discharging this responsibility, the Board's elected members and senior officers are responsible for putting in place proper arrangements for its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

### **Governance Framework**

The Board operates a system of internal control designed to manage risk to a reasonable level. Internal controls cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Board's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The main features of our governance arrangements are:

- Clearly defined Standing Orders, Scheme of Delegation and Financial Regulations and Tender Procedures;
- Comprehensive business planning arrangements, setting key targets and action plans designed to achieve our corporate objectives;
- Arrangements to manage risk, including a risk management strategy and Corporate Risk Register and business continuity plans;
- Clear customer complaints procedures;
- Policies to regulate employee related matters, including the Employee Code of Conduct and Disciplinary Procedures; and
- Regular public performance monitoring

As part of the overall control arrangements, the system of internal control is designed to ensure that assets are safeguarded, transactions are authorised and properly recorded and material errors are detected and corrected. This system is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management and supervision, and a system of delegation and accountability.

Development and maintenance of the system is undertaken by managers within the Board. In particular, the system includes:

- Financial management supported by Financial Regulations;
- Detailed budgeting systems;
- Regular reviews of periodic and annual financial reports which indicate financial performance against forecasts;
- Setting targets to measure performance, including financial performance;
- The preparation of regular financial reports that compare actual expenditure and income against forecasts.

South Lanarkshire Council is the administering authority. All financial transactions of the Board are processed through the financial systems of the Council and are subject to the same controls and scrutiny as those of the Council. This includes regular reviews by the Council's Internal Audit Manager.

### **CIPFA Financial Management Code**

The Chartered Institute of Finance and Public Accountancy (CIPFA) has introduced a Financial Management Code (the FM Code). The FM Code provides "guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the code, authorities will be able to demonstrate their financial sustainability". A key goal of the FM Code is to improve the financial resilience of organisations by embedding enhanced standards of financial management.

The Board has reviewed the principles of the FM Code as part of its internal governance regime. A self-assessment was carried out during the shadow implementation year (2020/2021) which identified that the Board where appropriate had fully embedded all but 1 of the principles of the Code in its normal business by the end of that year. For the remaining principle which is not fully embedded, an action plan has been developed, to ensure full compliance by the end of the first full year of implementation (2021/2022). The action plan is summarised in the bullets below and will be complete by end March 2022.

- A statement re the adequacy of reserves will be included in the 2022/2023 budget strategy paper

### **Review of Effectiveness**

The Board purchases an internal audit service from South Lanarkshire Council, through a Service Level Agreement. The role of Internal Audit is to provide an independent audit opinion on the adequacy and effectiveness of the Board's governance, risk management and internal control systems based on audit work undertaken in the year.

The internal audit service provided to the Board operates in accordance with the Public Sector Internal Audit Standards (revised 2017). A rolling programme of audits are undertaken on an annual basis targeted at the areas of greatest risk.

The Internal Audit Manager provides an annual report to the Board and an audit opinion on the adequacy and effectiveness of the Board's governance, risk management and internal control systems based on audit work undertaken in the year. The annual report for 2020/2021 was presented to the Board on 7 June 2021. The Internal Audit Manager's annual assurance statement concluded that a reasonable level of assurance can be placed on the adequacy and effectiveness of the Board's framework of governance, risk management and control arrangements for the year ended 31 March 2021.

## **Statement on the Role of the Chief Financial Officer**

CIPFA published the statement on the role of the Chief Financial Officer in 2010 and under the Code, the Board is required to state whether it complies with the statement, and if not, to explain how their governance arrangements deliver the same impact.

The Board's financial management arrangements comply with the principles set out in CIPFA's statement on the Role of the Chief Financial Officer.

## **Continuous Improvement**

As part of the annual audit review, recommendations are provided which not only assist management to improve their control environment, but also provide an assessment of the adequacy of existing systems and procedures, including highlighting any necessary improvements to maintain and improve the Board's governance arrangements going forward. The external auditor's [Annual Audit report](#) did not identify any Governance actions for implementation during 2020/2021.

## **Coronavirus Pandemic**

LVJB's Business Continuity/Emergency Planning (BC/EP) team have met frequently during the Coronavirus pandemic which affected the Board during 2020/21. The BC/EP meetings focused on, amongst other things, the welfare of staff, and continued homeworking in order that statutory undertakings could continue to be carried out where possible. Arrangements were put in place to deal with all correspondence, both electronic and by post, and for LVJB staff to have access to IT systems. A variety of new working practices have been introduced to deal with business whilst site visits for council tax, non-domestic changes and electoral matters are suspended.

Accordingly, the arrangements allowed for the following;

- The electoral registers to be maintained and monthly updates produced as normal. Invitation to Register forms to be issued as appropriate, although there is a current halt on any door to door visits.
- The Valuation List for Council Tax to be maintained, including any band increases as a result of dwellings being materially altered and then subsequently sold where information exists which allows such changes to be made without the need to undertake site visits. Proposals and appeals continue to be dealt with where possible.
- The Valuation Roll for non domestic rating to be maintained, however activity in this area is minimal. Appeals continue to be dealt with where possible. Staff are dealing with an upsurge in correspondence in relation to Valuation Roll entries, in particular in respect of the new grant legislation put in place by the government. Additionally, approximately 7,750 appeals have been received against valuation roll entries as a result of the pandemic.

## **Assurance**

In conclusion, there were no significant weaknesses identified in the Annual Audit Report relating to improvements requiring action in 2020/2021. Systems are in place to continually review and improve the control environment and governance arrangements operated by the Board.

The effectiveness of governance is dependent on the actions of officers of the Board and by the work of Internal and External audit. It is the Board's view that the governance arrangements were effective during financial year 2020/2021.

**Gary Bennett**  
**Assessor and Electoral Registration Officer**  
**Lanarkshire Valuation Joint Board**  
**6 September 2021**

**Councillor Alex McVey**  
**Convenor of Lanarkshire Valuation Joint Board**  
**6 September 2021**

## **Remuneration Report**

The remuneration report provides details of the Board's remuneration policy for senior Board members and senior employees.

### **Introduction**

The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Regulations 1985 (as amended by the Local Authority Accounts (Scotland) Regulations 2014). These Regulations require various disclosures about the remuneration and pension benefits of senior Board members and senior employees.

All information disclosed in tables 1 – 3 and 5 and 6 in this Remuneration Report and details of exit packages have been audited by Audit Scotland. The other sections of the Remuneration Report have been reviewed by Audit Scotland to ensure that they are consistent with the financial statements.

### **Senior Employees**

The remuneration of senior employees is set by reference to national arrangements. The Scottish Joint Negotiating Committee (SJNC) for Local Authority Services sets the salaries for the Chief Officers of Scottish local authorities. Circular CO/150 sets the amount of salary for Chief Officers for the period 1 April 2018 to 31 March 2021.

### **Senior Councillors**

The Convenor and Depute Convenor of the Lanarkshire Valuation Joint Board are remunerated by the Council of which they are a council member, as shown in Table 3.

The remuneration of councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (SSI No. 2007/183) as amended most recently by the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2020 (SSI 2020/26). The Regulations provide for the grading of Councillors for the purposes of remuneration arrangements, as either the Leader of the Council, the Provost, Senior Councillors or Councillors. These regulations also set out the amounts a councillor may be paid for being a Convenor or Depute Convenor of a Joint Board. This is inclusive of any amount payable to them as either a Councillor or Senior Councillor.

The Board has an arrangement with each Council who remunerates the Convenor and Depute Convenor/s to reimburse the Council for the additional costs of that councillor arising from them being a Convenor or Depute Convenor of the Board. The disclosures made in this report are limited to the amounts paid to the Council by the Board for remuneration and does not reflect the full value of the remuneration that may be paid to the councillor.

### **Trade Unions (Facility Time Publication Requirements) Regulations 2017**

In addition to the regulations governing senior employees and councillors, the Trade Union (Facility Time Publication Requirements) Regulations 2017, which applied from 1 April 2017, require public sector employers to collect and publish a range of information on trade union facility time in respect of their employees who are Trade Union Representatives. This information is available on the Board's website.

There are no employees within the Board who are Trade Union Representatives, as noted on the Board's website.

### General Pay Bands for Senior Employees

The number of officers who received remuneration (excluding pension contributions) in excess of £50,000 for the financial year is shown in Table 1 below:

**Table 1 - General Pay Band Disclosure for Senior Employees**

Annual Remuneration	Number of Employees	Number of Employees
£	2020/21	2019/20
50,000 – 54,999	2	2
55,000 – 59,999	0	0
60,000 – 64,999	2	2
65,000 – 69,999	0	1
70,000 – 74,999	2	1
75,000 – 114,999 (Note 1)	0	0
115,000 – 119,999	1	1

Note 1: These are merged pay bands covering more than £5,000 due to the fact that no employees fell into these bands in either financial year.

### Disclosure of Remuneration

Table 2 and 3 below provides details of the remuneration paid to the Board's senior employees, Convenor and Depute Convenor. Comparative figures for 2019/2020 have been shown.

**Table 2 – Senior Employees**

Name / Post	Salary / Fees	Taxable Expenses	Compensation for Loss of Office	Any other Remuneration	2020/21 Total	2019/20 Total
<b>G Bennett</b> Assessor and Electoral Registration Officer	£118,976	£60	-	-	£119,036	£115,128
<b>J Neason</b> Assistant Assessor and Electoral Registration Officer	£72,449	-	-	-	£72,449	£70,247
<b>R Pacitti</b> Assistant Assessor and Electoral Registration Officer	£72,449	-	-	-	£72,449	£68,384
<b>Total</b>	<b>£263,874</b>	<b>£60</b>	<b>-</b>	<b>-</b>	<b>£263,934</b>	<b>£253,759</b>

The senior employees included in Table 2 include any Board employee:

- Who has responsibility for management of the Board to the extent that the person has power to direct or control the major activities of the Board (including activities involving the expenditure of money), during the year to which the report relates, whether solely or collectively with other persons;
- Who holds a post that is politically restricted by reason of section 2(1) (a), (b) or (c) of the Local Government and Housing Act 1989; or
- Whose annual remuneration, including remuneration from a local authority subsidiary body, is £150,000 or more.

**Table 3 – Convenors and Depute-Convenors**

<b>Name / Post</b>	<b>Salary / Fees</b>	<b>Taxable Expenses</b>	<b>Compensation for Loss of Office</b>	<b>Any other Remuneration</b>	<b>2020/21 Total</b>	<b>2019/20 Total</b>
<b>A McVey</b> Convenor	£4,468	-	-	-	£4,468	£4,188
<b>L Hamilton</b> Depute Convenor	£3,796	-	-	-	£3,796	£3,267
<b>Total</b>	<b>£8,264</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>£8,264</b>	<b>£7,455</b>

**Pension Rights**

Pension benefits for councillors and Lanarkshire Valuation Joint Board (LVJB) employees are provided through the Local Government Pension Scheme (LGPS).

LVJB employees had a final salary pension scheme prior to 1 April 2015. This means that pension benefits are based on the final year's pay and the number of years that person has been a member of the scheme. As of 1 April 2015, LVJB employees are now part of a defined benefit pension scheme worked out on a career average basis. Benefits built up are calculated using pensionable pay each scheme year, rather than final salary. All benefits built up prior to this date are protected.

From 1 April 2009, a five-tier contribution system was introduced with contributions from scheme members based on how much pay falls into each tier. This is designed to give more equality between the costs and benefits of scheme membership. Under The Local Government Pension Scheme (Scotland) Regulations 2014, the earnings ranges used to determine annual contribution rates are to be increased each year by any increase applied to pensions under the Pensions (Increase) Act 1971. In accordance with this the salary bands for 2019/2020 were uprated by the Consumer Price Index (CPI) increase for 2020/2021.

The member contribution rates and tiers for 2020/2021 are shown overleaf along with those that applied in 2019/2020:

**Table 4 – Pension Contribution Rates**

<b>Pensionable Pay</b>	<b>Contribution rate 2020/21</b>	<b>Pensionable Pay</b>	<b>Contribution Rate 2019/20</b>
On earnings up to an including £22,200	5.50%	On earnings up to an including £21,800	5.50%
On earnings above £22,200 and up to £27,100	7.25%	On earnings above £21,800 and up to £26,700	7.25%
On earnings above £27,100 and up to £37,200	8.50%	On earnings above £26,700 and up to £36,600	8.50%
On earnings above £37,200 and up to £49,600	9.50%	On earnings above £36,600 and up to £48,800	9.50%
On earnings above £49,600	12.0%	On earnings above £48,800	12.0%

From April 2015, if a person works part-time their contribution is based on their part-time pay. Prior to this, if a person worked part-time, their contribution rate was worked out on the whole-time pay rate for the job, with actual contributions paid on actual pay earned.

There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004.

From 1 April 2015, benefits are calculated on the basis of a revalued annual pension built up of 1/49<sup>th</sup> of pensionable pay each year, plus inflation to keep up with the cost of living. Prior to this date, the accrual rate guaranteed a pension based on 1/60<sup>th</sup> of final pensionable salary and years of pensionable service and prior to 2009 the accrual rate guaranteed a pension based on 1/80<sup>th</sup> and a lump sum based on 3/80<sup>th</sup> of final pensionable salary and years of pensionable service.

The value of the benefits has been calculated without exercising any option to commute pension entitlement into a lump sum and without any adjustment for the effects of future inflation.

In those cases where members have transferred pension entitlements from previous employments, the pension figures shown relate to the benefits that the person has accrued as a consequence of their total local government service, and not just their current appointment. It also reflects both employer and employee contributions.

The Pension entitlement of Senior Employees for the year to 31 March 2021 are shown in the table overleaf, together with the contribution made by the Board to each senior employees' pension during the year. The accrued pension benefit reflects both the employer and employee contributions.

**Table 5 – Pension Benefits: Senior Employees**

<b>Name / Post</b>		<b>Accrued Pension Benefits March 2021</b>	<b>Movement in accrued pension benefits since 31 March 2020</b>	<b>Pension Contribution made by Board 2020/21</b>	<b>Pension Contribution made by Board 2019/20</b>
<b>G Bennett</b> Assessor and Electoral Registration Officer	Pension Lump Sum	£62,541 £108,649	£4,031 £3,165	£22,962	£22,220
<b>J Neason</b> Assistant Assessor and Electoral Registration Officer	Pension Lump Sum	£40,199 £72,811	£2,515 £2,128	£13,983	£13,528
<b>R Pacitti</b> Assistant Assessor and Electoral Registration Officer	Pension Lump Sum	£36,149 £65,829	£3,254 £3,797	£13,983	£13,127
<b>Total</b>				<b>£50,928</b>	<b>£48,875</b>

**Table 6 – Pension Benefits: Convenors and Depute Convenors**

<b>Name / Post</b>	<b>Pension Contribution made by Board 2020/21</b>	<b>Pension Contribution made by Board 2019/20</b>
<b>L Hamilton</b> Depute Convenor	£644	£630

**Exit Packages**

There were no exit packages agreed or paid for financial years 2020/2021 or 2019/2020.

**Gary Bennett**  
**Assessor and ER Officer**  
**6 September 2021**

**Councillor Alex McVey**  
**Convenor**  
**6 September 2021**

## Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows the expenditure and income figures reported to Lanarkshire Valuation Joint Board and, through a single adjustments column, reconciles it to the accounting figures presented in the Comprehensive Income and Expenditure Statement.

### Expenditure and Funding Analysis 2020/2021

	2019/2020				2020/2021	
Net Exp. Chargeable to GF	Adjustment between Funding and Accounting Basis (note 5)	Net Exp. in CIES		Net Exp. Chargeable to GF	Adjustment between Funding and Accounting Basis (note 5)	Net Exp. in CIES
Column 1	Column 2	Column 3		Column 5	Column 6	Column 7
£000	£000	£000		£000	£000	£000
2,639	236	2,875	Employee Costs	2,711	400	3,111
323		323	Property Costs	381		381
172		172	Supplies and Services	122		122
1		1	Transport and Plant	0		0
807	17	824	Administration Costs	848	16	864
32		32	Payments to Other Bodies	28		28
11	2	13	Financing Charges	202	(175)	27
<b>3,985</b>	<b>255</b>	<b>4,240</b>	<b>Total Expenditure</b>	<b>4,292</b>	<b>241</b>	<b>4,533</b>
(4,508)	-	(4,508)	Income	(4,472)	-	(4,472)
<b>(523)</b>	<b>255</b>	<b>(268)</b>	<b>Net Cost of Services</b>	<b>(180)</b>	<b>241</b>	<b>61</b>
-	87	87	Financing and Investment Income and Expenditure	0	30	30
<b>(523)</b>	<b>342</b>	<b>(181)</b>	<b>(Surplus) or Deficit</b>	<b>(180)</b>	<b>271</b>	<b>91</b>

2019/20		2020/21
General Fund		General Fund
£000		£000
(424)	Opening General Fund Balance	(947)
(523)	(Less)/plus (Surplus) or Deficit on General Fund (per column 1 and 5 of EFA)	(180)
-	Transfers To/From Reserves	-
<b>(947)</b>	<b>Closing General Fund Balance</b>	<b>(1,127)</b>

## Comprehensive Income and Expenditure Statement for the year ended 31 March 2021

This statement shows income generated by the Board during the year and how it was spent on services and financing costs.

2019/20		2020/21	Note
Actual		Actual	
£000		£000	
2,875	Employee Costs	3,111	
323	Property Costs	381	
172	Supplies and Services	122	
1	Transport and Plant	0	
824	Administration Costs	864	
32	Payments to Other Bodies	28	
13	Financing Charges	27	
<b>4,240</b>	<b>Total Expenditure</b>	<b>4,533</b>	
(4,508)	Income	(4,472)	
(268)	<b>Net Cost of Services</b>	<b>61</b>	
87	Financing and Investment Income and Expenditure	30	
(181)	<b>Deficit on the Provision of Services</b>	<b>91</b>	
(2,629)	Re-measurement of the Net Defined Benefit Asset/Liability	721	14
(2,629)	<b>Other Comprehensive Income and Expenditure</b>	<b>721</b>	
(2,810)	<b>Total Comprehensive Income and Expenditure</b>	<b>812</b>	

## Balance Sheet as at 31 March 2021

This statement shows the resources of the Board and means by which they were financed. It shows the values as at the Balance Sheet date of the assets and liabilities recognised by the Board.

31 March 2020			31 March 2021	Note
£000			£000	
	<b>Non-Current Assets:</b>			
0	Property, Plant and Equipment		177	11
2	Intangible Assets		0	12
	<b>Total Non-Current Assets</b>		<b>177</b>	
	<b>Current Assets:</b>			
37	Short Term Debtors	58		13
1,005	Cash and Cash Equivalents	1,427		
<b>1,042</b>			<b>1,485</b>	
	<b>Current Liabilities:</b>			
(131)	Short Term Creditors	(479)		14
(131)	Total Current Liabilities		(479)	
<b>913</b>	<b>Total Assets less Current Liabilities</b>		<b>1,183</b>	
	<b>Long Term Liabilities</b>			
(1,118)	Pension Liability		(2,200)	16
<b>(205)</b>	<b>Total Assets less Liabilities</b>		<b>(1,017)</b>	
	<b>Financed By:</b>			
	<b>Unusable Reserves</b>			
(1,118)	Pension Reserve		(2,200)	19
(36)	Accumulating Compensated Absences Reserve		(121)	19
2	Capital Adjustment Account		177	19
	<b>Usable Reserves</b>			
947	General Fund Reserve		1,127	19
<b>(205)</b>			<b>(1,017)</b>	

The notes on pages 28 to 43 form part of the financial statements.

The unaudited accounts were approved for issue by the Board on 7 June 2021, and the audited accounts were authorised for issue on 6 September 2021. The audited accounts are signed on behalf of the Board by:

**Paul Manning**  
**Treasurer of Lanarkshire Valuation Joint Board**  
**6 September 2021**

## Movement in Reserves Statement for the year ended 31 March 2021

This statement shows the movement in the year on the different reserves held by the Board, analysed into usable reserves and unusable reserves. The deficit on the provision of services shows the true economic cost of providing the Board's services, which is fully analysed in the Comprehensive Income and Expenditure Statement on page 22. This cost excludes other statutory charges to the General Fund balance. The net increase / (decrease) before transfers to / from other statutory reserves shows the statutory General Fund balance before any discretionary transfers to or from the other statutory reserves of the Board.

	General Fund Balance	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000
<b>Balance at 31 March 2020</b>	<b>947</b>	<b>947</b>	<b>(1,152)</b>	<b>(205)</b>
<b>Movement in Reserves during 2020/2021</b>				
Surplus on the provision of services	(91)	(91)		(91)
Other comprehensive income and expenditure			(721)	(721)
<b>Total comprehensive income and expenditure</b>	<b>(91)</b>	<b>(91)</b>	<b>(721)</b>	<b>(812)</b>
Adjustments between accounting basis and funding basis (note 5)	271	271	(271)	
Net increase before transfers to / from other statutory reserves	180	180	(992)	(812)
Transfers to / from other statutory reserves				
<b>Increase / (Decrease) in 2020/2021</b>	<b>180</b>	<b>180</b>	<b>(992)</b>	<b>(812)</b>
<b>Balance as at 31 March 2021</b>	<b>1,127</b>	<b>1,127</b>	<b>(2,144)</b>	<b>(1,017)</b>

# **Movement in Reserves Statement for the year ended 31 March 2020**

	General Fund Balance	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000
<b>Balance at 31 March 2019</b>	<b>424</b>	<b>424</b>	<b>(3,439)</b>	<b>(3,015)</b>
<b>Movement in Reserves during 2019/2020</b>				
Deficit on the provision of services	181	181	-	181
Other comprehensive income and expenditure	-	-	2,629	2,629
<b>Total comprehensive income and expenditure</b>	<b>181</b>	<b>181</b>	<b>2,629</b>	<b>2,810</b>
Adjustments between accounting basis and funding basis (note 5)	342	342	(342)	-
Net increase before transfers to / from other statutory reserves	523	523	2,287	2,810
Transfers to / from other statutory reserves	-	-	-	-
<b>Increase / (Decrease) in 2019/2020</b>	<b>523</b>	<b>523</b>	<b>2,287</b>	<b>2,810</b>
<b>Balance as at 31 March 2020</b>	<b>947</b>	<b>947</b>	<b>(1,152)</b>	<b>(205)</b>

## Cash Flow Statement

This statement shows the changes in cash and cash equivalents of the Board during the year. The statement shows how the Board generates and uses cash and cash equivalents by classifying them as either operating, investing or financing activities.

- The level of net cash arising from operating activities is a key indicator of the extent to which the operations of the Board are funded by way of taxation and grant income or from service users and constituent authorities.
- Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Board's future service delivery.
- There were no financing activities as the board had no requirement to borrow.

Further analysis of movements is provided in the cash flow notes following the statement.

<b>2019/20</b>		<b>2020/21</b>
<b>£000</b>		<b>£000</b>
181	Net deficit / (surplus) on the provision of services	(91)
382	Adjust net deficit / (surplus) on the provision of service for non-cash movements	692
5	Adjust for items included in the net deficit / (surplus) on the provision of services that are investing and financing activities	2
<b>568</b>	<b>Net cash flows from operating activities</b>	<b>603</b>
0	Investing Activities	(181)
<b>568</b>	<b>Net increase or decrease in cash and cash equivalents</b>	<b>422</b>
437	Cash and cash equivalents at 1 April	1,005
<b>1,005</b>	<b>Cash and cash equivalents at 31 March</b>	<b>1,427</b>

## Cash Flow Statement Note – Non Cash Movements

The balance of non-cash movements is made up of the following elements:

<b>2019/20</b>		<b>2020/21</b>
<b>£000</b>		<b>£000</b>
2	Depreciation, impairment and amortisation of assets	6
(16)	Movement in Debtors	(21)
61	Movement in Creditors	263
336	Movement in Pension Liability	361
4	Movement in the Employee Statutory Adjustment Account	85
(5)	Interest received	(2)
<b>382</b>	<b>Net Cash flows from the provision of services for non-cash movements</b>	<b>692</b>

### Cash Flow Statement Note – Operating Activities

The cash flows for operating activities include the following items:

<b>2019/20</b>		<b>2020/21</b>
<b>£000</b>		<b>£000</b>
5	Interest received	2
0	Interest paid	0
<b>5</b>	<b>Net cash flows from operating activities</b>	<b>2</b>

### Cash Flow Statement Note – Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

<b>2019/20</b>		<b>2020/21</b>
<b>£000</b>		<b>£000</b>
1,005	Short term deposits	1,427
<b>1,005</b>	<b>Total Cash and Cash Equivalents</b>	<b>1,427</b>

## **Notes to the Financial Statements**

### **Note 1: Accounting Policies**

#### **General Principles**

Lanarkshire Valuation Joint Board is required to prepare annual accounts by the Local Authority Accounts (Scotland) Regulations 2014, section 12 of the Local Government in Scotland Act 2003 requires they be prepared in accordance with proper accounting practices. The general policies adopted in compiling and presenting the Accounts are those recommended by the Code of Practice on Local Authority Accounting in the United Kingdom 2020/2021 issued jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC), supported by International Financial Reporting Standards (IFRS). There are no significant departures from those recommendations.

The Annual Accounts has been prepared under the historic cost convention. All accounting policies have been applied consistently.

#### **Debtors and Creditors**

##### **Accruals basis**

The Comprehensive Income and Expenditure Statement is compiled on an accruals basis. Income and expenditure activities are accounted for in the year in which they take place, not simply when payments are made or received. Where goods and services have been sold but the income not received by 31 March 2021 or goods have been received but not paid for by 31 March 2021 then the Comprehensive Income and Expenditure Statement has been amended to reflect the outstanding amounts and a debtor or creditor for the relevant amount is recorded in the Balance Sheet.

##### **(i) Debtors**

All specific and material sums payable to the Board have been brought into account.

##### **(ii) Creditors**

Sundry Creditors are accrued on the basis of payments made during the first three weeks following 31 March 2021; together with specific accruals in respect of further material items.

##### **(iii) Accumulating Compensated Absences**

International Accounting Standard 19 (IAS19) states that 'an organisation should account for employment benefits when employees earn them and the authority is committed to providing them, even if the actual provision might be in future years.' All salaries and wages earned up to 31 March 2021 are included irrespective of when actual payments were made. The requirements of IAS 19 have been fully applied in the current year, in respect of annual leave provision, including recognition of the net liability and an accumulating compensated absences reserve in the Balance Sheet and entries in the Comprehensive Income and Expenditure Statement for movements in the liability relating to the scheme.

##### **(iv) Pension Costs**

The Board participates, through South Lanarkshire Council, in the Local Government Superannuation Scheme, which is managed by Glasgow City Council.

The cost of providing pensions for employees is charged to the Comprehensive Income and Expenditure Statement in accordance with the statutory requirements governing the particular pension schemes to which the Board contributes.

The requirements of IAS19 have been fully applied in the current year, including recognition of the net liability and a pensions reserve in the Balance Sheet and entries in the

Comprehensive Income and Expenditure Statement for movements in the liability relating to the scheme. Previous year budget and expenditure information has been provided to allow comparability.

In assessing liabilities for retirement benefits for the 2020/2021 Annual Accounts, a discount rate based on the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme was used. The Actuary has advised that a rate of 2% per annum is appropriate (2019/2020 - 2.3%).

Actuarial Gains and Losses – changes in the net pension liability that arise because of events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited to the Pension Reserve.

#### **(v) Allocation of Central Support Expenses**

The allocation of Central Support Expenses is the cost of those South Lanarkshire central support departments which provide a service to the Board. The individual support departments are Administration Services, Personnel, Information Technology and Finance Services. The method of allocation is determined by each individual department and in most instances is a time based allocation of employee costs or the recharge of actual costs incurred. The recharge is made on a consistent basis.

#### **(vi) Borrowing Facilities**

The Board is a separate legal entity and has South Lanarkshire Council as its lead authority. The loans' fund of South Lanarkshire Council acts as banker to the Board and consequently lends or borrows according to the required cash flow and activities of the Board.

#### **(vii) Financial Instruments**

Where an instrument has a maturity of less than 12 months the fair value is taken to be the principal outstanding.

Creditors due within 12 months are not classed as a financial instrument.

#### **Intangible Assets**

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Board as a result of past events (for example, software licences) is capitalised when it is expected that it will bring benefits to the Board for more than 12 months.

Intangible Assets are measured at cost. The depreciable amount of an intangible asset is amortised over its useful life in the Comprehensive Income and Expenditure Statement. The useful life of these assets is deemed to be 5 years.

#### **Leases**

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

#### **The Board as Lessee – Operating Leases**

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense for the use of the leased property, plant or equipment.

#### **Property, Plant and Equipment**

Assets that have physical substance and are held for use in the supply of services or administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

## Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis. Expenditure that merely maintains the condition of an asset e.g. repairs and maintenance is charged as an expense when it is incurred.

## Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management

Assets are then carried in the Balance Sheet using the following measurement bases:

- other land and buildings – fair value, determined by the amount that would be paid for the asset in its existing use (existing use value – EUV)
- vehicles, plant and equipment – where non- property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value

## Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets and is calculated on the following bases:

- other buildings – straight-line allocation over the useful life of the property as estimated by the valuer (other buildings 10 – 40 years)
- vehicles, plant and equipment – straight line allocation over the useful life of the asset (5 – 20 years)
- over the term of the remaining lease of David Dale House.

**Note 2: Prior Period Adjustments**

There are no prior period adjustments included within the 2020/2021 Annual Accounts.

**Note 3: Accounting Standards Issued but Not Adopted**

The Accounting Code of Practice requires the Board to disclose information relating to the impact of an accounting change that is required by a new standard that has been issued but not yet adopted.

For this disclosure, the standards introduced by the 2021/22 Code, which are required to be applied by 1 April 2021, and will be adopted by the Board on 1 April 2021:

- **Amendments to IFRS 3 Business Combinations:** Definition of a business.  
The amendments clarify the definition of a business, with the aim of helping entities to determine whether a transaction should be accounted for as an asset acquisition or a business combination.
- **Amendments to IFRS 9, IAS 39 and IFRS 7, IFRS 4 and IFRS 16:** Interest Rate Benchmark Reform (Phases 1 and 2).  
The amendments address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates.

Adoption of the standards by the Board on 1 April 2021 is not expected to have any impact on the financial statements.

**Note 4: Critical Judgements in Applying Accounting Policies**

In applying the accounting policies, the Board is obliged to highlight whether it has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Annual Accounts are:

- There is a high degree of uncertainty about future levels of funding for local government in Scotland. However, the Board has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Board might be impaired as a result of a need to reduce levels of service provision.

**Note 5: Notes to the Expenditure and Funding Analysis - Adjustments Between Funding and Accounting Basis**

	2020/21	2020/21	2020/21	2020/21
	Adjustments for Capital Purposes (note a) £000	Net Change for the Pensions Adjustments (note b) £000	Other Differences (note c) £000	Total Adjustments between Funding and Accounting Basis £000
Employee Costs	-	315	85	400
Property Costs	-	-	-	-
Supplies and Services	-	-	-	-
Transport and Plant	-	-	-	-
Administration Costs	-	16	-	16
Payments to Other Bodies	-	-	-	-
Financing Charges	(175)	-	-	(175)
<b>Total Expenditure</b>	<b>(175)</b>	<b>331</b>	<b>85</b>	<b>241</b>
Income	-	-	-	-
<b>Net Cost of Services</b>	<b>(175)</b>	<b>331</b>	<b>85</b>	<b>241</b>
Financing and Investment Income and Expenditure	-	30	-	30
<b>Surplus or Deficit</b>	<b>(175)</b>	<b>361</b>	<b>85</b>	<b>271</b>

	2019/20	2019/20	2019/20	2019/20
	Adjustments for Capital Purposes (note a) £000	Net Change for the Pensions Adjustments (note b) £000	Other Differences (note c) £000	Total Adjustments between Funding and Accounting Basis £000
Employee Costs	-	232	4	236
Property Costs	-	-	-	-
Supplies and Services	-	-	-	-
Transport and Plant	-	-	-	-
Administration Costs	-	17	-	17
Payments to Other Bodies	-	-	-	-
Financing Charges	2	-	-	2
<b>Total Expenditure</b>	<b>2</b>	<b>249</b>	<b>4</b>	<b>255</b>
Income	-	-	-	-
<b>Net Cost of Services</b>	<b>2</b>	<b>249</b>	<b>4</b>	<b>255</b>
Financing and Investment Income and Expenditure	-	87	-	87
<b>Surplus or Deficit</b>	<b>2</b>	<b>336</b>	<b>4</b>	<b>342</b>

**Note a – Adjustment for Capital Purposes**

This column adds in depreciation and impairment and revaluation of gains and losses in the financing charges line.

**Note b – Net Change for the Pensions Adjustment**

Net change for the removal of pension contributions and the addition of IAS19 Employee benefits pension related expenditure and income:

- For Employee Costs and Administration Costs this represents the removal of the employer contributions made by the Board as allowed by statute and the replacement with current service costs and past service costs.
- For Financing and Investment Income and Expenditure – the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement.

**Note c – Other Differences**

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable /receivable to be recognised under statute:

- For Employee Costs this represents the accrual made for the cost of holiday/leave entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. These require to be included within the Net Cost of Services under generally accepted accounting practices, however, are not chargeable to the General Fund.

**Note 6: Adjustments between Accounting Basis and Funding Basis Under Regulations**

This note details the adjustments that are made to the total Comprehensive Income and Expenditure Statement recognised by the Board in the year in accordance with proper accounting practice to arrive at the resources that are specified by statutory provisions as being available to the Board to meet future revenue expenditure.

<b>Useable Reserves</b>		
	<b>£000</b>	<b>£000</b>
	<b>2020/21</b>	<b>2019/20</b>
<b>Adjustments to Revenue Resources</b>		
Pension Costs (transferred to (or from) the Pensions Reserve	1,082	(2,293)
Holiday Pay (transferred to the Employee Statutory Adjustment Account)	85	4
Reversal of entries in the surplus or deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	6	2
<b>Total Adjustments to Revenue Resources</b>	<b>1,173</b>	<b>(2,287)</b>
<b>Adjustments between Revenue and Capital Resources</b>		
Capital expenditure finance from revenue balances (transfer to Capital Adjustment Account)	(181)	-
<b>Total Adjustments between Revenue and Capital Resources</b>	<b>(181)</b>	<b>-</b>
<b>Total Adjustments</b>	<b>992</b>	<b>(2,287)</b>
Total Comprehensive Income and Expenditure	(812)	2,810
Net Increase / (Decrease) before transfers to / from Reserves	180	523
<b>Increase / (Decrease) in year</b>	<b>180</b>	<b>523</b>

## **Note 7: Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty**

The Annual Accounts contain estimated figures that are based on assumptions made by the Board about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Board's Balance Sheet at 31 March 2021 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

<b>Items</b>	<b>Uncertainties</b>	<b>Effect if Actual Results Differ from Assumptions</b>
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries, commissioned by Strathclyde Pension Fund, is engaged to provide the Board with expert advice about the assumptions to be applied.	<p>The effect on the net pension liability of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £3.366m.</p> <p>However, the assumptions interact in complex ways. During 2020/2021, the actuaries advised that the net pension liability had increased by: £6.634m attributable to the updating of financial assumptions; decreased by £0.743m attributable to changes in demographic assumptions; and increased by £0.589m due to other experience. The net liability had decreased by £5.759m due to the expected return on pension fund assets.</p>

## **Note 8: Events after the Balance Sheet**

The unaudited Annual Accounts were authorised for issue by the Treasurer of Lanarkshire Valuation Joint Board on 7 June 2021. There were no events that occurred between 1 April 2021 and the date that the Annual Accounts were authorised for issue that would have an impact on the financial statements.

## **Note 9: Contingent Liabilities**

### **Pensions**

A circular from the Scottish Public Pensions Agency (Local Government Pension Scheme 2020/04) refers to a ruling that same-sex survivors were originally entitled to survivor benefits, taking into account the member's service from 6 April 1978. Following the Goodwin Tribunal, regulatory amendments will now need to be made with effect from the same date to extend that entitlement to male survivors of female members. While this could have a financial impact on future years' costs, and the impact cannot yet be quantified, current information from the Board's actuaries suggests that any impact is likely to be minimal. Given the uncertainty, and the expected immaterial nature of any potential impact, no provision has been made in the Accounts.

The Board's actuaries also highlighted an awareness of 2 other court cases which may impact on pension benefits in the future. The first was the Walker case where it was ruled that surviving spouses in same sex marriages should be entitled to the same benefits as those in different sex marriages and also the O'Brien case where it was ruled that recognition of part time benefits should apply to service for the period prior to 7 April 2000. The actuaries understanding is that these are unlikely to be significant judgements in terms of impact on future pension obligations of Employers. Again, given the uncertainty, and the immaterial nature of any potential impact, no provision has been made in the Accounts.

#### Valuation Appeals

The Board is involved in a number of ongoing valuation appeals. Some of these valuations have been referred to the Land Tribunal for Scotland and their outcomes may potentially impact on other Valuation Joint Boards and local authorities. The Board expects that it will incur additional expenditure in legal costs as a consequence of these appeals, however neither the value nor the timing of these costs can be reliably estimated at this time. Accordingly, the Board recognises that a contingent liability may exist in respect of potential costs arising from these appeals.

#### Note 10: Leases

##### Operating Leases – LVJB as Lessee

The Board has entered into an operating lease and details are provided across the asset category of Property, Plant and Equipment, and Land and Buildings.

Land and Buildings – the Board leases their offices which have been accounted for as an operating lease. The lease commenced on 1 April 2021, therefore, there were no lease payments due in 2020/2021.

The future minimum lease payments due under non-cancellable leases in future years are:

	2020/21	2019/20
	£000	£000
Not later than one year	93	n/a
Later than one year and not later than five years	377	n/a
Later than five years	444	n/a
<b>Total</b>	<b>914</b>	

#### Note 11: Property, Plant and Equipment

	2020/21	2019/20
	£000	£000
<b>Cost or Valuation</b>		
At 1 April	0	
Additions	181	
<b>At 31 March</b>	<b>181</b>	<b>n/a</b>
<b>Accumulated Depreciation</b>		
At 1 April	0	
Depreciation	4	
<b>At 31 March</b>	<b>4</b>	<b>n/a</b>
<b>Net Book Value at 31 March</b>	<b>177</b>	<b>n/a</b>

**Note 12: Intangible Assets**

	<b>2020/21</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>
<b>Cost or Valuation</b>		
At 1 April	8	8
Additions	0	0
Derecognition - Disposals	(6)	0
<b>At 31 March</b>	<b>2</b>	<b>8</b>
<b>Accumulated Amortisation</b>		
At 1 April	6	4
Amortisation of Intangible Assets	2	2
Derecognition - Disposals	(6)	0
<b>At 31 March</b>	<b>2</b>	<b>6</b>
<b>Net Book Value at 31 March</b>	<b>0</b>	<b>2</b>

**Note 13: Short Term Debtors**

The debtors figure comprises prepayments and is analysed as follows:

	<b>2020/21</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>
Information Technology Annual Support and Maintenance	51	24
Water Services	0	4
Insurance Services	7	8
General Supplies	0	1
<b>Total</b>	<b>58</b>	<b>37</b>

**Note 14: Short Term Creditors**

The creditors figure is analysed as follows:

	<b>2020/21</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>
Valuation Appeal Panel – Fees	25	0
Royal Mail – Postal Charges	8	0
North Lanarkshire Council – Convenor Salary	0	4
Accumulated Compensated Absences – Annual Leave	126	41
Scottish Government – Barclay Underspend	209	0
Other – Employee Cost Accrual	111	86
<b>Total</b>	<b>479</b>	<b>131</b>

## Note 15: Related Party Transactions

The Board is required to disclose material transactions with related parties. During the year transactions arose with the following related parties:

	<b>2020/21</b>	<b>2020/21</b>	<b>2019/20</b>	<b>2019/20</b>
	<b>Receipts</b>	<b>Payments</b>	<b>Receipts</b>	<b>Payments</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
South Lanarkshire Council	2,208	684	2,102	487
North Lanarkshire Council	2,195	5	2,103	4
<b>Total</b>	<b>4,403</b>	<b>689</b>	<b>4,205</b>	<b>491</b>

The Board occupied the premises at the North Stand, Cadzow Avenue, Hamilton, ML3 0LU during 2020/21, and are recharged for the cost of accommodation by South Lanarkshire Council. Included within payments to South Lanarkshire Council is a charge of £0.318m (2019/20: £0.318m) for the annual rental of office accommodation at Hamilton Academical's Football Stadium.

## Note 16: Defined Benefit Pension Schemes

As part of the terms and conditions of employment, the Board offers retirement benefits. The Board participates in the Local Government Pension Scheme (Strathclyde Pension Fund), a funded defined benefit scheme, administered by Glasgow City Council. The scheme is supported by contributions from both employer and employees.

### Transactions relating to Retirement Benefits

The cost of retirement benefit is recognised in the reported cost of services when it is earned by the Board's employees, rather than when the benefits are eventually paid as pensions. However, the charge that is statutorily required to be made against the requisition funding is based on the pension contributions payable by the Board in the year, and an adjustment is made in the Movement in Reserves Statement to this effect.

The following transactions have been made in the Comprehensive Income and Expenditure Statement.

<b>Comprehensive Income and Expenditure Statement</b>	<b>2020/21</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>
Cost of Services:		
Service cost comprising:		
• Current service cost	749	825
• Past Service Cost (including curtailments)	0	(206)
Financing and Investment Income and Expenditure		
• Net interest expense	30	87
<b>Total post-employment benefit charged to the Deficit on the Provision of Services</b>	<b>779</b>	<b>706</b>
Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement:		
Re-measurement of the net defined benefit liability/(asset) comprising:		
• return on pension fund assets	5,759	(1,752)
• actuarial gains or losses arising on changes in demographic assumptions	743	1,066
• actuarial gains or losses arising on changes in financial assumptions	(6,634)	3,178
• actuarial gains or losses arising on changes in other experience	(589)	137
<b>Total post-employment benefit charged to the Comprehensive Income and Expenditure Statement</b>	<b>(721)</b>	<b>2,629</b>
Net Charge to the Surplus/Deficit on the Provision of Services brought forward	779	706
<b>Movement In Reserves Statement</b>		
• reversal of net charges made to the surplus or deficit for the provision of services for post-employment benefits in accordance with the Code	(361)	(336)
<b>Actual amount charged against the General Fund balance for pensions in the year:</b>		
• employers' contributions payable to the scheme	418	370

## Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Lanarkshire Valuation Joint Board's obligation in respect of its defined benefit plan is as follows:

	2020/21	2019/20
	£000	£000
Present value of the defined obligation	(32,593)	(26,356)
Fair value of pension fund assets	30,393	25,238
<b>Net liability arising from defined benefit obligations</b>	<b>(2,200)</b>	<b>(1,118)</b>

A reconciliation of the Board's share of the present value of the Fund's defined obligation is as follows:

	2020/21	2019/20
	£000	£000
Opening Balance at 1 April	(26,356)	(29,791)
Current Service Cost	(749)	(825)
Interest Cost	(611)	(720)
Contributions by scheme participants	(135)	(120)
Re-measurement gains / (losses)		
• actuarial gains / (losses) arising on changes in demographic assumptions	743	1,066
• actuarial gains / (losses) arising from changes in financial assumptions	(6,634)	3,178
• actuarial gains / (losses) arising from changes in other experience	700	137
Past service gains / (losses)	-	206
Settlements and curtailments	-	-
Estimated Unfunded benefits paid	25	25
Estimated Benefits paid	424	488
<b>Closing Balance at 31 March</b>	<b>(32,593)</b>	<b>(26,356)</b>

A reconciliation of the movement in the Board's share of the fair value of the Fund's assets is as follows:

	2020/21	2019/20
	£000	£000
Opening Fair Value of Pension Fund Assets	25,238	26,380
Interest Income	581	633
Re-measurement gains and (losses)		
• expected return on pension fund assets	5,759	(1,752)
• actuarial gains and losses	-	-
• other experiences	(1,289)	-
The effect of changes in foreign exchange rates	-	-
Contributions by members	135	120
Contributions by the employer	393	345
Contributions in respect of Unfunded Benefits	25	25
Benefits Paid	(449)	(513)
<b>Closing Fair Value of the Scheme Assets</b>	<b>30,393</b>	<b>25,238</b>

## Analysis of Pension Fund Assets

			31/03/21			31/03/20
	Quoted prices in active markets	Quoted prices not in active markets	Total	Quoted prices in active markets	Quoted prices not in active markets	Total
	£000	£000	£000	£000	£000	£000
Cash and Cash Equivalents	490	21	511	1,299	1,252	2,551
Equity Instruments	7,099	33	7,132	5,822	15	5,837
Debt Instruments	0	0	0	792	0	792
Real Estate	0	2,462	2,462	0	2,285	2,285
Derivatives	5	0	5	1	0	1
Private Equity	0	5,436	5,436	0	3,016	3,016
Investment Funds	286	14,561	14,847	8,284	2,472	10,756
Asset Backed Securities	0	0	0	0	0	0
Structured Debt	0	0	0	0	0	0
<b>Total</b>	<b>7,880</b>	<b>22,513</b>	<b>30,393</b>	<b>16,198</b>	<b>9,040</b>	<b>25,238</b>

## Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, to provide an estimate of the pensions that will be payable in future years dependant on assumptions about mortality rates, salary levels etc. The Local Government Pension Scheme has been assessed by Hymans Robertson LLP, an independent firm of actuaries, with estimates for the Strathclyde Pension Fund being based on the latest valuation of the scheme as at 31 March 2020.

The principal assumptions used by the actuary were:

	2020/21	2019/20
	Years	Years
<b>Mortality Assumptions:</b>		
Longevity at 65 for current pensioners		
• Male	19.8	20.7
• Female	22.6	22.9
Longevity at 65 for future pensioners		
• Male	21.2	22.2
• Female	24.7	24.6
<b>Financial Assumptions:</b>		%
Rate of inflation / pension increase rate	2.85	1.9
Rate of increase in salaries	3.55	3.0
Expected return on assets	2.0	2.3
Rate for discounting scheme liabilities	2.0	2.3
Take up option to convert annual pension into retirement lump sum Pre April 2009 / (Post April 2009)	50 (75)	50 (75)

The estimation of the defined benefit obligation is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period

and assumes for each change that the assumptions analysed changes while all the other assumptions remain constant:

	<b>Approximate % increase in employer's liability</b>	<b>Approximate monetary amount</b>
<b>Change in assumption at 31 March 2020</b>		<b>£000</b>
0.5% decrease in real discount rate	10%	3,366
1 year increase in member life expectancy	3 – 5%	N/A
0.5% increase in the salary increase rate	2%	507
0.5% increase in the pension increase rate	9%	2,773

### **Asset and Liability Matching Strategy**

The Fund has an asset and liability matching (ALM) strategy that matches, to the extent possible, the types of assets invested to the liabilities in the defined benefit obligation. The Fund has matched assets to the pension obligations by investing in long-term fixed interest securities and index linked gilt edged investments with maturities that match the benefits payments as they fall due. A large proportion of the assets relate to equities (76%) and bonds (14%). The scheme also invests in properties (8%) and cash (2%). The comparative year's figures for equities and bonds are 69% and 12% respectively. The ALM strategy is monitored annually or more frequently if necessary.

### **Impact on the Board's Cash Flow**

The objectives of the fund are to keep employers' contributions at a constant a rate as possible. The Fund has an agreed strategy to achieve a funding rate of 100% in the longer term. The Scheme is a multi-employer defined benefit plan and employers' contributions have been determined so that employee and employer rates are standard across all participating local authorities. Employers' contributions have been set at 19.3% for 2020/2021 based on the last triennial valuation completed on 31 March 2017. Following completion of the triennial valuation as at 31 March 2020, employers' contribution rates have been set at 19.3% for the next year (2021/2022).

The total contributions expected to be made by the Board to the Fund for the year ending 31 March 2022 is approximately £0.3393m.

The weighted average duration of the defined benefit obligation for Fund members is 20 years.

### **Note 17: External Audit Costs**

The Board has incurred the following external audit costs:

	<b>2020/21</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor for the year	8	7
<b>Total</b>	<b>8</b>	<b>7</b>

## Note 18: Grant Income

The following Government Grants were received during the year:

	2020/21	2019/20
	£000	£000
Cabinet Office Funding	20	296
Scottish Government Grant	31	0
Scottish Government Grant – Barclay Funding (allocation of £0.594m less £0.209m underspend returned)	385	455
<b>Total</b>	<b>436</b>	<b>751</b>

## Note 19: Balance Sheet – Reserves

Unusable Reserves				2020/21				2019/20
	Capital Adjustment Account	Pension Reserve	Employee Statutory Adj. Account	Total	Capital Adjustment Account	Pension Reserve	Employee Statutory Adj. Account	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Opening Balance 1 April	2	(1,118)	(36)	(1,152)	4	(3,411)	(32)	(3,439)
Movement in Pension Reserve	-	(1,082)	-	(1,082)	-	2,293	-	2,293
Movement in Annual Leave Accrual	-	-	(85)	(85)	-	-	(4)	(4)
Capital Expenditure charged against the General Fund	181	-	-	181	-	-	-	-
Amortisation of Intangible Assets	(6)	-	-	(6)	(2)	-	-	(2)
<b>Closing Balance as at 31 March</b>	<b>177</b>	<b>(2,200)</b>	<b>(121)</b>	<b>(2,144)</b>	<b>2</b>	<b>(1,118)</b>	<b>(36)</b>	<b>(1,152)</b>

Usable Reserves		2020/21		2019/20
	General Fund Reserve	Total	General Fund Reserve	Total
	£000	£000	£000	£000
Opening Balance 1 April	947	947	424	424
Increase / (Decrease) in Reserve	180	180	523	523
<b>Closing Balance as at 31 March</b>	<b>1,127</b>	<b>1,127</b>	<b>947</b>	<b>947</b>

**Note 20: Financing and Management of Liquid Resources**

Liquid resources are held by South Lanarkshire Council as lead authority and are available to the Board as required.

**Note 21: Comprehensive Income and Expenditure Statement – financing and investment income and expenditure**

	<b>2020/21</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>
Pension Interest Cost and Expected Return on Pensions Assets	30	87
<b>Total</b>	<b>30</b>	<b>87</b>

**Note 22: Going Concern**

As at 31 March 2021, the Balance Sheet of the Board shows a Net Liability position of £1.017m. This is made up of a net Long Term Pension Liability of £2.200m and net assets of £1,183m.

There are statutory arrangements for funding the long-term deficit in respect of the net pension liability and the statutory accumulated absences, as detailed in the Movement in Reserves Statement on page 24, leaving a General Fund Reserve of £1.127m to be carried forward for use in future years. This will be taken into account in future years' budget strategies.

## **Independent auditor's report to the members of Lanarkshire Valuation Joint Board and the Accounts Commission**

### **Report on the audit of the financial statements**

#### **Opinion on financial statements**

I certify that I have audited the financial statements in the annual accounts of Lanarkshire Valuation Joint Board for the year ended 31 March 2021 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Expenditure and Funding Analysis, Comprehensive Income and Expenditure Statement, Balance Sheet, Movement in Reserves Statement, Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the 2020/21 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2020/21 Code of the state of affairs of Lanarkshire Valuation Joint Board as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2020/21 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

#### **Basis for opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 June 2021. This is my first year of appointment. I am independent of the Lanarkshire Valuation Joint Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the Lanarkshire Valuation Joint Board. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Conclusions relating to going concern basis of accounting**

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Lanarkshire Valuation Joint Board's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

## **Risks of material misstatement**

I report in a separate annual audit report, available from the [Audit Scotland](#) website, the most significant assessed risks of material misstatement that I identified and my judgements thereon.

## **Responsibilities of the Treasurer and Lanarkshire Valuation Joint Board for the financial statements**

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the Lanarkshire Valuation Joint Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

The Lanarkshire Valuation Joint Board is responsible for overseeing the financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the Lanarkshire Valuation Joint Board is complying with that framework;
- identifying which laws and regulations are significant in the context of the Lanarkshire Valuation Joint Board;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Lanarkshire Valuation Joint Board's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions,

misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## **Reporting on other requirements**

### **Opinion prescribed by the Accounts Commission on the audited part of the Remuneration Report**

I have audited the part of the Remuneration Report described as audited. In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

### **Statutory other information**

The Treasurer is responsible for the statutory other information in the annual accounts. The statutory other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

My responsibility is to read all the statutory other information and, in doing so, consider whether the statutory other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this statutory other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the statutory other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

### **Opinions prescribed by the Accounts Commission on Management Commentary and Annual Governance Statement**

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

### **Matters on which I am required to report by exception**

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or

I have nothing to report in respect of these matters.

### **Conclusions on wider scope responsibilities**

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

### **Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Andrew Kerr CA  
Senior Audit Manager  
Audit Scotland  
4th Floor, The Athenaeum Building  
8 Nelson Mandela Place  
Glasgow, G2 1BT

6 September 2021



# Report

6

Report to:	<b>Lanarkshire Valuation Joint Board</b>
Date of Meeting:	<b>6 September 2021</b>
Report by:	<b>Clerk to Lanarkshire Valuation Joint Board</b>

Subject:	<b>Proposal to Live Stream Future Meetings</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to: -

- ◆ consider a proposal to live stream future meetings of the Joint Board

## 2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s): -

- (1) that future meetings of the Joint Board be live streamed to the South Lanarkshire Council YouTube channel; and
- (2) that the recordings of the meetings remain on South Lanarkshire Council's YouTube channel until the minutes of the meeting are approved at the subsequent meeting.

## 3. Background

- 3.1. Due to the worldwide Covid-19 pandemic and public health concerns, a number of people are currently undertaking their duties from home and members of the public are not, at present, permitted to enter public buildings.
- 3.2. Currently, Council and committee meetings at North and South Lanarkshire Councils are being held virtually and live streamed to the respective Council YouTube channel.

## 4. Proposal to Live Stream Joint Board Meetings

- 4.1. In the interests of openness and transparency and given that Joint Board meetings are normally open to the public, it is proposed that the non-restricted element of the Joint Board's business be live streamed to facilitate public access to meetings.
- 4.2. The recordings of the meetings will remain on South Lanarkshire Council's YouTube channel until the minutes of the meeting are approved at the subsequent meeting.

## 5. Employee Implications

- 5.1. Support for the publishing and streaming of the recordings of the Joint Board meetings will be achieved within existing staffing resources.

## 6. Financial Implications

- 6.1. The costs of streaming and recording meetings are being met from existing budgets.

## **7. Climate Change, Sustainability and Environmental Implications**

- 7.1. There are no climate change, sustainability, or environmental implications in terms of this report.

## **8. Other Implications**

- 8.1. There may be a reputational risk to the Joint Board should meetings not be publicly accessible.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1 This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 9.2 There was no requirement for consultation in terms of the information contained in this report.

**Cleland Sneddon**  
**Clerk to the Board**

24 August 2021

## **Previous References**

- ♦ None

## **List of Background Papers**

- ♦ None

## **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact: -

Stuart McLeod, Administration Officer

Ext: 4815 (Tel: 01698 454815)

E-mail: [stuart.mcleod@southlanarkshire.gov.uk](mailto:stuart.mcleod@southlanarkshire.gov.uk)

# Report

7

Report to:	<b>Lanarkshire Valuation Joint Board</b>
Date of Meeting:	<b>6 September 2021</b>
Report by:	<b>Clerk to Lanarkshire Valuation Joint Board</b>

Subject:	<b>Change in Membership of the Board</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise members of a change to North Lanarkshire Council's membership of the Lanarkshire Valuation Joint Board

## 2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):-

- (1) to note that Councillor Trevor Douglas has replaced Councillor Meghan Gallacher as a substitute member of the Lanarkshire Valuation Joint Board.

## 3. Background

3.1. At the meeting of North Lanarkshire Council held on Thursday 17 June 2021, it was agreed that Councillor Trevor Douglas replace Councillor Meghan Gallacher as a substitute member of the Lanarkshire Valuation Joint Board. The change was effective immediately.

## 4. Employee Implications

4.1. None.

## 5. Financial Implications

5.1. None.

## 6. Climate Change, Sustainability and Environmental Implications

6.1. There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

## 7. Other Implications

7.1. There are no implications for risk in terms of the information contained in this report.

## 8. Equality Impact Assessment and Consultation Arrangements

8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

8.2. There was no requirement for consultation in terms of the information contained in this report.

**Cleland Sneddon  
Clerk to the Board**

15 July 2021

**Previous References**

- ◆ None

**List of Background Papers**

- ◆ Report to North Lanarkshire Council held on 17 June 2021

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Stuart McLeod, Administration Officer

Ext: 4815 (Tel: 01698 454815)

E-mail: [stuart.mcleod@southlanarkshire.gov.uk](mailto:stuart.mcleod@southlanarkshire.gov.uk)

# Report

8

Report to:	<b>Lanarkshire Valuation Joint Board</b>
Date of Meeting:	<b>6 September 2021</b>
Report by:	<b>Assessor and Electoral Registration Officer</b>

Subject:	<b>Progress Update</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Provide an overview of the service to members
- ◆ Outline current issues and service priorities
- ◆ Provide an update on performance
- ◆ Highlight issues affecting the future direction of the Joint Board

## 2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):-

(1) that the content of the report be noted.

## 3. Service Overview and Priorities

### 3.1. Electoral Registration

#### 3.1.1. Annual Canvass

The 2021 annual canvass of electors is underway, following the canvass reform measures introduced for the 2020 canvass. The tasks associated with file production including the new data matching element of canvass reform, using both national data and local data, have been carried out. The first issue of canvass forms was during the week commencing 2nd August. There were circa 58,000 properties issued with a canvass form where a full match was not possible. Reminder communications will be issued to the non-responding properties in September.

A further 255,000 "Communication A" forms were also issued week commencing 2nd August. These forms represent the properties where a full match has been achieved and no response is required unless there are changes required.

Due to the current pandemic, the requirement to undertake household visits as part of the annual canvass process remains under review. Similar to last year's canvass, contact by telephone and email will also be undertaken.

Potential electors continue to be encouraged to use the online registration service at [www.gov.uk/register-to-vote](http://www.gov.uk/register-to-vote).

#### 3.1.2. Elections Held Since Last Board Meeting

There have been no elections held since the last meeting of the Board.

### **3.2. Non Domestic Valuation**

A summary of information in this area can be found in Appendices 1.1 to 1.5.

#### **3.2.1. Changes to the 2017 Valuation Roll (Running Roll)**

These are highlighted in Appendices 1.1 and 1.2 for the period 1 April 2020 to 1 August 2021.

#### **3.2.2. 2005 Valuation Roll Appeals (Revaluation and Running Roll)**

A summary of the position with 2005 Revaluation and Running Roll appeals is contained in Appendix 1.3.

#### **3.2.3. 2010 Valuation Roll Appeals (Revaluation and Running Roll)**

A summary of the position with 2010 Revaluation and Running Roll appeals is contained in Appendix 1.4.

#### **3.2.4. 2017 Valuation Roll Appeals (Revaluation and Running Roll)**

A summary of the position with regards to 2017 Revaluation and Running Roll appeals is contained in Appendix 1.5. Table 2 includes appeals received in connection with the coronavirus pandemic. The Scottish Government has advised that market-wide economic changes to rateable values, such as from Covid-19, should only be considered at revaluation and has confirmed its intention to set out legislative plans after the summer in respect of appeals lodged as a result of the pandemic.

### **3.3. Council Tax**

A summary of information in this area can be found in Appendices 2.1 to 2.4.

#### **3.3.1. New Houses**

A summary of the position for the period 1 April 2020 to 1 August 2021 is contained at Appendix 2.2.

#### **3.3.2. Proposals and Appeals**

Appendices 2.3 and 2.4 contain information on Council Tax proposals and appeals. The number of Council Tax appeals outstanding at any one time continues to rise with increasing numbers awaiting Valuation Appeal Committee hearings to take place.

## **4. Staffing**

4.1. Since the last Board meeting, a recruitment and selection process has been undertaken for additional Trainee Valuer positions as part of continued workforce planning, in particular to plan for the additional duties as a result of the Barclay Review into non-domestic rating. This resulted in five Technicians already employed within the organisation taking up the new positions. Furthermore, following the retirement of a part-time Electoral Services and Support Manager, a staff member, following a recruitment and selection process, will now take the position up full time. Following the retirement of an employee from the position of Administrative Officer, a member of staff has taken up that role, again following a recruitment and selection process.

4.2. Staff absence levels for the last year are summarised in Appendix 3.0.

## 5. Other Matters

### 5.1. Complaints Received and Dealt with Since Last Progress Update Report

Since the last update provided to the Board, six complaints have been received, a summary of which is as follows:-

<b>Service Area</b>	<b>Nature of Complaint</b>	<b>Outcome</b>
Electoral Registration (ref: 2021/22 – 3)	Complaint received in connection with the Scottish Parliamentary Election (SPE) in respect of two electors at the same household being unable to cast their vote at the polling station.	Response issued advising that addressing was in accordance with Royal Mail and One Scotland Gazetteer and that further investigations would be undertaken. The electors were able to vote at another polling station.
Electoral Registration (ref: 2021/22 – 4)	Complaint received in connection with the SPE whereby the complainant advised that they were unable to vote.	Response issued advising that no response had been received from the complainant to a request from LVJB for the documentary evidence required which would have allowed the complainant to be added to the electoral register.
Electoral Registration (ref: 2021/22 – 5)	Complaint received in connection with the SPE whereby the complainant advised that they were unable to vote.	Response issued advising that the complainant had not responded to several Invitations to Register forms, nor the Household Notification Letter issued in the run up to the election.
Electoral Registration (ref: 2021/22 – 6)	Complaint received in connection with a by-election in respect of a proxy application.	Apology issued explaining that complainant's proxy application had not been processed correctly.
Electoral Registration (ref: 2021/22 – 7)	Complaint received in connection with the SPE whereby the complainant advised that they did not receive their postal vote.	Response issued explaining that the postal vote application had been made after the legislative deadline.
Electoral Registration (ref: 2021/22 – 8)	Complaint received in connection with the SPE whereby the complainant advised that they did not receive their postal vote.	Apology issued explaining that the postal vote application had not been processed correctly.

### 5.2. Complaints to the Ombudsman

No decisions have been received from the Scottish Public Services Ombudsman (SPSO) since the last meeting of the Board.

### 5.3. Barclay Review Implementation

The Non-Domestic Rates (Scotland) Act 2020 is now in force, and preparatory work continues to ensure that LVJB is able to undertake all new statutory undertakings contained within the Act.

The following is a summary of the progress in connection with the principal sections of the Act which affect matters relating to the Valuation Roll:-

Section 2 – (amends the definition of “year of revaluation” such that, after 2022, revaluations will be carried out every three years, rather than every five years).

**Progress update;** The Scottish Government have taken the decision, due to the on-going pandemic, to postpone the next revaluation to 1 April 2023, with the tone date moving to 1 April 2022. The Scottish Assessors Association (SAA) and LVJB’s in-house Revaluation Strategy Group continue to prepare for the next non-domestic revaluation, with the comprehensive review of all non domestic forms, referred to as Assessor’s Information Notices, now at an advanced stage. Preparatory work is also underway in respect of the review valuation Practice Notes which form the basis of the valuation approach covering a wide range of subject types.

Section 3 – (inserts a new section into the Local Government (Scotland) Act 1975 requiring an Assessor to include a mark in appropriate entries in the Valuation Roll to show that it relates to newly built lands and heritages, or to improved lands and heritages. The local authority will be able to use this mark to identify properties which may be eligible for business growth accelerator relief).

**Progress update;** procedures are now in place and operational in order that a marker can be placed in the valuation roll where deemed appropriate.

Section 5 – (amends section 19 of the Local Government (Financial Provisions) (Scotland) Act 1963 to require that certain subjects contained within parks should be entered in the Valuation Roll). The subjects to be entered are those which are occupied by a person or body other than a local authority or the Crown, or where persons may be required to pay for access to facilities or for goods or services.

**Progress update;** work relating to how such subjects may be identified and valued continues and is now at an advanced stage as is the staff guidance note being developed by the SAA to ensure consistent practice throughout Scotland.

Section 9 - Amends section 3 of the 1975 Act to allow Ministers to prescribe that Assessors must give ratepayers additional information at Revaluation.

**Progress update;** discussions continue within the SAA with regards to how best to facilitate the provision of information at the SAA Portal in respect of the next revaluation, which is now planned for 1 April 2023. Such work forms part of the SAA revaluation project plan.

Section 10 - Makes significant changes to the appeal arrangements enabling a “proposal” to be made to the Assessor in the first instance. Where no agreement is reached as to what should be done about a proposal an appeal may be submitted to the Valuation Appeal Committee. Whilst this section sets out the basic framework much of the detail of the procedure (including whether any fee may be charged for making a proposal or an appeal) will be contained within secondary legislation. It is anticipated that the Scottish Government will undertake a consultation exercise on the format of those Regulations.

**Progress update;** a consultation on the revised non-domestic appeal system is still awaited from the Scottish Government. The Scottish Government have launched a consultation on the transfer of the Valuation Appeal Panel set up to a Tribunal set up with the Scottish Courts and Tribunals Service forming a Stakeholder Reference Group to help facilitate the transfer of the duties currently undertaken by the Valuation Appeal Panels to the new Tribunal set up, with SAA representatives participating in the new group.

Section 26 - Gives powers for Assessors to issue Assessors Information Notices (AINs) requiring the return of information which the Assessor may reasonably require for the purposes of exercising his/her functions in relation to non-domestic rates in respect of the lands and heritages set out in the notice. Information may be requested from the Proprietor, Tenant or Occupier or any person who the Assessor thinks has the information.

**Progress update;** work is now at an advanced stage in respect of the development of appropriate procedures to be undertaken in connection with the new civil penalties regime. The SAA is also developing guidance in respect of the new powers to ensure consistency of approach across Scotland.

Section 30 provides for civil penalties to be issued for failure to return requested information within certain time periods.

**Progress update;** as update above re Section 26.

#### 5.4. **Coronavirus Pandemic**

As has been the case throughout the pandemic, LVJB's management team's focus continues to be on the welfare of staff. Duties continue to be undertaken with site visits now being undertaken with the introduction of inspections from vehicle only, as a first stage re-introduction of survey work. Safe systems of work are being developed to allow, in appropriate circumstances, for public access to the office once again.

With regards to Valuation Appeal Committee hearings, physical hearings remain suspended, however, a Committee hearing was undertaken for a non domestic appeal using a virtual environment, and plans are underway for more non domestic appeals to be undertaken in that way whilst planning for the return of physical hearings continues.

#### 6. **Employee Implications**

6.1. See 4 above.

#### 7. **Financial Implications**

7.1. None.

#### 8. **Climate Change, Sustainability and Environmental Implications**

8.1 There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

#### 9. **Other Implications**

9.1. There are no implications for risk in terms of the information contained in this report.

#### 10. **Equality Impact Assessment and Consultation Arrangements**

10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

10.2 There is no requirement for consultation in respect of this report.

#### 11. **Privacy Impact Assessment**

11.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

**Gary Bennett BSc MSc AEA (Cert-Scotland) MRICS IRRV (Hons)  
Assessor and Electoral Registration Officer**

24 August 2021

**Previous References**

Progress Update Report for Board meeting of 7 June 2021

**List of Background Papers**

None

**Contact for Further Information**

If you require further information, please contact:-

Gary Bennett, Assessor and Electoral Registration Officer

Phone: 01698 476078

E-mail: [assessor@lanarkshire-vjb.gov.uk](mailto:assessor@lanarkshire-vjb.gov.uk)

**Alterations made to the Valuation Roll (including appeal adjustments) between 01/04/2021 and 01/08/2021**

Area	AS AT 01/04/2021		ADDED		DELETED		ALTERED		AS AT 01/08/2021	
	SUBJECTS	RV	SUBJECTS	RV	SUBJECTS	RV	SUBJECTS	RV	SUBJECTS	RV
<b>North Lanarkshire</b>	10,326	288,856,615	30	599,925	46	289,800	47	-180,560	10,323	288,986,180
<b>South Lanarkshire</b>	10,694	745,981,130	117	561,105	58	260,385	65	-664,605	10,683	745,617,245
<b>LVJB total</b>	<b>21,020</b>	<b>£1,034,837,745</b>	<b>147</b>	<b>£1,161,030</b>	<b>104</b>	<b>£550,185</b>	<b>112</b>	<b>-£845,165</b>	<b>21,006</b>	<b>£1,034,603,425</b>

## Summary of time taken to make alterations (excluding appeal adjustments) to the Valuation Roll

Period: 1 April 2021 to 1 August 2021

Area	Total altered	altered < 3 months		altered 3 to 6 months		altered > 6 months	
	No.	No.	%age	No.	%age	No.	%age
<b>North Lanarkshire</b>	90	77	85.56%	8	8.88%	5	5.56%
<b>South Lanarkshire</b>	214	182	85.05%	15	7.01%	17	7.94%
<b>LVJB totals</b>	<b>304</b>	<b>259</b>	<b>85.20%</b>	<b>23</b>	<b>7.56%</b>	<b>22</b>	<b>7.24%</b>

## Valuation Roll Appeals: Revaluation and Running Roll 2005

### 1. Revaluation Appeals

Area	Appeals received since 2005 Valuation Roll	Appeals resolved as at 1 August 2021	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 August 2021
North Lanarkshire	3,921	3,918	0	£0	3	£76,150	3
South Lanarkshire	3,148	3,147	0	£0	1	£50,800	1
<b>LVJB total</b>	<b>7,069</b>	<b>7,065</b>	<b>0</b>	<b>£0</b>	<b>4</b>	<b>£126,950</b>	<b>4</b>

### 2. Running Roll Appeals

Area	Appeals received since 2005 Valuation Roll	Appeals resolved as at 1 August 2021	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 August 2021
North Lanarkshire	2,023	2,022	0	£0	1	£36,500	1
South Lanarkshire	1,695	1,693	0	£0	2	£90,050	2
<b>LVJB total</b>	<b>3,718</b>	<b>3,715</b>	<b>0</b>	<b>£0</b>	<b>3</b>	<b>£126,550</b>	<b>3</b>

## Valuation Roll Appeals: Revaluation and Running Roll 2010

### 1. Revaluation Appeals

Area	Appeals received since 2010 Valuation Roll	Appeals resolved as at 1 August 2021	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 August 2021
North Lanarkshire	4,460	4,460	0	£0	0	£0	0
South Lanarkshire	3,103	3,102	0	£0	1	£46,500	1
<b>LVJB total</b>	<b>7,563</b>	<b>7,562</b>	<b>0</b>	<b>£0</b>	<b>1</b>	<b>£46,500</b>	<b>1</b>

### 2. Running Roll Appeals

Area	Appeals received since 2010 Valuation Roll	Appeals resolved as at 1 August 2021	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 August 2021
North Lanarkshire	5,480	5,479	0	£0	1	£19,600	1
South Lanarkshire	6,727	6,726	0	£0	1	£23,500	1
<b>LVJB total</b>	<b>12,207</b>	<b>12,205</b>	<b>0</b>	<b>£0</b>	<b>2</b>	<b>£43,100</b>	<b>2</b>

## Valuation Roll Appeals: Revaluation and Running Roll 2017

### 1. Revaluation Appeals

Area	Appeals received since 2017 Valuation Roll	Appeals resolved as at 1 August 2021	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 August 2021
North Lanarkshire	4,728	4,577	0	£0	105	£1,221,125	151
South Lanarkshire	4,553	4,306	0	£0	124	£133,872,175	247
<b>LVJB total</b>	<b>9,281</b>	<b>8,883</b>	<b>0</b>	<b>£0</b>	<b>229</b>	<b>£135,093,300</b>	<b>398</b>

### 2. Running Roll Appeals

Area	Appeals received since 2017 Valuation Roll	Appeals resolved as at 1 August 2021	Appeals heard but awaiting stated case for appeal to Lands Valuation Appeal Court	Rateable Value of Appeals in process of appeal to LVAC	Appeals outstanding awaiting determination of Lands Tribunal for Scotland	Rateable Value of Outstanding Appeals awaiting determination of LT	Appeals Outstanding as at 1 August 2021
North Lanarkshire	4,311	588	0	£0	16	£293,375	3,723
South Lanarkshire	4,625	565	0	£0	54	£872,049,775	4,060
<b>LVJB total</b>	<b>8,936</b>	<b>1,153</b>	<b>0</b>	<b>£0</b>	<b>70</b>	<b>£872,343,150</b>	<b>7,783</b>

## Council Tax Subjects as at 01/08/2021

	ENTRIES AS AT 1/04/2021			ADDITIONS			DELETIONS			CURRENT ENTRIES			BAND 'D' EQUIVALENT		
BAND	NORTH	SOUTH	TOTAL	NORTH	SOUTH	TOTAL	NORTH	SOUTH	TOTAL	NORTH	SOUTH	TOTAL	NORTH	SOUTH	TOTAL
A	53049	36204	89253	8	9	17	4	10	14	53053	36203	89256	35370	24137	59507
B	37718	30571	68289	17	40	57	4	2	6	37731	30609	68340	29347	23808	53155
C	19757	26425	46182	18	88	106	0	7	7	19775	26506	46281	17578	23561	41139
D	17428	21350	38778	125	121	246	3	4	7	17550	21467	39017	17550	21467	39017
E	17013	20066	37079	63	98	161	6	0	6	17070	20164	37234	22428	26493	48921
F	9865	12910	22775	94	130	224	3	1	4	9956	13039	22995	16179	21188	37367
G	3074	6658	9732	8	36	44	1	0	1	3081	6694	9775	6034	13109	19143
H	163	572	735	0	4	4	0	0	0	163	576	739	399	1411	1810
<b>TOTAL</b>	<b>158067</b>	<b>154756</b>	<b>312823</b>	<b>333</b>	<b>526</b>	<b>859</b>	<b>21</b>	<b>24</b>	<b>45</b>	<b>158379</b>	<b>155258</b>	<b>313637</b>	<b>144885</b>	<b>155174</b>	<b>300059</b>
'D' EQUIV.	144498	154538	299036	411	657	1067	23	20	44	144885	155174	300059			

### JOINT BOARD TOTALS

		01/04/2021	01/08/2021	Increase
<b>TOTAL CHARGEABLE ENTRIES</b>	North	158067	158379	312
	South	154756	155258	502
	<b>Total</b>	<b>312823</b>	<b>313637</b>	<b>814</b>
<b>BAND 'D' EQUIVALENT</b>	North	144498	144885	387
	South	154538	155174	636
	<b>Total</b>	<b>299036</b>	<b>300059</b>	<b>1023</b>

### Summary of time taken to enter new houses in Valuation (Council Tax) List

Period: 1 April 2021 to 1 August 2021

Area	Total added	added < 3 months		added 3 to 6 months		added > 6 months	
<b>North Lanarkshire</b>	333	304	91.29%	20	6.01%	9	2.70%
<b>South Lanarkshire</b>	526	504	95.82%	14	2.66%	8	1.52%
<b>LVJB totals</b>	<b>859</b>	<b>808</b>	<b>94.06%</b>	<b>34</b>	<b>3.96%</b>	<b>17</b>	<b>1.98%</b>

### Summary of Council Tax Proposals/Appeals received and dealt with as at 1 August 2021

Valid	Proposals/Appeals outstanding @ 1 April 2021	Proposals/Appeals received since 1 April 2021	Proposals/Appeals completely resolved 01/04/2021 to 01/08/2021	Outstanding balance
<b>North Lanarkshire</b>	19	20	8	31
<b>South Lanarkshire</b>	66	29	18	77
<b>LVJB total</b>	<b>85</b>	<b>49</b>	<b>26</b>	<b>108</b>

Invalid	Proposals/Appeals outstanding @ 1 April 2021	Proposals/Appeals received since 1 April 2021	Proposals/Appeals completely resolved 01/04/2021 to 01/08/2021	Outstanding balance
<b>North Lanarkshire</b>	48	16	38	26
<b>South Lanarkshire</b>	59	30	45	44
<b>LVJB total</b>	<b>107</b>	<b>46</b>	<b>83</b>	<b>70</b>

Combined	Proposals/Appeals outstanding @ 1 April 2021	Proposals/Appeals received since 1 April 2021	Proposals/Appeals completely resolved 01/04/2021 to 01/08/2021	Outstanding balance
<b>North Lanarkshire</b>	67	36	46	57
<b>South Lanarkshire</b>	125	59	63	121
<b>LVJB total</b>	<b>192</b>	<b>95</b>	<b>109</b>	<b>178</b>

### Summary of Resolution of Council Tax Proposals/Appeals Between 1 April 2021 and 1 August 2021

Valid	Proposals/Appeals completely resolved 01/04/2021 to 01/08/2021	Number withdrawn	Number abandoned	Number adjusted	Number dismissed by VAC	Number adjusted by VAC
<b>North Lanarkshire</b>	8	8	0	0	0	0
<b>South Lanarkshire</b>	18	17	0	1	0	0
<b>LVJB total</b>	<b>26</b>	<b>25</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

Invalid	Proposals/Appeals completely resolved 01/04/2021 to 01/08/2021	Number withdrawn	Number abandoned	Number adjusted	Number dismissed by VAC	Number adjusted by VAC
<b>North Lanarkshire</b>	38	0	36	0	2	0
<b>South Lanarkshire</b>	45	1	41	0	3	0
<b>LVJB total</b>	<b>83</b>	<b>1</b>	<b>77</b>	<b>0</b>	<b>5</b>	<b>0</b>

Combined	Proposals/Appeals completely resolved 01/04/2021 to 01/08/2021	Number withdrawn	Number abandoned	Number adjusted	Number dismissed by VAC	Number adjusted by VAC
<b>North Lanarkshire</b>	46	8	36	0	2	0
<b>South Lanarkshire</b>	63	18	41	1	3	0
<b>LVJB total</b>	<b>109</b>	<b>26</b>	<b>77</b>	<b>1</b>	<b>5</b>	<b>0</b>

## ABSENCE MANAGEMENT STATISTICS

Month	Self Certified		Medically Certified		Unauthorised Absence		Total			Total			
										Month	No of Days	Work days available	%
	No of Days	%	No of Days	%	No of Days	%	No of Days	Work Days Avail	%				
<b>July 2020</b>	0	0.0%	69	4.8%	Nil	0.0%	69	1439	4.8%	<b>July 2019</b>	64	1186	5.4%
<b>August 2020</b>	9	0.7%	39	3.0%	Nil	0.0%	48	1317	3.6%	<b>August 2019</b>	35	1181	3.0%
<b>September 2020</b>	5	0.4%	22	1.6%	Nil	0.0%	27	1378	2.0%	<b>September 2019</b>	26	1207	2.2%
<b>October 2020</b>	14	1.0%	33	2.1%	Nil	0.0%	47	1374	3.4%	<b>October 2019</b>	79	1329	5.9%
<b>November 2020</b>	17	1.3%	70	5.3%	Nil	0.0%	87	1316	6.6%	<b>November 2019</b>	89	1228	7.2%
<b>December 2020</b>	2	0.1%	83	5.8%	Nil	0.0%	85	1442	5.9%	<b>December 2019</b>	78	1290	6.0%
<b>January 2021</b>	3	0.2%	25	1.9%	Nil	0.0%	28	1315	2.1%	<b>January 2020</b>	57	1347	4.2%
<b>February 2021</b>	0	0.0%	36	2.9%	Nil	0.0%	36	1252	2.9%	<b>February 2020</b>	43	1213	3.5%
<b>March 2021</b>	0	0.0%	50	3.3%	Nil	0.0%	50	1504	3.3%	<b>March 2020</b>	108	1367	7.9%
<b>April 2021</b>	5	0.3%	49	3.4%	Nil	0.0%	54	1441	3.7%	<b>April 2020</b>	66	1355	4.9%
<b>May 2021</b>	7	0.5%	82	6.2%	Nil	0.0%	89	1317	6.8%	<b>May 2020</b>	64	1309	4.9%
<b>June 2021</b>	8	0.6%	80	5.8%	Nil	0.0%	88	1368	6.4%	<b>June 2020</b>	69	1375	5.0%
<b>Averages for 12 months</b>	6	0.4%	53	3.9%	Nil	0.0%	59	1373	4.3%		65	1282	5.1%