

## **Item: 12**

**Orkney and Shetland Valuation Joint Board: 8 December 2022.**

**Best Value – Progress Report.**

**Report by Assessor and Electoral Registration Officer.**

### **1. Purpose of Report**

To present a progress update, as required by the Board's Best Value Regime, for the reporting period April 2022 to September 2022.

### **2. Recommendations**

The Valuation Joint Board is requested to scrutinise the contents of this report and discuss any issues identified.

### **3. Background**

Under the Board's Best Value submission, it states that the Assessor and Electoral Registration Officer would produce six monthly Progress Reports for presentation to meetings of the Board.

### **4. Introduction**

The statutory duties of the Assessor and Electoral Registration Officer are to prepare, maintain and publish the Valuation Roll, the Council Tax Valuation List and the Register of Electors. This report describes these three duties in more detail and presents to the Board details of the main tasks completed between April 2022 and September 2022.

### **5. Electoral Registration – Overview and Priorities**

#### **5.1. 2022 Annual Electoral Registration Canvass**

##### **5.1.1. Initial Form Issue**

###### **5.1.1.1.**

The third annual canvass conducted under canvass reform is nearing completion with the revised annual register scheduled to be published on 1 December 2022.

###### **5.1.1.2.**

National and Local Data Matching of Registers produced the following split of households into Route 1 (expected 'no change' households) and Route 2 (expected change households) canvass workflows. There are also a small number of Route 3 properties, care homes hostels etc. who are canvassed similar to Route 2 properties.

### 5.1.1.3.

Forms were issued on 16 August 2022 as follows:

	Orkney	Shetland
Route 1	10,470	9,410
Route 2	1,724	2,451
Route 3	3	12
Total	12,197	11,873

### 5.1.2. Reminder Forms Issue

#### 5.1.2.1.

Responses are required from all Route 2 properties and Reminder Canvass Forms for these properties were issued on 21 September 2022. The number of reminder forms issued are shown below:

	Orkney	Shetland
Route 2	1,110	1,491

#### 5.1.2.2.

In addition to reminder forms mailed to properties two issues of encouragement emails were sent out to all Route 2 properties this year where sufficient contact details were held.

### 5.1.3. Door to Door Canvass

#### 5.1.3.1.

Canvassers are visiting Route 2 properties where a response has not been received to correspondence. For the outlying islands a telephone canvass of properties has been carried out, where sufficient information is held. The number of properties to be visited across the two council areas is 1,950, split as follows:

	Orkney	Shetland
Personal Contact Canvass	819	1,131

#### 5.1.3.2.

Following a successful trial in 2021, the door to door canvass is being carried out on a tablet based system. The use of tablets makes for more efficient processing of records and initial canvasser feedback has been positive. The total numbers of properties requiring to be canvassed this year are around 10% less than 2021. This reduction is attributed to the greater use of encouragement emails sent earlier in the canvass process.

## **5.2. Community Council Elections**

Community Councils elections were proposed by Orkney Islands Council in June/July 2022 and Shetland Islands Council in September/October 2022. In both instances the Register of Electors was supplied to the relevant Council to enable the nominations process to take place and, where required, elections to be run. In both island areas no further input was required from the ERO.

## **5.3. Local Government By Elections**

### **5.3.1.**

A By election took place for the Shetland Islands Council North Isles ward on 4 August 2022. Registration activities went well and there were no clerical errors.

### **5.3.2.**

The ERO has provided the same services and outputs to the Returning Officer in preparation for this event as provided at the full council elections held in May 2022.

### **5.3.3.**

A further By election for the Shetland Islands Council West ward will be held on 17 November 2022. As this By Election takes place during the annual canvass period, all registration changes gathered during the canvass process up to the By Election registration cut-off date will be effective for that polling day. Aside from the canvass process, public uptake of the absent voting options for this particular event has been low. Again, all ERO involvement went well and there were no clerical errors.

## **5.4. Main service priorities for October 2022 to March 2022**

### **5.4.1. Electoral Management System (EMS)**

#### **5.4.1.1.**

Our EMS provider has introduced a major update to the software which is used to manage the running of the election-based aspects of the ERO's statutory functions. The implementation of this update requires liaison with IT support services at both constituent authorities. This upgrade is being implemented by all Electoral Registration Officer system users throughout the UK.

#### **5.4.1.2.**

We are currently completing installation on a Beta system to allow testing to be carried out by senior electoral staff. Installation on the live system is planned for December following completion of the canvas and publishing of registers.

## **5.4.2. Elections Act 2022**

### **5.4.2.1.**

Implementation of the Elections Act 2022 continues to progress. The ERO and the Depute ERO attended a national seminar held by the Association of Electoral Administrators in September. Secondary legislation has now commenced to pass through the parliamentary process.

### **5.4.2.2.**

A major aspect of the Act to be implemented is the requirement for Voter ID at polling stations for Westminster Parliamentary elections. Registered electors who do not already hold suitable photographic ID will be able to apply to their local ERO for a Voter Authentication Certificate (VAC).

### **5.4.2.3.**

Application for VACs will be either through an on line portal or paper application. VACs will be valid for up to 10 years and local EROs will be able to produce late issue certificates for late applications.

### **5.4.2.4.**

The Department of Levelling Up, Housing and Communities has committed funding to the implementation of the Elections Act 2022. At this stage the initial amounts to EROs are not known but it is understood that the allocation of this additional funding will be based on the individual ERO's electorate.

### **5.4.2.5.**

Public uptake in the requirement for a VAC is not yet known. It will therefore be difficult to accurately estimate the resources required at a local level at this time.

## **5.4.3. Annual Ongoing Electoral Registration**

### **5.4.3.1.**

Outwith the annual canvass period all individuals who can be identified as having changed address using Council Tax records (including new builds and house sales), Council Housing Tenancy records and Housing Association records etc. are targeted with Invitation To Register (ITR) forms. These changes also highlight electors who are no longer resident and we use this information to go through the necessary processes to remove electors who are no longer entitled to be registered.

### **5.4.3.2.**

The Electoral Commission's Welcome to Your Vote Week 2023 will take place from Monday, 30 January to Sunday, 5 February 2023. This initiative encourages schools, colleges and youth groups to sign up to get involved in promoting electoral registration to young people to encourage first time registrations. Engagement with schools and education authorities will begin once the annual canvas is complete.

#### **5.4.4. Business as usual activities**

- Plan, undertake and action continued staff training on changes to electoral legislation and the EMS.
- Follow up all ITR forms issued outwith the annual canvass period.
- Continue to process all registration and absent vote applications received, by whatever method.
- In January 2023 carry out the annual absent vote signature refresh process on the required electors.

## **6. Council Tax – Overview and Priorities**

### **6.1. Background**

The Assessor is required to maintain the Council Tax Valuation List for his area by amending it to reflect new, altered and demolished properties. Additionally he must dispose of any proposals which are made against any entry in the Council Tax List.

### **6.2. New Entries**

As at 30 September 2022, there were 11,627 chargeable dwellings in Orkney and 11,552 in Shetland. These figures include the addition of 50 new dwellings in Orkney and 42 in Shetland over the 6 month period.

### **6.3. Proposals/Appeals**

The numbers of Council Tax proposals/appeals remain at very low levels in Orkney and Shetland. Proposals to alter bands are dealt with as business as usual queries in the first instance and it is unusual that any proceed before the Valuation Appeal Committee. At 30 September 2022, there was one outstanding valid proposal across Orkney and Shetland.

### **6.4. Service Priorities October 2022 to September 2023**

The current service priorities are summarised as follows:

- Migration of portal upload and billing authority notification over to new IT system.
- Maintain the improvement on the time taken between completion of new dwellings and the insertion of the dwelling in the Council Tax List in accordance with performance targets.
- Maintain the improvement on the time taken between the sale of houses which have been altered and the date their Council Tax Band is changed.
- Continue to resolve proposals and appeals against Council Tax banding.

## **7. Non-Domestic Rating – Overview and Priorities**

### **7.1. Background**

#### **7.1.1.**

The Assessor is required to carry out a general Revaluation of all Non-Domestic properties. Historically this was generally carried out every five years but, from 1 April 2023, Revaluations will take place every three years. The last general Non-Domestic Revaluation took effect from 1 April 2017 and the scheduled 2022 Revaluation was delayed until April 2023, with a valuation date of 1 April 2022.

#### **7.1.2.**

The Non-Domestic Rates (Scotland) Act 2020 was passed in March 2020 and The Non-Domestic Rates (Scotland) Act 2020 (Commencement No.2 and Transitional Provisions) Regulations 2020, specified a range of dates, from November 2020 to April 2023, on which various sections of the Act came/will come into force. Grant funding of £69,958 per island area (£139,916 in total) was provided for 2022/23 to assist with the implementation of reforms. As part of the transition the Board procured a new valuation system and recruited two Graduate Apprentice Valuers, one in each area office.

#### **7.1.3.**

The existing powers and duties of the independent local Valuation Appeal Panels/ Committees will pass to the First Tier Tribunal (FTT) of a newly formed Local Taxation Chamber of the Scottish Courts and Tribunals Service (SCTS). The effective date for these changes has been delayed until 1 April 2023.

#### **7.1.4.**

The Assessor is required to maintain the Valuation Roll for his/her area by amending it to reflect a number of circumstances including physical changes to properties. Any such change to the Valuation Roll may be appealed by relevant parties.

## **7.2. Maintenance of the Valuation Roll**

### **7.2.1 Valuation Roll Statistics**

As at 30 September 2022, there were 2,648 entries in the Orkney Valuation Roll with a Rateable Value of £28,962,015 and 2,381 in Shetland Valuation Roll with a Rateable Value of £55,850,190.

### **7.2.2. 2017 Revaluation Appeals**

427 Revaluation appeals were received in relation to the 2017 Revaluation. Only two remain outstanding and have been referred to the Lands Tribunal for hearing and determination.

### **7.2.3. Coronavirus and Running Roll Appeals**

In response to the Covid-19 pandemic, 353 appeals were received over 2020 and 2021. The statutory date for disposal of these appeals was amended by Statutory Instrument in June 2021 to 31 December 2022.

### **7.3. Non-Domestic Rating Reform**

The Barclay Review resulted in the passing of the Non-Domestic Rates (Scotland) Act 2020. One of the main changes will be that Non-Domestic Revaluation will take place every three years instead of every five years, significantly compressing the valuation timetable. Further legislation is awaited setting out the arrangements for a new non-domestic appeals system. This is expected to be a two-tier system when an initial proposal to alter a rateable value is submitted before progressing to an appeal.

### **7.4. 2023 Revaluation**

#### **7.4.1.**

Preparations for the 2023 Revaluation continue apace. A general ingather of rental and other information has been carried out and extensive analyses of such information at local and national levels has been ongoing for some months. The process is time consuming and resource intensive particularly as we are actively migrating individual property details to a new IT system.

#### **7.4.2.**

Over 5,000 entries require to be revalued within a significantly compressed valuation timetable. Draft valuations are required by 30 November 2022 with final valuations to be issued in March 2023. Interested parties will have the ability to make representations in the interim period.

#### **7.4.3.**

The identification of certain public parks, parts of parks and buildings within parks which will enter into the Valuation Roll with effect from 1 April 2023 has been carried out and survey/inspection of these has commenced. These will be valued in accordance with the relevant valuation method and entered into the draft Revaluation Roll in November.

#### **7.4.4.**

Standardised Draft Revaluation Notices have been agreed for use across Scotland and work is ongoing to do likewise for the Final Revaluation Notices which will be issue in March 2023.

#### **7.4.5.**

Rented property lists will be available for the first time for a significant number of subjects valued on the comparative method of valuation. Ratepayers will be able to view a list of properties which the Assessor took cognisance of before setting the basic rate. These will be available at the SAA (Scottish Assessors Association) portal and details of how to find the lists will be issued with draft valuation notices. This is now an additional statutory requirement of the Assessor going forward.

### **7.5. Non-Domestic and Council Tax Valuation IT Systems**

#### **7.5.1.**

We continue to operate both the existing and new valuation IT systems in tandem to offer resilience and mitigate of risk. The 2023 Revaluation is being fully undertaken on the new valuation system. The process of Revaluation has afforded the opportunity to identify and refine non-domestic data migration issues.

#### **7.5.2.**

It is anticipated that we will issue all SAA portal uploads and billing authority notifications from the new system following the publication of the draft roll in November 2022.

We are currently liaising with both constituent authorities to obtain planning and building information in a format that will allow direct upload to the new valuation system. This automated process will replace the current manual procedure and help deliver efficiencies. ICT development resources will be focussed on this project in December 2022.

### **7.6. Service Priorities October 2022 to March 2023**

The current service priorities are summarised as follows:

- Publish draft valuation roll and issue subsequent draft valuation notices to all Proprietors, Tenants and Occupiers on 30 November 2022.
- Continued input of full valuation details on new system ahead of April 2023.
- Pursue missing rental, turnover and cost information to assist in refining the accuracy of draft values ahead of full publication in 2023.
- Publish 2023 Revaluation Roll and issue Final Valuation Notices on 15 March 2023 for new valuations coming into effect on 1 April 2023.
- Survey and value new property or alterations to existing properties to ensure that the Valuation Roll is as complete and accurate as possible.
- Upload all records to the Scottish Assessors Portal on a weekly basis through the new valuation system.
- Monitor staff training requirements for efficient continued use of the new valuation system.
- Support trainee valuers through their courses of degree and RICS APC studies.



## **8. Shetland Office Accommodation**

### **8.1.**

Some measures have been taken to alleviate the previously reported space and layout issues at our 20 Commercial Road office since the last meeting. An initial office tidy up was undertaken in July to remove superfluous furniture and IT equipment. A number of paper records were disposed of in line with our records management plan and retention arrangements. Desk spaces have been reconfigured in the reception area to improve the existing layout. A further and more extensive review of configuration and paper records held is planned over December and January.

### **8.2.**

The preference of Management and employees would be to remain at 20 Commercial Road. Contact has been made with Shetlands Islands Council to consider whether any further reconfiguration options on site are possible.

## **9. Financial Implications**

Any financial implications arising from sections 5.4.2 (Elections Act), 7.4 (Non-Domestic Reform) or 8 (Shetland Office Accommodation) will be reported to the Board.

## **10. Governance Aspects**

The content and implications of this report have been reviewed and, at this stage, it is deemed that the Board **DOES NOT** require external legal advice in consideration of the recommendations of this report.

## **11. Contact Officer**

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