

Item: 15

Orkney and Shetland Valuation Joint Board: 30 June 2022.

Best Value Performance Report.

Report by Assessor and Electoral Registration Officer.

1. Purpose of Report

To report to the Board the annual performance related targets and outcomes, in relation to the statutory Valuation functions, for the financial year 2021/2022 as detailed in Appendix 1.

2. Recommendations

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

3. Background

As a result of the annual audit process for 2019/20 it was a recommendation and observation from Deloitte, the Board's external auditors, that the robustness of performance reporting and reporting against Best Value should be improved by clearly setting out historical performance targets in addition to current performance, to enable monitoring of improvement. Reporting on Best Value should be clearly linked to the themes of Best Value set out in statutory guidance.

4. Introduction

4.1.

The Orkney and Shetland Valuation Joint Board's performance related targets and outcomes for 2021/22 are shown in Appendix 1.

4.2.

The 2021/22 targets and outcomes are compared with the 2020/21 targets and outcomes and additionally compared to the average targets set by the remaining 13 Assessors in Scotland to ascertain the Orkney and Shetland performance as a means to establishing value for money.

4.3.

The Covid-19 pandemic has continued to have some impact on operations. The situation has greatly improved from 2020/21 with office working returning largely to normal. Internal inspections have recommenced as far as possible, allowing more robust survey information to be gathered.

5. Performance Targets and Outcomes

5.1. Council Tax Targets and Outcomes – Orkney and Shetland

Performance Information 2021/2022

Valuation List (Council Tax List)

Total number of entries at 1st April 2021	23667
Number of new dwellings added in 2021/22 (Includes former Self Catering Units)	269
Number of new dwellings added in 2021/22 (Excludes former Self Catering Units)	219
% entered in List within 3 months of occupation (Target 87%)	96.32%
% entered in List within 6 months of occupation (Target 96%)	98.86%
% entered in List more than 6 months after occupation (Target less than 4%)	1.14%
Total number of entries at 31st March 2022	23854

Performance Information 2020/2021

Valuation List (Council Tax List)

Total number of entries at 1st April 2020	23504
Number of new dwellings added in 2020/21 (Includes former Self Catering Units)	240
Number of new dwellings added in 2020/21 (Excludes former Self Catering Units)	141
% entered in List within 3 months of occupation (Target 87%)	93.78%
% entered in List within 6 months of occupation (Target 96%)	97.30%
% entered in List more than 6 months after occupation (Target less than 4%)	2.70%
Total number of entries at 31st March 2021	23667

5.1.1.

The above summary of performance outcomes for 2021/22 are compared to the outcomes for 2020/21 to gauge any deviations from set targets.

5.1.2.

All performance and outcomes are analysed against the number of new dwellings (including Self Catering Units) added to the Valuation List for the financial year with the number of new dwellings coming into existence (Excludes Self Catering Units) for information purposes.

5.1.3.

There has been an increase in the number of new dwellings added to the Valuation List in the year 2021/22. Despite this all targets have been met and performance has improved relative to 2020/21. It is noted that the 3 month target for adding new dwellings to the Valuation List has remained at 87% for a number of years despite

being exceeded annually. It is anticipated KPIs will be significantly impacted by the changes to the qualifying criteria for Self-Catering Unit assessment. The requirement to provide proof of lettings will result in many retrospective changes between tax bases. Given this forthcoming uncertainty, it is not considered appropriate to increase Council Tax KPI targets for the current financial year.

5.2. Council Tax Targets – Other Assessors

5.2.1.

The average of all of the 13 Assessor areas (excluding Orkney and Shetland) are given below as a comparison to the targets set for Orkney and Shetland VJB.

	Other Assessors	Orkney and Shetland
% Entered in List within 3 months of occupation	86.5%	87%
% Entered in List within 6 months of occupation	95.6%	96%
% Entered in List more than 6 months after occupation (less than)	4.4%	4%

5.2.2.

The OSVJB targets exceed the average of all other Assessors' performance targets. Orkney and Shetland are therefore not out of line with Scottish Assessors Association performance indicators.

5.2.3.

The 2021/22 performance outcomes show Orkney and Shetland has exceeded the targets set in all areas.

5.3. Valuation Roll Targets and Outcomes – Orkney and Shetland

Performance Information 2021/2022

Valuation Roll

Total number of entries at 1st April 2021	4996
Total Rateable Value at 1st April 2021	£88,735,630
Number of amendments made to Roll in 2021/22	316
% entered in Roll within 3 months of effective Date (Target 75%)	79.53%
% entered in Roll within 6 months of effective date (Target 90%)	92.13%
% entered in Roll more than 6 months after effective date (Target less than 10%)	7.87%

Total number of entries at 31st March 2022	5040
Total Rateable Value 31st March 2022	£85,605,100

Performance Information 2020/2021

Valuation Roll

Total number of entries at 1st April 2020	5005
Total Rateable Value at 1st April 2020	£91,416,420
Number of amendments made to Roll in 2020/21	305
% entered in Roll within 3 months of effective Date (Target 75%)	81.12%
% entered in Roll within 6 months of effective date (Target 90%)	90.9%
% entered in Roll more than 6 months after effective date (Target less than 10%)	9.1%
Total number of entries at 31st March 2021	4996
Total Rateable Value 31st March 2021	£89,735,630

5.3.1.

All Valuation Roll targets for 2021/22 have been exceeded with overall performance broadly in line with 2020/21 levels. The total number of Valuation Roll amendments is slightly up on last year.

5.3.2.

With low numbers of valuation staff the focus of attention has to vary depending on the valuation cycle of workloads and during 2020/21 resources were directed towards outstanding 2017 Revaluation appeal resolution ahead of the statutory disposal date.

5.4. Valuation Roll Targets – Other Assessors

5.4.1.

The average of all of the 13 Assessor areas (excluding Orkney and Shetland) are given below as a comparison to the targets set for Orkney and Shetland VJB.

	Other Assessors	Orkney and Shetland
% Entered in Roll within 3 months of effective date	65.0%	75%
% Entered in Roll within 6 months of effective date	19.7%	15%
% Entered in Roll more than 6 months after effective date	15.3%	10%

5.4.2.

The OSVJB targets are set higher than the average of all other Assessors performance targets.

5.4.3.

The 2021/22 performance outcomes show Orkney and Shetland has met or exceeded the targets set in the above three areas.

5.4.4.

As noted at section 5.1.3 above, the changes to the qualifying criteria for Self-Catering Unit assessment is likely to result in a number of retrospective changes between tax bases. The general approach by Assessors has been to retain KPI targets at current levels and re-consider next year once the full impact is known.

5.5.

KPIs for the forthcoming year are expected to be impacted by preparation for the 2023 Revaluation.

6. Corporate and Service Plans

The above performance targets and outcomes should be read along with and aligned to the contents of the VJB's Corporate and Service plans which can be viewed on the Board's website at www.orkney-shetland-vjb.co.uk

7. Value for Money

7.1.

The Orkney and Shetland Valuation Joint Board undertakes the three statutory functions on behalf of the two Local Valuation Authorities. As the duties are statutory, and not optional, there is limited scope to reduce costs without impacting on the level of service provision to all stakeholders.

7.2.

By comparing the performance targets and outcomes to similar organisations in the Scottish Assessors Association could be seen as a gauge as to whether value for money is being achieved.

8. Financial Implications

There are no financial implications arising from the contents of this report.

9. 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.

10. Contact Officer

Darryl Rae, Assessor and Electoral Registration Officer, Email darryl.rae@orkney.gov.uk

11. Appendix

Appendix 1: Statistics April 2022.

ORKNEY & SHETLAND VALUATION JOINT BOARD
Performance Information 2021/2022

Valuation List (Council Tax List)

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Register of Electors

There are no current performance indicators for the Electoral Registration Service.

		<u>ORKNEY</u>	<u>SHETLAND</u>
Total electorate at 1st December 2021	Full Register	17669	18059
	Open Register	8811	9424

STAFFING

Total budgeted cost of all staff in providing the Valuation and Electoral Registration services in 2021/22.	£760,500
Number of full time equivalent staff posts.	13

VALUATION ROLL STATISTICS AS AT 1st APRIL 2022

Category	ORKNEY		SHETLAND	
	Number	Rateable Value	Number	Rateable Value
Shop	266	£2,948,205	249	£2,424,895
Public House	13	£119,050	11	£299,900
Offices inc. Banks	179	£2,147,990	194	£2,513,240
Hotel Etc.	53	£1,116,750	36	£1,595,250
Industrial Subjects	558	£4,872,675	469	£7,538,415
Leisure Entertainment	516	£2,009,345	368	£2,555,615
Garages & Petrol Stations	70	£372,525	80	£520,525
Cultural	35	£205,230	19	£504,420
Sporting Subjects	396	£320,140	300	£252,805
Education & Training	30	£3,137,875	54	£3,330,425
Public Service Subjects	202	£2,668,630	296	£6,052,555
Communications	18	£342,400	20	£690,700
Quarries Mines Etc.	27	£118,450	16	£118,150
Petrochemical	2	£5,353,000	8	£25,980,850
Religious	99	£392,330	151	£247,880
Health, Medical	36	£1,671,975	30	£842,155
Other	126	£580,820	69	£272,780
Care Facilities	18	£639,100	26	£848,050
Advertising	0	£0	0	£0
Undertakings	0	£0	0	£0
Total	2644	£29,016,490	2396	£56,588,610
Of which have zero value	28		28	

COUNCIL TAX STATISTICS AS AT 1st APRIL 2022

(Including garages and stores)

BAND	ORKNEY		SHETLAND	
	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
A	2507	21.35%	3580	29.56%
B	2930	24.96%	1853	15.30%
C	2475	21.08%	2890	23.86%
D	1899	16.17%	1903	15.71%
E	1533	13.06%	1501	12.39%
F	368	3.13%	316	2.61%
G	23	0.20%	68	0.56%
H	6	0.05%	2	0.02%
Totals	11741	100%	12113	100%