

Item: 11

Orkney and Shetland Valuation Joint Board: 20 June 2024.

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 October 2023 to April 2024.

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 October 2023 and April 2024.

5. Electoral Registration Service – Overview and Priorities

5.1. Annual Electoral Registration Canvass

The annual canvass was successfully completed by the end of November 2023 with the revised annual register being published and distributed on 1 December 2023. Having followed the same processes and procedures as in the previous years the canvass outcome was successful and as anticipated. The door to door aspect of the canvass, which is the final contact method for properties who have not made the required response, was concluded in time for the publication. In Shetland where external part time canvassers carry out this work, recruitment once again proved challenging but was eventually successful. It is hoped that canvassers from 2023 will again be available in 2024.

5.2. Electoral Registration Outwith Canvass

Outside 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 focused correspondence. These changes also highlight electors who are no longer resident and this information is used to go through the necessary processes to remove electors who are no longer entitled to be registered. Records received from registrars inform the ERO of electors who are now deceased and can be removed from the register.

5.3. Electoral Management System (EMS)

Idox, the provider of the EMS, continues to provide updates to the software on the system, which is used to manage the running of the ERO's statutory functions. Online training provided by Idox has been attended by electoral staff as required. These updates provide the additional functionality required by the implementation of the Elections Act 2022 and also ongoing upgrading of many aspects of the system's day to day operation. The Depute Electoral Registration Officer continues to represent the Board on the Idox Scottish Users group which meets to discuss EMS development matters and improvements.

5.4. Local Government By Election

A by election took place for the Orkney Islands Council, Stromness and South Isles ward on 28 March 2024. Registration activities and the absent vote application processes went well and there were no clerical errors.

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 and by elections in Shetland held later in 2022.

5.5. Business as Usual Activities

The following Electoral Registration functions were undertaken with reference to the guidance produced by the Electoral Commission and within legislative timetables.

- Plan, undertake and action continued staff training on changes to electoral legislation and the EMS.
- Follow up all correspondence issued to potential electors issued outwith the annual canvass period.
- Continue to process all registration and absent vote applications received, by whatever communication method.
- In January 2024 the annual absent vote signature refresh process on the required electors was successfully carried out. This fulfils the requirement to gather a fresh specimen signature from all electors who have a postal voting arrangement, whose held signature has been in place for 5 years in respect of devolved elections, which are Scottish Parliament and Local Council Elections. The implementation of the Elections Act 2022 means that there are now separate absent vote administration procedures in place for reserved, UK Parliament

elections. For these elections, electors will be required to reapply for a postal vote within a maximum time period of every 3 years. Under the implementation process of the Act, which brought in these measures, all existing reserved postal vote arrangements are extended until 31 January 2026.

5.6. Service priorities April 2024 to September 2024

A UK Parliamentary election must be held by 28 January 2025, and since initial drafting of this report, it has been announced that it will be held on 4 July 2024. As such, the largest single electoral event since 2019 has now become the focal point of the Electoral Registration Service. This will be the first election in Orkney and Shetland at which the new requirements of the Elections Act 2022, as outlined below, will be in force.

5.6.1. Elections Act 2022

Implementation of the Elections Act 2022 continues to progress. In Scotland all aspects of this Act apply to UK Parliamentary elections only.

To facilitate the various aspects of the Elections Act, the Department of Levelling Up, Housing and Communities (DLUHC) continues to develop the online Electoral Registration Officers Portal (EROP) to give the public access to the government website, gov.uk, to make the necessary applications. Local Electoral Registration Officers and their staff also have access to this portal in order to process the applications and produce the documentation required.

The first aspect of the Act to be implemented was the requirement for Voter ID to be shown at polling stations. This requirement has now been applicable in England at the local government elections held in May 2023 and the various elections held in May 2024 along with UK Parliamentary by elections and recall petitions held since implementation in 2023 and in 2024 throughout the UK. In early May 2024 the Electoral Commission instigated a cross Scotland campaign to publicise the requirement for Voter ID. This centres round full page adverts in local papers throughout Scotland, which included The Orcadian and The Shetland Times. Both Councils produced and issued co-ordinating press releases and social media content. While at this point we have no indication of the success of this venture in increasing public awareness of this requirement, hopes within our offices were that this would encourage those who would require a Voter Authority Certificate as a form of identification, produced by the local ERO, to make early applications ahead of the UK Parliamentary General Election. To date only a very few applications have been received both since implementation in 2023 or as a result of this latest publicity. Comprehensive guidance on the management of these VAC applications continues to be provided by the Electoral Commission.

The next stage of the Act to come into force were the changes to absent (Postal and Proxy) voting arrangements. Of continued concern to electoral administrators in Scotland is the divergence in legislation in regard to absent voting which results in changes in respect of the requirements for the UK Parliamentary process, as opposed to those currently in place and remaining unchanged for Local Government and Scottish Parliamentary Elections. These changes came into place in October 2023. Electors now have the additional facility to apply online for absent votes for UK

Parliamentary Elections and these are processed through the EROP. To receive an absent vote for these elections, electors must now supply, as part of their application, confirmation of their identity, as they already have to do when applying to register. This is an additional requirement to previous arrangements. Electoral staff anticipate this providing challenging situations and workloads in the period leading up to cut off times for a General Election.

The final significant aspect of the Elections Act, for Electoral Registration Officers, concerns the registration of Overseas Electors which was implemented in January 2024. Formerly British citizens who have moved overseas could register for a maximum period of up to 15 years from the date they ceased to be registered in the UK. This has now been extended with no limit being in place either for the duration that such electors may be registered for, or the length of time since they were most recently registered as resident in the UK. Additionally, applications may be made by those who were not previously registered but can provide evidence of residence at a given address at any time in the past. If such evidence is not available another registered elector may provide an attestation to this effect. A number of Overseas Electors have now registered under this legislation and again electoral staff anticipate these applications providing challenging situations and workloads in the period leading up to cut off times for a General Election.

Electoral Registration Officers have received funding from the Department of Levelling Up Housing and Communities in regard to implementing the Elections Act 2022. A Justification Led Bid process is available to allow EROs to submit claims for additional expenses incurred over and above the initial payments.

As DLUHC progress with the significant changes this legislation is bringing into place, Electoral Registration Officers are kept in regular contact with developments by that Department. This is done through the Scottish Assessors Association, the Association of Electoral Administrators and the Electoral Commission in addition to DLUHC themselves. Questionnaires on our preparedness and anticipated requirements continue to be produced by DLUHC and will be completed as required.

Electoral registration staff continue to attend online training and discussion webinars hosted both by DLUHC and Idox.

5.6.2. UK Parliamentary General Election – 4 July 2024

At the time of writing this report, the Prime Minister announced that a UK parliamentary General Election will be held on 4 July 2024. All Electoral Registration efforts have now turned to preparations for this election. Senior electoral staff are preparing the Idox EROS Electoral Management System for the running of the aspects of the election that are the responsibility of the Electoral Registration Officer. All aspects of the Elections Act listed above will now be fully implemented and available to electors as above in addition to well established procedures and processes in registration and absent voting.

5.6.3. Annual Canvass 2024

Planning for the largest single event in the annual cycle of Electoral Registration, the annual canvass, was well under way at the time of announcement of the UK Parliamentary General Election. As there have been no changes to the legislation covering the canvass it will be conducted in a very similar manner to that of the previous years, with only minor changes being carried out as it progresses. Existing processes and the newer initiatives brought in over recent years work well. The annual canvass can commence at any time from the 1 July each year and in light of the announcement of the general election this has now been postponed until later in 2024. A significant amount of preparation is required before the issue of canvass forms to all households and this can now only commence after the election.

6. Council Tax

6.1. New Entries

As at 1 October 2023, there were 11,912 chargeable dwellings in Orkney and 12,291 in Shetland which had risen to 11,938 in Orkney and 12,294 in Shetland, as at 1 April 2024. These figures include the addition of 56 new dwellings in Orkney and 30 in Shetland over the 6 month period.

6.2. 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 to appeal at the First Tier Tribunal of the Scottish Courts and Tribunals Service. As at 1 April 2024, there are two outstanding proposals covering both Orkney and Shetland.

6.3. Service Priorities April 2024 to September 2024

The current service priorities are summarised as follows:

- Administer the transfer of any Self Catering subjects which have failed the audit to provide satisfactory evidence of Self Catering use, from the Valuation Roll to the Council Tax List.
- Maintain, and ideally improve 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, and ideally improve 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.
- Ensure recently employed staff in both offices are adequately trained and supervised with a view to maintaining above priorities.
- Continue to train staff on using the new valuation system, especially with regard to the features around automated import of Land Registry information, and Building Warrant and Planning details.

7. Non-Domestic Rating

7.1. Background

7.1.1.

The Assessor is required to carry out a general Revaluation of all Non-Domestic properties under statutory legislative timetables. Historically this was generally carried out every five years but from 1 April 2023, Revaluations now take place every three years. The most recent Non-Domestic Revaluation took effect from 1 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 into force. Grant funding of £70,000 per island area (£140,000 in total) was provided for 2023/24 to assist with the implementation of reforms and subsequent increased workloads. As part of the transition required by the reformed legislation, the Board procured a new valuation system and recruited two Graduate Apprentice Valuers, one in each area office.

7.1.3.

The powers and duties of the independent local Valuation Appeal Panels/ Committees passed to the First Tier Tribunal (FTT) of a newly formed Local Taxation Chamber of the Scottish Courts and Tribunals Service (SCTS), with effect from 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 result in a Proposal being submitted by relevant parties for an alternative valuation.

7.2. Maintenance of the Valuation Roll

7.2.1. Valuation Roll Statistics

As at 1 October 2023, there were 2,619 entries in the Orkney Valuation Roll with a Rateable Value of £32,929,145 and 2,339 entries in the Shetland Valuation Roll with a Rateable Value of £62,326,320. As at 1 April 2024, this has been amended to 2,618 entries in Orkney with a Rateable Value of £33,010,340 and 2,374 entries in Shetland with a Rateable Value of £62,266,290.

7.2.2. Revaluation Appeals/Proposals

Appeals against the 2017 valuations were lodged between 1 April and 30 September 2017. The number of appeals lodged by 30 September was 181 in Orkney and 246 in Shetland. All of these appeals have been settled.

For the 2023 Revaluation, new Legislation has changed the method for ratepayers to challenge their valuations. A shortened four-month period following revaluation, expiring 31 July (albeit extended to 31 August for the 2023 Revaluation), is allowed for interested parties, or their appointed agents, to lodge Proposals to alter the entry in the Valuation Roll. In the event that agreement cannot be reached between the Assessor and the ratepayer, there will be a right of appeal to the First Tier Tribunal (FTT) referred to above.

We received 187 Proposals against the 2023 Revaluation. In terms of total number of Proposals, this has approximately halved relative to appeals received against the 2017 Revaluation. However, due to the new Proposals Regulations, considerably more time is required in terms of preparing written responses and decision notices, with more or less all Proposals having this requirement, whereby in the old system, much of the work in disposing of appeals could be carried out by informal negotiations. There is a significant learning curve in all aspects of dealing with Proposals, being part of the SAA provides a significant benefit in terms of shared experience.

7.2.3. Coronavirus and Running Roll Appeals

In response to the Covid-19 pandemic, 353 appeals were received over the years 2020 and 2021. 200 of these appeals were withdrawn, and the remaining 153 were sent to the First-tier Tribunal in March 2023, who are currently in the process of contacting appellants to see if they wish to proceed with appeals. It has been a slow process in terms of the Tribunal citing these appeals due to the sheer volume across Scotland, but now that this process has begun, a greater number of withdrawals are occurring.

7.3. Non-Domestic and Council Tax Valuation Systems

The data migration to Orkney and Shetland's new valuation system has been completed and the system went live on 4 October 2021. Staff have undertaken training to action business as usual processing in relation to the Valuation Roll and Council Tax Valuation List amendments. Since 1 April 2023, the Valuation Roll is only maintained on the new system. Council Tax amendments are predominantly undertaken on the new system, but the old one has been retained as a valuation tool.

Training and a close working relationship with our supplier is essential to ensure we make the best of the new system. This is especially true on the Council Tax side – partly because most emphasis to date has been on the Valuation Roll while the Revaluation was delivered, but also because we have employed new Council Tax Technical staff in both area offices over the past year.

The new system has the potential to make efficiencies through bulk valuations and the automated generation of notices. Other benefits include the automated uploading to case files of lists from the land registry, planning and building control, where previously this would have been a manual task per subject entry.

There is an ongoing development and training process with this system, as new features are added, such as for assisting with the self-catering audit, and processing of Proposals that become Appeals.

7.4. Service Priorities April to October 2024

The current service priorities are summarised as follows:

- Recruit a Depute Assessor for the VJB.
- Recruit a replacement Valuer for the Kirkwall office.
- Commence and conclude the second annual audit of Self-Catering properties, to allow such subjects to remain on the Valuation Roll, based on the evidence provided.
- As a consequence of the above, plan for the transfer of subjects failing the audit from Valuation Roll to the Council Tax List.
- Continue to process NDR Proposals by way of written statement and decision notice, and plan for disposing of all Proposals over the statutory timetables.
- In connection with the above, work alongside our valuation system provider to integrate a caseload facility for dealing with Proposals and any subsequent Appeals.
- Continue to liaise with Scottish Assessors Association to ensure harmonisation in practices dealing with the new Proposal process.
- Survey and value new property or alterations to existing properties to ensure that the Valuation Roll is as complete and accurate as possible.
- To upload all records to the Scottish Assessors Portal on a weekly basis.
- Monitor staff training requirements for efficient continued use of the new valuation system.
- Support trainee valuers through their RICS APC studies.

8. Shetland Office Accommodation

This item has been left on the report should Members have any queries, but at the present time, through having the use of accommodation on the first floor of 20 Commercial Road, adequate space is available for staff to carry out their duties. Three members of staff based in Lerwick are part-time workers, and we must retain focus on making best use of the space we have through practices such as hybrid working, shared desks, and an aspiration to reduce physical records and digitise documents.

Should there be an increase in headcount in Lerwick (realistically only possible in the event of a Shetland-based Depute Assessor being recruited), then it is likely that without more extreme reconfiguration and record digitisation within our existing premises, a move to alternative accommodation would be required. This may of course come with cost implications that would be reported to the Board if and when the circumstance arises.

9. Financial Implications

There are no direct financial implications arising from the report. Any costs arising should be met from within the approved budgets and requisitioned amounts.

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 contained in this report.

11. Contact Officer

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