

Draft

Minute of Meeting of the Central Scotland Valuation Joint Board held within Hillside House, Stirling on Friday 29 June 2018 at 9.30 a.m.

Councillors: David Balfour (Convener)
Lorna Binnie
Kenneth Earle
Craig Holden
Jeremy McDonald
Bill Mason
Alan Nimmo
John Patrick
Jim Thomson

Officers: Ashley MacGregor, Assistant to the Treasurer
Brian Pirie, Assistant to the Clerk
Paula Tovey, Chief Accountant and Section 95
Officer, Clackmannanshire Council
Jane Wandless, Assistant Assesor
Peter Wildman, Assessor and Electoral
Registration Officer
Isabel Wright, Senior Internal Auditor, Falkirk
Council

VJB1. Apologies

Apologies were intimated on behalf of Councillors Alexander, Coombes, Gibson and Grant.

VJB2. Declarations of Interest

Councillor Patrick declared a non-financial interest in item VJB5 as a member of Falkirk Pension Fund but considered that this did not require him to recuse himself from the decision making having had regard to the objective test in the Code of Conduct.

VJB3. Minute

The minute of the meeting held on 2 February 2018 was approved.

VJB4. Appointment of Treasurer

The Board considered a report by the Clerk asking the Board to appoint an interim Treasurer.

Decision

The Board agreed to appoint Paula Tovey, Chief Accountant and Section 95 Officer, Clackmannanshire Council, to the post of Treasurer on an interim basis until such time as her post is confirmed or another person is appointed.

VJB5. Draft Financial Statements as at 31 March 2018

The Board was required by law to prepare a Statement of Accounts setting out its financial position at the end of the financial year. Draft accounts must be submitted by 30 June to the Controller of Audit who will audit their accuracy and completeness. The 2017/18 draft accounts had been drawn up in accordance with the local authority Code of Practice (which reflected International Financial Reporting Standards) and showed an underspend of £156k against a budget of £2.584m.

The Board considered a report by the Treasurer presenting the draft financial statements for 2017/18. In February 2018 the Board had approved a budget for 2018/19 which had included £284k of reserves which was ear marked for specific projects. It was proposed that £34k was allocated from this to spend to save to allow a scanning project from 2016/17 to continue to March 2019.

Decision

The Board agreed:-

- 1) to approve an increase in the Spend to Save earmarked reserve of £34k; and**
- 2) to note the 2017/18 Draft Statement of Accounts and agree to their submission to the Controller of Audit**

VJB6. Internal Audit Annual Assurance Report 2017/18

The Board considered the Annual Assurance report for 2017/18 by the Internal Audit Manager based on work undertaken. Internal Audit was able to provide Substantial Assurance on the adequacy of the Board's arrangements for risk management, governance and control for 2017/18.

Decision

The Board noted the Report.

VJB7. 2017/18 Internal Audit Review – Register of Electors

The Board considered a report by the Internal Audit Manager presenting the findings of a review of the adequacy of the arrangements for maintaining the register of electors. Overall the review found Substantial Assurance and had made four recommendations for further improvement. An action plan to address the recommendations had been agreed with the ERO and progress would be reviewed during 2018/19.

Decision

The Board noted the findings arising from the 2017/18 Internal Audit review of the Register of Electors.

VJB8. Internal Audit Plan 2018/19

The Board considered a report by the Internal Audit Manager presenting the internal Audit Plan for 2018/19. The work would focus on:-

- assessing the robustness and completeness of Business Continuity Planning arrangements;
- reviewing the process for recording, monitoring, and responding to requests received under the Freedom of Information (Scotland) Act 2002; and
- inputting to the Annual Governance Statement Assurance Questionnaire process.

In response to a question in regard to business continuity, the Assessor gave an overview of the Business Continuity Plan confirming that arrangements to back up data were in place. It was his intention to review cyber security arrangements in 2018/19. The Assessor also confirmed that good progress had been made to transfer paper files to electronic media. He advised that the IT systems had been subject annually to a health check in recognition of the potential risks of cyber-attacks.

Decision

The Board:-

- 1) agreed planned Internal Audit coverage for 2018/19; and**
- 2) noted that progress against the Plan will be reported to the Board and summarised in an Annual Assurance Report.**

VJB9. Risk Assessment Report

The Board considered a report by the Assessor & Electoral Registration Officer presenting a revised Risk Management Strategy. The Risk Management Strategy which had been approved in 2012 was reviewed annually. The purpose of the strategy was to identify risks before they occur and establish a response to the potential risks. The revised Strategy highlighted the latest risk analysis for all general risks highlighting updated actions.

The main risks were:-

- cyber security
- funding
- resources and staff retention

In response to questions the Assessor summarised the arrangements to address the risk of cyber-attacks, including the recruitment of a part time systems administrator. He also set out the challenges in recruiting and retaining qualified valuers. It was difficult to compete with the private sector in terms of wages and traditional public sector benefits such as pension plans and flexible working were now not unique to the public sector.

Decision

The Board:-

- 1) approved the revised Risk Strategy; and**
- 2) noted the current general risk assessment analysis for all functions.**

VJB10. Best Value Report 2017/18

The Board considered a report by the Assistant Assessor presenting service performance information for the period 1 April 2017 to 31 March 2018.

The service performances as measured by performance indicators for valuation roll work and for valuation list work were set out.

In regard to valuation roll work, which measures the period taken to change the valuation roll, 1038 changes had been made during the period - of these 63% were amended within 3 months, 86% within 6 months and 14% took longer – against targets of 75%, 90% and 10% respectively.

In regard to the valuation list work, the time taken to add houses to the valuation list, 933 new entries were registered in the period, with 94% added within 3 months, 99% added within 6 months and 1% took longer – as against targets of 97%; 99% and 1% respectively.

The report provided background and context as to why the targets had not been met. It was proposed that the targets remain unchanged in 2018/19.

Decision

The Board considered and commented on the continuing commitment to Best Value.

VJB11. Valuation Team Appeals Report

The Board considered a report by the Assistant Assessor advising of the progress made in dealing with appeals relating to the 2017 revaluation progress together with an update on appeals relating to the 2005 and 2010 Revaluation process.

To date 1002 (22%) of 2017 appeals had been disposed of. The Valuation Appeals Committee had met on 10 occasions with a further 5 scheduled before 31 December 2018. All appeals required to be dealt with by December 2020. There were 10 appeals outstanding in regard to 2005 and 21 outstanding in regard to 2010.

Following questions the Assistant Assessor explained the complexity of and workload required in order to deal with appeals, citing as example appeals in regard to the refinery at Grangemouth. In response to questions the Assessor gave detailed explanation of the appeals process, using the Thistle Centre, Stirling as an example.

Decision

The Board considered and commented on the following:-

- 1) the significant appeal workload arising from the 2017 Revaluation.**
- 2) the re-introduction of Shooting Rights and Deer Forests into the Valuation Roll.**
- 3) progress in disposal of appeals relating to the 2005 and 2010 revaluations.**
- 4) progress in disposal of Council Tax Appeals.**

VJB12. GDPR Report

The Board considered a report by the Assistant Assessor providing an update on actions taken to ensure compliance with the General Data Protection Regulations and Data Protection Act 2018 which came into effect in May 2018.

Notably Stephen Coulter, Head of Resources and Governance, Clackmannanshire Council had been appointed Data Protection Officer for the Board, Assessor and Electoral Registration offices.

Decision

The Board noted ongoing commitment to compliance with the GDPR Regulations and the Data Protection Act 2018

VJB13. Whistleblowing Policy

The Board considered a report by the Assistant Assessor presenting a Whistleblowing policy for approval. The aim of the policy was to encourage all employees, and others, who have serious concerns about any aspect of the Board's work to come forward without the fear of reprimands. The policy sat within other policies such as the anti-corruption and fraud policy.

Decision

The Board approved the new Whistleblowing Policy.

VJB14. Exclusion of Public

Resolved in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, to exclude from the meeting the press and public for the following items of business on the ground that they would involve the likely disclosure of exempt information as defined in Paragraphs 11 and 12 of Part 1 of Schedule 7A to the said Act.

VJB15. 2017/18 Internal Audit Review – IT Control Environment

The Board considered a report by the Internal Audit Manager presenting the findings arising from a review of the IT control environment. Overall the review had found Substantial Assurance in relation to the adequacy of the arrangements for the management and security of the IT infrastructure and had made 11 recommendations for improvement. An action plan to address the recommendations had been agreed with by the assessor and progress would be reviewed during 2018/19.

Decision

The Board noted the report.