

**Minute of Meeting of the Central Scotland Valuation Joint Board held within Hillside House, Stirling on Friday 28 June 2019 at 9.30 a.m.**

**Councillors**            David Balfour (Convener)  
                                 Lorna Binnie  
                                 Kenneth Earle  
                                 Danny Gibson  
                                 Craig Holden  
                                 Gordon Hughes  
                                 Jeremy McDonald  
                                 Bill Mason  
                                 Alan Nimmo  
                                 John Patrick  
                                 Robert Spears  
                                 Jim Thomson

**Officers:**                Russell Hewton, Divisional Valuer  
                                 Gordon O'Connor, Internal Audit Manager  
                                 Brian Pirie, Assistant to the Clerk  
                                 Lynn Previn, Assistant to the Treasurer  
                                 Darryl Rae, Divisional Valuer  
                                 Linsey Sim, Treasurer  
                                 Peter Wildman, Assessor and Electoral Registration Officer

**VJB1.    Apologies**

Apologies were intimated on behalf of Councillors Alexander and Grant.

**VJB2.    Declarations of Interest**

No declarations were made.

**VJB3.    Minute**

**The minute of the meeting held on 1 February 2019 was approved.**

Councillor Binnie and McDonald joined the meeting during consideration of the previous item.

#### **VJB4. Draft Financial Statements as at 31 March 2019**

The Board considered a report by the Treasurer presenting the draft Financial Statements as at 31 March 2019.

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 2018/19 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 £49k against a budget of £2.583m.

The Board considered a report by the Treasurer presenting the draft financial statements for 2018/19. The Board had approved ear marked reserves of £318k for 2018/19, with £33k ear marked for 2019/20. The balance of un-earmarked reserves was £137k.

The Board was legally obliged to complete the draft accounts and submit them by 30<sup>th</sup> June to the Controller of Audit so that they can be scrutinised by the appointed external auditor for accuracy and completeness.

The final audited set of accounts, and the auditor's report, would be presented to the Board at the next appropriate meeting.

#### **Decision**

**The Board noted the 2018/19 Draft Statement of Accounts and agreed to their submission to the Controller of Audit.**

#### **VJB5. Internal Audit Annual Assurance Report 2018/19**

The Board considered a report by the Internal Audit Manager presenting a report on the Internal Audit work undertaken during 2018/19.

Based on the work undertaken during 2018/19 Internal Audit was able to provide substantial assurance on the adequacy of the Boards arrangements for risk management, governance and control for the year to 31 March 2019.

In providing this opinion Internal Audit had taken account of the findings arising from reviews of:-

- Arrangements for Recording, Monitoring, and Responding to Freedom of Information Requests;
- Business Continuity Management Arrangements; and

- Input to the Annual Governance Statement of Assurance Questionnaire process.

The report summarised the findings of the reviews and summarised the input of Internal Audit into the Annual Governance Statement of Assurance checklist. This provided a high level assessment of the Board's arrangements in regard to areas such as leadership, stakeholder relationships, risk management, internal control, planning and performance and information management.

Following a question in regard to the audit of Freedom of Information requests, the Internal Audit Manager stated that of the 6 requests which had been reviewed 2 had been responded to slightly outwith the 20 day limit.

Following a question the Internal Audit Manager explained the term 'broadly compliant' in respect of Internal Audit's compliance with the Public Sector Internal Audit Standards 2017. This, he confirmed, equated to substantial assurance.

### **Decision**

**The Board noted that Internal Audit was able to provide substantial assurance in respect of it's arrangements for risk management, governance, and control for the year to 31 March 2019.**

### **VJB6. Internal Audit Plan 2019/20**

The Board considered a report by the Internal Audit Manager presenting the 2019/20 Internal Audit Plan.

The focus of Internal Audit's work in 2019/20 would be on:-

- Payroll: a review of CSVJB policies, procedures, roles, and responsibilities, and will test a sample of Payroll transactions to ensure these are: properly authorised; actioned in a timely manner; and accurately processed;
- Data Protection: this work would focus on governance and operational roles and responsibilities, and processes and procedures for ensuring compliance with Data Protection legislation; and
- Inputting to the Annual Governance Statement Assurance Questionnaire process.

In regard to compliance with GDPR the Assessor confirmed that the Board was compliant. The review would ensure that the arrangements had been embedded and were effective.

## **Decision**

### **The Board:-**

- (1) agreed the planned Internal Audit coverage for 2019/20, and**
- (2) noted that progress against the Plan will be reported to the Board and summarised in an Annual Assurance Report.**

### **VJB7. Best Value Report 2018/19**

The Board considered a report by the Assistant Assessor presenting service performance information for the period 1 April 2018 to 31 March 2019.

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 measured the period taken to change the valuation roll, of these 77% had been amended within 3 months, 93% within 6 months and 7% 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 96% had been 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 2019/20.

## **Decision**

**The Board noted the report.**

### **VJB8. Valuation Team Appeals Report**

The Board considered a report by the Divisional Valuer presenting the Valuation Team Appeals report.

The report provided detail on appeals in regard to:-

- 2017 Revaluation Appeal progress to October 2018
- 2017 running roll Appeals
- Appeals lodged against 2005 and 2010 Valuation rolls
- Council Tax proposals and appeals

Following a question, the Divisional Valuer stated that it was not clear that a decrease in property value had been a factor in the number of Council Tax appeals. The Assessor stated, following a question, that his team were expert and did not utilise consultants, other than if professional advice was required for areas outwith their professional expertise. In regard to amenity housing the District Valuer confirmed that all properties were valued at the market value, adaptations were excluded.

## **Decision**

### **The Board noted:-**

- (1) the significant Appeal workload arising from the 2017 Revaluation;**
- (2) progress in disposal of Appeals relating to the 2005 and 2010 Revaluations, and**
- (3) progress in disposal of Council Tax Proposals and Appeals.**

## **VJB9. Risk Assessment Report**

The Board considered a report by the Assessor and Electoral Registration Officer presenting the Risk Assessment Report.

The Board had agreed its Risk Management Strategy on 24 February 2012 (ref VJB31).

The report set out the findings of the latest Risk Analysis. Following the review the Assessor was proposing no amendment to the current Strategy.

The Assessor highlighted 3 risks to the Board, these were:

- computer virus/hacking attack
- loss of programming capability
- data breach

He also highlighted, as a potential risk, the outcome of the Barclay Review of Non Domestic Rates which was before the Scottish Parliament. This could see the 5 year revaluation cycle reduced to 3. This would impact on the work cycles and workload of the Valuation Team. An additional Principal Valuer had been appointed and it was likely that further staff would be required.

Mr Wildman also highlighted potential changes to the appeals system and the ongoing financial landscape as potential risks to the Board.

Following questions about the security of the Board's IT systems, Mr Wildman stated that external consultants were employed to test the Board's systems for vulnerabilities.

### **Decision**

**The Board approved the Risk Strategy and noted the current general risk assessment analysis for all functions.**

### **VJB10. Capability Policy Report**

The Board considered a report by the Assessor and Electoral Registration presenting an updated Capability Policy and Procedure for approval.

The Board's current Capability Policy and Procedures had been approved in September 2010 (ref VJB14). The revised policy and procedure was based on that adopted by Clackmannanshire Council. The principal changes were:-

- separate approaches to Performance Related and Health Related capability.
- clearer guidance on each stage.
- streamlined procedure to a two stage process.

### **Decision**

**The Board approved the new Capability Policy and Capability Procedure.**