



Renfrewshire Valuation Joint Board

Notice of Meeting and Agenda Renfrewshire Valuation Joint Board.

Date	Time	Venue
Friday, 16 August 2019	14:00	Inverclyde Council, Municipal Buildings, Clyde Square, GREENOCK, PA15 1LZ

KENNETH GRAHAM
Clerk

Membership

Councillors Angela Convery, Danny Devlin, Charlie Gilbert and Paul O’Kane (East Renfrewshire Council); Councillors Graeme Brooks, Colin Jackson, Tommy McVey and Innes Nelson (Inverclyde Council); and Councillors Tom Begg, Jacqueline Cameron, Audrey Doig, Kenny MacLaren, Mags MacLaren, John McIntyre, Jim Sharkey and Andy Steel (Renfrewshire Council).

Councillor Audrey Doig (Convener): Councillor Paul O’Kane (Depute Convener)

Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at <http://renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx>

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Members of the Press and Public

Members of the press and public wishing to attend the meeting should report to the customer service centre where they will be met and directed to the meeting.

Items of business

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

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13 Date of Next Meeting

Note that the next meeting of the Joint Board will be held at 2.00 pm on 22 November 2019 in the offices of Renfrewshire Council, Renfrewshire House, Cotton Street, Paisley.



Renfrewshire Valuation Joint Board

Minute of Meeting Renfrewshire Valuation Joint Board.

Date	Time	Venue
Friday, 31 May 2019	14:00	East Renfrewshire Council (Council HQ), Council Headquarters, Eastwood Park, Rouken Glen Road, Giffnock, G45 6UG

Present

Councillor Graeme Brooks, Councillor Colin Jackson and Councillor Tommy McVey (all Inverclyde Council); and Councillor Tom Begg, Councillor Jacqueline Cameron, Councillor Audrey Doig, Councillor Kenny MacLaren, Councillor Mags MacLaren, Councillor John McIntyre, Councillor Jim Sharkey and Councillor Andy Steel (all Renfrewshire Council).

Chair

Councillor Audrey Doig, Convener, presided.

In Attendance

K Crawford, Assessor and Electoral Registration Officer, J Murgatroyd, Assistant Assessor and Electoral Registration Officer and L Hendry, Assistant Assessor and Electoral Registration Officer (all Renfrewshire Valuation Joint Board); and A McMahon, Chief Auditor, C McCourt, Finance Business Partner, L Souter, Principal Accountant (Management Accounting), T McGowan, Finance Assistant and E Currie, Senior Committee Services Officer (all Finance & Resources, Renfrewshire Council).

Apologies

Councillor Paul O'Kane (East Renfrewshire Council) and Councillor Innes Nelson (Inverclyde Council).

Declarations of Interest

There were no declarations of interest intimated prior to the commencement of the meeting.

1 Minute

There was submitted the Minute of the meeting of the Joint Board held on 18 January 2019.

DECIDED: That the Minute be approved.

2 Remuneration of Elected Members who are appointed Conveners and Vice-conveners of Joint Boards

There was submitted a joint report by the Clerk and the Treasurer relative to remuneration for elected members, including the Convener and Vice-convener of Joint Boards introduced by The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007.

The report intimated that since 2007, various amendment regulations had amended the yearly remuneration to be paid to elected members, including those elected members who were conveners or vice-conveners of joint boards. The most recent amendment regulations had been laid before the Scottish Parliament on 1 February 2019 and came into force from 1 April 2019. These amendment regulations, The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2019 stipulated changes to the remuneration rates payable to elected members.

The change implemented by the 2019 amendment regulations was an increase of 2.8% in the yearly remuneration payable to councillors from 1 April 2019. The 2019 amendment regulations stipulated that the convener of a joint board shall be paid, from 1 April 2019, a total yearly amount of £21,840 inclusive of any amount payable to them as a local authority councillor under the 2007 Regulations; and that the vice-convener of a joint board shall be paid, from 1 April 2019, a total yearly amount of £20,748 inclusive of any amount payable to them as a local authority councillor under the 2007 Regulations.

The Regulations state that “remuneration shall be paid by the local authority of which the convener and vice-convener, as the case may be, is a member to one convener and one vice-convener for each joint board”. The remuneration costs for both the Convener and Depute Convener of this Joint Board shall be met in full by Renfrewshire Council for Councillor Audrey Doig and by East Renfrewshire Council for Councillor Paul O’Kane.

DECIDED:

(a) That the revised remuneration levels mandated by The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2019 for the Convener and Depute Convener of this Joint Board be noted; and

(b) That it be noted that the remuneration costs for each position shall be met by the local authority at which the position holder was an elected member.

3 Unaudited Accounts 2018/19

There was submitted a report by the Treasurer relative to the unaudited annual accounts for the Joint Board 2018/19 which were appended to the report.

The report intimated that the accounts for the year ended 31 March 2019 would be submitted to Audit Scotland in advance of the statutory deadline of 30 June 2019. The Joint Board's gross expenditure was £56,662 higher than its income during 2018/19 and this compared favourably to the budgeted deficit of £66,700, resulting in a budget overspend of £10,038. The Management Commentary within the accounts provided an overview of the Joint Board's financial performance during 2018/19 along with risks and outlook for the future.

In accordance with the Local Authority Accounts (Scotland) Regulations 2014, the unaudited accounts had only been signed by the Treasurer as proper officer. The audited accounts would be submitted to the next meeting of the Joint Board for approval and would then be signed by the Convener and Assessor and Electoral Registration Officer, as well as the Treasurer, in accordance with the regulations.

DECIDED:

- (a) That the annual accounts for the year ended 31 March 2019 be noted and that the accounts be further presented to the Joint Board on completion of the audit;
- (b) That the Annual Governance Statement be approved; and
- (c) That the final budget monitoring position for 2018/19 be noted.

4 Revenue Estimates 2020/21 and 2021/22

Under reference to item 3 of the Minute of the meeting of this Joint Board held on 18 January 2019 there was submitted a report by the Treasurer providing further detail as to how the unallocated savings in the 2020/21 and 2021/22 revenue estimates would be achieved.

The report intimated that the annual revenue estimates approved at the meeting of this Joint Board held on 18 January 2019 outlined the proposed requisition for 2019/20 and an indicative projected position for 2020/21 and 2021/22 for members' information and as an aid to constituent authorities' financial planning. There were 'Required Savings' figures of £87,000 for 2020/21 and £77,200 for 2021/22 and a sum of £29,600 budgeted for in 2019/20. Appendix 1 to the report outlined the forecast net expenditure for 2019/20 based on current knowledge of staff changes as well as the expected use of additional funding to support the implementation of Barclay recommendations.

The Assessor and Electoral Registration Officer had identified a number of initiatives to reduce costs in 2020/21 and 2021/22 and these were detailed in section 3 of the report.

It was proposed that the Assessor and Electoral Registration Officer submit a report to the next meeting of the Joint Board to be held on 16 August 2019 providing indicative costs of preparing telecoms valuations for the 2022 Revaluation in Scotland due to the Revaluations taking place in England and Wales in 2021.

DECIDED:

- (a) That the report be noted;
- (b) That the proposal to carry forward any unspent Barclay funding as necessary to fulfil the Joint Board's duties, whilst retaining a minimum level of reserves of no less than 5% of net income, be approved; and

(c) That the Assessor and Electoral Registration Officer submit a report to the next meeting of the Joint Board to be held on 16 August 2019 providing indicative costs of preparing telecoms valuations for the 2022 Revaluation in Scotland due to the Revaluations taking place in England and Wales in 2021.

5 Internal Audit Annual Report 2018/19

There was submitted a report by the Chief Auditor, Renfrewshire Council relative to the Internal Audit annual report on the Renfrewshire Valuation Joint Board 2018/19.

The report intimated that the Public Sector Internal Audit Standards required that the Chief Auditor prepare an annual report on the internal audit activity's purpose, authority and responsibility as well as performance relative to its plan. The report must also provide an audit opinion on the overall adequacy and effectiveness of the internal control environment of the audited body.

The annual report for the Joint Board was appended to the report and outlined the role of internal audit, the performance of the internal audit team and the main findings from the internal audit work undertaken in 2017/18 and contained an audit assurance statement.

DECIDED: That the Internal Audit annual report for 2018/19 be noted.

6 Summary of Outstanding Internal Audit Recommendations

There was submitted a report by the Chief Auditor, Renfrewshire Council relative to a summary of outstanding internal audit recommendations.

The report intimated that Internal Audit undertook an annual exercise to ensure that recommendations arising from internal audit engagements had been implemented by management. The Public Sector Internal Audit Standards placed the responsibility for monitoring progress with the Chief Auditor to ensure that management actions had been effectively implemented, or, if not, that senior management had accepted the risk of not taking action.

The appendix to the report provided the position of those critical recommendations that had been followed up during 2018/19 and had not yet been fully implemented by service management.

It was proposed that the Assessor and Electoral Registration Officer submit a report to the next meeting of the Joint Board to be held on 16 August 2019 providing an update on the ICT security arrangements. This was agreed.

DECIDED:

(a) That the position of the outstanding recommendations be noted; and

(b) That the Assessor and Electoral Registration Officer submit a report to the next meeting of the Joint Board to be held on 16 August 2019 providing an update on the ICT security arrangements.

7 Electoral Registration Update

There was submitted a report by the Assessor and Electoral Registration Officer providing an update on electoral issues facing the Joint Board.

The report detailed information on the refresh of absent voter identifiers; the European Parliamentary Election; the migration to a new Electoral Management System (EMS); the canvass; the introduction of a new style canvass; and the extension of the Franchise Bill.

The appendix to the report detailed statistics on registration numbers as at 1 December 2018, the annual publication of the register, and the electoral register as at 16 May 2019.

DECIDED: That the report be noted.

8 Strategic Service Plan 2018/19 Annual Update

There was submitted a report by the Assistant Assessor and Electoral Registration Officer relative to the annual update of the three-yearly Strategic Service Plan 2018/21, a copy of which was appended to the report.

DECIDED: That the report be noted.

9 Non-domestic Appeals

There was submitted a report by the Assistant Assessor and Electoral Registration Officer advising on the appeal process and progress on disposal of revaluation appeals and running roll appeals received since the 2017 revaluation.

The report intimated that a five-yearly revaluation process had been introduced by The Valuation and Rating (Scotland) Act 1956 and this required the Assessor and Electoral Registration Officer to value, or revalue, all the lands and heritages in the valuation area. These valuations were totally fresh and need bear no relation to the value applied in the preceding years.

The revaluation brought with it a fresh right of appeal which had to be exercised within a six-month period starting from 1 April in the year of the revaluation or within six months of the date of issue of the Valuation Notice following a change to the Valuation Roll. These appeals must be disposed of within time limits prescribed in the Timetable Order which currently stated by the end of the third year following revaluation, this being 31 December 2020.

The report provided information in relation to the right of appeal; negotiation of appeals; the Local Valuation Appeal Committee; revaluation appeals; the disposal of 2017 revaluation appeals; the disposal of running roll appeals; and disposal of other outstanding appeals.

The appendix to the report detailed the number of appeals processed; disposed of and outstanding by constituent authority and the Joint Board area as a whole as at 31 March 2019.

DECIDED: That the report be noted.

10 Performance Report

There was submitted a report by the Assistant Assessor & Assistant Electoral Registration Officer providing an update on the current performance and workload issues facing the Joint Board together with the Valuation Roll and Council Tax performance statistics for 2018/19.

The report detailed the performance in Council Tax and non-domestic valuation against set targets. In relation to Council Tax valuation, for the period 1 April 2018 to 31 March 2019, it was noted that the addition of new houses to the Valuation List and the deletion of demolished houses remained a priority with the time taken to enter new houses into the Valuation (Council Tax) List exceeding the target of 95% within three months and meeting the target of 99.50% within six months.

The report also detailed the average number of days taken to add a house in each constituent authority area between 1 April 2018 and 31 March 2019 and also the number of deletions from the Valuation (Council Tax) List between 1 April and 31 March during 2017/18 and 2018/19 by constituent authority area.

The report set out the time taken to make statutory amendments to the Valuation Roll, excluding appeal settlements and amendments to the prescribed entries, between 1 April 2018 and 31 March 2019 by constituent authority area, which fell below the targets of 80% to be actioned within three months and 95% within six months. It was noted that narrowly missing these targets did not give cause for concern and the report detailed the reasons for this.

The senior management team had reviewed the performance targets for both Council Tax and Non-domestic Valuation and proposed that the 2018/19 targets be retained.

The summary of performance returns 2009/10 to 2018/19 was appended to the report.

DECIDED:

- (a) That the report be noted;
- (b) That the performance targets for 2019/20 be approved; and
- (c) That the publication of the summary report, appended to the report, be approved.

11 Public Sector Equalities Duty - Progress Report

There was submitted a report by the Assistant Assessor and Electoral Registration Officer relative to the two-yearly progress report on how the organisation was meeting the equality duty, a copy of which was appended to the report.

DECIDED: That the report be noted.

12 Dates of Future Meetings

DECIDED:

- (a) That it be noted that the next meeting of the Joint Board would be held at 2.00 pm on 16 August 2019 in the officers of Inverclyde Council; and

(b) That it be agreed that meetings of the Joint Board scheduled for January and August in 2020, 2021 and 2022 be now held in February and September of those years and that the Clerk submit a report to the next meeting of the Joint Board detailing the dates and venues of these meetings.

RENFREWSHIRE VALUATION JOINT BOARD

To: Renfrewshire Valuation Joint Board

On: 16 August 2019

Report by: The Treasurer

Heading: Revenue Budget Monitoring Report to 19 July 2019

1. Summary

- 1.1 Gross expenditure is currently £17,000 under budget and income is on target. The Board is projected to contribute £92,000 to reserves by the end of the financial year. Further detail is provided in section 4.
-

2 Recommendations

- 2.1 It is recommended that the Board considers the report.
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3 Budget Adjustments Since Last Report

- 3.1 There have been no budget adjustments since the start of the financial year, however the financial schedule reflects updated budget figures that include Barclay funding of £200,000, as presented to the Board on 31 May 2019.
-

4 Budget Performance

4.1 Current Position Net Underspend £17,000

The current underspend largely relates to Employee Costs and results from prudent vacancy management.

4.2 Projected Year-end Position

It is anticipated that the Board will underspend by £92,000 by the end of the financial year, resulting in a temporary contribution to reserves. This underspend is expected due to delayed recruitment of key posts funded by Barclay implementation monies. It is expected to be drawn down from reserves during 2020/21.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2019/20
1st April 2019 To 19th July 2019

JOINT BOARD : RENFREWSHIRE VALUATION JOINT BOARD

Description (1)	Revised Annual Budget	Revised Period Budget	Actual	Adjustments	Revised Actual	Budget Variance		
	(2)	(3)	(4)	(5)	(6) = (4 + 5)	(7)		
£000's	£000's	£000's	£000's	£000's	£000's	£000's	%	
Employee Costs	1,768	415	405	(10)	395	20	4.8%	underspend
Property Costs	165	37	68	(33)	35	2	5.4%	underspend
Supplies & Services	185	54	57	0	57	(3)	-5.6%	overspend
Contractors and Others	25	6	5	0	5	1	16.7%	underspend
Transport & Plant Costs	0	0	0	0	0	0	0.0%	breakeven
Administration Costs	313	26	30	0	30	(4)	-15.4%	overspend
Payments to Other Bodies	40	(4)	(5)	0	(5)	1	25.0%	over-recovery
GROSS EXPENDITURE	2,496	534	560	(43)	517	17	3.2%	underspend
Contributions from Local Authorities	(2,582)	0	0	0	0	0	0.0%	breakeven
Other Income	(6)	(2)	(1)	(1)	(2)	0	0.0%	breakeven
INCOME	(2,588)	(2)	(1)	(1)	(2)	0	0.0%	breakeven
TRANSFER (TO)/FROM RESERVES	(92)	532	559	(44)	515	17	3.2%	underspend

Bottom Line Position to 19th July 2019 is an underspend of 17 £000's
 Anticipated Year End Budget Position is an underspend of 92 £000's

Opening Reserves (130) £000's
 Anticipated Closing Reserves (222) £000's

RENFREWSHIRE VALUATION JOINT BOARD

To: Renfrewshire Valuation Joint Board

On: 16 August 2019

Report by: The Treasurer

Heading: Annual Audit Report on the Annual Accounts 2018/19

1. Summary

- 1.1. The Local Authority Accounts (Scotland) Regulations 2014 (the Regulations) require the Renfrewshire Valuation Joint Board (the Board) to prepare and publish annual accounts that are subject to external audit.
 - 1.2. Section 10 of the Regulations requires the Board to consider any report made by the appointed auditor before deciding whether to sign the audited accounts.
 - 1.3. The findings of the Board's appointed auditor, Audit Scotland, are included in the Annual Audit Report at Appendix 1 and confirms their opinion that the annual accounts are free from material misstatement and present a true and fair view of the Board's financial position at 31 March 2019.
 - 1.4. The Unaudited Annual Accounts for the year 2018/19 were reported to the Board on 31 May 2019 and owing to a revision in pension estimates there is an increase in net liabilities in the Balance Sheet of £0.251m in the Audited Annual Accounts attached at Appendix 2. Further information is outlined in 3.5 below.
 - 1.5. There has also been a prior year restatement of capital expenditure and intangible assets. Neither the net deficit nor the Usable Reserve is affected by this change. Further detail can be found in Note 2 of the annual accounts.
-

2. Recommendations

The Board is asked to:

- 2.1. Note the findings of the 2018/19 audit as contained in the external auditor's Annual Audit Report at Appendix 1;
 - 2.2. Approve the 2018/19 Audited Annual Accounts, at Appendix 2, for the Renfrewshire Valuation Joint Board for signature.
-

3. Background

- 3.1. The Board's Unaudited Annual Accounts for 2018/19 were submitted to Audit Scotland by the statutory deadline of 30 June 2019. The external auditor is required to complete the audit by 30 September 2019 and provide an opinion about whether the financial statements as a whole are free from material misstatement.
- 3.2. The Annual Audit Report (Appendix 1) highlights significant risk areas identified by the auditor during planning, as follows:
- Risk of management override of controls;
 - Risk of fraud over expenditure;
 - Estimates and Judgements;
 - New Accounting System; and
 - Financial Sustainability.
- 3.3. Pages 17 to 19 of the report at Appendix 1 presents how, in each of these areas, the result of audit testing was satisfactory.
- 3.4. As well as reviewing the annual accounts, the scope of the audit includes financial sustainability. Audit Scotland concluded that:
- With the current level of reserves expected to be maintained above 5% of turnover, management has more flexibility, in the short term, to address adverse or uncertain events. However, the financial sustainability of RVJB and the services it delivers for the medium to longer term will remain challenging.
- 3.5. Information relating to the pension liability has been revised in the Audited Annual Accounts, owing to two developments that affect potential costs to the Board. The first relates to a Court of Appeal ruling (McCloud/Sargeant) that transitional protections on implementation of the new pension benefit structure in 2015 for members close to retirement age were unlawful on the grounds of age discrimination. For the Board, the impact of this is an additional £0.251m of pension liability, which has been reflected in the Management Commentary, financial statements and notes.

The second change relates to potential amendments to the rules governing the indexation of Guaranteed Minimum Pension. For the Board, the impact of this is an estimated £0.080m; however this has not been reflected in the financial statements because the liability has not yet crystallised. Instead, a Contingent Liability is reported on page 31 of the accounts (Appendix 2).

Renfrewshire Valuation Joint Board

16 August 2019

Renfrewshire Valuation Joint Board Audit of 2018/19 annual accounts

Independent auditor's report

1. Our audit work on the 2018/19 annual accounts is now substantially complete. Subject to receipt of a revised set of annual accounts for final review, we anticipate being able to issue unqualified audit opinions in the independent auditor's report on 20 August 2019 (the proposed report is attached at [Appendix A](#)).

Annual audit report

2. Under International Standards on Auditing in the UK, we report specific matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action. We present for the Joint Board's consideration our draft Annual Audit Report on the 2018/19 audit. The section headed "Significant findings from the audit in accordance with ISA 260" sets out the issues identified in respect of the annual accounts.
3. The report also sets out conclusions from our consideration of the four audit dimensions that frame the wider scope of public audit as set out in the Code of Audit Practice. As outlined within our Annual Audit Plan, due to the nature and size of Renfrewshire Valuation Joint Board, we have assessed the extent of wider dimensions work and concluded that a reduced scope, as outlined in paragraph 53 of the Code of Audit Practice, can be applied.
4. This report will be issued in final form after the annual accounts have been certified.

Unadjusted misstatements

5. We also report to those charged with governance all unadjusted misstatements which we have identified during our audit, other than those of a trivial nature and request that these misstatements be corrected. We have no unadjusted misstatements to be corrected.

Fraud, subsequent events and compliance with laws and regulations

6. In presenting this report to the Joint Board, we seek confirmation from those charged with governance of any instances of any actual, suspected or alleged fraud; any subsequent events that have occurred since the date of the financial statements; or material non-compliance with laws and regulations affecting the entity that should be brought to our attention.

Representations from Section 95 Officer

7. As part of the completion of our audit, we are seeking written representations from the Treasurer, as the Section 95 Officer, on aspects of the annual accounts, including the judgements and estimates made.
8. A draft letter of representation is attached at [Appendix B](#). This should be signed and returned to us by the Treasurer with the signed annual accounts prior to the independent auditor's report being certified.

APPENDIX A: Proposed Independent Auditor's Report

Independent auditor's report to the members of Renfrewshire Valuation Joint Board and the Accounts Commission

Report on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Renfrewshire Valuation Joint Board for the year ended 31 March 2019 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (the 2018/19 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2018/19 Code of the state of affairs of the body as at 31 March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2018/19 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 April 2017. The period of total uninterrupted appointment is five years. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Treasurer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Risks of material misstatement

I have reported in a separate Annual Audit Report, which is available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that I identified and my conclusions thereon.

Responsibilities of the Treasurer and the Joint Board for the financial statements

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

The Joint Board is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. I therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other information in the annual accounts

The Treasurer is responsible for the other information in the annual accounts. The other information comprises the information other than the financial statements, the audited part of the Remuneration Report, and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Accounts Commission to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Report on other requirements

Opinions on matters prescribed by the Accounts Commission

In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Mark Ferris
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

August 2019

APPENDIX B: Letter of Representation (ISA 580)

Mark Ferris, Senior Audit Manager
Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

16 August 2019

Dear Mark

Renfrewshire Valuation Joint Board Annual Accounts 2018/19

1. This representation letter is provided about your audit of the annual accounts of Renfrewshire Valuation Joint Board for the year ended 31 March 2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the financial reporting framework, and for expressing other opinions on the Remuneration Report, Management Commentary and Annual Governance Statement.
2. I confirm to the best of my knowledge and belief and having made appropriate enquiries of the Assessor and Electoral Registration Officer, the following representations given to you in connection with your audit of Renfrewshire Valuation Joint Board's annual accounts for the year ended 31 March 2019.

General

3. Renfrewshire Valuation Joint Board and I have fulfilled our statutory responsibilities for the preparation of the 2018/19 annual accounts. All the accounting records, documentation and other matters which I am aware are relevant to the preparation of the annual accounts have been made available to you for the purposes of your audit. All transactions undertaken by Renfrewshire Valuation Joint Board have been recorded in the accounting records and are properly reflected in the financial statements.

Financial Reporting Framework

4. The annual accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (2018/19 accounting code), and in accordance with the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003 and The Local Authority Accounts (Scotland) Regulations 2014.
5. In accordance with the 2014 regulations, I have ensured that the financial statements give a true and fair view of the financial position of Renfrewshire Valuation Joint Board at 31 March 2019 and the transactions for 2018/19.

Accounting Policies & Estimates

6. All significant accounting policies applied are as shown in the notes to the financial statements. The accounting policies are determined by the 2018/19 accounting code where applicable. Where the code does not specifically apply I have used judgement in developing and applying an

accounting policy that results in information that is relevant and reliable. All accounting policies applied are appropriate to Renfrewshire Valuation Joint Board's circumstances and have been consistently applied.

7. The significant assumptions used in making accounting estimates are reasonable and properly reflected in the financial statements. Judgements used in making estimates have been based on the latest available, reliable information. Estimates have been revised where there are changes in the circumstances on which the original estimate was based or as a result of new information or experience.

Going Concern Basis of Accounting

8. I have assessed Renfrewshire Valuation Joint Board's ability to continue to use the going concern basis of accounting and have concluded that it is appropriate. I am not aware of any material uncertainties that may cast significant doubt on Renfrewshire Valuation Joint Board's ability to continue as a going concern.

Assets

9. All assets at 31 March 2019 of which I am aware have been recognised in the annual accounts.
10. I carried out an assessment at 31 March 2019 as to whether there is any indication that an asset may be impaired and have recognised any impairment losses identified.
11. There are no plans or intentions that are likely to affect the carrying value or classification of the assets recognised within the financial statements.
12. Owned assets are free from any lien, encumbrance or charge except as disclosed in the financial statements.

Liabilities

13. All liabilities at 31 March 2019 of which I am aware have been recognised in the annual accounts.
14. The accrual recognised in the financial statements for holiday untaken by 31 March 2019 has been estimated on a reasonable basis.
15. The pension assumptions made by the actuary in the IAS 19 report for Renfrewshire Valuation Joint Board have been considered and I confirm that they are consistent with management's own view.
16. There are no plans or intentions that are likely to affect the carrying value or classification of the liabilities recognised in the financial statements.

Contingent liabilities

17. There are no significant contingent liabilities, other than those disclosed in note 17 to the financial statements, arising either under formal agreement or through formal undertakings requiring disclosure in the accounts. All known contingent liabilities have been fully and properly disclosed, including any outstanding legal claims which have not been provided under the 2018/19 accounting code and IAS 37.

Fraud

18. I have provided you with all information in relation to:
- my assessment of the risk that the financial statements may be materially misstated because of fraud
 - any allegations of fraud or suspected fraud affecting the financial statements
 - fraud or suspected fraud that I am aware of involving management, employees who have a significant role in internal control, or others that could have a material effect on the financial statements.

Laws and Regulations

19. I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

Related Party Transactions

20. All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with the 2018/19 accounting code. I have made available to you the identity of all Renfrewshire Valuation Joint Board's related parties and all the related party relationships and transactions of which I am aware.

Remuneration Report

21. The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Amendment Regulations 2014, and all required information of which I am aware has been provided to you.

Management Commentary

22. I confirm that the Management Commentary has been prepared in accordance with the statutory guidance and the information is consistent with the financial statements.

Corporate Governance

23. I confirm that Renfrewshire Valuation Joint Board has undertaken a review of the system of internal control during 2018/19 to establish the extent to which it complies with proper practices set out in the Delivering Good Governance in Local Government: Framework 2016. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.
24. I confirm that the Annual Governance Statement has been prepared in accordance with the Delivering Good Governance in Local Government: Framework 2016 and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements or issues identified, since 31 March 2019, which require to be reflected.

Events Subsequent to the Date of the Balance Sheet

25. All events subsequent to 31 March 2019 for which the 2018/19 accounting code requires adjustment or disclosure have been adjusted or disclosed.

Prior Period Restatements

26. I confirm the prior period restatements in respect of the accounting treatment for capital transactions and reserves in the Comprehensive Income and Expenditure Statement, Balance Sheet, Movement in Reserves Statement, and in the notes to the financial statements are accurate and in line with accounting records.

Yours sincerely

Treasurer

Renfrewshire Valuation Joint Board

2018/19 Annual Audit Report – Proposed



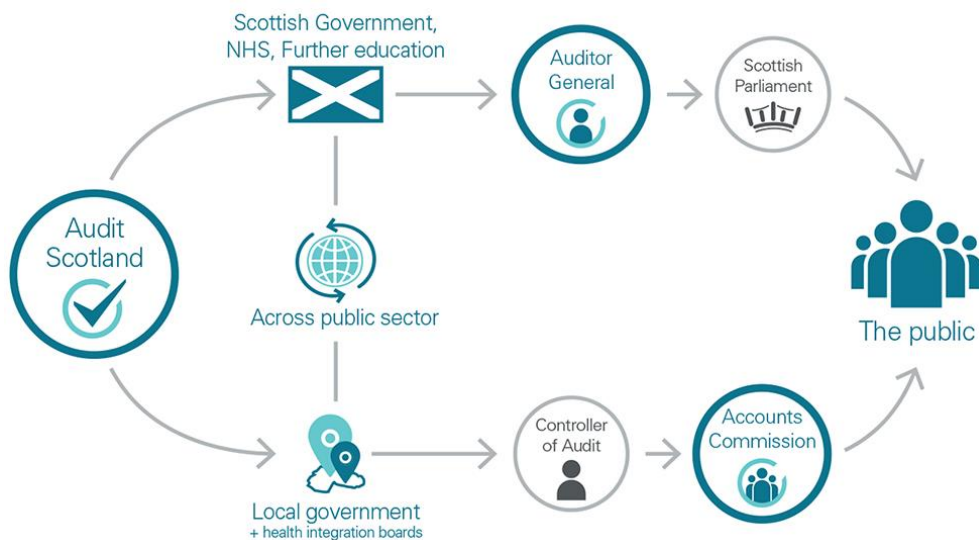
 AUDIT SCOTLAND

Prepared for Renfrewshire Valuation Joint Board and the Controller of Audit
August 2019

Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.



About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.

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Key messages

2018/19 annual report and accounts

- 1** Renfrewshire Valuation Joint Board's financial statements give a true and fair view and were properly prepared.
- 2** An adjustment to pension disclosures and balances was required as a result of a legal judgement. This resulted in an increase of £0.251 million to the pension fund liability reported in the Balance Sheet.
- 3** The Management Commentary, the Annual Governance Statement, and the audited part of the Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the applicable requirements.

Financial sustainability

- 4** A deficit of £56,662 was incurred in 2018/19 which was slightly lower than budgeted. The deficit was managed through the planned use of reserves.
- 5** With the current level of reserves is expected to be maintained above 5% of turnover, management has more flexibility, in the short term, to address adverse or uncertain events. However, the financial sustainability of RVJB and the services it delivers for the medium to longer term will remain challenging.
- 6** We concluded that the information in the Annual Governance Statement is consistent with the financial statements and complies with the guidance issued by the Scottish Ministers.

Introduction

1. This report summarises the findings from our 2018/19 audit of Renfrewshire Valuation Joint Board (RVJB).
2. The scope of our audit was set out in our [Annual Audit Plan](#) presented to the 18 January 2019 meeting of the Joint Board. This report comprises the findings from:
 - an audit of the RVJB annual report and accounts
 - consideration of the financial sustainability and Governance Statement.

Adding value through the audit

3. We add value to the RVJB through the audit by:
 - identifying and providing insight on significant risks, and making clear and relevant recommendations for improvements
 - reporting our findings and conclusions in public
 - sharing intelligence and good practice through our national reports ([Appendix 3](#)) and good practice guides
 - providing clear conclusions on the appropriateness, effectiveness and impact of corporate governance and financial sustainability.
4. In so doing, we aim to help RVJB promote improved standards of governance, better management and decision making and more effective use of resources.

Responsibilities and reporting

5. RVJB has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing an annual report and accounts that are in accordance with proper accounting practices. RVJB is also responsible for compliance with legislation putting arrangements in place for governance, propriety and regularity that enable it to successfully deliver its objectives.
6. Our responsibilities as the independent auditor appointed by the Accounts Commission are established by the Local Government in Scotland Act 1973, the [Code of Audit Practice \(2016\)](#) and supplementary guidance and International Standards on Auditing in the UK.
7. As public-sector auditors we give independent opinions on the annual report and accounts and conclude on securing financial sustainability and appropriateness of the governance statement disclosures. In doing this, we aim to support improvement and accountability.
8. The [Code of Audit Practice 2016](#) (the Code) includes provisions relating to the audit of small bodies. Where the application of the full wider audit scope is judged by auditors not to be appropriate to an audited body then the annual audit work can focus on the appropriateness of the disclosures in the Annual Governance Statement and the financial sustainability of the body and its services. As highlighted in our 2018/19 Annual Audit Plan, due to the volume and lack of complexity of the financial transactions, we applied the small body provisions of the Code to the 2018/19 audit.

9. The weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues we raise and to maintain adequate systems of control.

10. Our annual audit report contains an agreed action plan at [Appendix 1](#) setting out specific recommendations, responsible officers and dates for implementation. It also includes outstanding actions from last year and progress against these.

11. We confirm that we comply with the Financial Reporting Council's Ethical Standard. We have not undertaken any non-audit related services and therefore the 2018/19 audit fee of £7,280 as set out in our Annual Audit Plan, remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.

12. This report is addressed to both the Joint Board and the Controller of Audit and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.

13. We would like to thank the management and staff for their cooperation and assistance during the audit.

Part 1

Audit of 2018/19 annual report and accounts



Main judgements

The RVJB's financial statements give a true and fair view and were properly prepared.

An adjustment to pension disclosures and balances was required as a result of a legal judgement. This resulted in an increase of £0.251 million to the pension fund liability reported in the Balance Sheet.

The Management Commentary, the Annual Governance Statement, and the audited part of the Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the applicable requirements.

The annual report and accounts are the principal means of accounting for the stewardship of its resources and its performance in the use of those resources.

Audit opinions on the annual report and accounts

14. The annual report and accounts for the year ended 31 March 2019 were approved by the Joint Board on 16 August 2019. We reported, within the independent auditor's report that:

- the financial statements give a true and fair view and were properly prepared
- the Management Commentary, the Annual Governance Statement, and the audited part of the Remuneration Report were all consistent with the financial statements and properly prepared in accordance with the applicable requirements
- we have nothing to report in respect of those matters which we are required by the Accounts Commission to report by exception.

Submission of annual report and accounts for audit

15. We received the unaudited annual report and accounts on 31 May 2019 in line with our agreed audit timetable.

16. The unaudited annual report and accounts provided for audit were complete and of a good standard and finance staff provided good support to the audit team which helped ensure the final accounts audit process ran smoothly.

17. The Local Authority Accounts (Scotland) Regulations 2014 required RVJB to give public notice for inspection and objection of the 2018/19 unaudited annual report and accounts by 17 June 2019. The public notice was published on the RVJB website on 26 June 2019 and in a newspaper on 28 June 2019, meaning this deadline was not met.

Risks of material misstatement

18. [Appendix 2](#) provides a description of those assessed risks of material misstatement in the annual report and accounts and any wider audit dimension risks that were identified during the audit planning process. It also summarises the work we have done to gain assurance over the outcome of these risks.

19. We have no issues to report from our work on the risks of material misstatement highlighted in our 2018/19 Annual Audit Plan.

Materiality

20. Misstatements are material if they could reasonably be expected to influence the economic decisions of users taken based on the financial statements. When deciding on what is material, we consider both the amount and nature of the misstatement.

21. Our initial assessment of materiality for the annual report and accounts was carried out during the planning phase of the audit and is summarised in [Exhibit 1](#). With regards to the annual report and accounts, we assess the materiality of uncorrected misstatements both individually and collectively.

22. On receipt of the unaudited annual report and accounts we reviewed our materiality calculations as detailed in [Exhibit 1](#).

Exhibit 1 Materiality values

Materiality level	Amount
Overall materiality	£26,000
Performance materiality	£15,000
Reporting threshold	£1,000

Source: Audit Scotland

Significant findings from the audit (ISA 260)

23. International Standard on Auditing (UK) 260 requires us to communicate significant findings from the audit to those charged with governance, including our view about the qualitative aspects of the body's accounting practices covering accounting policies, accounting estimates, and financial statements disclosures.

24. The significant findings are summarised in [Exhibit 2](#). Where a finding has resulted in a recommendation to management, a cross reference to the Action Plan in [Appendix 1](#) has been included.

25. We have no significant findings to report around the qualitative aspects of the 2018/19 accounting practices.

Exhibit 2

Significant findings from the audit of the financial statements

Finding	Resolution
<p>1. Capital accounting</p> <p>We recommended in our 2017/18 Annual Audit Report that management review how capital expenditure is reflected in the financial statements. This was discussed further with management as part of the 2018/19 audit and it was agreed that capital expenditure would be reflected in the financial statements to reflect the substance of arrangements rather than just their legal form.</p> <p>This change resulted in new accounting policies for property, plant, and equipment (PPE) and intangible assets. To comply with <i>International Accounting Standard 8 – Accounting Policies, Changes in Accounting Estimates and Errors</i>, retrospective restatements and a third Balance Sheet were required. A number of new transactions, balances, and statutory adjustments have been reflected in the financial statements.</p>	<p>The audit recommendation has been fully implemented by management within the 2018/19 financial statements.</p>
<p>2. Reserves accounting</p> <p>We recommended in our 2017/18 Annual Audit Report that management review how reserves are reflected in the financial statements. This was discussed further with management as part of the 2018/19 audit and it was agreed that the accounting treatment for reserves would be updated to reflect the substance of arrangements rather than just their legal form.</p> <p>This change resulted in a revenue reserve balance being recognised in the financial statements at the year end. Prior year comparatives were also restated to reflect the update accounting treatment. The revenue reserve balance reflects accumulated surpluses that have been generated in previous years which are available to RVJB.</p>	<p>The audit recommendation has been fully implemented by management within the 2018/19 financial statements.</p>
<p>3. Pension fund liability legal judgement</p> <p>Legal cases were brought against the UK government regarding the transition arrangements made in each of the pension schemes for judges and firefighters. These arrangements came into effect as part of the move from a Final Salary Pension Scheme to a Career Average Pension Scheme in 2015 and included certain protections for active members of the schemes.</p> <p>The claimants successfully argued, in the resultant Employment Tribunal hearing, that some elements of the protection measures were unlawful on the grounds of age discrimination. The Employment Tribunal's ruling on this matter was upheld by the Supreme Court in June 2019.</p> <p>As this would have an impact on the transition arrangements of all government backed pension schemes, the council instructed, on behalf of RVJB, the actuary to the Strathclyde Pension Fund to quantify the impact on the RVJB's pension fund liability. The actuary estimated that the impact from this case is to increase the RVJBs' pension fund liability by £0.251 million.</p>	<p>The financial statements were updated to reflect the impact of the legal judgement on the pension fund liability.</p>

Finding	Resolution
<p>The impact of this adjustment resulted in a £0.251 million increase to the pension fund liability reported in the Balance Sheet from £2.832 million to £3.083 million, with a matching increase in the unusable pension reserve. This also results in a £0.246 million increase in the pension cost charge incorporated within the Comprehensive Income and Expenditure Statement in the accounts. As these adjustments are fully mitigated by a statutory adjustment, they have no impact on the £56,662 deficit reported in the general fund reserve balance in the unaudited accounts.</p>	
<p>4. Cashflow Statement</p> <p>As part of audit work during the year, we had discussions with management on the presentation of the financial statements and the requirement for a Cashflow Statement. RVJB does not have a bank account and all income and expenditure transactions are processed through Renfrewshire Council's, as the administering authority, bank account. The only cash held by RVJB is petty cash which amounted to £100 at the year end.</p> <p>As a result, it was agreed that the Cashflow Statement could be removed as the cash held by RVJB was not significant and the Cashflow Statement should only reflect cash transactions processed by RVJB, of which there were none. This was reflected in the unaudited annual report and accounts considered by the Joint Board in May 2019.</p>	<p>The financial statements were updated to remove the Cashflow Statement.</p>
<p>5. Capital expenditure</p> <p>As part of our work on PPE and intangible assets, we identified capital expenditure transactions had been correctly capitalised on the Balance Sheet. However, the transactions had also been processed incorrectly through the Comprehensive Income and Expenditure Statement as revenue expenditure. This resulted in income and expenditure being overstated by £37,614 in 2018/19 and by £17,656 in 2017/18 respectively.</p>	<p>The overstatement of income and expenditure in 2017/18 and 2018/19 was corrected within the Comprehensive Income and Expenditure Statement.</p> <p>As income and expenditure were overstated by the same amount, this did not impact on the deficit on the provision of services.</p>
<p>6. Capital expenditure 2017/18</p> <p>As part of our work on restatements, we identified that not all capital transactions in 2017/18 had been capitalised and had been incorrectly treated as revenue expenditure. This resulted in capital additions being understated by £30,200 and supplies and services expenditure being overstated by this amount.</p> <p>This understatement also impacted on a number of other balances and transactions in 2017/18 and 2018/19:</p> <ul style="list-style-type: none"> • capital grants and contributions were understated by £30,200 in 2017/18 • capital charges were understated by £6,040 in 2018/19 • the capital adjustment account (CAA) was understated by £30,200 in 2017/18 and £49,896 in 2018/19 • other related statements and notes were affected by the impact of these misstatements. 	<p>The understatement of 2017/18 capital additions and other balances and transactions impacted by this understatement were corrected.</p> <p>A number of account areas were affected by this adjustment. However, this did not impact on the deficit on the provision of services.</p>

Source: Audit Scotland

How we evaluate misstatements

26. It is our responsibility to request that all misstatements, other than those below the reporting threshold, are corrected. The final decision on this lies with those charged with governance considering advice from senior officers and materiality. There were three material adjustments to the unaudited financial statements which are outlined in [Exhibit 2](#). There were no other errors above the reporting threshold.

Follow up of prior year recommendations

27. We have followed up actions previously reported and assessed progress. Two agreed actions were raised in 2017/18 and both have been fully actioned.

28. As detailed at [Exhibit 2](#) above, during the 2017/18 audit, we noted that RVJB had incurred capital expenditure, but this had been accounted for as revenue expenditure. The financial statements disclosed that RVJB did not have the power to hold assets therefore any capital expenditure was treated as revenue expenditure.

29. A similar disclosure issue was identified in respect of RVJB's reserves. The financial statements outlined that Joint Boards had no specific powers to hold reserves therefore reserves were transferred to creditors. Any reserves that have been built up will ultimately be returned to the member councils upon the cessation of RVJB or when the Joint Board decides to reimburse the reserves to member councils.

30. The Code of Practice on Local Authority Accounting in the United Kingdom states that for financial statements to be useful, they must provide a faithful representation of financial information with the substance of a transaction/process being reported as opposed to its legal form.

31. We recommended that management should review how capital expenditure and reserves were disclosed within the financial statements.

32. For the 2018/19 financial statements management have revised their accounting treatment and now recognise assets and reserves within the financial statements. As a result, the Balance Sheet has been restated to reflect the impact of this change in accounting treatment.

Part 2

Financial sustainability



Main judgements

A deficit of £56,662 was incurred in 2018/19 which was slightly lower than budgeted. The deficit was managed through the planned use of reserves.

With the current level of reserves expected to be maintained above 5% of turnover, management has more flexibility, in the short term, to address adverse or uncertain events. However, the financial sustainability of RVJB and the services it delivers for the medium to longer term will remain challenging.

We concluded that the information in the Annual Governance Statement is consistent with the financial statements and complies with the guidance issued by the Scottish Ministers.

Financial sustainability looks forward to the medium and longer term to consider whether the body is planning effectively to continue to deliver its services or the way in which they should be delivered.

Financial performance in 2018/19

33. The Joint Board approved the 2018/19 budget in January 2018. Total budgeted expenditure was £2.396 million and total budgeted income was £2.329 million. This resulted in a budget gap of £66,700 that management planned to meet through the use of reserves.

34. Actual outturn in 2018/19 was total expenditure of £2.406 million and total income of £2.350 million. This resulted in a deficit of £56,662 for the year which was £10,038 lower than the budgeted figure.

Short term financial planning

35. The largest source of income for RVJB is requisitions from members of the Joint Board. Other sources of income include funding from the Cabinet Office for Individual Electoral Registration (IER) (due to end in 2020/21) and income from sales, fees and charges.

36. In 2018/19, RVJB achieved a significant reduction in property costs by vacating the upper floor in the Robertson Centre. The new arrangement started on 1 October 2018, with Renfrewshire Leisure Limited taking on the lease from Renfrewshire Council. The full benefit of the reduction in property costs will impact on the 2019/20 budget.

37. The Joint Board approved the 2019/20 budget in January 2019. Total budgeted expenditure was £2.388 million and total budgeted income was £2.388 million. This anticipated achieving a balanced budget by generating in year savings of £29,600. Management had therefore planned to meet any anticipated shortfall through savings rather than through the use of reserves. Requisition income for 2019/20 has increased by 3.5% to £2.301 million.

38. The 2019/20 budget also proposed requisitions from members increases by 3% in 2020/21 and 2021/22. However, in light of the savings requirements for

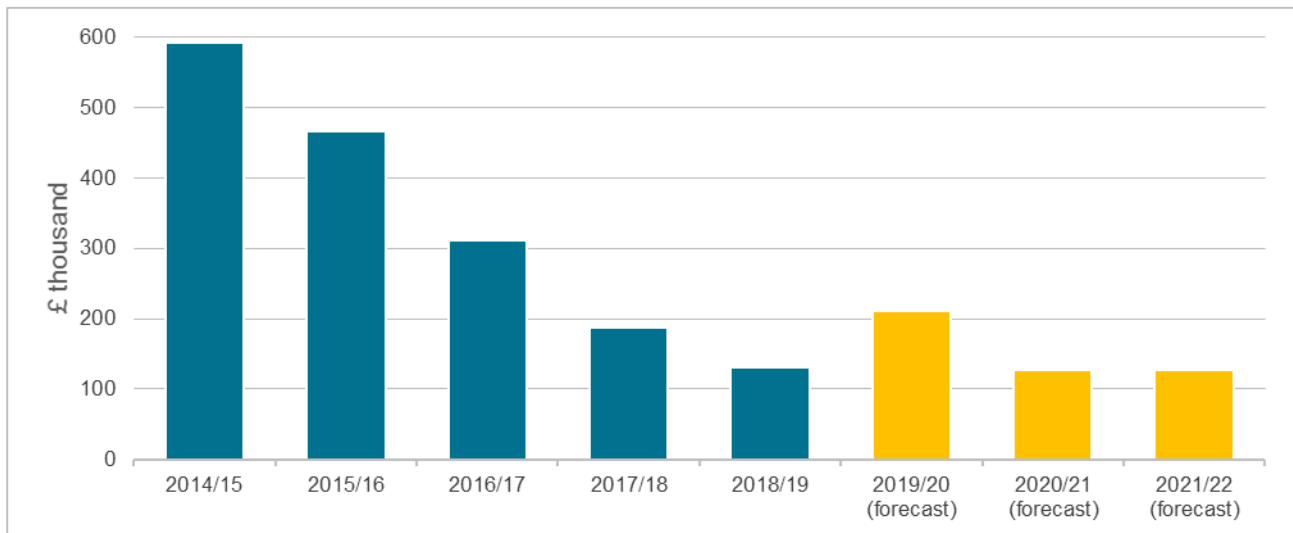
future years and the recommendation to maintain a minimum level of reserves at 5%, the level of requisition will require to be kept under review. Increases will need to be approved by the Joint Board at each year's budget setting meeting.

39. At the Joint Board meeting in May 2019, the Treasurer presented further detail as to how the unallocated savings in the 2020/21 and 2021/22 Revenue Estimates report would be achieved. The additional funding of £200,000 to support the implementation of the Barclay Review was factored into the revised budget for 2020/21 and 2021/22 respectively.

40. The 2019/20 budget now anticipates increasing reserves by £92,191. This contrasts with the previously reported position of required savings of £29,600. It also contrasts with the position in recent years where reserves have reduced steadily each year since 2014/15. This increase is temporary and results from the timing of spend in relation to the implementation of Barclay. It is expected to be drawn down in 2020/21.

41. With the current level of reserves is expected to be maintained above 5% of turnover, management has more flexibility, in the short term, to address adverse or uncertain events such as guarantees of funding for IER ([Exhibit 3](#)). The reserves balance is monitored at each Joint Board meeting through the revenue monitoring report.

Exhibit 3 Analysis of useable reserves



Source: RVJB annual report and accounts 2014/15 – 2018/19 and RVJB budget 2019/20 and forecast to 2021/22.

Medium to long term financial planning

42. We reviewed the financial planning systems and assessed how effective they are in identifying and addressing risks to financial sustainability across the medium and long term.

43. As part of the budget setting process, revenue estimates are prepared for a 3 year period. This allows management and members to identify pressures and take early actions to mitigate against these pressures.

44. In addition to 3 year revenue estimates, there are financial outlook papers presented to the Joint Board. These include details of significant issues or pressures on RVJB, actions being taken to address the issues, and incorporate

scenario planning where applicable which outlines the impact of various situations that could arise.

45. The Joint Board approved RVJB's Strategic Service Plan 2018-2021 in June 2018, with an annual update presented to the Joint Board in May 2019. The plan outlines RVJB's statutory requirements and services, objectives, and outlines details of key activities and outcomes which will allow the objectives of the plan to be achieved over the 3 year period. The plan includes activities and outcomes in relation to financial planning, budgeting, and monitoring.

46. The Joint Board faces a number of challenges and uncertainties in the medium term with the funding position for local government in Scotland likely to reduce further. These include:

- **the Barclay Review:** the Scottish Government announced that £3 million of funding will be available to allow the agreed recommendations to be implemented. The three constituent authorities have been awarded £200,000 in 2019/20, which has been passed on in full to RVJB; however, RVJB will continue to face pressures associated with the ongoing Non-Domestic Revaluation. Future year projections assume that Barclay funding will continue at a rate of £200,000 per annum, although this has not yet been confirmed by the Scottish Government.
- **Individual Electoral Registration:** this funding will cease from 2020/21 and RVJB will be expected to meet the costs of the annual canvass from its core budget. These costs are currently estimated at £75,000 each year. The UK Government intend to amend legislation governing the annual canvass during 2019 with the changes taking effect from the start of 2020 which ties in with the removal of funding from 2020/21.
- **Electoral events:** there is always a risk of an unplanned electoral event which the Joint Board would require to respond to quickly.
- **2017 Revaluation Appeals:** there are risks associated with the settling of outstanding revaluation appeals but these are closely monitored by management.

47. From the work carried out, we have concluded that RVJB has sound financial planning arrangements in place. There are pressures that could impact on RVJB's financial sustainability and ability to deliver services. However, the financial planning arrangements have allowed management to take mitigating actions against these pressures.

Efficiency savings

48. In recent years, RVJB has been required to deliver efficiency savings to address budget pressures. This has allowed RVJB to be financially sustainable, however there will be less opportunity going forward to achieve future savings.

49. A Service Review was carried out in early 2018 and results of this were reported to the Joint Board in June 2018. Part of the Service Review looked at how potential savings could be delivered. Several options were identified which included the update and replacement of various IT systems.

50. The purchase of an Electoral Management System (EMS) and Non-Domestic Rates System (NDRS) was approved by members at the Joint Board meeting on 23 November 2018. It is anticipated that these two systems will enable RVJB to generate efficiency savings over the next 3 year period.

51. The EMS costing £25,000 with part year maintenance costs of £6,000 was purchased in 2018/19 funded from a forecast underspend, and the annual licensing and maintenance costs of both systems have been reflected in future years' budgets.

Annual Governance Statement

52. Our review of the Annual Governance Statement assessed the assurances which are provided to the Assessor and Electoral Registration Officer regarding the adequacy and effectiveness of the Joint Board's system of internal control which operated in the financial year. The statement also summarises internal audit findings with the Chief Internal Auditor's annual assurance statement concluding 'that a reasonable level of assurance can be placed upon the adequacy and effectiveness of the Board's internal control system'.

53. We concluded that the information in the Annual Governance Statement is consistent with the financial statements and complies with the guidance issued by the Scottish Ministers.

EU Withdrawal

54. There remains significant uncertainty surrounding the terms of the UK's withdrawal from the European Union (EU). EU withdrawal will inevitably have implications for devolved government in Scotland and for audited bodies. It is critical that public sector bodies are working to understand, assess and prepare for the impact on their business in three broad areas:

- workforce – the extent to which potential changes to migration are likely to affect the availability of the people and skills needed to deliver services
- funding – the extent to which potential changes to existing EU funding programmes are likely to affect the finances of public bodies and the activity that such funding supports
- regulation – the extent to which potential changes to EU regulations are likely to affect the activities of some public bodies.

55. RVJB continues to prepare for and address EU withdrawal. Beyond unplanned electoral events, RVJB does not anticipate EU withdrawal to have an impact on organisational duties. Any impact on the organisation as a result of EU withdrawal has been reflected on the Corporate Risk Register (CRR). The CRR has been updated to reflect the risks and mitigating actions against any potential impact and RVJB has advised that these events will be closely monitored.

56. We have concluded RVJB has appropriate arrangements in place in preparing for EU withdrawal.

Appendix 1

Action plan 2018/19



No. Issue/risk

Recommendation

Agreed management action/timing

Follow up of prior year recommendations

<p>1</p>	<p>Capital expenditure and reserves</p> <p>The financial statements disclose RVJB does not have the power to hold assets or reserves therefore capital expenditure and reserves are not reflected within the financial statements.</p> <p>Risk</p> <p>There is a risk the financial statements do not fully reflect the substance of RVJB's transactions.</p>	<p>It is recommended that management continue to review how capital expenditure and reserves are reported in the financial statements.</p>	<p>The 2018/19 financial statements have been revised and now recognise assets and reserves within the financial statements. As a result, the Balance Sheet has been restated to reflect the impact of this change in accounting treatment.</p> <p>Complete</p>
<p>2</p>	<p>Corporate Risk Register</p> <p>The Corporate Risk Register (CRR) was last reported to the Joint Board in August 2016. The Risk Management Strategy requires the CRR to be reported to the Joint Board on at least an annual basis. The May 2017 election resulted in changes to the membership of the Joint Board.</p> <p>Risk</p> <p>There is a risk the Joint Board is not sighted on the risks that could affect RVJB and its services or the mitigating actions being taken to address the risks.</p>	<p>The CRR should be updated and reported to the Joint Board on in line with the Risk Management Strategy.</p>	<p>The Corporate Risk Register has been updated and is reported to the Joint Board in line with the Risk Management Strategy.</p> <p>Complete</p>

Appendix 2

Significant audit risks identified during planning

The table below sets out the audit risks we identified during our planning of the audit and how we addressed each risk in arriving at our conclusion. The risks are categorised between those where there is a risk of material misstatement in the annual report and accounts and those relating our wider responsibility under the [Code of Audit Practice 2016](#).

Audit risk	Assurance procedure	Results and conclusions
Risks of material misstatement in the financial statements		
<p>1 Risk of management override of controls</p> <p>ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk of management override of controls to change the position disclosed in the financial statements.</p>	<p>Detailed testing of journal entries.</p> <p>Review of accounting estimates.</p> <p>Focused testing of accruals and prepayments.</p> <p>Evaluation of significant transactions that are outside the normal course of business.</p>	<p>No unusual or inappropriate transactions were identified as part of our detailed journal testing.</p> <p>A review of accounting estimates did not show any evidence of bias.</p> <p>Focused testing of accruals and prepayments did not identify any balances that were incorrectly held on the Balance Sheet.</p> <p>Focused testing on a sample of transactions outside the normal course of business did not show any evidence of management override of controls.</p> <p>Conclusion: no evidence of management override of controls.</p>
<p>2 Risk of fraud over expenditure</p> <p>Most public sector bodies are net expenditure bodies and therefore the risk of fraud is more likely to occur in expenditure.</p> <p>The Code of Audit Practice expands the consideration of fraud under ISA 240 to include the risk of fraud over expenditure. This applies to RVJB due to the variety and extent of expenditure incurred in delivering services.</p>	<p>Analytical procedures on expenditure streams.</p> <p>Detailed testing of expenditure transactions focusing on the areas of greatest risk.</p>	<p>Analytical procedures were carried out over all expenditure streams and satisfactory responses were provided for all significant variances.</p> <p>Detailed testing of expenditure transactions confirmed these were normal business transactions and had been accounted for in the correct year.</p> <p>Conclusion: no evidence of fraud over expenditure.</p>

Audit risk	Assurance procedure	Results and conclusions
<p>3 Estimates and Judgements</p> <p>There is a significant degree of subjectivity in the measurement and valuation of the material account area of pensions.</p> <p>RVJB's net liability relating to the Strathclyde Pension Fund at 31 March 2018 was £1.676 million. This value is an estimate based on a number of assumptions from the pension fund actuary.</p> <p>This subjectivity represents an increased risk of material misstatement in the financial statements.</p>	<p>Review of the pension actuary and the assumptions made in calculating the estimated pension liability.</p>	<p>A review of the actuary and the assumptions made in calculating the estimated pension liability was carried out and found the approach and assumptions used by the actuary to be reasonable and in line with expectation.</p> <p>Conclusion: the estimates and judgements made to calculate the net pension liability were reasonable.</p>
<p>4 New accounting system</p> <p>Renfrewshire Council implemented an enterprise resource planning system (Business World), in October 2018 which combines finance, HR, payroll and procurement into a single integrated application.</p> <p>The implementation of Business World during the 2018/19 financial year means that the annual accounts will be prepared using information recorded both before and after the change in system, under two different control environments.</p> <p>This introduces additional risks:</p> <ul style="list-style-type: none"> - The new control environment may be less robust - Data may not be correctly transferred to the new system - Differences in the new system may make accounts preparation more challenging <p>The overall impact of the move to Business World is an increased risk of material misstatement in the annual accounts. This affects RVJB as Renfrewshire Council is the host authority and RVJB uses its accounting system.</p>	<p>Gaining an understanding of Business World by reviewing process maps and through discussions with key officers.</p> <p>Detailed testing of significant transactions processed during the change period and rolled forward balances.</p> <p>Review of account/cost code mapping from legacy system to Business World.</p> <p>The work outlined above will be completed as part of the Renfrewshire Council audit and the RVJB audit team will take assurances from that work.</p>	<p>As part of work on the Renfrewshire Council audit, a review of the process maps and the operation of the key systems was carried out. This was reported in the 2018/19 Management Report for Renfrewshire Council.</p> <p>Detailed testing of transactions processed during the change period and rolled forward balances did not identify any issues.</p> <p>A review of account code/cost code mapping from the legacy system to Business World did not identify any issues.</p> <p>Conclusion: audit work carried out did not identify any issues in the roll forward of balances and mapping of account codes/cost centres to the new system.</p>

Audit risk	Assurance procedure	Results and conclusions
Risks identified from the auditor's wider responsibility under the Code of Audit Practice		
<p>5 Financial sustainability</p> <p>The 2019/20 Revenue Estimates and finance reports to members throughout the year highlight uncertainties in future funding and increased pressures on available resources. It is likely that future savings will need to be made to achieve a breakeven position and maintain reserves at an appropriate level.</p>	<p>Review of budget monitoring reports during the year and comment on the financial position within the annual audit report.</p>	<p>A review of budget monitoring reports and the financial statements highlight that slightly lower than planned reserves were used in 2018/19. Further use of reserves would reduce the balance below 5% of turnover. As a result, efficiency savings will be required in future to ensure services are delivered within budget and to ensure an adequate level of reserves is maintained.</p> <p>Conclusion: RVJB continues to operate in a challenging financial climate, with difficulties in delivering existing services with the current levels of resources. Management continues to review future savings options.</p>

Appendix 3

Summary of national performance reports 2018/19

2018/19 Reports

Local government in Scotland: Challenges and performance 2018		Apr	
Councils' use of arm's-length organisations		May	 Scottish Fire and Rescue Service: an update
Scotland's colleges 2018		Jun	
		Jul	 The National Fraud Initiative in Scotland 2016/17
Forth Replacement Crossing		Aug	 Major project and procurement lessons
Children and young people's mental health		Sept	 Superfast broadband for Scotland: further progress update
NHS in Scotland 2018		Oct	
Health and social care integration: update on progress		Nov	 Local government in Scotland: Financial overview 2017/18
		Dec	
		Jan	
		Feb	
		Mar	 Local government in Scotland: Challenges and performance 2019

Renfrewshire Valuation Joint Board

2018/19 Annual Audit Report – Proposed

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Renfrewshire Valuation Joint Board

Annual Accounts
2018/19

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Management Commentary

The purpose of the Management Commentary is to present an overview of the Renfrewshire Valuation Joint Board's financial performance during the year 2018/19 and to help readers understand its financial position at 31 March 2019. In addition, it outlines the main risks and uncertainties facing the Renfrewshire Valuation Joint Board (the Board) for the financial year 2018/19 and beyond.

Who we are and what we do

The Board was established by the Valuation Joint Boards (Scotland) Order 1995 and came into existence on 1 April 1996. It provides a range of valuation and electoral registration services to and on behalf of East

Renfrewshire, Inverclyde and Renfrewshire Councils (the constituent authorities), working in partnership with other Valuation Joint Boards, councils and professional bodies across Scotland.

Our primary funding comes in the form of requisitions from the three constituent authorities and these are agreed when the Board sets its budget before the 1 April each year.

The composition of membership of the Board is determined by the above Order and consists of four Councillors representing East Renfrewshire Council, four representing Inverclyde Council and eight Councillors representing Renfrewshire Council.

For the year 2018/19, these members were:

East Renfrewshire Council	Inverclyde Council	Renfrewshire Council	
P O'Kane (Vice-Convener)	G Brooks	A Doig (Convener)	M MacLaren
A Convery	C Jackson	T Begg	J McIntyre
D Devlin	T McVey	J Cameron	J Sharkey
C Gilbert	I Nelson	K MacLaren	A Steel

Our Aims

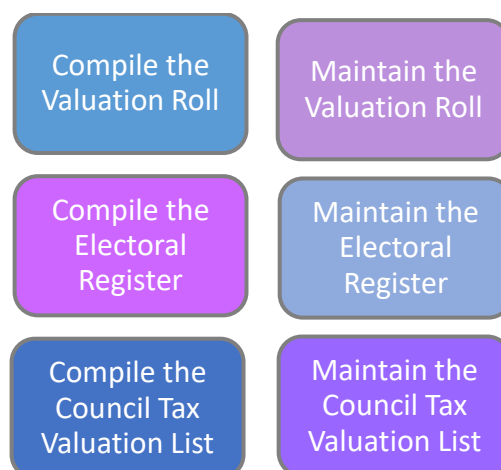
The Board presented an update to its current Strategic Service Plan in May 2019. The plan covers the period April 2018 to April 2021.

A copy of Strategic Service Plan can be found at the following link: <http://www.renfrewshire-vjb.gov.uk>About Us>Policies>Strategic Service Plan>.

The Plan outlines the Board's Mission, as follows:

Building on our established professionalism, we aim to provide high quality, effective and responsive services to all of our stakeholders

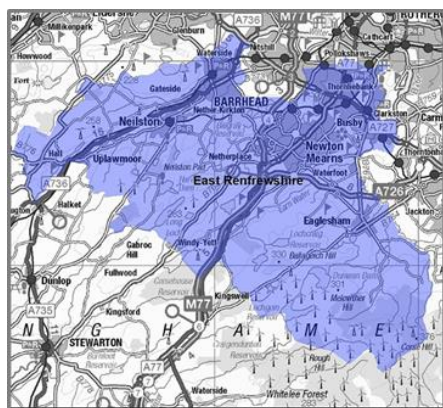
Part 3 of the Board's Strategic Service Plan 2018-21 defines six key business objectives, as follows:



Our Performance

To put into context the Board's work involved in carrying out our statutory duties and obligations, it may be useful to examine each of the councils separately.

East Renfrewshire



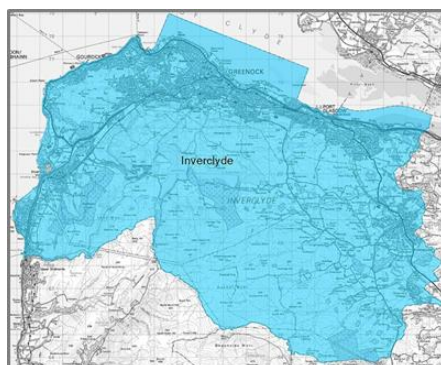
Council Tax	2018/19	2017/18
Properties	39,014	38,828
Proposals / Appeals	86	103
Proposals / Appeals settled	95	153

Revaluation Roll	2018/19	2017/18
Properties	1,824	1,808
Appeals received*	N/A	603
Appeals settled	354	3

Running Roll	2018/19	2017/18
Properties	1,824	1,808
Appeals	47	35
Appeals settled	18	1

	2018	2017
Population*	94,760	94,760
Population over 16	76,892	75,731
Registered Electors	71,202	71,037

Inverclyde



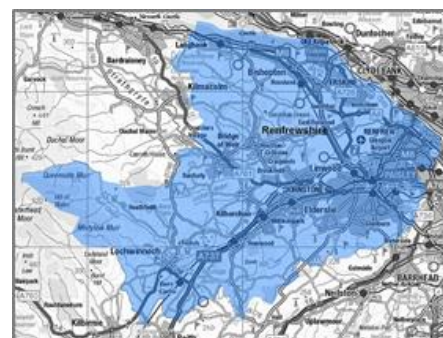
Council Tax	2018/19	2017/18
Properties	38,976	38,914
Proposals / Appeals	60	48
Proposals / Appeals settled	38	51

Revaluation Roll	2018/19	2017/18
Properties	2,411	2,400
Appeals received*	N/A	876
Appeals settled	567	3

Running Roll	2018/19	2017/18
Properties	2,411	2,400
Appeals	61	144
Appeals settled	24	1

	2018	2017
Population*	78,760	78,760
Population over 16	66,801	66,059
Registered Electors	59,771	59,875

Renfrewshire



Council Tax	2018/19	2017/18
Properties	87,649	86,862
Proposals / Appeals	177	223
Proposals / Appeals settled	106	197

Revaluation Roll	2018/19	2017/18
Properties	9,920	9,834
Appeals received*	N/A	2,353
Appeals settled	1,356	41

Running Roll	2018/19	2017/18
Properties	9,920	9,834
Appeals	198	160
Appeals settled	65	6

	2018	2017
Population*	176,830	176,830
Population over 16	148,605	146,791
Registered Electors	133,105	131,467

* Population numbers Renfrewshire are taken from the 2017 Census and there were no appeals received in 2018/19 because the time period for lodging appeals expired during 2017/18.

For a full analysis of the Board's performance please see the Annual Public Performance Report, which the Assessor & Electoral Registration Officer (ERO) presented to the Board on 31 May 2019. This can be found at www.renfrewshire-vjb.gov.uk/About Us/How we are doing.

Performance information is also reported at every meeting of the Board.

Review of the Year

During 2018/19, the Assessor & ERO continued the service review that had commenced in late 2017. The five key objectives of this review were that it should:

- Contribute to delivering potential savings target in the operational models and delivery;
- Deliver a fit for purpose and future proofed organisational structure;
- Ensure maximised benefits from implementation of a Document Management System (DMS) and an Electoral Management System (EMS);
- Reduce the administrative burden on the Board by redefining processes, making efficiency savings and increasing capacity to deliver services; and
- Source a replacement for Progress, the current core IT system.

Further detail on the Board's progress in delivering savings can be found below, in the section 'Outlook and Future Plans'.

The organisation's staff complement has reduced in 2018/19 from 42 to 40 employees, with the possibility of further changes over the next year. There were also a number of long-term absences in the year.

Following the service review, the Assessor & ERO introduced a new structure and organisation of work that coincided with the move to vacate the first-floor offices. This new organisational structure is still in its early stages and its effectiveness will be monitored over the coming months.

It should be noted that the Board delivered the Rateable values and Council Tax Bands to the three constituent authorities to allow them to collect the revenues shown below (excluding water and sewerage charges):

Council Tax Revenue	2018/19	2017/18
East Renfrewshire	£49,717,751	£47,806,797
Inverclyde	£29,607,091	£28,617,209
Renfrewshire*	£73,678,565	£70,535,470

Non-Domestic Revenue	2018/19	2017/18
East Renfrewshire	£14,666,019	£14,777,133
Inverclyde	£20,132,358	£19,560,123
Renfrewshire*	£126,798,263	£122,776,025

*Renfrewshire Council collects revenue for Fixed Line Telecoms for the whole of Scotland.

The new EMS has been purchased and is currently being implemented in a parallel running programme with the existing system until any initial issues have been resolved. This programme has been slowed due to the calling of European Elections; full migration to the new system will restart after the election.

The DMS system was introduced in 2017/18 and part of the impact of this was the facility to scan around 165,000 Council Tax files which, in turn, allowed the organisation to vacate the upper floor of the Robertson Centre. The move from the upper floor took place over October/November 2018 and coincided with the introduction of the new organisational structure. The DMS has also allowed more efficient handling of all mail received by the Assessor & ERO, which can be significant at certain periods. The system has not yet reached its full potential and there is an internal working group tasked with designing more workstreams arising from this system to deliver efficiencies in the service.

A number of policies were refreshed during 2018/19 and are now in effect, including the Scheme of Delegation, the Financial Regulations, Flexible Working and Flexible Retirement policies.

A replacement system for Progress is still being investigated. Progress is the core database that holds all of the Board's work, including all property valuation details. Two other Assessors are involved in this process, in an attempt to reduce both cost and risk by seeking to share a solution between three similar organisations, rather than developing a system in isolation.

Primary Financial Statements

The Annual Accounts are prepared in accordance with the International Accounting Standards Board Framework for the Preparation and Presentation of Financial Statements as interpreted by the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). Under Section 106 of the Local Government (Scotland) Act 1973, joint boards are classed as local authorities.

The Annual Accounts summarise the Board's transactions for the year and its year-end position at 31 March 2019. The Primary Financial Statements include the Comprehensive Income and Expenditure Statement (CIES), the Movement in Reserves Statement (MIRS) and the Balance Sheet.

These statements are accompanied by Notes to the Accounts, which provide more details on the figures shown in the statements and set out the Accounting Policies adopted by the Board.

In a change to the presentation of this year's financial statements, there is no longer a Cashflow Statement. This is because the Board does not have a bank account. Apart from petty cash, all transactions are accounted for through Renfrewshire Council as the administering authority.

The cash balance at 31 March 2019 of £100 in the Balance Sheet represents petty cash held by officers of the Board.

Financial Performance

The Comprehensive Income and Expenditure Statement on page 15 summarises the total costs of providing services and the income available to fund those services.

A summary of the outturn position against the agreed budget is shown below. The Board has returned a deficit of £56,662 for the financial year 2018/19, compared to a budgeted deficit of £66,700, resulting in an underspend of £10,038. The deficit excludes accounting adjustments relating to pensions and employee absences.

The difference between the employee costs figure below and the figure reported in the CIES is due to accounting adjustments for pension costs (£468,000) and accrued employee benefits (£1,488).

The difference between other income in the figure below and the figure reported in the CIES is due to accounting adjustments for interest costs (£53,000) and other interest (£1,000).

Employee Costs were underspent against budget in 2018/19 due to the careful management of vacancies during the year.

In addition, a significant reduction in property costs arose following an arrangement that started on 1 October 2018, whereby Renfrewshire Leisure Limited took occupancy of a floor within the Robertson Centre, the Board's headquarters. The full benefit of the reduction in property costs will impact on the 2019/20 budget.

These underspends are offset by increased Administration Costs, including postage, printing and stationery.

There was also an over-recovery in income, including £12k more Individual Electoral Registration (IER) funding than anticipated.

	Budget £	Actual £	Variance £
Employee Costs	1,762,200	1,727,329	34,871
Property Costs	237,900	191,247	46,653
Supplies and Services	91,900	92,941	(1,041)
Contractors and Others	25,000	10,109	14,891
Administration Costs	259,300	339,494	(80,194)
Payments to Other Bodies	19,700	7,618	12,082
Total Expenditure	2,396,000	2,368,738	27,262
Requisition Income - revenue	(2,222,700)	(2,185,086)	(37,614)
Other Income	(106,600)	(126,990)	20,390
Total Income	(2,329,300)	(2,312,076)	(17,224)
Capital expenditure	0	37,614	(37,614)
Requisition Income - capital	0	(37,614)	37,614
(Surplus)/Deficit for Year	66,700	56,662	10,038

The Balance Sheet at 31 March 2019

The Balance Sheet sets out the total net worth of the Board at a snapshot in time. When comparing the net worth of the Board at 31 March 2019 to that of the prior year, an overall decrease in net worth of the organisation of £1.445m can be seen. This is primarily due to the increase in pension liability explained later.

In previous Annual Accounts, it was reported that the Board did not have the legal powers necessary to hold assets and as such the organisation had no capital spend. While this is still technically correct (assets are purchased primarily through Renfrewshire Council, who retain title to them), it does not fully reflect the substance of the arrangement, in that the Board have full use of the assets and effectively enjoy the benefits and assume the risks of holding them.

Non-current assets held by the Board are IT equipment and software. Two new Notes to the Accounts have been introduced to explain the financial impact of this. They are Note 9: Property, Plant and Equipment and Note 10: Intangible Assets on page 27.

Consequently, the Balance Sheet has been restated to reflect the impact of this change in accounting

treatment, showing the opening position at 1 April 2017 by including a third comparative year. Further detail on the restatement can be found in Note 2: Prior Year Restatement on page 23.

It has also been reported in recent years that the Board had “no specific powers to retain reserves to meet future funding requirements” and therefore any accumulated surpluses were transferred to Creditors in the Balance Sheet each year. However, in keeping with the substance of actual practice and in line with other Joint Boards across Scotland, the Board now reports accumulated CIES surpluses as a Usable Reserve and the Balance Sheet has therefore been restated to report this way. It should be noted that this reserve is still ultimately due to constituent authorities, should it be distributed at any point in the future.

Net Pension Position

The disclosure requirements for pension benefits under IAS19 are detailed at Note 16: Retirement Benefits on page 28. The appointed actuaries have confirmed a net liability position of £3.083m (£1.676m 2017/18), an increase in liabilities of £1.407m in their assessment of the position of the pension fund. This can be attributed to a reduction in corporate bond yields at 31 March 2019 than the previous year, which increases the value of obligations.

It also reflects an estimate of additional costs following a Court of Appeal ruling (McCloud/Sargeant) that transitional protections on implementation of the new pension benefit structure in 2015 for members close to retirement age were unlawful on the grounds of age discrimination. For the Board, this amounts to an additional £0.251m of pension liability.

This is partially offset by investment returns being greater than the 31 March 2018 rate. The net deficit position of the pension reserve impacts the Board as a whole, however the funding of these future liabilities will be met from future requisitions from members and as such the going concern assumption is valid.

The appointed actuaries remain of the view that the asset holdings of the Strathclyde Pension Fund and the contributions from employees and employers together with planned increases in employers' contributions provide sufficient security and income to meet future pension liabilities.

A further potential change to pension rules is outlined in Note 17: Contingent Liabilities on page 31; however this has not been reflected in the pension liability reported in the Balance Sheet.

Data Protection

The General Data Protection Regulations (GDPR) came into effect in May 2018. This resulted in the Board appointing a Data Protection Officer (DPO) and providing staff training on the new legislation and its impact on daily business.

The Board also updated its Privacy Notice and the management team keep such matters as sharing of information and personal data under review, to ensure compliance with the new regulations. Refresher training will be provided to all staff on a regular basis.

Wider Engagement

During 2018/19, the Assessor & ERO contributed to consultations via the Scottish Assessors Association

(SAA) on a variety of proposed new legislation, examples of which are:

- The Non- Domestic Rates (Scotland) Bill;
- Relief for new Fibre for Fixed Line Telecoms (New Bill laid in Scottish Parliament effective 1 April 2019);
- Prisoner Voting / the Electoral Franchise Bill.

The Assessor & ERO also attends Westminster and Scottish Government groups looking at the accessibility of registration and elections. As a member of the Electoral Management Board for Scotland representing the SAA, this ensures all planned legislative changes are discussed and best practices agreed. Consequently, the Board is well placed to access information about planned changes to service delivery.

Risks

The maintenance of a Corporate Risk Register ensures that the Board's functions operate effectively under all assessable and identifiable risks. This was most recently reported to the Board by the Assessor & ERO on 17 August 2018 and is reviewed and updated every six months and reported to the Board annually.

The Corporate Risk Register assesses the likelihood and impact of identifiable risks and provides actions to mitigate or minimise them. The Board's risks have been evaluated using a risk matrix, which involves multiplying the likelihood of occurrence of a risk by its potential impact. This produces an evaluation of risk as either 'low', 'moderate', 'high' or 'very high'. Both High and Very High risks are viewed as significant.

A total of 11 corporate risks are identified on the Corporate Risk Register. Of these, 7 are identified as High, or Very High risks and are summarised in the table that follows.

It should be noted that the Assessor & ERO and management team have fully assessed these risks and have identified control measures in order to address them going forward.

Full details on the risks identified, along with steps being taken to mitigate these, is presented in the Corporate Risk Register Report of 17 August 2018, which can be found by following Board report link shown at the end of this report. An update will be provided to the Board on 16 August 2019.

Risk	Likelihood	Impact	Score	Evaluation
The risk that the Board fails to meet its financial commitments due to budgetary pressures as a result of increased financial pressures on the Board from their constituent authorities and the Scottish Government	4	5	20	Very High
The risk that legislative changes associated with national or European law could potentially create unexpected budgetary pressures	4	5	20	Very High
The risk that Board does not have sufficient capacity to deal with changes / development in IT, including changing demands, which could impact on service delivery	4	4	16	High
The risk that the Board is not sufficiently prepared for any election called outwith the normal electoral timetable, affecting its ability to deliver the election in a shorter timeframe	4	4	16	High
The risk of loss of data sets, which would result in loss of service to all stakeholders e.g. through hacking	4	4	16	High
The risk of loss of information; the Board has invested in a Document Management System but a significant amount of information is still held in paper format	3	4	12	High
The risk that, given existing staff demographics, a number of key personnel could retire over the next 5 years, affecting the Board's ability to deliver services	3	4	12	High

Outlook and Future Plans

Budgeted expenditure for 2019/20 of £2.300m was agreed by the Board on 18 January 2019. The Board recognises the difficult financial climate facing local authorities and has continued to seek efficiencies wherever possible. However, a 3.5% increase in requisition levels for 2019/20 was deemed appropriate due primarily to the impact of agreed pay inflation. The Board will continue to pursue further efficiencies and cost reductions to mitigate future requisition increases.

During 2019/20, the Board will continue to investigate an appropriate new core IT system. It has been agreed that the three constituent authorities will meet the cost of this. The procurement process for

the system has not yet started, however the system is expected to be fully operational by 2020/21.

The Scottish Government has set aside funding for Valuation Boards to address resource demands following the implementation of recommendations from the Barclay Review. The three constituent authorities have been awarded £200,000 in 2019/20, which will be passed on in full to the Board.

One of the main changes of this review is that Non-Domestic rates revaluations will be conducted every three years, rather than the current five-year cycle, which contracts the time available to prepare, value and discuss appeals. The effect of this change is that over a 15-year period, the associated workload will have increased by 60%.

The Assessor & ERO and management team are looking at ways to ensure this new timeline is deliverable by investing in IT and staff and reviewing job descriptions and duties.

The Assessor & ERO intends to include a customer satisfaction survey on the Board's website during 2019/20. Results from this will start to be reported annually to the Board including any lessons learned or changes to practices following suggestions or complaints.

Conclusion

We would like to take this opportunity to acknowledge the team effort required to produce the accounts and to record our thanks to all the staff involved for their continued hard work and support. Board reports and minutes, including Performance and risk reporting, can be accessed via Renfrewshire Council's website under [Your Council>Agendas and Minutes>Joint Arrangements>Renfrewshire Valuation Joint Board](#).

Councillor Audrey Doig

Convenor

16 August 2019

Alan Russell CPFA

Treasurer

16 August 2019

Kate Crawford

Assessor and Electoral Registration Officer

16 August 2019

Statement of Responsibilities for the Annual Accounts

The Board's Responsibilities

The Board is required to:

- make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Board has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). The Director of Finance and Resources at Renfrewshire Council is the designated Officer and operates as the Treasurer for Renfrewshire Valuation Joint Board;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- ensure the Annual Accounts are prepared in accordance with legislation (the Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003);
- approve the Annual Accounts for signature.

I confirm that these Annual Accounts were approved for signature by the Board at its meeting on the 16 August 2019.

Signed on behalf of Renfrewshire Valuation Joint Board.

Councillor Audrey Doig

Convenor

16 August 2019

The Treasurer's Responsibilities

The Treasurer is responsible for the preparation of the Board's Annual Accounts in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing this statement of accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates which were reasonable and prudent;
- complied with legislation;
- complied with the local authority Accounting Code (in so far as it is compatible with legislation);

The Treasurer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the Board at the reporting date and the transactions of the Board for the year ended 31 March 2019.

Alan Russell CPFA

Treasurer

16 August 2019

Annual Governance Statement

Scope of Responsibility

Renfrewshire Valuation Joint Board is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Board also has a statutory duty to make arrangements to secure best value under the Local Government in Scotland Act 2003. In discharging this overall responsibility, the Joint Board's elected members and senior officers are responsible for putting in place proper arrangements for its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Board's Governance Framework

The governance framework comprises the systems and processes and culture and values, by which the Board is directed and controlled. It also describes the way it engages with and accounts to its stakeholders.

The Board has put in place a system of internal control designed to manage risk to a reasonable level. Internal control cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Joint Board's policies aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The main features of our governance arrangements are summarised as:

- Clearly defined Standing Orders, Scheme of Delegation, Financial Regulations and Tender Procedures;
- Comprehensive business planning arrangements, setting key targets and action plans designed to achieve our corporate objectives;
- Regular public performance reporting;
- Business continuity planning arrangements are in place and regularly reviewed;
- Policies to regulate employee related matters, including the employee code of conduct and disciplinary procedures;
- Arrangements to manage risk, including the Risk Management Strategy, Corporate Risk Register and business continuity plans;
- Clear customer complaints procedures;
- Comprehensive policies and procedures for physical and information security;
- An anti-fraud and corruption strategy and arrangements supported by a range of policies and guidelines;
- A register of interest is in place and updated on an annual basis;
- Internal governance review arrangements, including a programme of policy and procedure reviews and a governance working group responsible for all governance related matters including, but not limited to, freedom of information, data protection, risk management, business continuity and monitoring of audit actions.

Within the overall control arrangements the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded and material errors are detected and corrected.

The system is based on a framework of management information, financial regulations, administrative procedures (including segregation of duties), management and supervision, and a system of delegation and accountability.

The system includes:

- Financial management, supported by comprehensive financial regulations and codes;
- Comprehensive budgeting systems and detailed guidance for budget holders;
- Regular reviews of periodic and annual financial reports which indicate financial performance against the forecasts;
- Setting targets to measure financial and other performance;
- The preparation of regular financial reports that indicate actual expenditure against the forecasts;
- The Chief Finance Officer is the Treasurer who complies with the CIPFA Statement on the Role of The CFO in Public Services.

With Renfrewshire Council being the lead authority, all financial transactions of the Joint Board are processed through the financial systems of the Council and are subject to the same controls and scrutiny as those of Renfrewshire Council. This includes regular reviews by the Chief Auditor of Renfrewshire Council.

Review of Effectiveness

Members and officers of the Board are committed to the concept of sound governance and the effective delivery of services and take into account comments made by internal and external auditors.

The effectiveness of the governance framework is reviewed annually by the Assessor & ERO, including the use of a self-assessment tool involving completion of a 30-point checklist covering four key areas of governance.

These are:

- Business Planning and Performance Management
- Internal Control Environment
- Budgeting, Accounting and Financial Control
- Risk Management and Business Continuity

This self-assessment indicated that the governance framework is being complied with in all material respects.

A revised Scheme of Delegation and Financial Regulations were approved by Board in June 2018.

The Board's internal audit service operates in accordance with the Public Sector Internal Audit Standards. Internal Audit undertakes an annual programme following an assessment of risk completed during the strategic audit planning process.

The Chief Auditor provides an annual report to the Board and an independent opinion on the adequacy and effectiveness of the system of internal control.

The Chief Auditor's annual assurance statement concluded that a reasonable level of assurance can be placed upon the adequacy and effectiveness of the Board's internal control systems.

The review has not identified any significant governance issues to be reported on for 2018/19 and no actions arising for the 2017/18 governance statement that require to be reported on.

Assurance

In conclusion, it is our opinion that the annual review of governance, together with the work of internal audit, any comments received from external audit and certification of assurance from the Assessor & ERO, provide sufficient evidence that the principles of good governance operated effectively and the Joint Board complies with its governance arrangements in all material respects.

Systems are in place to continually review and improve the governance and internal control environment.

Future actions will be taken as necessary to maintain and further enhance the Board's governance arrangements.

Councillor Audrey Doig

Convenor

16 August 2019

Kate Crawford

Assessor and Electoral Registration Officer

16 August 2019

Remuneration Report

All information disclosed in the tables in this Remuneration Report will be audited by the Board's appointed auditor, Audit Scotland. The other sections of the Remuneration Report will be reviewed by Audit Scotland to ensure that they are consistent with the financial statements.

Remuneration policy for elected members

As noted by the Board on 17 May 2013, since 1 April 2013 the Board has made no remuneration payment to any elected member, nor does it pay any expenses, fees or allowances to elected members.

Furthermore, no recharges have been made by member authorities in relation to elected member remuneration.

Remuneration policy for senior employees

The Remuneration Policy of the Board is set in reference to national arrangements. The Scottish Joint Negotiating Committee (SJNC) for Local Authority Services sets the salaries for the Chief Executives of Scottish local authorities. The SJNC advised that it would be a matter for each Council to examine the position of other chief officials. It was agreed at the Board of 24 January 1997 that the salary of the posts of Assessor & ERO and the depute be set at a percentage of the Chief Executive of Renfrewshire Council, which is currently 67% and 50% respectively.

Following a review of Chief Executives' salaries in 2001, it was agreed that this arrangement should continue. These arrangements were agreed through approval of the salaries of the Assessor & ERO and Depute Assessor & ERO report at a meeting of the Board on 22 November 2002.

2017/18 Total Remuneration £	Post Held	Name	2018/19 Total Remuneration £
80,404	Assessor & Electoral Registration Officer	Kate Crawford	96,022
10,663	Depute Assessor & Electoral Registration Officer		0

Notes

- Kate Crawford held the post of Depute Assessor & ERO until 25 May 2017 and was appointed as Assessor & ERO with effect from 26 May 2017 and the post of Depute Assessor & ERO was deleted.

Pension rights

Pension benefits for Joint Board employees are provided through the Local Government Pension Scheme (LGPS).

From 1 April 2015, benefits are based on career average pay. Pension benefits are based on the pay received for each year in the scheme increased by the increase in the cost of living, as measured by the appropriate index (or indices).

The scheme's normal retirement age is linked to the state pension age for each member.

From 1 April 2009, a five-tier contribution system was introduced, with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009, contributions rates were set at 6% for all non-manual employees.

Member Contribution Rates	2018/19	2017/18
5.5%	Up to £21,300	Up to £20,500
7.25%	£21,300 to £26,100	£20,501 to £25,000
8.5%	£26,100 to £35,700	£25,001 to £34,400
9.5%	£35,700 to £47,600	£34,401 to £45,800
12%	Over £47,601	Over £45,801

If a person works part-time their contribution rate will be based on their part-time pay.

The accrual rate guarantees a pension based on 1/49th of the pensionable pay for each year of membership, adjusted in line with the cost of living (prior to 2015 the accrual rate guaranteed a pension based on 1/60th of final pensionable salary).

The current Assessor & ERO is not a pension scheme member.

No pension contributions are made by the Board in relation to the Convener or Vice Convener

Exit Packages

There were no exit packages committed by the Board in either 2018/19 or 2017/18.

Remuneration of Employees

The following table shows the number of employees who received remuneration, excluding pension contributions, in excess of £50,000 during 2018/19, in bands of £5,000.

Bands with nil employees in both years are not displayed.

2017/18 Number of employees	Remuneration Band	2018/19 Number of employees
1	£50,000 - £54,999	0
0	£55,000 - 59,999	1
1	£90,000 - £94,999	0
0	£95,000 - £99,999	1
2	Total	2

Councillor Audrey Doig

Convener

16 August 2019

Kate Crawford

Assessor and Electoral Registration Officer

16 August 2019

Independent Auditor's Report to the members of Renfrewshire Valuation Joint Board and the Accounts Commission

Report on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Renfrewshire Valuation Joint Board for the year ended 31 March 2019 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (the 2018/19 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2018/19 Code of the state of affairs of the body as at 31 March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2018/19 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 April 2017. The period of total uninterrupted appointment is five years. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Treasurer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Risks of material misstatement

I have reported in a separate Annual Audit Report, which is available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that I identified and my conclusions thereon.

Responsibilities of the Treasurer and the Joint Board for the financial statements

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

The Joint Board is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. I therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other information in the annual accounts

The Treasurer is responsible for the other information in the annual accounts. The other information comprises the information other than the financial statements, the audited part of the Remuneration Report, and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Accounts Commission to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Report on other requirements

Opinions on matters prescribed by the Accounts Commission

In my opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Mark Ferris
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

August 2019

Comprehensive Income and Expenditure Statement for the year ended 31 March 2019

This statement shows the accounting cost of providing services and managing the Board during the year. It includes, on an accruals basis, all of the Board's day-to-day expenses and related income. It also includes transactions measuring the value of non-current assets actually consumed during the year and the real projected value of retirement benefits earned by employees during the year. The statement shows the accounting cost in accordance with generally accepted accounting practices, rather than the cost according to the statutory regulations that specify the net expenditure that local authorities need to take into account. The required adjustments between accounting basis and funding basis under regulations are shown in the Movement in Reserves Statement.

2017/18 (restated) Net Expenditure £	Note	2018/19		
		Gross Expenditure £	Gross Income £	Net Expenditure £
1,997,216	Employee Costs	2,196,817	0	2,196,817
236,214	Property Costs	191,247	0	191,247
49,289	Supplies and Services	92,941	0	92,941
14,272	Contractors and Others	10,109	0	10,109
336,002	Administration Costs	339,494	0	339,494
8,838	Payments to Other Bodies	7,618	0	7,618
8,144	Capital Charges	17,918	0	17,918
(188,330)	Other Income	0	(125,990)	(125,990)
2,461,645	Cost of Services	2,856,144	(125,990)	2,730,154
	Financing and Investment Income and Expenditure			
(1,118)	Interest receivable	0	(1,000)	(1,000)
127,000	Pension interest cost	53,000	0	53,000
	Taxation and Non-Specific Grant Income			
(2,110,144)	Requisitions from Member Authorities	0	(2,185,086)	(2,185,086)
(47,856)	Capital Grants and contributions	0	(37,614)	(37,614)
429,527	Deficit on the provision of services	2,909,144	(2,349,690)	559,454
(3,421,000)	Actuarial (Gains) or losses on pension assets and liabilities			886,000
(3,421,000)	Other Comprehensive Income & Expenditure			886,000
(2,991,473)	Total Comprehensive Income & Expenditure			1,445,454

Movement in Reserves Statement for the year ended 31 March 2019

This statement shows the movement in the year on the different reserves held by the Board, analysed into usable reserves (that is, those reserves that can be applied to fund expenditure) and unusable reserves. The Total Comprehensive Income and Expenditure line shows the cost of providing the Board's services, more details of which are shown in the Comprehensive Income and Expenditure Statement.

Movement in reserves in 2018/19	Note	Usable Revenue Reserve £	Unusable Reserves £	Total Reserves £
Balance at 31 March 2018 brought forward		(186,997)	1,657,160	1,470,163
Total comprehensive income and expenditure		559,454	886,000	1,445,454
Adjustments between accounting basis and funding basis under regulations	7	(502,792)	502,792	0
Increase or (decrease) in 2018/19		56,662	1,388,792	1,445,454
Balance at 31 March 2019 carried forward		(130,335)	3,045,952	2,915,617

Comparative movements in 2017/18 (restated)	Note	Usable Revenue Reserve £	Unusable Reserves £	Total Reserves £
Balance at 31 March 2017 brought forward		(312,047)	4,773,683	4,461,636
Total comprehensive income and expenditure		429,527	(3,421,000)	(2,991,473)
Adjustments between accounting basis and funding basis under regulations	7	(304,477)	304,477	0
Increase or (decrease) in 2018/19		125,050	(3,116,523)	(2,991,473)
Balance at 31 March 2018 carried forward		(186,997)	1,657,160	1,470,163

Balance Sheet as at 31 March 2019

The Balance Sheet shows the value as at 31 March 2019 of the assets and liabilities recognised by the Board. The net liabilities of the Board (assets less liabilities) are matched by the reserves held. Reserves are reported in two categories. The first category comprises usable reserves, which are those reserves that the Board may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves comprises those that the Board is not able to use to provide services. This category includes reserves that hold unrealised gains and losses in the value of assets.

2016/17 (restated) £	2017/18 (restated) £		Note	2018/19 £
21,652	31,164	Plant and Equipment	9	28,450
0	30,200	Intangible Assets	10	52,610
21,652	61,364	Long-term Assets		81,060
453,043	362,405	Funds held by Renfrewshire Council	12	337,874
34,375	33,824	Debtors and Prepayments	12	43,757
100	100	Cash in Hand		100
487,518	396,329	Current Assets		381,731
(215,806)	(251,856)	Creditors and Accruals	13	(295,408)
(215,806)	(251,856)	Current Liabilities		(295,408)
(4,755,000)	(1,676,000)	Pension Liability	16c	(3,083,000)
(4,755,000)	(1,676,000)	Long Term Liabilities		(3,083,000)
(4,461,636)	(1,470,163)	Net Liabilities		(2,915,617)
(312,047)	(186,997)	Usable Reserves		(130,335)
4,773,683	1,657,160	Unusable Reserves	6	3,045,952
4,461,636	1,470,163	Total Reserves		2,915,617

The unaudited accounts were issued on 31 May 2019 and the audited accounts were authorised for issue on 16 August 2019.

Alan Russell CPFA
Treasurer
16 August 2019

Note 1: Expenditure and Funding Analysis for the year ended 31 March 2019

This statement shows how annual expenditure is used and funded from resources and provides a reconciliation of the statutory adjustments between the Board's financial performance on a funding basis and the (surplus) or deficit on the provision of service in the Comprehensive Income and Expenditure statement.

2018/19	Net Expenditure chargeable to the Board £	Adjustments for pensions £	Adjustments for capital £	Other adjustments £	Net Expenditure in the CIES £
Employee Costs	1,727,329	468,000		1,488	2,196,817
Property Costs	191,247				191,247
Supplies and Services	92,941				92,941
Contractors and Others	10,109				10,109
Administration Costs	339,494				339,494
Payments to Other Bodies	7,618				7,618
Capital Charges	0		17,918		17,918
Other Income	(126,990)			1,000	(125,990)
Cost of Services	2,241,748	468,000	17,918	2,488	2,730,154
Other income and expenditure	(2,185,086)	53,000	(37,614)	(1,000)	(2,170,700)
(Surplus) or deficit on the provision of services	56,662	521,000	(19,696)	1,488	559,454

2017/18 (restated)	Net Expenditure chargeable to the Board £	Adjustments for pensions £	Adjustments for capital £	Other adjustments £	Net Expenditure in the CIES £
Employee Costs	1,780,027	215,000		2,189	1,997,216
Property Costs	236,214				236,214
Supplies and Services	49,289				49,289
Contractors and Others	14,272				14,272
Administration Costs	336,002				336,002
Payments to Other Bodies	8,838				8,838
Capital Charges	0		8,144		8,144
Other Income	(189,448)			1,118	(188,330)
Cost of Services	2,235,194	215,000	8,144	3,307	2,461,645
Other income and expenditure	(2,110,144)	127,000	(47,856)	(1,118)	(2,032,118)
(Surplus) or deficit on the provision of services	125,050	342,000	(39,712)	2,189	429,527

Note 2: Prior Year Restatement

For 2018/19, the Board has introduced new accounting policies on Plant and Equipment, Intangible Assets and Reserves. The Board has introduced these policies because it believes that they better represent the substance of transactions, the operation of assets and use of resources.

The Code requires that the Board presents a third Balance Sheet, at the beginning of the preceding financial year when the Board makes a retrospective restatement. The additional Balance Sheet is presented on page 17, which shows opening balances at 1 April 2017.

The following table shows the relevant extracted lines from the CIES that have been affected by the restatement. The CIES with appropriate restatement for 2017/18 can be found on page 15.

Effect on CIES 2017/18

	Originally Stated 2017/18 Net Expenditure £	Restated 2017/18 Net Expenditure £	Amount of Restatement £
Supplies and Services	97,145	49,289	(47,856)
Capital Charges	0	8,144	8,144
Requisitions from Member Authorities	(2,158,000)	(2,110,144)	47,856
Capital Grants and contributions	0	(47,856)	(47,856)
Cost of Services	(2,060,855)	(2,100,567)	(39,712)
Deficit on Provision of Services	469,239	429,527	(39,712)

Effect on Movement in Reserves Statement at 31 March 2018

The following restatement was also required for the Movement in Reserves Statement. The restated prior period Movement in Reserves Statement is provided with the current year information on page 16.

Usable Revenue Reserve	Originally Stated at 31 March 2017 £	Restated as at 31 March 2017 £	Amount of Restatement £
Balance at 1 April 2017	0	312,047	312,047
Total comprehensive income and expenditure	(469,239)	(429,527)	39,712
Adjustments between accounting basis and funding basis under regulations	344,189	344,189	0
Charges for depreciation of non-current assets	0	8,144	8,144
Capital grants and contributions applied	0	(47,856)	(47,856)
Transfer from Creditors	312,047	0	(312,047)
Transfer to Creditors	(186,997)	0	186,997
Balance at 1 April 2018	0	186,997	186,997

Unusable Reserves	Originally Stated at 31 March 2017 £	Restated as at 31 March 2017 £	Amount of Restatement £
Balance at 1 April 2017	(4,795,335)	(4,773,683)	21,652
Total comprehensive income and expenditure	3,146,000	3,421,000	275,000
Adjustments between accounting basis and funding	(344,189)	(344,189)	0
Charges for depreciation of non-current assets	0	(8,144)	(8,144)
Capital grants and contributions applied	0	47,856	47,856
Balance at 1 April 2018	(1,993,524)	(1,657,160)	336,364

Note 3: Accounting Standards Issued not Adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The following new or amended standards are adopted within the 2019/20 Code:

- Annual Improvements to IFRS Standards 2014 - 2016 Cycle
- Amendments to IAS 40 Investment Property: Transfers of Investment Property
- IFRIC 22 Foreign Currency Transactions and Advance Consideration
- IFRIC 23 Uncertainty over Income Tax Treatments
- Amendments to IFRS 9 Financial Instruments: Prepayment Features with Negative Compensation

The code requires implementation from 1 April 2019 and there is therefore no impact on the 2018/19 accounts. There is no material impact anticipated from the implementation of these standards.

Note 4: Assumptions made about the future

The Statement of Accounts contains estimated figures that are based on assumptions made by the Board about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Balance Sheet at 31 March 2019 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Results differ from Assumption
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Actuaries are engaged to provide the Board with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £1.919m, equating to a 10% increase.

Note 5: Events after the Balance Sheet date

Events taking place after the authorised date for issue per the Balance Sheet are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2019, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There are no non-adjusting events.

Note 6: Unusable Reserves

Pension Reserve

2017/18 £	Pension Reserve	2018/19 £
4,755,000	Opening balance	1,676,000
(3,421,000)	Actuarial Gains and Losses (see note 16)	886,000
342,000	Net additional amount required by statute and non-statutory proper practices to be taken into account when determining the surplus or deficit on the revenue reserves for the year	521,000
1,676,000	Closing balance	3,083,000

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Board accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources

set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Board makes employer's contributions to pension funds. The debit balance on the Pension Reserve shows a significant shortfall in the benefits earned by past and current employees and the Board's share of Strathclyde Pension Fund resources available to meet them. The statutory arrangements ensure that funding will have been set aside by the time the benefits come to be paid.

Employee Statutory Adjustment Account

2017/18 £	Employee Statutory Adjustment Account	2018/19 £
40,335	Opening balance	42,524
(40,335)	Reversal of prior year accrual for short-term accumulating compensated absences	(42,524)
42,524	Accrual for short-term accumulating compensating absences as at 31 March	44,012
42,524	Closing balance	44,012

The Employee Statutory Adjustment Account absorbs the differences that would otherwise arise on revenue balances from accruing for short-term accumulating

compensated absences at the end of the financial year. Generally accepted accounting practices require that all short-term employee benefits, including

accumulating compensated absences, should be recognised as a cost in the accounts for the year to which they relate. This means that where employees' full holiday entitlement, time in lieu or credit flexi-time balance has not been taken by the financial year-end, the cost of the untaken days or time is calculated

and recorded as an accrued expense. However, statutory arrangements require that the impact of such accrued expenditure on revenue balances is neutralised by transfers to or from the Employee Statutory Adjustment Account.

Capital Adjustment Account

2017/18 £	Capital Adjustment Account	2018/19 £
(21,652)	Opening balance	(61,364)
8,144	Charges for depreciation of non-current assets	17,918
(47,856)	Capital grants credited to the CIES that have been applied to capital financing	(37,614)
(61,364)	Closing balance	(81,060)

The Capital Adjustment Account absorbs timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory

provisions. It is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the CIES and credited with the amounts set aside as finance for these costs.

Note 7: Adjustments between Accounting Basis and Funding Basis under Regulations

The deficit for the year on the Revenue Reserves was £250,564 less than the Comprehensive Income and Expenditure Statement result. The table below gives a breakdown of the differences between the income and expenditure included in the Board's Comprehensive Income and Expenditure Statement in

accordance with the Code and the amounts that statute and non-statutory proper practice require the Board to debit and credit the Revenue Reserve Balance.

2017/18 £		2018/19 £
	Adjustments primarily involving the Capital Adjustment Account:	
(8,144)	Charges for depreciation of non-current assets	(17,918)
47,856	Capital grants and contributions applied	37,614
	Adjustments primarily involving the Pension Reserve:	
(572,000)	Net charges made for retirement benefits in accordance with IAS19	(754,000)
230,000	Employers contributions payable to the Strathclyde Pension Fund	233,000
	Adjustments primarily involving the Employee Statutory Adjustment Account:	
(2,189)	Net charges for employment short-term accumulating absences	(1,488)
(304,477)	Net additional amount required to be debited or credited to the Revenue Reserves balance for the year	(502,792)

Note 8: Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the following table, together with the resources that have been used to finance it.

The Capital Financing Requirement (CFR) is a measure of the capital expenditure incurred historically by the Board that has yet to be financed.

2017/18 £		2018/19 £
0	Opening CFR	0
	Capital investment	
17,656	Plant and Equipment	9,164
30,200	Intangible Assets	28,450
	Sources of finance	
(47,856)	Capital grants and other	(37,614)
0	Closing CFR	0

Note 9: Property, Plant and Equipment

2017/18 (restated) £	Plant and Equipment	2018/19 £
	Cost or Valuation	
102,206	Opening balance at 1 April	119,862
17,656	Additions	9,164
119,862	Gross Book Value at 31 March	129,026
	Depreciation and Impairment	
(80,554)	Accumulated depreciation at 1 April	(88,698)
(8,144)	Depreciation charge for year	(11,878)
(88,698)	Accumulated depreciation at 31 March	(100,576)

21,652	Opening Net Book Value	31,164
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31,164	Closing Net Book Value	28,450
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Note 10: Intangible Assets

2017/18 £	Software	2018/19 £
0	Opening balance	0
0	Gross carrying amounts	30,200
0	Accumulated amortisation	0
0	Net carrying amount at 1 April	30,200
30,200	Additions	28,450
0	Amortisation for the year	(6,040)
30,200	Net carrying amount at 31 March	52,610
	Comprising:	
30,200	Gross carrying amounts	58,650
0	Accumulated amortisation	(6,040)
30,200		52,610

Note 11: Operating Leases

The Board has acquired office accommodation at the Robertson Centre in Paisley by entering into an operating lease which ends in 2024. The expenditure charged in year to the Comprehensive Income and Expenditure Statement was £43,625 (2017/18 £55,000).

2017/18 £		2018/19 £
	Future Minimum Lease Payments	
55,000	- not later than one year	32,250
220,000	- later than one year and not later than five years	129,000
55,000	- later than five years	0
330,000	Total	161,250

Note 12: Debtors

2017/18 £		2018/19 £
362,405	Funds held by Renfrewshire Council	337,874
33,824	Prepayments	31,659
0	Other receivable amounts	12,098
396,229	Total short-term debtors	381,631

The presentation of 2017/18 figures has been restated to conform to the Code 2018/19.

Note 13: Creditors

2017/18 £		2018/19 £
0	Trade payables	0
(251,856)	Other payables	(295,408)
(251,856)	Total short-term creditors	(295,408)

The presentation of 2017/18 figures has been restated to conform to the Code 2018/19.

Note 14: Related parties

The Board's related parties are those bodies or individuals that have the potential to control or significantly influence the Board, or to be controlled or significantly influenced by the Board. The Board is required to disclose material transactions that have occurred with related parties and the amount of any material sums due to or from related parties. Related party relationships require to be disclosed where control exists, irrespective of whether there have been transactions between the related parties. Disclosure of this information allows readers to assess the extent to which the Board might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Board.

The member authorities of the Board have contributed requisitions in the following proportions to enable the Board to carry out its objectives. As approved by the Board in February 2000, the relative allocation of the requisition across constituent authorities is adjusted each year in line with relative proportions of Grant Aided Expenditure as issued by the Scottish Government.

2017/18 £	Council	%	2018/19 £
444,600	East Renfrewshire	20.6%	457,900
502,800	Inverclyde	23.1%	513,400
1,210,600	Renfrewshire	56.3%	1,251,400
2,158,000	Total*	100.0%	2,222,700

* Part of the total in each year has been treated as a capital grant to cover expenditure classified as capital.

The Board in turn pays Renfrewshire Council for support services. The amount paid in respect of these services for the year ended 31 March 2019 was £86,679 (2017/18 £86,679).

Note 15: External audit costs

Fees payable to Audit Scotland in respect of external audit services undertaken in accordance with Audit Scotland's Code of Audit Practice in 2018/19 were £7,280 (£6,970 in 2017/18). There were no fees paid to Audit Scotland in respect of any other services.

Note 16: Retirement Benefits

As part of the terms and conditions of employment of its employees, the Board offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Board has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement. The scheme for employees is the Strathclyde Pension Fund which is administered by Glasgow City Council. This is a "funded" defined benefit scheme meaning that the Board and its employees pay contributions into a fund, calculated at a level intended to balance the pensions liability with investment assets.

16a: Transactions relating to retirement benefits

The cost of retirement benefits is recognised in Gross Expenditure when they are earned by employees, rather than when the benefits are eventually paid as pensions.

However, the charge that is statutorily required to be made in the accounts is based upon pension contributions payable by the Board in the year, and an adjustment is made within the Movement in Reserves Statement to replace the cost of retirement benefits with employers' contributions.

The following transactions have been made in the accounting statements in 2018/19:

2017/18 £		2018/19 £
	Comprehensive Income and Expenditure Statement (CIES)	
445,000	Current service cost	455,000
0	Past service cost/(gain)	246,000
	Financing & Investment Income & Expenditure	
127,000	Net Interest	53,000
572,000	Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services	754,000
	Other post employment benefit charged to the CIES	
(1,539,000)	Return on assets excluding amounts included in net interest	(501,000)
(857,000)	Actuarial (gains) and losses arising on changes in financial/demographic assumptions	1,387,000
(1,025,000)	Other (gains) and losses	0
(2,849,000)	Total post employment benefit charged to the CIES	1,640,000
	Movement in Reserves Statement	
(3,079,000)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits according with the Code	1,407,000
230,000	Employers Contributions paid to Strathclyde Pension Fund	233,000

Current service cost is the cost of future entitlements to pension payments to current employees.

Past service cost is the estimated increase in liabilities arising from current year decisions that relates to years of service earned prior to this year. For 2018/19 this includes an estimate for the impact of potential removal of transitional arrangements (McCloud judgement) amounting to £0.246m.

Curtailments are the pension costs to employees retired under redundancy terms.

Net Interest is an actuarial adjustment to the inflation element in the cost of funding current and future pension obligations. This is the expected increase during the year in the present value of the Joint Committee's share of the Strathclyde Pension Fund's

liabilities because they are one year closer to settlement.

The Movement on Pension Reserve represents the net change in the pension liability recognised in the Movement in Reserves Statement for pension payments made by the Board to the Strathclyde Pension Fund during the year (£1.407m).

The Board is also responsible for all pension payments relating to added years benefits it has awarded, together with related increases. In 2018/19 these amounted to £6,906 (2017/18 £4,481).

In addition to the recognised gains and losses included in the Comprehensive Income and Expenditure Statement, actuarial losses of £0.886m are included in the Movement in Reserves Statement (2017/18 £3.421m gain).

16b: Assets and liabilities in relation to retirement benefits

A reconciliation of the Board's share of the present value of the Strathclyde Pension Fund's liabilities is as follows:

2017/18 £000		2018/19 £000
18,456	Opening present value	17,220
445	Current service cost	455
0	Past service cost	246
482	Interest Cost	469
76	Employee Contributions	72
	Remeasurement (gains)/losses:	
(1,882)	Actuarial (gains)/losses arising from changes in financial/demographic assumptions	1,387
(2)	Unfunded benefits paid	(2)
(355)	Benefits Paid	(526)
17,220	Closing present value of scheme liabilities	19,321

A reconciliation of the Board's share of the fair value of the Strathclyde Pension Fund's assets is as follows:

2017/18 £000		2018/19 £000
13,701	Opening Fair Value	15,544
355	Interest Income	416
	Remeasurement gain/(loss):	
1,539	Return on assets excluding amounts included in net interest	501
228	Contributions from employer	231
76	Contributions from employee	72
2	Contributions in respect of unfunded benefits	2
(2)	Unfunded benefits paid	(2)
(355)	Benefits Paid	(526)
15,544	Closing fair value of scheme assets	16,238

16c: Fund history

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Present Value of Liabilities	(14,799)	(13,879)	(18,456)	(17,220)	(19,321)
Fair value of assets	10,833	11,093	13,701	15,544	16,238
Surplus/(deficit) in the scheme	(3,966)	(2,786)	(4,755)	(1,676)	(3,083)

The main fund (Fund 1) of Strathclyde Pension Fund does not have an asset and liability matching (ALM) strategy.

The total liability of £3.083m has a substantial impact on the net worth of the Board as recorded in the Balance Sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Board remains assured. The deficit on the Strathclyde Pension Fund will be made good by increased contributions over the remaining working life of employees, as assessed by the Fund actuary. The total contributions expected to be made by the Joint Committee to the Strathclyde Pension Fund in the forthcoming year to 31 March 2020 is £0.231m.

16d: Impact on cashflows

An objective of the fund is to keep employer's contributions at as constant a rate as possible. The fund has agreed a strategy to achieve a funding rate of 100% in the longer term. The rate for employer contributions was set at 19.3% for 2017/18 and 20.2% for 2018/19.

16e: Basis for estimating assets and liabilities

The Board's share of the liabilities of the Strathclyde Pension Fund have been assessed on an actuarial basis using the projected unit method, that estimates the pensions that will be payable in future years dependent upon assumptions about mortality rates, salary levels and so on. The Scheme's liabilities have been assessed by Hymans Robertson, an independent firm of Actuaries, and the estimates are based on the latest full valuation of the Fund at 31 March 2017.

The principal assumptions used by the actuary have been:

2017/18	Mortality assumptions	2018/19
Longevity at 65 for current pensioners		
21.4 years	Men	21.4 years
23.7 years	Women	23.7 years
Longevity at 65 for Future pensioners		
23.4 years	Men	23.4 years
25.8 years	Women	25.8 years
3.6%	Rate of increase in salaries	3.7%
2.4%	Rate of increase in pensions	2.5%
2.7%	Rate for discounting scheme liabilities	2.4%
Take-up of option to convert annual pension into retirement lump sum:		
50.0%	Pre-April 2009 service	50.0%
75.0%	Post-April 2009 service	75.0%

The pension scheme's assets consist of the following categories and proportions of the total assets held:

2017/18 £000		%	2018/19 £000
5,453	Equity instruments	35.1%	5,696
488	Debt instruments (bonds)	3.1%	510
1,407	Real Estate	9.1%	1,470
6,625	Investment Funds and Unit Trusts	42.6%	6,921
1,571	Cash and Cash Equivalents	10.1%	1,641
15,544	Total	100.0%	16,238

Note 17: Contingent Liabilities

Guaranteed Minimum Pension (GMP) was accrued by members of the Local Government Pension Scheme between 6 April 1978 and 5 April 1997. The value of GMP is inherently unequal between males and females for a number of reasons, including a higher retirement age for men and GMP accruing at a faster rate for women; however overall equality of benefits was achieved for public service schemes through the interaction between scheme pensions and the Second State Pension. The introduction of the new Single State Pension in April 2016 disrupted this arrangement and brought uncertainty over the ongoing indexation of GMPs, which could lead to inequalities between men's and women's benefits.

Strathclyde Pension Fund's actuary has carried out calculations and estimates that the potential impact of GMP indexation would be an increase in the pension liability of approximately £0.080m for Renfrewshire Joint Valuation Board. This estimate is not reflected in the Primary Financial Statements because the trigger event that would require recognition has not yet occurred.

Note 18: Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 18, the Board has had to make certain judgements about

complex transactions or those involving uncertainty about future events.

Where a critical judgement has been made this is referred to in the relevant note to the core financial statements; however, a summary of those with the most significant effect is detailed below.

Leases	An analysis of the terms of the lease for the Robertson Centre has concluded that it is an operating lease.
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Note 19: Summary of Significant Accounting Policies

A General Principles

The Annual Accounts summarise the Board's transactions for the 2018/19 financial year and its financial position as at 31 March 2019. The Board is required to prepare Annual Accounts by the Local Authority (Scotland) Regulations 2014 and section 12 of the Local Government in Scotland Act 2003 requires these accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom (the Code), supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act.

The Code is issued jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC) and is designed to give a true and fair view of the financial performance of the Board.

The accounting convention adopted in the Annual Accounts is principally historical cost, modified by the valuation of pension assets and liabilities where appropriate. The Annual Accounts have been prepared on a going concern basis.

B Accruals of Expenditure and Income

Activity is accounted for in the year that it takes place, not simply when payments are made or received.

In particular:

- revenue from the sale of goods is recognised when the Board transfers the significant risks and rewards of ownership to the purchaser, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Board;
- revenue from the provision of services is recognised when the Board can reliably measure the percentage of completion of the transaction and it is probable that the economic benefits or service potential associated with the transaction will flow to the Board;
- expenditure in relation to services received (including services provided by employees) is recorded when the service is received rather than when payment is made;
- supplies are recorded as expenditure when they are consumed. Where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet;
- where income and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where there is evidence that debts are unlikely to be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

C Contingent Liabilities

Contingent liabilities are disclosed in the accounts, but not recognised in the Balance Sheet, in circumstances where:

- an event has taken place that gives the Board a possible obligation whose existence will only be

confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Board; or

- a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

D Employee Benefits

Benefits payable during employment

All salaries and wages earned up to the Balance Sheet date are included in the accounts irrespective of when payment was made. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year end and that employees may carry forward into the next financial year.

Post-employment benefits

The Board participates in the Local Government Pension Scheme (LGPS), administered by Strathclyde Pension Fund. The LGPS is accounted for as a defined benefit scheme and in accordance with International Accounting Standard 19 (IAS19) the Board has disclosed certain information concerning the assets, liabilities, income and expenditure relating to the pension scheme. IAS19 requires that an organisation must account for retirement benefits when it is committed to giving them, even if the payment will be many years into the future.

This involves the recognition in the Balance Sheet of the Board's share of the net pension asset or liability in the Strathclyde Pension Fund and a pension reserve.

The liabilities of the Strathclyde Pension Fund attributable to the Board are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions

about mortality rates, employee turnover rates and projections of earnings for current employees.

Liabilities are discounted to their value at current prices using a discount rate based on the current rate of return on high quality corporate bonds.

The assets of the Strathclyde Pension Fund attributable to the Board are included in the Balance Sheet at their fair value, principally the bid price for quoted securities, and estimated fair value for unquoted securities.

The Comprehensive Income and Expenditure Statement (CIES) also recognises changes during the year in the pension asset or liability. Service expenditure includes pension costs based on employers' pension contributions payable and payments to pensioners in the year.

The change in the net pension liability is analysed into the following components:

- **current service cost** – the increase in liabilities as a result of years of service earned this year, allocated in the CIES to the services for which the employees worked;
- **past service cost** – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years, which is debited to the Surplus or Deficit on the Provision of Services in the CIES;
- **net interest cost on the defined benefit liability** – the change during the period in the net defined benefit liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the CIES. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments;
- **return on scheme assets** – excluding amounts included in net interest on the net defined benefit

liability which are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure;

- **actuarial gains and losses** – changes in the net pension liability that arise because events have not coincided with assumptions made at the last actuarial valuation, or because the actuaries have updated their assumptions, which is charged to the Pensions Reserve. Actuarial gains and losses are shown within Other Comprehensive Income and Expenditure within the CIES; and
- **contributions paid to the pension fund** – cash paid as employer's contributions to the pension fund in settlement of liabilities which are not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the amount payable by the Board to be the amount paid directly to pensioners in the year, not the amount calculated according to the relevant accounting standards in the CIES.

In the Movement in Reserves Statement this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

E Events after the Balance Sheet date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the accounts are authorised for issue.

There are two types of events:

- **Adjusting events** – those that provide evidence of conditions that existed at the end of the reporting period, and the accounts are adjusted to reflect such events
- **Non-adjusting events** – those that are indicative of conditions that arose after the reporting period, and the accounts are not adjusted. Where a

category of events would have a material effect, disclosure is made in the notes of the nature of the event and its estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the accounts.

F Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are made only when required by proper accounting practices, or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Board's financial position or financial performance. Where a change is made, it is applied retrospectively (unless otherwise stated) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material misstatement or omission discovered in prior period figures are corrected retrospectively (unless otherwise stated) by adjusting opening balances and comparative amounts for the prior period.

G Government Grants and other Contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Board when there is reasonable assurance that:

- the Board will comply with the conditions attached to the payments; and

- the grants or contributions will be received.

Amounts recognised as due to the Board are not credited to the CIES until conditions attaching to the grant or contribution have been satisfied.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the Specific Grant Income line in the CIES.

H Leases

Operating Leases: Board as Lessee

Rentals paid under operating leases are charged to the CIES as an expense of the services benefiting from use of the leased property, plant or equipment.

Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a rent-free period at the commencement of the lease).

The risks and rewards of ownership remain with the lessors along with the title of the property.

I Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as plant and equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Plant and Equipment is capitalised on an accruals basis. Expenditure that merely maintains the condition of an asset (i.e. repairs and

maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price;
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating.

Plant, furniture and computer equipment costing less than £9,000 are not treated as fixed assets. This de minimis level does not apply where certain categories of these assets are grouped together and form part of an approved capital programme.

Assets are then carried in the Balance Sheet using the depreciated replacement cost.

Impairment

Assets are assessed at each year-end to determine whether there is any indication that an asset may be impaired.

Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated, an impairment loss is recognised for the shortfall and the carrying amount of the asset is written down in the CIES.

Where an impairment loss is subsequently reversed, the reversal is credited to the CIES, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Disposals

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the CIES as part of the gain or loss on disposal. Any receipts from disposals are credited to the CIES, also as part of the gain or loss on disposal

(i.e. netted off against the carrying value of the asset at the time of disposal).

Depreciation

Depreciation is provided for on all Plant and Equipment assets by the allocation of their depreciable amounts over their useful lives. For ICT equipment, this is calculated on a straight-line basis over 5 years.

J Intangible Assets

Expenditure on non-monetary assets that do not have physical substance, but are controlled by the Board as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Board.

Intangible assets are measured initially at cost. Amounts are revalued where the fair value of the assets held by the Board can be determined by reference to an active market. The depreciable amount of an intangible asset is amortised over its useful life on a straight-line basis in the CIES.

An asset is tested for impairment whenever there is an indication that the asset might be impaired and any losses recognised are posted in the CIES. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the CIES.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the Revenue Reserve. The gains and losses are therefore reversed out of the Revenue Reserve in the Movement in Reserves Statement and posted to the Capital Adjustment Account and Capital Receipts Reserve.

All capital expenditure is charged to the constituent authorities, meaning that the Board has no requirement to borrow.

Software costing less than £9,000 is not treated as an intangible asset and is charged to the CIES. This de minimis does not apply where certain categories of assets are grouped together.

K Reserves

Reserves are classified under accounting regulations into two categories: usable reserves, which are available to spend; and unusable reserves, which are unrealised net gains that have a deferred impact on the Board.

Usable Reserves

The Revenue Reserve represents surplus funds held by the Board, which are ultimately repayable to the constituent authorities in the same allocation proportions as the requisitions.

Unusable Reserves

Certain reserves are held to manage the accounting processes for non-current assets, retirement and employee benefits and do not represent usable resources for the Board; these reserves are explained in the Unusable Reserves note.

L Value Added Tax (VAT)

Income and Expenditure excludes any amount relating to VAT, as all VAT collected is payable to HM Revenue and Customs (HMRC) and all VAT paid is recoverable from HMRC.



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board

Meeting on: 16th August 2019

Subject: Barclay Review - Update

Author: Assessor & Electoral Registration Officer

1. Background

It was agreed that the Board should be updated at each meeting on developments and expenditure arising from the Barclay Review.

2. Recruitment

In order for the Board to be able to deliver the new requirements following the Barclay recommendations a review of staffing has been undertaken. To facilitate this, in the most cost effective way, we have managed to secure two spaces at Edinburgh Napier University for a BSc in Construction & the Built Environment with funding from Skills Development Scotland through the Graduate Level Apprenticeship Scheme.

This means the Board is not liable for any course fees, which for example on a similar course, would be in excess of £38k for both these posts. In effect the only costs for this course are for the students attendance at 2 week block study periods three times a year in Edinburgh.

Two places at City of Glasgow College have been secured and are for a two year course leading to an HNC in Construction Management.

The interviews for the four posts – two trainee valuers and two trainee technicians ,were held on 1st & 2nd August to allow time for the successful candidates to enroll in their relevant courses. Recruiting for these posts has the added benefit of going some way to address the work force planning issues the Board has through having an ageing workforce.

All costs for these four posts will be met from the money allocated to the Barclay funding.

3. IT Valuation System

Work is ongoing with two other Assessors' offices in designing and procuring the new IT Valuation system. The timetable for delivery of this system is expected to be 12months from now.

4. Recommendations

- i. The Board note the contents of the report.

Kate Crawford
Assessor and Electoral Registration Officer
5th August 2019

For further information please contact Kate Crawford at 0141-618-5903
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Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board
Meeting on: 16th August 2019
Subject: Corporate Risk Register
Author: Assistant Assessor & Electoral Registration Officer

1. Introduction

The Corporate Risk Register has been reviewed in line with our agreed review cycle.

2. Recommendations

- i. The Board note the contents of the report.

Lindsey Hendry
Assistant Assessor & Electoral Registration Officer
5th August 2019

For further information please contact Lindsey Hendry at 0141 618 5927 or via email at lindsey.hendry@renfrewshire-vjb.gov.uk

RENFREWSHIRE VALUATION JOINT BOARD



CORPORATE RISK REGISTER IG7

Title	Corporate Risk Register
Author	Depute Assessor & ERO
Approved By	Senior Management Team
Date of Approval	August 2013
Reviewer	Assistant Assessor & ERO - Governance
Review Date	As Required

Review History

Review No.	Details	Release Date
1	First full review	1 February 2014
2	Second full review	1 February 2015
3	Third full review: Name changed to Risk Register	1 August 2016
4	Fourth full review – Name changed to Corporate Risk Register	1 August 2018
5	Six monthly review	1 February 2019
6	Six monthly review	1 August 2019

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Preamble

The business and social environment that the Board operates and provides services within continues to be a challenging and changing environment. Change is ever present, and we need to evolve in order to keep pace with our financial challenges, our key priorities and effective service delivery.

Effective Risk management is the process of identifying risks, evaluating their potential consequences and determining the most effective methods of controlling them. The purpose is to reduce the frequency of risk events occurring where possible and minimising their effect if they do occur. In effect it's about ensuring the right things happen and that, 'risk-aware' not 'risk-averse' decisions are taken in all areas of service delivery.

Risk management offers a number of benefits; it is not simply about health and safety risks, its purpose is to bring sharp focus on the significant risks facing the Board and identifying risk has the equal and opposite benefit of improved service delivery. For example, making major changes in Information Technology can enable an improved experience for service users, although there may be financial implications to reach the required goal.

Risk management should be an integral part of policy planning and operational management. Identifying, analysing, controlling and monitoring risk will aid elected members and senior managers make informed decisions about the appropriateness of adopting policy or service delivery options.

1.0 Background

1.1 Working in partnership with Renfrewshire Council, the Board's risks have been evaluated using the Council's risk matrix and involves multiplying the likelihood of occurrence of a risk by its potential impact. This produces an evaluation of risk as either 'low', 'moderate', 'high' or 'very high'. High/very high risks are viewed as significant.

1.2 The profile of corporate risk going forward is shown in the table below:

Evaluation	Low	Moderate	High	Very High	Total
No. of Risks:					

1.3 In scoping the proposed corporate risk register, the senior management team have identified those risks that they perceive to be significant. They have then taken steps to manage the risks within their control in order to safeguard their employees, service users and assets. This will in turn preserve and enhance service delivery and maintain effective stewardship of the Boards funds.

1.4 The corporate risk register will align with Renfrewshire Valuation Joint Board's Service Plan and Business Continuity Plan.

1.5 It should be noted that the cost of controlling the corporate risks and undertaking further action is currently being met within the Board's current budget.

2.0 Risk Management - Identification of arrangements within RVJB including Roles and Responsibilities

2.1 During December 2012, RVJB had implemented a range of standard procedures in keeping with the organisation's risk management strategy. This included adoption of the risk management process and, as mentioned above, the adoption of a standardised risk matrix for analysis and evaluation of risk.

2.2 Within RVJB the Governance Working Group, is responsible for identifying risks and maintaining the Corporate Risk Register. To ensure the risks are identified a number of methods have been employed and information gathered from various sources. These are outlined below: -

Consultation	1. The GWG have met to discuss generic themes which impact on the 3 core functions of the Board, to identify service priorities and identify key challenges that may impact on service delivery, financial and other resources.
Benchmarking	2. Discussion has taken place with the Scottish Assessors Association on the risks Assessors and ERO's face throughout Scotland.
Review of key reports specific to Joint Boards	3. Service Plan 4. Business Continuity Plan 5. Electoral Commission – Performance Standards
Review of new/emerging legislation – working in partnership	7. Review of new/emerging legislation which has or will impact on the statutory 3 core functions. 8. Other examples include the Equalities Act, Data Protection legislation etc

- 2.3 The Assessor or Assistant Assessor, will co-ordinate the RVJB's response to any risk event. They will ensure activation of the Senior Management Team (SMT) along with appropriate additional specialised staff, if specific expertise is required.

The SMT will act in accordance with the Corporate Risk Register and the Business Continuity Plan ensuring, so far as is reasonably practicable, the health, safety and welfare of those affected.

The SMT shall ensure effective communication between all relevant internal and external persons and agencies, keep accurate records of all decisions or actions taken and, if the Emergency Services are present, act on the advice of the senior, or Incident Officer.

Due to the relatively small and compact operation carried out by the Valuation Joint Board, the required structure can be compressed, with the same group fulfilling various roles. The expected base of operations will be The Robertson Centre or a Renfrewshire Council Property.

3.0 Corporate Risk Management Objectives

The organisation's corporate risk management objectives will be met by ensuring: -

1. Leadership and management: Ensuring the Assessor and Senior Managers fully support and promote risk management.
2. Policy and strategy: Ensuring that the risk management policy and strategy remains fit for purpose, providing a consistent approach to risk management and increasing its effectiveness.
3. People: Ensuring that the organisation's people are equipped and supported to manage risk well.
4. Partnerships and resources: Ensuring that the organisation has effective arrangements in place for managing risks in partnerships.
5. Processes: Ensuring that the risk management processes are effective in supporting the business activities of the Board.
6. Risk handling and assurance: Ensuring that risks are handled well and that the organisation has assurance that risk management is delivering successful outcomes and supporting innovation.
7. Outcomes and delivery: Ensuring that risk management does contribute to achieving positive outcomes for the organisation.

4.0 Corporate Risks

Eleven corporate risks have been identified and a proforma completed for each risk, with the level of risk identified, see **Appendix 1**.

The majority of the corporate risks are inter-related and, in some instances, inter-dependent. Given this inter-dependence the SMT will have an over-view and monitor any changes/developments which may impact on the Board's current risks.

1. Economic Sustainability / Financial Pressures	Those affecting the ability of the Board to meet its financial commitments, due to budgetary pressures as a result of increased financial pressures on the Board from their Unitary Authorities and Scottish Government.
2. Legislative Changes	Those associated with current or potential changes in national or European law. This will, potentially, create unexpected budgetary pressures.
3. Electoral Registration	Preparation for any election called out with the normal electoral timetable, ability to deliver the election in a shortened time frame. Preparation for the impending Canvass Reform with the first canvass under this new legislative regime being in 2020.
4. Professional Services	Ability to deliver the statutory functions of the Joint Board e.g. non-domestic revaluations and the move to 3 yearly revaluations. Responsibility for Utilities valuations – Designated Assessor for Fixed Line Telecommunications.
5. Technological Changes/Pressures	Capacity to deal with the changes/development in IT, including the Board's ability to deal with changing demands as a result of IT development or lack of, which will impact on service delivery.
6. Failure of Information Communication Technology (ICT)	Refer to Business Continuity Plan. The risk of loss of data sets, which would result in loss of service to all stakeholders e.g. through hacking
7. Loss of premises due to major damage and or loss of tenure	Refer to Business Continuity Plan.
8. Loss/destruction of information held in paper format	The Board has invested in the procurement of a Document Management System but a significant amount of information is still held in paper format with little or no backup.
9. Staffing demographics; the inability to recruit and retain staff; non availability of key staff or significant numbers of staff	Existing staff demographics may give cause for concern given the number of key personnel that may retire over the next 5 years and the age profile of the Board's staff.

10. Legal	Failure to comply with : Equalities Obligations, Data Protection, Freedom of Information & Health & Safety Legislation
11. Governance	Failure to have relevant and current personnel policies, failure to follow personnel policies, failure to comply with KPI targets, failure to comply with audit actions.

Risk Areas in Order of Significance

Risk areas	Likelihood	Impact	Score	Evaluation
REF.01 Economic stability/Financial Pressures	04	05	20	Very High, Unacceptable and Significant
REF.02 Legislative changes	04	05	20	Very High, Unacceptable and Significant
REF.03 Electoral Registration	05	04	20	Very High, Unacceptable and Significant
REF.05 Technological Changes / Pressures	04	04	16	High, Moderate and Significant
REF.06 Failure of ICT	04	04	16	High, Moderate and Significant
REF.08 Loss/ Destruction of information	03	04	12	High, Tolerable and Significant
REF.09 Staffing Demographics	03	04	12	High, Tolerable and Significant
REF.04 Professional Services	02	04	8	Moderate/Tolerable
REF.07 Loss of premises	02	03	6	Moderate/Tolerable
REF.10 Legal : Failure to comply with Legal Obligations	02	03	6	Moderate/Tolerable
REF.11 Governance	02	03	6	Moderate/Tolerable

RVJB Corporate Risk Register

Report Type: Risk Report

Report Author: Lindsey Hendry

Generated on: 1st August 2019

Objective:

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
<p>REF.01 Economic Stability / Financial Pressures</p> <p><u>Context:</u> (1) The Joint Board is operating in an environment of reduced resources, increased workloads and ever greater demands placed on the service. (2) Ongoing Canvass costs – From 1st April 2020 funding from the UK Government will cease. (3) Funding from Scottish Government to prepare for 3 yearly Revaluations has been provided for the financial year 19/20 but this funding is not committed for future financial years. (4) Withdrawal from the EU</p>	<p>This may result in budget/ staffing set to a level too low to allow an adequate service to be provided.</p> <p>Funding from UK Government will end in 2020 and the Board cannot rely on reserves in the short term.</p> <p>Main resource issue for 3 yearly revaluations is staffing. Recruitment will have to take place in 19/20 to prepare for recommendations in the Barclay Report. Requisitions may need to increase if funding is not provided in future years for the non-domestic rates reform as a result of the Barclay recommendations. If gap not funded by the Board then may lead to statutory duties in a 3-yearly valuation/appeal cycle not being discharged.</p> <p>Changes both to funding and legislation may follow the withdrawal</p>	<p>Assessor</p>	<ul style="list-style-type: none"> ▪ Medium Term financial strategy is well developed/continually updated and adapted to quickly changing circumstances ▪ Well-developed budget planning, budget setting and budget monitoring arrangements at both officer and member level; clear decision-making processes in place with regards budget management; financial position reported to the Board by the Treasurer. ▪ Board reporting has made clear the challenges we face in the next 3 years ▪ Maintenance of adequate reserves to meet known and unknown peaks in workloads or expensive appeal litigation (e.g. Cost of Lands Tribunal hearings). Reserves are currently low and are at the minimum an organisation of this size should have ▪ Support of the Board would be sought to release budgetary tension by requesting more requisitions ▪ As part of the medium-term financial planning there is continuous development of saving workstreams to ensure the maintenance of adequate reserves to meet known and unknown peaks in workload or expensive legal litigation ▪ Systems in place to monitor and review financial resources – Budget monitoring undertaken monthly with reports provided to the management team. This assists with budget projections when combined with future service requirements ▪ Through the restructure of the organisation, which was approved by the Board in June 2018, the Assessor has provided a streamlined, sustainable structure in the medium to long term future ▪ Recruitment in 19/20 has started to help ensure delivery of 3 yearly Revaluations, this recruitment also helps address the balance of the ageing workforce ▪ Accommodation reorganisation was carried out through relinquishing the upper floor of the Robertson Centre to reduce overheads and the full effect of the cost savings will show in financial year 19/20 and beyond. ▪ Information sharing through ongoing SAA discussion which allows the sharing of best practice with limited use of resources ▪ Information sharing through ongoing AEA discussion which allows the sharing of best practice with limited use of resources ▪ Through both the SAA/AEA and in partnership with our lead council, any changes as a result of withdrawal from the EU, will be monitored and actioned as required. The Assessor & ERO will ensure the Board is kept fully apprised of any such developments 	<p>04</p>	<p>05</p>	<p>20 Very High/ Unacceptable and Significant</p>
Action Codes	Linked Actions	Assigned To		Due Date	Status	
	Monitor	Budget Team, Senior Management Team		Ongoing		

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	
REF.02 Legislative Changes	Legislative changes will lead to increased budgetary pressures.	Assessor	<ul style="list-style-type: none"> ▪ The SAA Executive has formal, regular meetings with the Scottish Government and through this body we will be empowered to contribute to the decision-making process. ▪ Key partnership arrangements with the Scottish Government, Electoral Commission, AEA, SAA and Cabinet Office. This allows participation in the consultation process. ▪ The SAA will continue to monitor the situation regarding Council Tax and provide advice and guidance to government as and when required and contribute to Consultations. ▪ 3-year budget setting process has to be robust to ensure all possible financial risks through changes to legislation are highlighted. ▪ Any unexpected overspends should be highlighted to the Board's financial advisers. ▪ The Board has access to reserves for unexpected events although these are now at the lowest acceptable level for an organisation of this size, therefore an increase in requisitions may be sought in the short to medium term. ▪ Seek funding from other bodies where possible – including Scottish Government, Cabinet Office etc. ▪ The Assessor & ERO will ensure Board members are advised of all possible outcomes affecting the organisation and service delivery arising from any statutory changes. ▪ Methodologies and processes are continually evaluated, developed and adopted on an ongoing basis to manage any change. ▪ Further investment in forward thinking IT is essential to meet and support challenges the organisation will face in the future. ▪ Through the SAA and in partnership with our lead council, any changes as a result of the withdrawal from the EU will be monitored and actioned as required. The Assessor & ERO will ensure the Board is kept fully appraised of any such developments. 	4	5	20 Very High/ Unacceptable/ Significant	
<p>Context:</p> <p>(1) Legislative changes affecting the discharge of statutory duties.</p> <p>(2) Examples include: the Scottish Government committing to a number of recommendations of the Barclay Review which will require primary legislation and changes to the Tribunal Service which are unknown at the present time.</p> <p>(3) Further changes to Electoral Registration Law e.g. canvass reform, further changes to the electoral franchise</p> <p>(4) Prospect of a Council Tax Revaluation and the corresponding changes to the legislation</p> <p>(5) Legislative changes following withdrawal from the EU e.g. changes to Employment law, Health and Safety legislation</p>	<p>The Scottish Government has accepted and committed to introducing the Barclay Review recommendation of 3 yearly rating Revaluations from 1st April 2022. Primary legislation is required, and the rating landscape is unknown in terms of the corresponding revaluation appeal timetable etc.</p> <p>The possibility of amendments to the primary legislation for Council Tax to allow for a Council Tax Revaluation is uncertain in the medium term.</p> <p>The Proposed Canvass Reform - with the first canvass under this new regime taking place in 2020.</p> <p>Reduction in level of reserves will limit opportunity to meet unexpected financial challenges. The Joint Board is currently at the lowest acceptable level of reserves in percentage terms.</p> <p>Should there be any major changes to Employment or Health & Safety legislation there may be an impact on funding and a further increase on budgetary pressures.</p>						
Action Codes	Linked Actions			Assigned To		Due Date	Status
	Monitor			Senior Management Team		Ongoing	

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
REF.03 Electoral Registration	There are ongoing pressures - both financial and timing pressures continue to have an effect on the Canvas.s	Assessor	<ul style="list-style-type: none"> Board are fully aware of the continued impact of IER on electoral services through regular updates at Board meetings. Short term funding and IT development costs have been met by the Cabinet Office, but this funding will end in the short term. Our continued membership of the SAA and the Assessor's position as Vice Chair of the SAA's Electoral Committee allows access to the, Electoral Commission, the Scottish Government & Cabinet Offices allowing the Board to be at the forefront of discussions consultation on best practice for future changes to the electoral process. The Electoral Registration Officer for the Board has also been nominated as a "Canvass Champion" who will engage with the Cabinet Office over the proposed canvass reforms. An Electoral Management System (EMS) was procured in February 2019 and is in the process of being migrated with a go live date of 20th August 2019. This EMS will mitigate the risks of resourcing and delivering unplanned elections and will streamline and future proof our electoral processes. Contingency planning has been implemented to prepare for an unplanned electoral event on the new EMS. This has involved e.g. the supplier of the EMS carrying out a mock election to ensure the Register of Electors supplied to Returning Officers are correct, confirmation of assistance and training will be provided by the supplier in the event of an electoral event being called and election training being delivered as soon as the possible after the migration and canvass have been completed if an electoral event has not been called during this period. The first canvass under the new EMS will commence in September and staff liaised with the supplier to ensure the process will be completed effectively and efficiently Changes proposed under the reform of the canvass process will be incorporated into our procured EMS by the supplier which will ensure we are able to deliver the reforms. The SMT have ensured evaluation of previous electoral events have been integrated into the planning process 	5	4	20 Very High/ Unacceptable / Significant
<p><u>Context:</u></p> <p>(1) IER has impacted on the updating process of the register and:</p> <p>(2) the canvass - timing and extra costs.</p> <p>(3) As a result of the increased costs surrounding the canvass process due to IER – reforms are proposed to the existing canvass framework with the first canvass on the new legislative regime being 2020.</p> <p>(4) The Scottish Government Consultation on Electoral Reform which is considering further changes to the franchise amongst other options.</p> <p>(5) Unplanned electoral events are now an ever-increasing possibility and put a significant strain of the Board's budget.</p> <p>(6) Migration to the new Electoral Management System is programmed for 20th August 19.</p>	<p>Funding from UK Government is ending in 2020 and the Board cannot rely on reserves in the short term.</p> <p>The current political climate is unsettled due to the uncertainty surrounding the withdrawal of Britain from the European Union. As a result of this uncertainty, the ERO has to prepare for the real possibility of unplanned electoral events being called at a time when staff are adapting to the new EMS and are also administering the canvass on this new system.</p>					
Action Codes	Linked Actions	Assigned To	Due Date	Status		
	Monitor	Assessor	Ongoing			

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
REF.04 Professional Services	The organisation is facing the disposal of the 2017 revaluation appeals with the lowest number of qualified staff. Risks involved with this situation are less resilience if a member of staff has e.g. A long-term absence, maternity leave.	Assessor	<ul style="list-style-type: none"> ▪ Strategy in place to tackle priorities, timetable, preparatory work and momentum. ▪ Monitoring of progress and working with SAA colleagues to ensure all values are defended rigorously. ▪ Systems in place to monitor and review incoming appeals and outstanding appeals. Reporting of the disposal programme is reported on a monthly basis to the SMT and quarterly to Scottish Government. ▪ Schedule of dates to December 2020 for all committee hearings to deal with the 2017 appeals have been agreed with the Renfrewshire Valuation Appeal Panel. ▪ System in place to analyse results of committee hearings to ensure lessons learned inform other appeals. ▪ Information sharing through ongoing SAA discussion. ▪ Monitoring of staff's workload to minimise stress. ▪ Seek effective three-year budgetary cycle to ensure financial resources are in place and known. ▪ Investment in a new core valuation system which will ensure the Board has a streamlined and efficient organisation in preparation for the move to 3 yearly Revaluation cycles. ▪ Utilise information technology to support the citation process and the subsequent appeal process. ▪ Seek methods that will allow appeals to be dealt with in a cost-effective manner. e.g. partnership working to reduce cost of citation – deal with appeals pre-citation. ▪ Telecoms appeal work requires careful monitoring and request for resources to deal with this workload if the resultant appeal disposal cannot be continued to be resourced from existing budget. ▪ Ongoing discussions with the Valuation Office in England and seeking reassurance that resources will be available to the Assessor to enable the Scottish Telecoms valuations to be calculated. 	2	4	8 Moderate/ Tolerable
Context: (1) Breaching statutory duties in terms of disposal date for 2017 Revaluation appeals and the pressure on staff to deal with high appeal volumes at VAC hearings.	The Board needs to have the relevant knowledge base and allow staff to continually develop this knowledge to ensure appeals can be robustly defended.					
(2) Pressure on Valuation Appeal Committee to dispose of outstanding appeals by the statutory deadline.	Attendance at Valuation Appeal Committee Hearings is increasing with the associated costs increasing.					
(3) Costs associated with defence of values at Valuation Appeal Committee						
(4) Costs associated with proceeding to a hearing at the Lands Tribunal. This is estimated to be circa £10k/day at Tribunal - inclusive of preparatory work and employment of legal counsel.	RVJB Assessor is Designated Assessor dealing with Telecoms for all of Scotland. Very high values generated, and subsequent appeals could necessitate legal costs to defend, as required. The cost of time and the resources involved in producing and defending these values for the whole of Scotland has to be funded from existing budget.					
(5) Impact on revenue collection for our 3 Unitary Authorities due to loss of value on appeal						
(6) Impact on Rateable Values for Central Government resulting in financial uncertainty						
(7) In the longer term, the risks involved with the implementation of 3 yearly Revaluation cycles and the disposal of the resultant appeals in a, possibly shorter time frame	This is further complicated by the differing revaluation timetables going forward between England & Scotland. The present system has allowed the Assessor to work alongside the Valuation Office in England in preparing valuations for telecoms. This is no longer the case as England's next Revaluation is a year ahead of Scotland i.e. 2021. This could have an effect on the costs of the					

	<p>valuation of telecom subjects in Scotland.</p> <p>3 yearly Revaluation cycles will have an impact on resources e.g., the disposal of the resultant appeals from one Revaluation being undertaken at the same time as preparing for the next Revaluation.</p>					
Action Codes	Linked Actions	Assigned To		Due Date	Status	
	Monitor	Principal Surveyors, Assistant Assessors		Ongoing		

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
REF.05 Technological Changes / Pressures	Capacity to deal with the changes/development in IT, including the Board's ability to deal with changing demands as a result of IT development which will impact on service delivery, ability to perform statutory duties of the three core functions to the required deadlines and potential increase in resources/knowledge base required to support the IT team.	Assessor	<ul style="list-style-type: none"> ▪ Strategy in place to establish priorities, timetable, and to maintain momentum in reaching the requirements for fast efficient service delivery – achieved through the IT Strategic and operational Working Groups ▪ Working with partners in Renfrewshire Council IT detailing our requirements over the mid to longer term. ▪ Perform daily back-ups and download documentation onto tapes/disks for secure storage off-site. ▪ Engagement with Cabinet Office, Renfrewshire Council and Class Consultants. Retain current reserves to off- set any additional costs ▪ The procured EMS will provide savings in the medium to long term. ▪ Investigations are ongoing into sharing an IT system with other Assessors to allow smarter working and help alleviate pressure on staff, who will be working to shorter timescales following implementation of Barclay recommendations. 	4	4	16 High/ Moderate/ Significant
<p>Context:</p> <p>(1) The Progress operating system, which facilitates both the Valuation and Electoral functions, is being phased out by Renfrewshire Council and the Board is currently looking for a suitable replacement.</p> <p>(2) The procurement of an "off the shelf" EMS to future proof for the loss of Progress and to mitigate the risk of unplanned electoral events and the Board's limited resources</p> <p>(3) The procurement of a suitable valuation system to cope with the move to 3 yearly Revaluations.</p>	<p>With the move to 3 yearly revaluations, the IT systems have to be able to minimise the demands placed on the valuation team and assist in this seismic change to the rating landscape.</p>					
Action Codes	Linked Actions	Assigned To		Due Date	Status	
	Senior Management Team to investigate procurement of alternative systems	Senior Management Team		Ongoing		

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
REF.06 Failure of ICT	There are many events which may cause ICT failure such as: internal/external malicious damage; failure of third parties to meet deadlines; failure to back-up ICT; major ICT failure; failure due to virus attack.	Assessor	<ul style="list-style-type: none"> ▪ Board is accredited to PSN standard and ICT is put through an ITHS each year before applying for PSN reaccreditation. ▪ SLA in place to ensure development is on-going in line with service requirements. ▪ Contractual arrangements in place for maintenance and upgrading with external contractors. ▪ Anti-Virus, anti-spam software continually updated. ▪ Firewall, network application controls and audit procedures all in place and continually updated/reviewed. ▪ All applications and data sets are backed up nightly on site. ▪ Loss of processing limited to 72 hours as a result of back up. ▪ Currently there are 3 on site IT staff to provide an instant response to problems. ▪ Server capacity reviewed/renewed on a regular basis to provide maximum data protection. ▪ We are reliant on effective I.T. systems for many key areas of services, therefore an effective IT Disaster Recovery Plan is currently being prepared, however it is reliant on the Board being able to procure an effective but proportionate disaster recovery solution. This is even more important now that we have completed the scanning of approximately 165,000 files which need a full DR back up solution in place before they can be destroyed. The procurement process for a Disaster Recovery solution proportionate to the Board's requirements is currently in progress. 	4	4	16 High/ Moderate/ Significant
<p><u>Context:</u></p> <p>(1) Non availability of systems, either through system/ telephony or power supply failure or sabotage</p> <p>(2) Potential loss of key business or financial data</p>	A combination of one or more of the above events happening would result in a major impact in service delivery to all stakeholders.					
Action Codes	Linked Actions			Assigned To	Due Date	Status
	Monitor			Assessor	Ongoing	

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
<p>REF.07 Loss of premises due to major damage/ loss of tenure and non-availability of key or significant numbers of staff.</p> <p>Refer to Business Continuity Plan</p>	<ul style="list-style-type: none"> ▪ Should such an event occur, it is assumed that one of the constituent Councils will be in a position to provide temporary facilities. Should this not be the case in the immediate situation, this may result in a temporary loss of service Non-availability of key or significant staff may result in a temporary loss of service 	Assessor	<ul style="list-style-type: none"> ▪ Lease in place with Renfrewshire Council until 2024. ▪ It is assumed that replacement resources, buildings, and infrastructure are all to a certain extent, and within a foreseeable time scale, available, i.e. the disaster does not affect the whole area, but is more or less confined to the Valuation Joint Board's service provision. Should such an event occur, it is assumed that one of the constituent Councils will be in a position to provide temporary facilities. ▪ Large areas of the Board's network are virtual and therefore would enable services to be brought on stream quickly. ▪ Constant review of Business Continuity Plan ▪ Staff are aware of the Business Continuity Plan and appropriate members hold copy of this plan at home. ▪ Annual refresh of contact details of all RVJB staff to ensure correct information is held in an emergency situation. ▪ A fully functioning disaster recovery solution, proportionate to the Board's requirements, is essential and the procurement process is in progress. 	2	3	6 Moderate/ Tolerable
<p>Context:</p> <p>(1) The preferred option in the event of the loss of the Robertson Centre would be a new location sourced via Renfrewshire Council Civil Contingencies Service</p> <p>(2) Due to the nature of the RVJB's operations and the nature of the VJB's relationship with not only its lead authority, Renfrewshire Council, but also its other 2 constituent Councils, East Renfrewshire and Inverclyde, it has also been assumed that it is impractical/ unnecessary to seek to identify potential accommodation in the vicinity of the VJB's offices which is retained unoccupied as a potential emergency option for organisations affected by disaster.</p> <p>(3) Non-availability of key staff or significant numbers of staff, either through outbreak/ disease, industrial action, transport disruption/ fuel shortages, severe weather etc.</p>						
Action Codes	Linked Actions	Assigned To		Due Date	Status	
	No change	Assistant Assessors, IT Department		Ongoing		

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
REF.08 Loss/ Destruction of information held in paper format <u>Context:</u> (1) While a great deal of information is held electronically for Electoral Registration, Council Tax and Non-Domestic subjects, loss of paper files would cause some delay in dealing with enquiries or appeals.	A significant loss of paper information will result in staff hours spent ingathering the lost information Thereby removing them from other duties such as Running Roll changes and appeals disposal. This could impact on meeting statutory deadlines; informing partners of changes to the Valuation Roll & Council Tax List within the KPIs set by Government.	Assessor	<ul style="list-style-type: none"> ▪ As a result of the purchase of the Document Management System, scanning of all property files is currently being undertaken, thereby mitigating the risk for our core functions. ▪ ER information held largely electronically, and the introduction of telephone, text and internet registration has aided in reducing paper receipt and handling. The purchase of the new EMS allows for more Electoral data to be held electronically. ▪ With the scanning of the property files for Council Tax, information regarding domestic properties are now held electronically. ▪ Non-Domestic valuations are held largely electronically, however plans and historical documents are not. The scanning of these files is a work in progress. ▪ Regular meetings held by RVJB's Health & Safety Working Group. ▪ Attendance by RVJB staff at Renfrewshire Council's Corporate Health & Safety meetings. ▪ Regular fire alarms and testing of the system. ▪ CCTV & fire extinguishers in place. ▪ A fully functioning disaster recovery solution, proportionate to the Board's requirements, is essential and the procurement process is in progress. 	3	4	12 High/ Tolerable/ Significant
Action Codes	Linked Actions	Assigned To		Due Date	Status	
	Data Migration of N drive on to Document Management System	Assistant Assessors, IT Department		Ongoing		

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
REF.09 Staffing demographics	The demographic profile of the RVJB workforce combined with significant reductions in levels of available staff could result in a loss of key knowledge and skills which would impact on the service's ability to function or deliver critical processes.	Assessor	<ul style="list-style-type: none"> ▪ Staff demographics are monitored & reported through the Equalities framework. ▪ Forward planning in place if key members of staff should exercise their option to retire. ▪ Adverts for staff are placed in key areas – appropriate internet sites, newspapers etc and circulated to our constituent authorities. ▪ Trainee Valuer posts: training programme in place to provide training to allow the trainee to sit the Assessment of Professional Competence and become a member of the Royal Institution of Chartered Surveyors ▪ Current staff are being trained in other areas of service delivery to allow for succession planning. ▪ The introduction of the Barclay recommendations has resulted in recruitment of technical staff at trainee level. This will assist in addressing the age profile of staff and help with succession planning. 	3	4	12 High/ Tolerable/ Significant
<p><u>Context:</u></p> <p>(1) Existing staff demographics show the skill base in Electoral Registration lies with those that are nearing retiral.</p> <p>(2) Inability to recruit & retain staff</p>						
Action Codes	Linked Actions			Assigned To	Due Date	Status
	No Change			Senior Management Team	Ongoing	

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
REF.10 Legal	Due to changes in legislation and ever-increasing demands from stakeholders, failure to comply with legislation could result in reputational damage, breach of agreements and substantial fines.	Assessor	<ul style="list-style-type: none"> A Data Protection Officer (DPO) has been employed by the Board due to the requirement under data protection legislation and to ensure continued compliance which mitigates risk. Ensure a Data Protection Impact Assessment is undertaken where appropriate under the guidance of the DPO. Data Sharing Agreements entered into with the Board's 3 constituent authorities to ensure stringent regulation in terms of information sharing. Publication Scheme adopted and published on the Board's website Analysis of FOI requests to monitor information requested and if appropriate information provided added to Publication Scheme Information gathered from Information Commissioner newsletters Monitoring of service and staffing implemented to ensure compliance with Equalities obligations. Equalities report prepared and published on the Board's website Document Management System installed to work towards completion of a future development identified in the Board's Records Management Plan Retention Schedule is under constant review to ensure only information required is held, the introduction of the Document Management System has assisted in establishing electronic retention periods for relevant documentation. Fire Risk Assessments in force with regular reviews, fire evacuation drills undertaken with regular testing of alarms etc. Fire wardens/first aiders identified and circulated to staff. Protective clothing maintained regularly. For the Board's responsibilities under data protection, FOI(S)A etc, policies have been approved and published and staff training is provided and monitored to ensure continued compliance. They are also standing items on the Governance Working Group agenda. The Board also has representatives on the SAA Governance Committee to ensure shared knowledge and good practice. The Board is also represented on Renfrewshire Council's Internal Working Groups relating to Health & Safety, FOI etc 	2	3	6 Moderate/ Tolerable
Context: (1) Failure to comply with legislation e.g. Data Protection legislation, Freedom of Information (Scotland) Act 2002, Equalities obligations, Records Management Act 2011 and Health & Safety legislation	More information sharing to ensure best value for our stakeholders e.g. local data matching for the proposed canvass which may lead to higher risk of data breaches.					
Action Codes	Linked Actions	Assigned To		Due Date	Status	
	Monitor	Assistant Assessor - Governance		Ongoing		

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation
REF.11 Governance	Poor corporate governance e.g. failure to comply with audit actions, failure to have and follow personnel policies and failure to achieve the Board's Key Performance Indicators can lead to poor performance, demotivated staff, grievance/disciplinary actions and reputational damage	Assessor	<ul style="list-style-type: none"> • Consultation with both Internal and External Auditors. Preparation and management of Board Reports • Budget team meet to approve final accounts and audit report before publication • Audit action lists reviewed by Senior Management Team (SMT) • Audit is a standing item on agenda Senior Management Team meetings • Adaptation and adoption, where appropriate, of Renfrewshire Council's policies, as lead authority • Relevant policies/procedures in place relating to disciplinary actions and grievance complaints • Policies/Procedures available to view on Document Management System and adoption of new/review of existing policies/procedures are standing items on the Governance Working Group agenda • Liaison with Renfrewshire Council's Human Resources Department on a regular basis • Staff training provided and reviewed on a regular basis • KPIs are monitored on a monthly basis by SMT and Principal Surveyors • Performance Improvement Reports have been introduced to formalise existing procedures for valuation roll/council tax amendments processed out with the Board's targets. Corrective action taken where appropriate e.g. time management course for individual staff member 	2	3	6 Moderate/ Tolerable
Context: (1) Failure to comply with Audit Actions (2) Failure to have and follow relevant and current personnel policies (3) Failure to achieve Key Performance Indicators						
Action Codes	Linked Actions			Assigned To	Due Date	Status
	Monitor			Assistant Assessors	Ongoing	



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board
Meeting on: 16th August 2019
Subject: Electoral Registration Update Report
Author: Assessor & Electoral Registration Officer

1.0 Introduction

This report is to provide members with an update on electoral issues facing the Board.

2.0 This year

2.1 European Parliamentary Election

The European Election was held successfully on 23rd May with no major issues.

2.2 Migration to new Electoral Management System (EMS)

2.2.1 The migration process was halted to concentrate on delivering the May election.

2.2.2 The next best date to migrate to the new system after the May elections is for the migration to coincide with the 2019 Canvass, which starts at the beginning of September and culminates in the production of the 1st December Register.

2.2.3 During June & July extensive User Acceptance Testing (UAT) has been carried out. The fact that the existing Electoral Management System (EMS) is a bespoke one, additional testing has been facilitated by the contractor supplying the new EMS, to ensure a smooth migration between the two systems.

2.2.4 The UAT tests have been successful and migration to the new system is scheduled for 20th August 2019.

2.2.5 Risks involved in this project are the fact that the canvass will be carried out on the new system with changes to addresses in some instances to ensure we are in line with the addressing protocol of the Local Land and Property Gazetteer (LPG held by each of the 3 councils which may cause some issues this year, however, it is fully expected for any issues to be minimal and resolved going forward.

2.2.6 The political climate is uncertain and there could be an electoral event called at short notice. Given the fact that the canvass this year is running later than in previous years' (to allow for full UAT) there is a possibility that such an unforeseen event could occur during the September – December period. If this was to happen, we would follow the advice from the Electoral Commission on conducting a canvass during such circumstances.

2.2.7 The contractor has already tested the new system by running a “mock” election and comparing results from this to our existing system. The contractor is assured that there are no issues of concern. Given that this contractor is also the supplier of electoral systems to the three Returning Officers for the councils of the Board, this is further evidence of the system delivering as it should.

2.2.8 If an electoral event is called the contractor has undertaken to come on site and provide assistance and training as necessary to support such a scenario.

2.4 Referendums (Scotland) Bill

The Scottish Government has introduced a Referendum Bill which sets the framework for any Referendums held in Scotland. The Scottish Assessors Association (SAA) has been asked to respond to the call for evidence by 9th August and has been asked to give evidence to the Committee of the Scottish Government on the 18th of September.

2.5 Scottish Elections (Franchise and Representation) Bill

A Bill to extend the franchise to include all persons legally resident in Scotland and prisoners who are detained for less than 12months has also been introduced by the Scottish Government. The SAA has been asked to respond by the 6th of September and to give evidence at this committee on the 3rd of October .

3.0 The Next Year - 2020

3.1 Introduction of new style Canvass

This new style canvass which is being developed by the Cabinet Office in consultation with various stakeholders is expected to start for next year’s canvass around the summer of 2020, assuming the legislation to allow this to happen is in place. If this does go ahead this new style canvass is expected to deliver cost reductions going forward due to changes allowing local data matching.

3.2 Elections

There are no scheduled elections for 2020.

General Conclusions

I would like to take this opportunity to thank the staff for their continuing hard work and diligence in dealing efficiently with all aspects of registration and in particular the European Elections on 23rd May 2019 and the migration to the new EMS.

Recommendations

- i. The Board notes the contents of this report.

Kate A Crawford
Assessor & ERO
5th August 2019

For further information please contact Kate Crawford at 0141-618-5903
or via e-mail at kate.crawford@renfrewshire-vjb.gov.uk



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board
Meeting on: 16th August 2019
Subject: Contracts & Complaints
Author: Assessor & Electoral Registration Officer

1. Background

It was agreed that the Board should be updated on both awarding of contracts and any complaints received.

2. Contracts

There have been no new contracts awarded since the last Board meeting in May 2019.

Procurement for the new Disaster Recovery System Contract is ongoing and it is expected this will be put out to tender in early September.

3. Complaints

There was one complaint received from the European Election which was resolved at front line resolution stage.

4. Recommendations

- i. The Board note the contents of the report.

Kate Crawford
Assessor and Electoral Registration Officer
5th August 2019

For further information please contact Kate Crawford at 0141-618-5903
or via e-mail at kate.crawford@renfrewshire-vjb.gov.uk



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board
Meeting on: 16th August 2019
Subject: Disaster Recovery Service Contract - Update
Author: Assessor & Electoral Registration Officer

1. Background

It was agreed that the Board should be updated on progress made regarding the procurement of a suitable Disaster Recovery System.

2. Procurement

Renfrewshire Councils procurement team has been very helpful in progressing this project. It appears that all the preparation work is in hand and the timeline now looks to be set for a go live date for tenders by mid August. It is then expected an award to be made by mid September.

Once this system is in place the critical recommendations from Internal Audit's report will be met and the Board will be in a position to allow further moves to e copies of files and remove the need for paper based records, which has both the advantage of ensuring records are not destroyed by fire or flood and allows electronic records management to be fully operational for all scanned paperwork/files.

3. Recommendations

- i. The Board note the contents of the report.

Kate Crawford
Assessor and Electoral Registration Officer
5th August 2019

For further information please contact Kate Crawford at 0141-618-5903
or via e-mail at kate.crawford@renfrewshire-vjb.gov.uk



Renfrewshire Valuation Joint Board

Report to : Renfrewshire Valuation Joint Board

Meeting on : 16th August 2019

Subject : Trade Union Facility Time Reporting

Author : Assistant Assessor & Electoral Registration Officer

1.0 Introduction

Renfrewshire Valuation Joint Board recognises that it is to the mutual benefit of the Board and its employees that employees are represented by Trade Unions. The Board is committed to the principle of collective bargaining at both national and local level. The Board recognises the important role of Trade Unions in promoting and developing good employee relations and health and safety practices.

The Trade Union (Facility Time Publication Requirements) Regulations 2017, requires public sector employers who have full time equivalent employee numbers of more than 49 to publish information relating to facility time taken by union representatives.

Although the Joint Board at present is not legally required to publish the information as the number of full time equivalent staff falls below the required level, it was considered appropriate to voluntarily publish the information in the interest of transparency.

The data attached has been collated under the new regulation and provides information relating to facility time for years 2017- 2018 and 2018-2019.

2.0 Recommendations

- i. The Board notes the contents of the report.

Jacqueline Murgatroyd
Assistant Assessor and ERO
16th July 2019

For further information please contact Jacqueline Murgatroyd at 0141-618-5951 or via email at jackie.murgatroyd@renfrewshire-vjb.gov.uk

Trade Union Facility Time Report 2017-2018 & 2018-2019

Facility Time Publication Requirements		
A): Trade Union Representative - Total number of employees who were relevant union officials during the relevant period(s)	2018/19	2017/18
Number of employees	2	2
Full-time equivalent employee number	1.86	1.86

B): Percentage of time spent on facility time - How many employees who were relevant union officials employed during the relevant period spent 0%, 1-50%, 51-99% or 100% of their working hours on facility time	2018/19	2017/18
0%		
1-50%	2	2
51-99%		
100%		

C) - Percentage of pay bill spent on facility time: percentage of the total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period	2018/19	2017/18
Total cost of facility time (A)	£10,359	£9,824
Total pay bill (B)	£1,686,967	£1,716,596
Percentage of the total pay bill spent on facility time (A ÷ B)	0.61%	0.57%

D) Paid trade union activities: As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities	2018/19	2017/18
Total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ Total paid facility time hours x 100	13%	13%



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board

Meeting on: 16th August 2019

Subject: Performance Report

Author: Assistant Assessor & Electoral Registration Officer

1.0 Introduction

This performance report covering the first six months of the rating year provides an update to the ongoing reporting of performance to the members and is intended to keep members informed of current performance and workload issues facing the Board.

2.0 Council Tax

The main work involved in Council Tax at the moment remains the addition of new houses to the Valuation List and the deletion of demolished houses. I include a summary of new additions to the Council Tax List for information.

2.1 Time taken to enter new houses into the Valuation (Council Tax) List

Period 1st April 2019 to 30th June 2019

Council Area	No. Added	Within 3 months	%age of total added	Between 3 and 6 months	%age of total added	Added within 6 months	More than 6 months	%age of total added
Renfrewshire	258	250	96.90%	7	2.71%	99.61%	1	0.39%
East Renfrewshire	62	58	93.55%	3	4.84%	98.39%	1	1.61%
Inverclyde	28	25	89.29%	0	0.00%	89.29%	3	10.71%
RVJB totals	348	333	95.69%	10	2.87%	98.56%	5	1.44%

This performance exceeds our target of 95% within three months but unfortunately, we have narrowly missed our target of 99.5% within 6 months as our performance was 98.56%. This slight dip in performance of less than 1% does not give us cause for concern as the new functional based workforce has only been in place since December 2018. In addition, a number of the new properties added to the Valuation (Council Tax) List had not been notified to the Board until the dwellings had been occupied for a period of time.

In the period from 1st April 2019 to 30th June 2019, the average number of days taken to add a house was as follows:

Council Area	No. Added	Average No. of Days
Renfrewshire	258	25.84
East Renfrewshire	62	38.74
Inverclyde	28	49.88
RVJB Totals	348	30.07

This measure is within our target of 38 days.

2.2 Information on Deletions from the Council Tax List

The main reasons for deleting a property from the valuation list would be: where the property is demolished, where a house is now being used for Non-domestic purposes or where two or more houses are combined to form one house.

2.2.1 Number of Deletions from the Valuation (Council Tax) List between 1st April 2019 to 30th June 2019

Council Area	No. Deleted 2018	No. Deleted 2019
Renfrewshire	16	1
East Renfrewshire	4	13
Inverclyde	6	37
RVJB Total	26	51

3.0 Non-domestic Valuation

One of the main areas of work in non-domestic valuation is the maintenance of the Valuation Roll. The table below is a summary of the statutory amendments to the Valuation Roll. These are new entries being added to the Roll, entries being deleted or properties that have been altered. Each of these amendments has been made after a member of staff has inspected the premises.

3.1 Time taken to make statutory amendments to the Valuation Roll (excluding appeal settlements and amendments to prescribed entries)

Period 1st April 2019 to 30th June 2019

Council Area	No. of Alt'ns	Within 3 months	%age of total added	Between 3 and 6 months	%age of total added	Added within 6 months	More than 6 months	%age of total added
Renfrewshire	112	107	95.54%	1	0.89%	96.43%	4	3.57%
East Renfrewshire	45	45	100.00%	0	0.00%	100.00%	0	0.00%
Inverclyde	48	47	97.92%	0	0.00%	97.92%	1	2.08%
RVJB totals	205	199	97.07%	1	0.49%	97.56%	5	2.44%

The above alterations to the Valuation Roll are value changes only and do not reflect alterations where overall value is unchanged, changes to occupancy details or other administrative changes.

The performance targets of 80% to be actioned within 3 months and 95% within 6 months have been exceeded.

4.0 General Conclusions

The performance levels detailed above are in line with our expectations.

5.0 Recommendations

- i. The Board note the contents of this report.

Lindsey Hendry
Assistant Assessor & ERO
5th August 2019

For further information please contact Lindsey Hendry at 0141-618-5927 or via email at lindsey.hendry@renfrewshire-vjb.gov.uk



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board

Meeting on: 16th August 2019

Subject: Non-Domestic Appeals

Author: Assistant Assessor & Electoral Registration Officer

Introduction

The purpose of this report is to brief members on the appeal process and report progress not only on disposal of Revaluation appeals, but the disposal of Running Roll Appeals received since the 2017 Revaluation.

1. Background

A 5-yearly Revaluation process was introduced by the Valuation and Rating (Scotland) Act 1956. The previous revaluation was carried out as at 1st April 2010, the Revaluation due at 2015 was postponed by two years, therefore it has been seven years since the last revaluation. The 2017 Revaluation required the Assessor to value or revalue all of the lands and heritages in his valuation area. These valuations are totally fresh and need bear no relation to the value applied in the preceding 7 years.

The process involves the collection and analysis of rental, building cost and turnover data to establish the new levels of value to be applied to the various types of subject. These valuations are then updated, the new valuation roll is published, and all interested parties notified. This process is founded on continuous processes but the bulk of the work in relation to the Revaluation is carried out in the 2 years preceding the date of the Revaluation.

2. Right of Appeal

The Revaluation brings with it a fresh right of appeal. This right of appeal has to be exercised within a six-month period starting on the 1st April in the year of the Revaluation or within six months of the date of issue of the Valuation Notice, whichever is later.

Any person to whom the Assessor has issued a Revaluation Notice is entitled to appeal. In practice this means the Proprietor, the Tenant or the Occupier of the property.

These appeals must be disposed of within time limits prescribed in a Timetable Order. This currently states by the end of the third year following the revaluation; in this case, 31st December 2020.

3. Negotiation of Appeals

Following citation of an appeal, it is normal practice for a member of the Assessor's staff to enter into negotiation with the appellant or the appellant's agent. In the majority of cases, these discussions will result in a settlement of the appeal without any need to present the appeal to the Valuation Appeal Committee; this settlement will be a withdrawal of the appeal by the appellant or an adjustment to the value by the Assessor.

If, however, the parties cannot reach agreement, the appeal will be presented to the Valuation Appeal Committee. In the normal course of events, a senior member of the Assessor's staff will lead the case, however depending on the complexity and legal arguments involved, it may require that Counsel is employed to lead the case for the Assessor. In all cases one or more members of the Assessor's staff will require to give evidence as an expert witness.

4. Local Valuation Appeal Committee

The Appeal Committee is drawn from the Renfrewshire Valuation Appeal Panel. The members of the Panel are appointed by the Sheriff Principal. They are all unpaid, are completely independent of the Assessor and the local councils and have no prior knowledge of any case listed for hearing.

In the case of highly complex appeals, either party has the right to request that the appeal is referred to the Lands Tribunal for Scotland. Referral is not undertaken lightly as it involves a considerable amount of preparatory work by several members of staff and may involve several days of examination, cross-examination and submissions in front of a High Court Judge and a Lay Expert.

In all appeals, either party may appeal the decision of the Appeal Panel or Lands Tribunal. This appeal will be heard by the Lands Valuation Appeal Court (The Court of Session).

5. Revaluation Appeals

As members will be aware, the Revaluation brings with it a fresh right of appeal and traditionally results in a large influx of appeals. This Revaluation is no different with an increase of 6% on the number of 2010 Revaluation appeals. The total number of Revaluation Appeals received for 2017 is 3,832, which relates to 3,542 subjects with a cumulative value of £324,294,785.

A number of statistical extracts have been compiled to show the Revaluation Appeals received in 2017 and the subsequent running roll appeals. These have been shown by category type and map the categories used by the Scottish Executive; see Appendix 1. The 20 categories divide subjects into easily understood groupings such as Retail, Offices, Industrials, Health, Education and Hotels.

Category 11, titled "Public Service" includes subjects such as the Airport, Bus Station, Court House, Fire Station, Military Establishment, Police Station and Waste Water Treatment Works.

Category 17, titled "Others" includes subjects such as Car Parks, Car Spaces, Ground, Kennels, Livestock Auction Marts, Premises Under Reconstruction, Stables, Water Rights and Weighbridges.

Following a Revaluation, new values will generally remain unchanged until the next Revaluation; unless the property is altered, or other changes take place. New properties will be added to the Roll as they become capable of occupation and entries for demolished buildings will be deleted.

However, a Running Roll appeal can be lodged by a ratepayer or their agent on the grounds that there has been a Material Change of Circumstances which has affected the value of the property or on the basis of an error in the valuation.

6. The disposal of 2017 Revaluation Appeals

A number of statistical extracts have been compiled to show the 2017 Revaluation Appeals. These have been shown by the same category type as stated above, see Appendix 1.

As the Board is aware, the Assessor for Renfrewshire Valuation Joint Board is the "Designated Assessor" for fixed line Telecommunications subjects which are included at line 20 in the tables.

All the Revaluation appeals MUST be cited for a local Valuation Appeal Committee hearing by 31st December 2020.

The disposal of the Revaluation appeals began with the first local Valuation Appeal Committee hearing on 10th May 2018 followed by scheduled hearings from then to present date. Since last reporting there have been two non domestic hearings held on the 23rd May and 13th June. The statistics provided within this report relate to all appeals processed, up to the 30st June 2019.

As at 30th June we have disposed of 69.28% of the number of subjects under appeal, which relates in most part to the bulk categories such as shop, office and industrial type premises within each of the three Local Authority areas. This is a slight improvement compared to the same time in the appeal disposal cycle for 2010 Revaluation where we had disposed of 67.98%. Staff are to be congratulated on not only meeting but exceeding disposal rates compared to last revaluation given that the number of staff has reduced over this time period.

The numbers currently disposed of can be seen in Appendix 1; currently the number disposed of is 2,454 with 1088 still outstanding. These figures include those disposed of up to the June 2019 Valuation Appeal Committee hearing. The information is provided for each of the three local authorities together with a total for the Joint Board area.

At each hearing we deal with approximately 250-300 appeals. At present most of the standard comparative subjects have been dealt with and we will be turning our attention to public buildings and other more specialised subjects.

Four further hearings have been scheduled from 10th October through to 19th December. It is anticipated that the category of subjects likely to be cited will include supermarkets, hotels, hospitals, ad stations, licensed premises, car showrooms, petrol filling stations and schools.

In an attempt to try and fulfill possible savings, we have invited ratepayers and their agents to enter into negotiations with staff over the summer recess with respect to local authority Schools. Discussions are ongoing and it is hoped that agreement can be reached over this period thereby negating the need for the Secretary to the Valuation Appeal Panel requiring to issue formal citations.

7. The disposal of Running Roll Appeals

In addition to the Revaluation appeals, Running Roll appeals have also been programmed into hearings throughout this period. Unlike the revaluation appeals which is a known quantity, running roll appeals will be a moving target as ratepayers and their agents can lodge this type of appeal at least once in any one financial year. Therefore, whilst the revaluation appeals will progressively reduce over this period of time, the numbers of running roll appeals outstanding will fluctuate depending on numbers received throughout the quinquennium. The disposal date for this type of appeal will be determined by the date the appeal is lodged – generally by 31st December in the following year or 12 months after receipt, whichever is later.

Since the last report in May, to date we have received an additional 33 running appeals which increases the total number received to 696. At time of writing we have disposed of 301 appeals in addition to the Revaluation appeals outlined above.

8. Disposal of Other Outstanding Appeals

As outlined previously, if a case is considered highly complex it may be necessary for it to be referred to the Lands Tribunal for Scotland. At present there are a number of subjects that have cases from both the 2005 and 2010 Revaluations that have been referred to the Lands Tribunal, the bulk of which relate to mobile or complex fixed line telecommunication subjects. Negotiations are currently on-going with the relevant agents and it is hoped that agreement will be reached over the coming months without the need for any cases proceeding to formal hearings. The number of appeals referred to the Lands Tribunal currently outstanding are as follows:

6 appeals remain outstanding from 2005 Revaluation in relation to 5 subjects

30 appeals remain outstanding from 2010 Revaluation in relation to 18 subjects

Conclusion:

The disposal of appeals is a major component of the work undertaken by the Assessor's valuation staff. It is work that can be stressful due to the strict legislative timetables and the adversarial nature of the negotiations. It is to the credit of the staff that they are able to deal with these matters with fairness, courtesy and professionalism. It is hoped this gives an insight into the background of the appeal process and progress of revaluation and running roll appeals disposal.

Recommendations

- i. The Board notes the contents of this report.

Jacqueline Murgatroyd
Assistant Assessor and ERO
16th July 2019

For further information please contact Jacqueline Murgatroyd at 0141-618-5951 or via email at jackie.murgatroyd@renfrewshire-vjb.gov.uk.

APPENDIX 1

RVJB Revaluation 2017 – Appeals (By number of subjects under appeal as at 30/06/2019 – **RENFREWSHIRE**)

Category	Number Received	RV under Appeal	Disposed	Original RV	Adj RV	Number O/S	Appeal RV O/S	% O/S
1 Retail	528	£ 63,147,350	473	£ 39,524,600	£ 37,718,000	55	£ 23,622,750	10.42%
2 Public House	67	£ 2,482,000	2	£ 30,000	£ 26,000	65	£ 2,452,000	97.01%
3 Office including Banks	526	£ 13,448,400	464	£ 11,335,400	£ 10,752,600	62	£ 2,113,000	11.79%
4 Hotel Etc	18	£ 6,229,500	1	£ 625,000	£ 390,000	17	£ 5,604,500	94.44%
5 Industrial	443	£ 30,604,205	419	£ 16,511,205	£ 15,613,155	24	£ 4,093,000	5.42%
6 Leisure	46	£ 5,977,950	9	£ 179,600	£ 184,600	37	£ 5,798,350	80.43%
7 Garages and Petrol Stations	19	£ 1,003,500	6	£ 106,500	£ 101,500	13	£ 897,000	68.42%
8 Cultural	37	£ 1,326,150	2	£ 56,400	£ 52,900	35	£ 1,269,750	94.59%
9 Sporting Subjects	3	£ 136,000	0	£ -	£ -	3	£ 136,000	100.00%
10 Education and Training	76	£ 13,701,350	2	£ 119,000	£ 105,000	74	£ 13,582,350	97.37%
11 Public Service Subjects	89	£ 5,590,000	11	£ 223,200	£ 221,200	78	£ 5,366,800	87.64%
12 Communications (Non Formula)	5	£ 9,200	0	£ -	£ -	5	£ 9,200	100.00%
13 Quarries Mines etc	1	£ 21,500	0	£ -	£ -	1	£ 21,500	100.00%
14 Petrochemical	2	£ 239,000	2	£ 239,000	£ 229,000	0	£ -	0.00%
15 Religious	11	£ 127,600	0	£ -	£ -	11	£ 127,600	100.00%
16 Health Medical	22	£ 4,890,200	10	£ 171,450	£ 153,350	12	£ 4,718,750	54.55%
17 Other	185	£ 3,020,970	80	£ 2,971,170	£ 1,502,130	105	£ 49,800	56.76%
18 Care Facilities	18	£ 1,308,850	1	£ 25,000	£ 25,000	17	£ 1,283,850	94.44%
19 Advertising	38	£ 121,140	0	£ -	£ -	38	£ 121,140	100.00%
20 Undertakings / Fixed Line	16	£ 100,261,800	3	£ 64,777,000	£ 47,582,300	13	£ 5,484,800	81.25%
	2,150	£ 253,646,665	1,485	£ 136,894,525	£ 114,656,735	665	£ 116,752,140	30.93%

RVJB Revaluation 2017 – Appeals (By number of subjects under appeal as at 30/06/2019 – **EAST RENFREWSHIRE**)

Category	Number Received	RV under Appeal	Disposed	Original RV	Adj RV	Number O/S	Appeal RV O/S	% O/S
1 Retail	180	£ 11,304,000	160	£ 4,179,500	£ 3,989,050	20	£ 7,124,500	11.11%
2 Public House	12	£ 963,750	0	£ -	£ -	12	£ 963,750	100.00%
3 Office including Banks	118	£ 2,330,950	89	£ 1,514,900	£ 1,314,250	29	£ 816,050	24.58%
4 Hotel Etc	5	£ 635,000	0	£ -	£ -	5	£ 635,000	100.00%
5 Industrial	85	£ 1,175,105	84	£ 1,139,105	£ 1,118,855	1	£ 36,000	1.18%
6 Leisure	13	£ 2,248,000	1	£ 56,000	£ 56,000	12	£ 2,192,000	92.31%
7 Garages and Petrol Stations	8	£ 205,850	3	£ 44,350	£ 38,400	5	£ 161,500	62.50%
8 Cultural	14	£ 432,200	2	£ 121,750	£ 66,750	12	£ 310,450	85.71%
9 Sporting Subjects	0	£ -	0	£ -	£ -	0	£ -	0.00%
10 Education and Training	31	£ 6,885,000	0	£ -	£ -	31	£ 6,885,000	100.00%
11 Public Service Subjects	36	£ 1,319,940	4	£ 34,740	£ 34,740	32	£ 1,285,200	88.89%
12 Communications (Non Formula)	1	£ 100	0	£ -	£ -	1	£ 100	100.00%
13 Quarries Mines etc	1	£ 60,000	0	£ -	£ -	1	£ 60,000	100.00%
14 Petrochemical	0	£ -	0	£ -	£ -	0	£ -	0.00%
15 Religious	4	£ 11,700	0	£ -	£ -	4	£ 11,700	100.00%
16 Health Medical	7	£ 919,900	3	£ 50,900	£ 15,000	4	£ 869,000	57.14%
17 Other	22	£ 108,950	21	£ 106,550	£ 99,450	1	£ 2,400	4.55%
18 Care Facilities	5	£ 486,000	1	£ 15,000	£ 15,000	4	£ 471,000	80.00%
19 Advertising	13	£ 55,100	0	£ -	£ -	13	£ 55,100	100.00%
20 Undertakings / Fixed Line	8	£ 1,167,200	2	£ 300,000	£ 192,100	6	£ 867,200	75.00%
	563	£ 30,308,745	370	£ 7,562,795	£ 6,939,595	193	£ 22,745,950	34.28%

RVJB Revaluation 2017 – Appeals (By number of subjects under appeal as at 30/06/2019 – **INVERCLYDE**)

Category	Number Received	RV under Appeal	Disposed	Original RV	Adj RV	Number O/S	Appeal RV O/S	% O/S
1 Retail	245	£ 12,093,100	226	£ 5,239,850	£ 4,739,250	19	£ 6,853,250	7.76%
2 Public House	28	£ 1,147,500	1	£ 29,000	£ 13,000	27	£ 1,118,500	96.43%
3 Office including Banks	171	£ 5,767,375	154	£ 5,082,950	£ 4,978,750	17	£ 684,425	9.94%
4 Hotel Etc	2	£ 171,500	0	£ -		2	£ 171,500	100.00%
5 Industrial	153	£ 3,917,550	149	£ 2,762,550	£ 2,671,150	4	£ 1,155,000	2.61%
6 Leisure	25	£ 1,812,500	1	£ 15,000	£ 15,000	24	£ 1,797,500	96.00%
7 Garages and Petrol Stations	15	£ 451,300	11	£ 156,800	£ 154,800	4	£ 294,500	26.67%
8 Cultural	16	£ 519,700	3	£ 48,800	£ 48,800	13	£ 470,900	81.25%
9 Sporting Subjects	0	£ -	0	£ -	£ -	0	£ -	0.00%
10 Education and Training	34	£ 7,564,550	0	£ -	£ -	34	£ 7,564,550	100.00%
11 Public Service Subjects	61	£ 2,763,800	7	£ 94,900	£ 94,300	54	£ 2,668,900	88.52%
12 Communications (Non Formula)	0	£ -	0	£ -	£ -	0	£ -	0.00%
13 Quarries Mines etc	0	£ -	0	£ -	£ -	0	£ -	0.00%
14 Petrochemical	0	£ -	0	£ -	£ -	0	£ -	0.00%
15 Religious	2	£ 57,400	0	£ -	£ -	2	£ 57,400	100.00%
16 Health Medical	11	£ 2,886,550	4	£ 50,050	£ 50,050	7	£ 2,836,500	63.64%
17 Other	41	£ 261,000	41	£ 261,000	£ 222,250	0	£ -	0.00%
18 Care Facilities	9	£ 264,600	0	£ -	£ -	9	£ 264,600	100.00%
19 Advertising	7	£ 23,750	0	£ -	£ -	7	£ 23,750	100.00%
20 Undertakings / Fixed Line	9	£ 637,200	2	£ 226,000	£ 166,100	7	£ 411,200	77.78%
	829	£ 40,339,375	599	£ 13,966,900	£ 13,153,450	230	£ 26,372,475	27.74%

RVJB Revaluation 2017 – Appeals (By number of subjects under appeal as at 30/06/2019 – **TOTALS IN JOINT BOARD AREA**)

Category	Number Received	RV under Appeal	Disposed	Original RV	Adj RV	Number O/S	Appeal RV O/S	% O/S
1 Retail	953	£ 86,544,450	859	£ 8,943,950	£ 46,446,300	94	£ 37,600,500	9.86%
2 Public House	107	£ 4,593,250	3	£ 59,000	£ 39,000	104	£ 4,534,250	97.20%
3 Office including Banks	815	£ 21,546,725	707	£ 7,933,250	£ 17,045,600	108	£ 3,613,475	13.25%
4 Hotel Etc	25	£ 7,036,000	1	£ 625,000	£ 390,000	24	£ 6,411,000	96.00%
5 Industrial	681	£ 35,696,860	652	£ 20,412,860	£ 19,403,160	29	£ 5,284,000	4.26%
6 Leisure	84	£ 10,038,450	11	£ 250,600	£ 255,600	73	£ 9,787,850	86.90%
7 Garages and Petrol Stations	42	£ 1,660,650	20	£ 307,650	£ 294,700	22	£ 1,353,000	52.38%
8 Cultural	67	£ 2,278,050	7	£ 226,950	£ 168,450	60	£ 2,051,100	89.55%
9 Sporting Subjects	3	£ 136,000	0	£ -	£ -	3	£ 136,000	100.00%
10 Education and Training	141	£ 28,150,900	2	£ 119,000	£ 105,000	139	£ 28,031,900	98.58%
11 Public Service Subjects	186	£ 9,673,740	22	£ 352,840	£ 350,240	164	£ 9,320,900	88.17%
12 Communications (Non Formula)	6	£ 9,300	0	£ -	£ -	6	£ 9,300	100.00%
13 Quarries Mines etc	2	£ 81,500	0	£ -	£ -	2	£ 81,500	100.00%
14 Petrochemical	2	£ 239,000	2	£ 239,000	£ 229,000	0	£ -	0.00%
15 Religious	17	£ 196,700	0	£ -	£ -	17	£ 196,700	100.00%
16 Health Medical	40	£ 8,696,650	17	£ 272,400	£ 218,400	23	£ 8,424,250	57.50%
17 Other	248	£ 3,390,920	142	£ 3,338,720	£ 1,823,830	106	£ 52,200	42.74%
18 Care Facilities	32	£ 2,059,450	2	£ 40,000	£ 40,000	30	£ 2,019,450	93.75%
19 Advertising	58	£ 199,990	0	£ -	£ -	58	£ 199,990	100.00%
20 Undertakings / Fixed Line	33	£ 102,066,200	7	£ 65,303,000	£ 47,940,500	26	£ 6,763,200	78.79%
	3,542	£ 324,294,785	2,454	£ 158,424,220	£ 134,749,780	1,088	£ 165,870,565	30.72%



Renfrewshire Valuation Joint Board

To: Renfrewshire Valuation Joint Board

On: 16 August 2019

Report
by
Clerk

Changes to Dates of Meetings 2020 to 2022

1. Summary

- 1.1 Arrangements for ordinary meetings of the Joint Board are governed by the provisions of Standing Order 5 of the Joint Board's Procedural Standing Orders which state that:-

"The Joint Board will agree the dates, times and places for its ordinary meetings. The Joint Board will meet from time to time in each constituent authority and will normally hold at least four meetings a year."

- 1.2 At the meeting of this Joint Board held on 30 June 2017 it was decided that meeting dates be agreed for the five-year term from 2017 to 2022 and that meetings of this Joint Board be held at 2.00 pm on 18 August and 17 November 2017; 19 January, 1 June, 17 August and 23 November 2018; 18 January, 31 May, 16 August and 22 November 2019; 17 January, 29 May, 21 August and 20 November 2020; 15 January, 28 May, 20 August and 19 November 2021; and 21 January and 10 June 2022.
- 1.3 At the meeting of this Joint Board held on 31 May 2019 it was decided that meetings of the Joint Board scheduled for January and August 2020, 2021 and 2022 be now held in February and September of those years and that the Clerk submit a report to the next meeting of the Joint Board detailing the dates and venues for these meetings.
- 1.4 It is proposed that meetings of this Joint Board be rescheduled as detailed below:

Scheduled Date of Meeting

17 January 2020
21 August 2020
15 January 2021
20 August 2021
21 January 2022

Rescheduled Date of Meeting

28 February 2020
18 September 2020
26 February 2021
17 September 2021
25 February 2022

- 1.5 To facilitate meetings of the Joint Board being held from time to time in each constituent authority area, it is proposed that powers be granted to the Clerk, in consultation with the Convener, to arrange a meeting or meetings of the Joint Board at venues in the area covered by the Joint Board.

2. Recommendations

- 2.1 That the Joint Board approve the rescheduled dates for meetings of the Joint Board as detailed in section 1.4 of the report; and
- 2.2 That authority be granted to the Clerk, in consultation with the Convener, to arrange a meeting or meetings of the Joint Board at venues in the area covered by the Joint Board.