

## Notice of Meeting and Agenda Renfrewshire Valuation Joint Board

Date	Time	Venue
Friday, 21 August 2015	14:00	Inverclyde Council, Municipal Buildings, Clyde Square, GREENOCK, PA15 1LZ

KENNETH GRAHAM  
Head of Corporate Governance

### Members

Provost Carmichael, Councillors O'Kane, Gilbert and Green (East Renfrewshire Council); Brennan, Nelson, Loughran and Shepherd (Inverclyde Council); and Lawson, M Sharkey, Williams, Hood, McGee, Bibby, Audrey Doig and Mullin (Renfrewshire Council)

Convener - Councillor Mullin

### 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 [www.renfrewshire.gov.uk/agendas](http://www.renfrewshire.gov.uk/agendas).

For further information, please either email [democratic-services@renfrewshire.gov.uk](mailto:democratic-services@renfrewshire.gov.uk) or telephone 0141 618 7112.

## 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.

- |          |   |                  |
|----------|---|------------------|
| <b>1</b> | <b>Minute</b>   | <b>5 - 10</b>    |
|          | Minute of meeting held on 5 June, 2015.                                     |                  |
| <b>2</b> | <b>Revenue Budget</b>   | <b>11 - 14</b>   |
|          | Report by Treasurer.  |                  |
| <b>3</b> | <b>Audited Annual Accounts 2014/15</b>                                      | <b>15 - 80</b>   |
|          | Report by Treasurer.  |                  |
| <b>4</b> | <b>Performance Report</b>   | <b>81 - 84</b>   |
|          | Report by Divisional Assessor and Assistant Electoral Registration Officer. |                  |
| <b>5</b> | <b>Electoral Registration</b>   | <b>85 - 90</b>   |
|          | Report by Assessor and Electoral Registration Officer.                      |                  |
| <b>6</b> | <b>Records Management Policy</b>  | <b>91 - 100</b>  |
|          | Report by Depute Assessor and Electoral Registration Officer.               |                  |
| <b>7</b> | <b>2017 Non-domestic Rating Revaluation Progress Report</b>                 | <b>101 - 108</b> |
|          | Report by Divisional Assessor and Assistant Electoral Registration Officer. |                  |
| <b>8</b> | <b>Unacceptable Actions Policy</b>  | <b>109 - 116</b> |
|          | Report by Depute Assessor and Electoral Registration Officer.               |                  |

**9 Disclosure Policy Policy**

**117 - 130**

Report by Depute Assessor and Electoral Registration Officer.

**10 Date of next meeting**

Note that the next meeting of the Joint Board will be held at 2.00 pm on Friday, 20 November, 2015 within the offices of the Renfrewshire Valuation Joint Board, Glasgow Road, Paisley.



## Minute of Meeting Renfrewshire Valuation Joint Board

Date	Time	Venue
Friday, 05 June 2015	14:00	The Robertson Centre, 16 Glasgow Road, Paisley PA1 3QF,

### PRESENT

Provost Carmichael and Councillors Gilbert (East Renfrewshire Council); Brennan, Nelson and Shepherd (Inverclyde Council); and M Sharkey, Bibby and Mullin (Renfrewshire Council).

### CHAIR

Councillor Mullin, Convener, presided.

### APOLOGIES

Councillors O’Kane and Green (East Renfrewshire Council), Loughran (Inverclyde Council) and Williams, Hood, McGee, Audrey Doig and I McMillan (substitute for Councillor Hood) (Renfrewshire Council).

### IN ATTENDANCE

A MacTaggart, Assessor and Electoral Registration Officer, K Crawford, Depute Assessor and Electoral Registration Officer, L Hendry, Divisional Assessor and Assistant Electoral Registration Officer, S Carlton, Principal Admin Officer and J Gallacher, Senior Administrative Officer (all Renfrewshire Valuation Joint Board); K Campbell, Assistant Chief Internal Auditor, M McKillop, Senior Auditor, D Forbes, Finance Manager, R Devine, Senior Committee Services Officer and E Currie, Committee Services Officer (all Finance & Resources, Renfrewshire 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 16 January, 2015.

**DECIDED:** That the Minute be approved.

## 2 **UNAUDITED ANNUAL ACCOUNTS 2014/15**

There was submitted a report by the Treasurer relative to the annual accounts for the Joint Board for 2014/15 which were attached to the report. The report intimated that the accounts for the year ended 31 March, 2015 had been completed and forwarded to Audit Scotland for audit. The accounts showed a surplus for the year of £127,449 against a budgeted break-even position.

In accordance with the Local Authority Accounts (Scotland) Regulations 2014, and in a change to previous practice, the unaudited accounts had only been signed by the Treasurer as proper officer. The audited accounts would be signed by the Convener and the Assessor and Electoral Registration Officer in accordance with the new guidelines.

**DECIDED:** That the annual accounts for the year ended 31 March, 2015 be noted and that the accounts be further presented to the Joint Board on completion of the audit.

## 3 **AUDIT SCOTLAND ANNUAL AUDIT PLAN 2014/15**

There was submitted a report by the Treasurer relative to Audit Scotland's annual audit plan 2014/15 for the Joint Board which outlined Audit Scotland's planned activities in their audit for the 2014/15 financial year.

**DECIDED:** That Audit Scotland's annual audit plan 2014/15 be noted.

## 4 **INTERNAL AUDIT ANNUAL REPORT 2014/15**

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to the Internal Audit annual report on the Renfrewshire Valuation Joint Board 2014/15. The report intimated the public sector internal audit standards required that the Chief Auditor prepare an annual report on the activities of internal audit to demonstrate performance. The report must also provide an audit opinion on the overall adequacy and effectiveness of the internal control system of the audited body.

The annual report for the Joint Board was attached as an appendix 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 2014/15 and contained an audit assurance statement.

**DECIDED:** That the Internal Audit annual report for 2014/15 be noted.

## 5 PERFORMANCE REPORT

There was submitted a report by the Divisional Assessor and Assistant Electoral Registration Officer relative to the various key measures introduced to monitor and manage the performance of the Joint Board's services. The report detailed the performance in Council Tax and non-domestic valuation against set targets. In relation to Council Tax valuation, 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 again bettering the target of 95% within three months and narrowly missing the target of 99.5% within six months. This was due to the excessive workload prior to the Scottish Independence Referendum which involved both the Valuation and Administration Teams. The report also detailed the average number of days taken to add a house in each constituent authority area between 1 April, 2014 and 31 March, 2015 and also the number of deletions from the Valuation (Council Tax) List between 1 April and 31 March during 2013/14 and 2014/15 by constituent authority area.

The report detailed the number of statutory amendments to the Valuation Roll, excluding appeal settlements and amendments to the prescribed entries, between 1 April, 2014 and 31 March, 2015 by constituent authority area, again bettering the target of 80% within three months and narrowly missing the target of 95% within six months. Similar to the performance for the addition of new houses into the Valuation (Council Tax) List, this target was affected by the unprecedented level of workload generated by the Referendum. These amendments were value changes only and did not reflect alterations where overall value was unchanged, changes to occupancy details or other administrative changes.

The appendix to the report detailed the Assessor and Electoral Registration Officer's performance in relation to targets set over the past nine years for alterations and amendments to the Council Tax List and the Valuation Roll.

### **DECIDED:**

(a) That the report be noted; and

(b) That the publication of the summary report, which formed the appendix to the report, be approved.

## 6 ELECTORAL REGISTRATION ANNUAL REPORT 2015

There was submitted a report by the Assessor and Electoral Registration Officer relative to the Electoral Registration Annual Report 2015, the purpose of which was to consider the levels of electoral registration in the Joint Board area and to identify the methods employed to ensure that the maximum possible number of citizens were registered to vote. The report had changed from that prepared in previous years but where possible similar statistics to those presented in previous years had been included together with additional statistics to highlight the activities involved in Individual Electoral Registration (IER).

An important balance had to be achieved between quantity and quality in compilation of the register and it was as important to make sure that there were no names on the register of people who were not entitled to vote as it was to try to get everyone who was entitled to vote onto the register. The report detailed the process of electoral registration; the measurement of accuracy of the register; continuous improvement to quality and accuracy of the Register; the steps taken to address under registration; additional activities proposed to maximise registration; and other registration activity.

The introduction of IER had and would continue to make significant changes to the process of Registration until the transition phase ended.

The Joint Board's commitment to accuracy of the Electoral Register and maximisation of registration was noted. The Joint Board would continue to review its current practices and would adapt and develop where appropriate to ensure that the registration process was as accurate and cost-effective as possible.

**DECIDED:** That the report be noted.

## 7 PUBLIC SECTOR EQUALITY DUTY

There was submitted a report by the Assessor and Electoral Registration Officer relative to the Joint Board's Public Sector Equality Duty progress report 2015.

The report intimated that The Equality Act 2010 provided Scottish Ministers with power to impose 'specific duties' on Scottish public authorities which supported the Joint Board to better perform the 'general equality duty' to pay due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations. The Joint Board's Equality Report had been published on 26 April, 2013.

The Joint Board was committed to ensuring equality in its policies and practices in order to improve outcomes for people. As part of delivering this commitment, the Joint Board published a set of equality outcomes reports providing information on key aspects of its work to promote equalities and the outcome of this work.

**DECIDED:** That the report be noted.

## 8 BUDGETARY REDUCTIONS AND RESTRUCTURING

Under reference to item 3 of the Minute of the meeting of the Joint Board held on 16 January, 2015 there was submitted a report by the Assessor and Electoral Registration Officer relative to necessary changes to the Joint Board's staff structure in order to meet the increasingly difficult funding position.

The report intimated that the Joint Board had steadily reduced its overall budget since 2011/12 and had been able to meet the challenges to date by prudent reduction of expenditure. The level of funding at 1 April, 2015 was £2,281,800 compared with £2,435,400 at 1 April, 2010. It was likely that a budget reduction would be necessary in 2016/17 and that this funding may be further reduced by additional pressures following 2017.



To meet these budgetary pressures, the shape and size of the workforce required to be examined to ensure it remained affordable whilst still meeting the needs of the service. It was intended that savings would be achieved through voluntary early retirement (VER) and further staff turnover. This revised structure would be at a level of overall expenditure that would be sustainable in the medium term.

The report detailed the pressures arising from statutory functions such as the non-domestic revaluation in 2017, electoral registration and council tax.

At the meeting of the Joint Board held on 16 January, 2015, the Joint Board approved the use of £200,000 of reserves to fund any reduction in staff numbers through VR/VER. A total of four members of staff had expressed an interest in taking VR or VER and it had been determined that two be released. It was intended that further development of the structure would be undertaken with a view to assessing the potential for further management savings. This proposal would require a draw-down from reserves of £100,000 to fund VER and a further draw-down of £100,000 to allow a phased implementation towards the sustainable structure.

The Assessor and Electoral Registration Officer would finalise a staged implementation plan from April 2016 to May 2017 in order to maximise savings while maintaining sufficient resources to enable completion of the non-domestic revaluation and meet demands of at least two electoral events during that period.

**DECIDED:** That the Assessor and Electoral Registration Officer be authorised to proceed to finalise the planned structural changes and submit a further report to the Joint Board on completion of the exercise for final approval.

## 9 **DATE OF NEXT MEETING**

**DECIDED:** That it be noted that the next meeting of the Joint Board would be held at 2.00 pm on Friday, 21 August, 2015 within the offices of the Inverclyde Council.



**RENFREWSHIRE VALUATION JOINT BOARD**

**To:** Renfrewshire Valuation Joint Board

**On:** 21 August 2015

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**Report by:** The Treasurer

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**Heading:** Revenue Budget Monitoring Report to 24th July 2015

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**1. Summary**

1.1 Gross expenditure is £1,000 over budget and income is currently £8,000 over recovered resulting in a net underspend of £7,000. This is summarised in point 4.

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**2 Recommendations**

2.1 It is recommended that members consider 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

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**4 Budget Performance**

<b>4.1 Current Position</b>	<b>Net Underspend £7,000</b>
<i>Previously Reported</i>	<i>n/a</i>

The variance in expenditure is due to overspends in Property Costs, Administration Costs and Payment to Other Bodies Supplies offset by an underspend in Employee Costs

The underspend in Employee Costs is a result of 2 vacancies within valuation.

The overspend in Property Costs is due to maintenance on the CCTV network at the Robertson Centre.

The overspend in Administration Costs is due to additional postage and advertising costs in relation to the transition to IER.

An IT specialist on secondment, to help develop the system for IER, from Renfrewshire Council for one day a week has led to the overspend in Payments to Other Bodies.

The overspends related to the IER have been funded by income from the Cabinet Office which has led to the over recovery of Other Income

### **Projected Year End Position**

The projected year end position is a deficit of £31,100 compared to a budgeted draw on reserves of £41,400 mainly as a result of the underspend in Employee Costs.

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RENFREWSHIRE COUNCIL  
REVENUE BUDGET MONITORING STATEMENT 2015/16  
1st April 2015 To 24th July 2015

JOINT BOARD : RENFREWSHIRE VALUATION JOINT BOARD

Description (1)	Revised Annual Budget (2)	Revised Period Budget (3)	Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance		
						£000's	%	
Employee Costs	1,797	451	441	0	441	10	2.2%	underspend
Property Costs	233	56	59	0	59	(3)	-5.4%	overspend
Supplies & Services	59	23	23	0	23	0	0.0%	break-even
Contractors and Others	25	5	0	5	5	0	0.0%	break-even
Transport & Plant Costs	0	0	0	0	0	0	0.0%	break-even
Administration Costs	294	45	52	0	52	(7)	-15.6%	overspend
Payments to Other Bodies	20	2	1	2	3	(1)	-50.0%	overspend
<b>GROSS EXPENDITURE</b>	<b>2,428</b>	<b>582</b>	<b>576</b>	<b>7</b>	<b>583</b>	<b>(1)</b>	<b>-0.2%</b>	<b>overspend</b>
Contributions from Local Authorities	(2,282)	(758)	(427)	(331)	(758)	0	0.0%	break-even
Other Income	(105)	(93)	(193)	92	(101)	8	8.6%	over-recovery
<b>INCOME</b>	<b>(2,387)</b>	<b>(851)</b>	<b>(620)</b>	<b>(239)</b>	<b>(859)</b>	<b>8</b>	<b>0.9%</b>	<b>over-recovery</b>
<b>TRANSFER (TO)/FROM RESERVES</b>	<b>41</b>	<b>(269)</b>	<b>(44)</b>	<b>(232)</b>	<b>(276)</b>	<b>7</b>	<b>2.6%</b>	<b>underspend</b>

	£000's	£000's
Bottom Line Position to 24th July 2015 is an underspend of	7	Opening Reserves
Anticipated Year End Budget Position is an underspend of	10	Anticipated Closing Reserves
		(591)
		(560)



**RENFREWSHIRE VALUATION JOINT BOARD**

**To:** Renfrewshire Valuation Joint Board

**On:** 21 August 2015

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**Report by:** The Treasurer

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**Heading:** Audited Annual Accounts 2014-15

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**1. Summary**

- 1.1 At the meeting of the Renfrewshire Valuation Joint Board on 5 June 2015 a report on the unaudited accounts for the year ended 31 March was noted.
  - 1.2 The audit certificate issued by Audit Scotland provides an unqualified opinion that the abstract of the accounts presents a true and fair view of the financial position of the Joint Board as at 31 March 2015, in accordance with the accounting policies detailed in the accounts.
  - 1.3 A report on the 2014-15 audit by Audit Scotland is also submitted for members information. There are no matters arising from the audit which require specific reporting to members.
  - 1.4 Following the introduction of the Local Authority Accounts (Scotland) Regulations 2014 the audited accounts must be approved for signature by the Joint Board no later than 30 September each year. Following this approval the audited accounts will be submitted to The Assessor & Electoral Registration Officer, The Convenor and The Treasurer for signature.
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**2 Recommendations**

- 2.1 It is recommended that members approve the audited accounts for signature and note the report by Audit Scotland.
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# Renfrewshire Valuation Joint Board

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Annual Financial Statements 2014/15



**Renfrewshire Valuation Joint Board  
Annual Accounts 2014/15**

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## **Management Commentary**

### **Introduction**

The requirements governing the format and content of local authorities' annual accounts (under s106 of the Local Government (Scotland) Act 1973 joint boards and committees are classed as local authorities) are contained in The Code of Practice on Local Authority Accounting in the United Kingdom ("the Code"). The annual accounts and contents have been prepared in accordance with chapter 5 of HM Treasury's Financial Reporting Manual 2014-15.

### **History and Statutory Background**

Renfrewshire Valuation Joint Board was established by the Valuation Joint Boards (Scotland) Order 1995 to carry out the valuation functions of Renfrewshire, East Renfrewshire and Inverclyde Councils. The Joint Board came into existence on 1 April 1996 and was also given the responsibility of carrying out the Electoral Registration on behalf of the three constituent authorities.

### **Our Aims**

- To ensure that the services we provide are delivered within statutory provisions
- To ensure that equal opportunities and social inclusion are central elements in our planning and delivery of services.
- To strive for continuous improvement in the delivery of our services
- To ensure that our service provision reflects the needs and priorities of our stakeholders
- To consult our stakeholders about the way we develop and deliver our services.
- To work in partnership with our constituent authorities to achieve improvements in service provision for our mutual customers
- To publish information about the level of services customers can expect to receive.
- To develop clear and effective customer suggestion and complaints systems.
- To develop & maintain systems for measuring, monitoring and managing our performance.
- To develop systems which encourage employees to communicate openly.
- To promote a safe and healthy working environment for our employees.
- To encourage our employees to develop themselves to achieve their full potential.

### **Electoral Registration**

The Scottish Independence Referendum and introduction of Individual Electoral Registration (IER) made 2014-15 a challenging year for electoral registration. The additional work associated with The Referendum placed an additional strain on the Joint Board resources but all of the work was completed accurately and on time, whilst continuing to verify all work prior to completion.

The aim of IER is to increase the percentage of the population that is registered to vote whilst improving security, preventing fraud and simplifying the process. The process had a "Go Live" date of 19 September 2014, Scottish commencement being delayed until the conclusion of The Referendum. The Annual Canvass from January to late February was the first to be performed under IER regulations. IER will continue to be monitored, developed and supported throughout 2015-16

### **Public Services Network**

The Government introduced Public Sector Network (PSN) to create a secure environment for IT traffic between government users such as local authorities and Joint Boards. As a result of IER, it became evident that the Joint Board would need to become PSN compliant in its own right, as opposed to being covered by Renfrewshire Council's accreditation.

This involved a number of significant changes within the Joint Board's IT infrastructure to develop its internal capacity and capability. The Joint Board successfully received PSN accreditation on 31 October 2014.

**Renfrewshire Valuation Joint Board  
Annual Accounts 2014/15**

**Valuation**

During 2014-15 the main focus of work within council tax and non-domestic valuation was the addition of new houses to the valuation list and the deletion of demolished houses as well as the maintenance of the valuation roll. The target is to have 99.5% of domestic adjustments and 95% of non domestic adjustments updated on the roll within 6 months, this target was met during 2014-15.

As well as maintaining the roll during 2015-16, the Joint Board will also be making preparations for the revaluation of all non domestic properties due come into effect on 1 April 2017. The "tone date", the date that will be used to collate and validate evidence for the revaluation, has been set for the whole of the UK (excluding Northern Ireland) as the 1 April 2015. The process requires a large bulk issue of forms to various interested parties which are returned and analysed with any gaps in the information required being followed up. This process is in itself a major part of the 2017 revaluation and is key to delivering a successful and accurate Valuation Roll.

**Financial Performance**

**Revenue**

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

The Joint Board has returned a surplus of £127,449 for the financial year 2014/15, compared to a budgeted breakeven position; returning an underspend of £127,449. This underspend excludes accounting adjustments relating to pensions and short-term accumulating compensated absences. The difference between the employee costs figure below and the figure reported in the Comprehensive Income and Expenditure report is due to accounting adjustments for pension costs (£98,000) and accrued employee benefits £17,010.

The difference between other income in the figure below and the figure reported in the Comprehensive Income and Expenditure report is due to accounting adjustments for pension interest costs (£3,800).

A summary of the outturn position against the agreed budget is shown below:

	Budget £	Actual £	Variance £
Employee Costs	1,703,900	1,781,875	(77,975)
Property Costs	233,300	248,592	(15,292)
Payments to Other Bodies	19,700	21,514	(1,814)
Supplies and Services	59,500	178,269	(118,769)
Contractors & Others	25,000	15,474	9,526
Administrative Costs	429,700	409,461	20,239
<b>Total Expenditure</b>	<b>2,471,100</b>	<b>2,655,185</b>	<b>(184,085)</b>
Requisition Income	(2,281,800)	(2,281,800)	-
Sales, Fees and Charges	(14,100)	(19,757)	5,657
Other Income	(175,200)	(481,077)	305,877
<b>Total Income</b>	<b>(2,471,100)</b>	<b>(2,782,634)</b>	<b>311,534</b>
<b>(Surplus)/Deficit for Year</b>	<b>-</b>	<b>(127,449)</b>	<b>127,449</b>

The overspend in Employee Costs is due to additional canvassing work as a result of the roll out of the Independent Electoral Registration (IER) Scheme and staff overtime worked in the lead up to the Scottish Referendum. These costs have been fully recovered by the Cabinet Office and Scottish Government respectively. The overspend has been partially offset by vacancies within valuation and staff maternity leave.

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Additional maintenance and repair work, some of which was recommended to make the premises secure for the Public Sector Network (PSN), has resulted in the overspend in Property Costs.

The Overspend in Supplies and Services is due to the IT costs related to gaining PSN accreditation. 85% of these costs have been recovered and is included in Other Income.

Consultation fees in relation to valuation appeals have been lower than anticipated leading to the underspend in Contractors.

Investment in new printers, funded by the Cabinet Office to help with IER, have resulted in lower printing costs leading to the underspend in Administration Costs.

The over recovery in Other Income relates to the income received from the Cabinet Office and Scottish Government for PSN, IER and the Scottish Referendum discussed above.

### **Capital and Reserves**

The Joint Board does not have the legal powers necessary to hold assets and as such the organisation has no capital spend. Cash balances held by the Joint Board are matched by creditor balances. The largest creditor balance relates to the revenue reserve balance of £591,440.

### **Provisions, Contingencies and Write-offs**

The Joint Board is not aware of any eventualities which may have a material effect on the financial position of the Joint Board, and has made no provisions for such eventualities.

In general, any contingent liabilities known to the Joint Board are covered by insurance arrangements.

There were no debt write-offs during the year.

### **Net Pension Position**

The disclosure requirements for pension benefits under IAS19 are detailed at Note 16. The appointed actuaries have confirmed a net liability position of £3.966 million, an increase of £1.523 million in their assessment of the position of the pension fund. This movement is the net outturn from both increased liabilities linked to a lower real discount rate (thereby leading to an increased value of future liabilities), and better than expected investment returns in the year. The net deficit position of the pension reserve impacts on the net asset position of the Joint 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.

### **Service changes and Future Developments**

The roll out of the Individual Electoral Registration which began during 2013-14 will continue during 2015-16. The focus in 2015-16 will be on maximising voter registration, particularly within the student population and younger voters in general, and ensuring accuracy of the register. The Deputy Prime Minister announced on 9 January 2015 that additional funding would be made available to cover the related costs, however, the Assessor and Treasurer will continue to monitor this position closely.

### **Events after the Balance Sheet Date**

Events from the Balance Sheet Date until the Date of Signing the Accounts have been taken into consideration.

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**Impact of Economic Climate**

The Joint Board recognises the difficult financial climate facing local authorities and has continued to seek efficiencies wherever possible. This allowed the Joint Board to approve the same requisition levels in 2015/16 as were approved in 2014/15.

**Conclusion**

We would wish 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.

**Councillor Sam Mullin**  
Convenor

**Alan Russell CPFA**  
Treasurer

**Alasdair MacTaggart**  
Assessor and Electoral Registration Officer



## **Statement of Responsibilities for the Annual Accounts**

### **The Joint Board's Responsibilities**

The Joint Board is required:

- to make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Joint Committee 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;
- to 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 Joint Board at its meeting on the 21 August 2015.

Signed on behalf of Renfrewshire Valuation Joint Board:

### **Councillor Sam Mullin**

Convenor  
21 August 2015

### **The Treasurer's Responsibilities**

The Treasurer is responsible for the preparation of the Joint 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);
- 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 Joint Board at the reporting date and the transactions of the Joint Board for the year ended 31 March 2015.

### **Alan Russell CPFA**

Treasurer  
21 August 2015

## **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 below:

- 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,
- Policies to regulate employee related matters, including the employee code of conduct and disciplinary procedures,
- Arrangements to manage risk, including the risk management strategy and Corporate Risk Register and business continuity plans,
- Clear customer complaints procedures,
- Comprehensive policies and procedures for physical and information security. The Joint Board achieved accreditation to the Public Service Network in October 2014,
- An anti-fraud and corruption strategy and arrangements supported by a range of policies and guidelines.

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 is 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,

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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 and Electoral Registration Officer, including the use of a self-assessment tool involving completion of a 30 point checklist covering four key areas of governance:

- Service 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.

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 satisfactory level of assurance can be placed upon the adequacy and effectiveness of the Board's internal control systems.

### Statement on the Role of Chief Financial Officer

CIPFA published this statement in 2010 and under the Code, the Joint Board is required to state whether it complies with the statement, and if not, to explain how their governance arrangements deliver the same impact. The full statement is:

The Chief Financial Officer in a public service organisation:

- is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest;
- must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the authority's financial strategy; and
- must lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the Chief Financial Officer:

- must lead and direct a finance function that is resourced to be fit for purpose; and
- must be professionally qualified and suitably experienced.

The Joint Board complies with the principles set out in CIPFA's Role of the Chief Financial Officer.

### Continuous Improvement

The annual review of corporate governance arrangements and their effectiveness has identified employee registers of interests as an area for improvement to be progressed during 2015/16.

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**Assurance**

In conclusion, it is our opinion that the annual review of governance together with the work of internal and external auditors and certification of assurance from the Assessor and Electoral Registration Officer 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 Sam Mullin**  
Convenor

**Alasdair MacTaggart**  
Assessor and Electoral Registration Officer

## Remuneration report

All information disclosed in sections two to four in this Remuneration Report will be audited by the council'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.

### 1. Remuneration policy for elected members

As noted by the Board on the 17<sup>th</sup> May 2013, from the 1<sup>st</sup> April 2013 the Joint Board makes no remuneration payment to any elected member, nor does it pay any expenses, fees or allowances to elected members. Further, no recharges have been made by member authorities in relation to elected member remuneration.

### 2. Remuneration policy for senior employees

The Remuneration Policy of the Joint 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 Joint Board of 24<sup>th</sup> January, 1997 that the salary of the posts of Assessor and Electoral Registration Officer and his depute be set at 66% and 49% respectively of the salary of the Chief Executive of Renfrewshire Council. 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 and Electoral Registration Officer and Depute Assessor and Electoral Registration Officer report at a meeting of the Joint Board on 22<sup>nd</sup> November, 2002.

2013/14	Senior Employees		2014/15		
Total	Name	Post Held	Salary, fees and allowances	Expenses allowance chargeable to UK income tax	Total
£			£	£	£
88,457	Alasdair MacTaggart	Assessor & Electoral Registration Officer	89,341	-	89,341
67,530	Kate Crawford	Depute Assessor & Electoral Registration Officer	68,205	-	68,205
<b>155,987</b>	<b>Total</b>		<b>157,546</b>	<b>-</b>	<b>157,546</b>

### 3. Pension rights

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

For local government employees this is a final salary pension scheme. This means that pension benefits are based on the final year's pay and the number of years that person has been a member of the scheme. The scheme's normal retirement age is 65.

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.

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2013/14	Member contribution rates on earnings in the bands below	2014/15
	Up to £19,800	Up to £20,335
	£19,801 to £24,200	£20,336 to £24,853
	£24,201 to £33,200	£24,854 to £34,096
	£33,201 to £44,200	£34,097 to £45,393
	Over £44,201	Over £45,394
	5.5%	
	7.25%	
	8.5%	
	9.5%	
	12%	

If a person works part-time their contribution rate is worked out on the whole-time pay rate for the job, with actual contributions paid on actual pay earned.

There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004. The accrual rate guarantees a pension based on 1/60th of final pensionable salary and years of pensionable service. (Prior to 2009 the accrual rate guaranteed a pension based on 1/80th and a lump sum based on 3/80th of final pensionable salary and years of pensionable service).

The value of the accrued benefits has been calculated on the basis of the age at which the person will first become entitled to receive a full pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation.

The pension figures shown relate to the benefits that the person has accrued as a consequence of their total local government employment, not just that relating to their current post.

Senior Employees		Accrued Pension benefits as at 31 March 2015		Change in accrued pension benefits since 31 March 2014		Pension contributions made by RVJB during 2014-2015
Name	Post Held	Pension £m	Lump Sum £m	Pension £m	Lump Sum £m	£
Alasdair MacTaggart	Assessor & Electoral Registration Officer	0.045	0.110	+0.001	+0.002	17,243
Kate Crawford	Depute Assessor & Electoral Registration Officer	-	-	-	-	-
<b>Total</b>		<b>0.045</b>	<b>0.110</b>	<b>+0.001</b>	<b>+0.002</b>	<b>17,243</b>

No pension contributions are made for the Joint Board Convener or Vice Convener

#### 4. Remuneration of Employees

The following table gives a statement of the number of employees whose remuneration, excluding pension contributions, was in excess of £50,000 during 2014/15, in bands of £5,000.

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2013/14	Remuneration Band	2014/15
Number of employees		Number of employees
-	£50,000 - £54,999	1
-	£55,000 - 59,999	-
-	£60,000 - £64,999	-
1	£65,000 - 69,999	1
-	£70,000 - £74,999	-
-	£75,000 - £79,999	-
-	£80,000 - £84,999	-
1	£85,000 - £89,999	1
2		3

**Councillor Sam Mullin**  
Convenor

**Alasdair MacTaggart**  
Assessor and Electoral Registration Officer

## **Independent Auditors Report**

### **Annual Accounts 2014-15**

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

I certify that I have audited the financial statements of the Renfrewshire Valuation Joint Board for the year ended 31 March 2015 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet and Cash Flow Statement and the related notes. 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 2014/15 (the 2014/15 Code).

This report is made solely to the parties to whom it is addressed in accordance with the Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Accounts Commission for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

#### **Respective responsibilities of Treasurer and auditor**

As explained more fully in the Statement of Responsibilities the Director of Finance and Resources at Renfrewshire Council, as Treasurer, is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Treasurer; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Annual Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements, irregularities, or inconsistencies I consider the implications for my report.

#### **Opinion on financial statements**

In my opinion the financial statements:

- give a true and fair view in accordance with the applicable law and the 2014/15 Code of the state of the affairs of the body as at 31 March 2015 and of the income and expenditure of the body 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 2014/15 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.



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**Opinion on other prescribed matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014; and
- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which I am required to report by exception**

I am required to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or
- the Governance Statement has not been prepared in accordance with Delivering Good Governance in Local Government; or
- There has been a failure to achieve a prescribed financial objective.

I have nothing to report in respect of these matters.

Anne McGregor  
Senior Audit Manager  
Audit Scotland  
4th Floor, South Suite  
The Athenaeum Building  
8 Nelson Mandela Place  
Glasgow G2 1BT  
21 August 2015

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**Movement in Reserves Statement for the year ended 31 March 2015**

This statement shows the movement in the year on the different reserves held by the Joint Board, analysed into usable reserves (that is, those reserves that can be applied to fund expenditure) and unusable reserves. The surplus or deficit on the provision of services line shows the true economic cost of providing the Joint Board's services, more details of which are shown in the **comprehensive income and expenditure statement**.

	Note	Usable reserves		Unusable reserves	
		Revenue Reserve	Pension Reserve	Employee Statutory Adjustment Account	Total Reserves
		£	£	£	£
<b>Balance at 31 March 2013 carried forward</b>		-	(1,991,000)	(36,329)	(2,027,329)
<i>Movement in reserves during 2013-14</i>					
Surplus or (deficit) on the provision of services		(209,986)			(209,986)
Other comprehensive income and expenditure	6b	-	(295,000)		(295,000)
<b>Total comprehensive income and expenditure</b>		<b>(209,986)</b>	<b>(295,000)</b>	<b>-</b>	<b>(504,986)</b>
Adjustments between accounting basis and funding basis under regulations	6a & 6b	177,643	(157,000)	(20,643)	-
Transfer from Creditors	6a	496,334			496,334
<b>Net increase or (decrease) before transfers to other statutory reserves</b>		<b>463,991</b>	<b>(452,000)</b>	<b>(20,643)</b>	<b>(8,652)</b>
Transfers to or (from) other statutory reserves		-	-	-	-
Transfer to creditors	12	(463,991)	-	-	(463,991)
<b>Increase or (decrease) in 2013-14</b>		<b>-</b>	<b>(452,000)</b>	<b>(20,643)</b>	<b>(472,643)</b>
<b>Balance at 31 March 2014 carried forward</b>		<b>-</b>	<b>(2,443,000)</b>	<b>(56,972)</b>	<b>(2,499,972)</b>
<i>Movement in reserves during 2014-15</i>					
Surplus or (deficit) on the provision of services		(60,542)			(60,542)
Other comprehensive income and expenditure	6b		(1,318,000)		(1,318,000)
<b>Total comprehensive income and expenditure</b>		<b>(60,542)</b>	<b>(1,318,000)</b>	<b>-</b>	<b>(1,378,542)</b>
Adjustments between accounting basis and funding basis under regulations	6a & 6b	187,991	(205,000)	17,009	-
Transfer from Creditors	6a	463,991			463,991
<b>Net increase or (decrease) before transfers to other statutory reserves</b>		<b>591,440</b>	<b>(1,523,000)</b>	<b>17,009</b>	<b>(914,551)</b>
Transfers to or (from) other statutory reserves					-
Transfer to creditors	12	(591,440)			(591,440)
<b>Increase or (decrease) in 2014-15</b>		<b>-</b>	<b>(1,523,000)</b>	<b>17,009</b>	<b>(1,505,991)</b>
<b>Balance at 31 March 2015 carried forward</b>		<b>-</b>	<b>(3,966,000)</b>	<b>(39,963)</b>	<b>(4,005,963)</b>

**Comprehensive Income and Expenditure Statement for the year ended 31  
March 2015**

This statement shows the accounting cost of providing services and managing the Joint Board during the year. It includes, on an accruals basis, all of the Joint 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**.

<b>2013/14</b>		<b>Note</b>	<b>2014/15</b>
£			£
1,793,916	Employee Costs		1,862,865
245,581	Property Costs		248,592
64,956	Supplies & Services		178,269
98,241	Contractors		15,474
366,770	Administration Costs		409,462
21,724	Payments to Other Bodies		21,514
<b>2,591,188</b>	<b>Cost of Services</b>		<b>2,736,176</b>
(8,746)	Sales, Fees & Charges		(19,757)
(175,354)	Other Income		(477,277)
84,698	Financing & Investment Income and Expenditure	8	103,200
(2,281,800)	Requisitions from Members Authorities	13	(2,281,800)
<b>209,986</b>	<b>(Surplus) or deficit on the provision of services</b>		<b>60,542</b>
295,000	Actuarial (Gains) or losses on pension assets and liabilities	16a	1,318,000
295,000	<b>Other Comprehensive Income &amp; Expenditure</b>		<b>1,318,000</b>
<b>504,986</b>	<b>Total Comprehensive Income &amp; Expenditure</b>		<b>1,378,542</b>

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**Balance Sheet as at 31 March 2015**

The **balance sheet** shows the value as at 31 March 2015 of the assets and liabilities recognised by the Joint Board. The net assets of the Joint 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 Joint 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 Joint Board is not able to use to provide services. This category includes reserves that hold unrealised gains and losses in the value of assets.

<b>31st March 2014</b>		<b>Note</b>	<b>31st March 2015</b>
£			£
	<b><u>Current Assets</u></b>		
494,891	Funds held by Renfrewshire Council		727,907
109,498	Debtors and Prepayments	10	20,017
100	Cash in Hand		100
604,489			748,024
	<b><u>less Current Liabilities</u></b>		
(661,462)	Creditors And Accruals	11	(787,987)
(56,972)	<b>Net Assets Excluding Pension (Liability)/Asset</b>		(39,963)
	<b><u>Long Term Liabilities</u></b>		
(2,443,000)	Pension (liability)/Asset	16c	(3,966,000)
(2,499,972)	<b>Net (Liabilities)/Asset Including Pension</b>		(4,005,963)
<b><u>Represented by:</u></b>			
<b>Revenue Reserves</b>			
<b>Useable Reserves</b>			
463,991	Balance due to Member Authorities		591,440
(463,991)	Transfer to Creditors	12	(591,440)
<b>Unuseable Reserves</b>			
(56,972)	Employee Statutory Adjustment Account	6c	(39,963)
(2,443,000)	Pension Reserve	6b	(3,966,000)
(2,499,972)			(4,005,963)

The audited accounts were issued on 21 August 2015. Balance sheet signed by:

**Alan Russell CPFA**  
Treasurer  
21 August 2015

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**Cash flow Statement for the year ended 31 March 2015**

This statement shows the changes in cash and cash equivalents during the year. It shows how the Joint Board generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Joint Board are funded by way of requisition income or from the recipients of services provided. Investing activities represent the extent to which cash outflows have been made for resources that are intended to contribute to the Joint Board's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (that is, borrowing) to the Joint Board.

2013/14 £		2014/15 £
	<b>Operating Activities</b>	
	<b>Cash Inflows</b>	
(2,392,547)	Sale of goods and rendering of services	(2,903,218)
(6,302)	Interest received	(3,800)
<b>(2,398,849)</b>	<b>Cash inflows generated from operating activities</b>	<b>(2,907,018)</b>
	<b>Cash Outflows</b>	
1,456,212	Cash paid to and on behalf of employees	1,523,045
712,061	Cash paid to suppliers of goods and services	911,629
324,071	Other payments for operating activities	239,328
<b>2,492,344</b>	<b>Cash outflows generated from operating activities</b>	<b>2,674,002</b>
<b>93,495</b>	<b>Net (increase)/decrease in cash and cash equivalents</b>	<b>(233,016)</b>
588,486	Cash and cash equivalents at the beginning of the reporting period - short term deposits with Renfrewshire Council	494,991
494,991	Cash and cash equivalents at the end of the reporting period - short term deposits with Renfrewshire Council	728,007
<b>93,495</b>	<b>Net cash (inflow)/outflow in cash and cash equivalents in year</b>	<b>(233,016)</b>

## **Note 1 Summary of Significant Accounting Policies**

The Financial Statements for the year ended 31 March 2015 have been prepared in accordance with proper accounting practice as per section 12 of the Local Government in Scotland Act 2003. Proper accounting practice comprises the Code of Practice on Local Authority Accounting in the United Kingdom (the Accounting Code) and the Service Reporting Code of Practice for Local Authorities 2014/15, (SeRCOP) supported by International Financial Reporting Standards and recommendations made by the Local Authority (Scotland) Accounts Advisory Committee (LASAAC). They are designed to give a true and fair view of the financial performance and position of the Joint Board and comparative figures for the previous financial year are provided. There are no significant departures from these recommendations.

The following accounting concepts have been considered in the application of accounting policies:

**Accruals basis** - the accruals concept requires the non-cash effects of transactions to be included in the financial statement for the year in which they occur, not in the period in which payment is made or income received.

**Going concern** - the going concern concept assumes that the Joint Board will continue in existence for the foreseeable future.

**Understandability** – users of the financial statements are assumed to have a reasonable knowledge of accounting and local government.

**Relevance** – the information in the financial statements is useful for assessing Joint Board's stewardship of public funds and for making economic decisions.

**Materiality** - information is included in the financial statements where the information is of such significance that it could influence the decisions or assessments of users of the information.

**Reliability** – information included in the financial statements faithfully represents the substance of transactions, is free from bias and material error, is complete within the bounds of materiality and cost, and has been prudently prepared.

**Primacy of legislative requirements** - legislative requirements have priority over accounting principles in the event of conflict between legislation and the Accounting Code.

The accounts have been prepared under the historic cost convention. The following accounting policies used in the preparation of the statements have been reviewed in line with changes made to the Accounting Code following the introduction of International Financial Reporting Standards.

### **Accruals of Expenditure and Income**

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

- i. Revenue from the sale of goods is recognised when the Joint 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 Joint Board.
- ii. Revenue from the provision of services is recognised when the Joint Board can measure reliably 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 Joint Board.
- iii. 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.

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- iv. 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.
- v. Suppliers invoices paid in the two weeks following the year-end are accrued together with specific accruals in respect of further material items provided the goods or services were received by the Balance Sheet date.

### **Cash and Cash Equivalents**

Cash is defined as cash in hand and deposits repayable on demand less overdrafts repayable on demand.

### **Contingent Assets and Liabilities**

Contingent assets and liabilities are not recognised in the financial statements, but are disclosed as a note to the accounts where they are deemed material.

### **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 and flexi-leave entitlements earned by employees but not taken before the year end; and which employees may carry forward into the next financial year.

#### Termination benefits

Termination benefits are amounts payable as a result of a decision by the Joint Board to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary severance. They are charged on an accruals basis to the Employee Costs line in the Comprehensive Income and Expenditure Statement when the Joint Board is demonstrably committed to either terminating the employment of an officer or making an offer to encourage voluntary severance. The Joint Board is only demonstrably committed to a termination when it has a detailed formal plan for the termination and it is without realistic possibility of withdrawal; and agreement to the termination has been granted by the Joint Board.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Revenue balances to be charged with the amount payable by the Joint Board to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and to 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.

#### Post employment benefits

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

This involves the recognition in the Balance Sheet of the Joint Board's share of the net pension asset or liability in the Strathclyde Pension Fund and a pension reserve. The Comprehensive Income and Expenditure Statement also recognises changes during the year in the pension asset or liability.

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Service expenditure includes pension costs based on employers' pension contributions payable and payments to pensioners in the year.

The liabilities of the Strathclyde Pension Fund attributable to the Joint Board are included in the Balance Sheet on an actuarial basis using the projected unit method ie 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 available on a high quality corporate bond of equivalent currency and term to the scheme liabilities.

The assets of the Strathclyde Pension Fund attributable to the Joint 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.

Note 16 to the Core Financial Statements provides further information.

### **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 Statements 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 Statements are adjusted to reflect such events
- Non-adjusting events – those that are indicative of conditions that arose after the reporting period, and the Statements 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 Statements. Note 5 provides further information.

### **Prior Period Adjustment**

Where there has been a change in accounting policy, that change will be applied retrospectively, that is, prior period figures will be restated unless the Code specifies transitional provisions that shall be followed. Where there has been a change in accounting estimate, that change will be applied prospectively, that is, prior period figures will not be restated. Where a material misstatement or omission has been discovered relating to a prior period, that misstatement or omission will be restated unless it is impracticable to do so.

### **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 Joint Board when there is reasonable assurance that:

- the Joint Board will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Joint Board are not credited to the Comprehensive Income and Expenditure Account until conditions attaching to the grant or contribution have been satisfied. Monies advanced as grants and contributions are carried in the Balance Sheet as creditors.

### **Leases**

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property from the lessor to the lessee. All other leases are



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classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets. The Joint Board is not party to any finance leases.

*Operating Leases*

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement 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 (eg, 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.

**Property, Plant and Equipment**

Renfrewshire Valuation Joint Board is a Joint Board as constituted under s106(1) of the Local Government (Scotland) Act 1973. The Joint Board has no legal power to hold assets. Any cash assets held are matched by an equivalent creditor balance.

**Provisions**

Provisions are made where an event has taken place that gives the Joint Board a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that Renfrewshire Valuation Joint Board becomes aware of the obligation, and measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service. Where some or all of the payment required to settle a provision is expected to be recovered from another party (eg from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Joint Board settles the obligation.

**Reserves**

The Joint Board has three reserve funds. The Revenue Reserve contains any balance of requisition income from members of the Joint Board.

The Pension Reserve arises from the IAS19 accounting disclosures for retirement benefits and recognises the Joint Board share of actuarial gains and losses in the Strathclyde Pension Fund and the change in the Joint Board's share of the Pension Fund net liability chargeable to the Income and Expenditure Account.

The Employee Statutory Adjustment Account absorbs the differences that would otherwise arise on the Revenue Reserve from accruing for short term accumulating 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 the Revenue Reserve is neutralised by transfers to or from the Employee Statutory Adjustment Account.

## VAT

Income and Expenditure excludes any amount relating to Value Added Tax (VAT), as all VAT is payable to HM Revenue & Customs and all VAT is recoverable from them.

## Note 2 Accounting Standards Issued not Adopted

There are no accounting standards relevant to the financial statements of the Joint Board which have not been adopted.

## Note 3 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Joint 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 and other properties leased by the Joint Board has concluded they are operating leases.
--------	--

## Note 4 Assumptions made about the future

The Statement of Accounts contains estimated figures that are based on assumptions made by the Joint 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 2015 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. A firm of consulting actuaries is engaged to provide the Joint 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 £1.653 million. However, the assumptions interact in complex ways. During 2014/15, the appointed actuaries advised that the net pensions liability had increased by £1.318 million attributable to updating of the assumptions.

## Note 5 Events after the balance sheet date

Events taking place after the authorised issue date 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 2015, 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.

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**Note 6 Details of Movement in Reserves**

**a. Revenue Reserve**

2013/14		2014/15
£		£
(496,334)	Balance as at 1 April	(463,991)
(157,000)	Transfer to pension reserve	(205,000)
(20,643)	Transfer to employee statutory adjustment account	17,009
209,986	(Surplus) or Deficit on provision of services (from the Comprehensive Income & Expenditure Account)	60,542
<b>(463,991)</b>	<b>Balance as at 31 March</b>	<b>(591,440)</b>

**b. Pension Reserve**

2013/14		2014/15
£		£
(1,991,000)	Balance as at 1 April	(2,443,000)
(295,000)	Actuarial Gains and Losses (see note 16)	(1,318,000)
(157,000)	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	(205,000)
<b>(2,443,000)</b>	<b>Balance as at 31 March</b>	<b>(3,966,000)</b>

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 Joint 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 Joint 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 Joint Board's share of Strathclyde Pension Fund resources available to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

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**c. Employee Statutory Adjustment Account**

2013/14		2014/15
£		£
(36,329)	Balance as at 1 April	(56,972)
36,329	Reversal of prior year accrual for short-term accumulating compensated absences	56,972
(56,972)	Recognition of the accrual for short-term accumulating compensating absences at 31 March	(39,963)
<b><u>(56,972)</u></b>	<b>Balance as at 31 March</b>	<b><u>(39,963)</u></b>

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.

**Note 7 Reconciliation of the Balance on the Comprehensive Income and Expenditure Statement to the Movement in Reserves Statement**

The surplus for the year on the Revenue Reserves was £187,991 greater 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 Joint Board's Comprehensive Income and Expenditure Statement in accordance with the Code and the amounts that statute and non-statutory proper practice require the Joint Board to debit and credit the Revenue Reserve Balance.

2013/14		2014/15
£		£
<b>Amounts to be included in the Comprehensive Income and Expenditure Statement but required by statute to be excluded when determining Movement in Reserves Statement</b>		
(396,000)	Net charges made for retirement benefits in accordance with IAS19	(437,000)
<u>(20,643)</u>	Net charges for employment short-term accumulating absences	<u>17,009</u>
(416,643)		(419,991)
<b>Amounts not included in the Comprehensive Income and Expenditure Statement but required to be included by statute when determining Movement in Reserves Statement</b>		
<u>239,000</u>	Employers contributions payable to the Strathclyde Pension Fund	<u>232,000</u>
<u>(177,643)</u>	<b>Net additional amount required to be debited or credited to the Revenue Reserves balance for the year</b>	<u>(187,991)</u>

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**Note 8 Financing & Investment Income**

2013/14		2014/15
£		£
(6,302)	Interest on Balances	(3,800)
91,000	Pension Interest Cost	107,000
<b>84,698</b>	<b>Total Financing and Investment Income</b>	<b>103,200</b>

**Note 9 Operating Leases**

The Joint Board has acquired office accommodation at the Robertson Centre in Paisley by entering into an operating lease until 2020. The Joint Board also have an agreement with Inverclyde Council to rent office space within their Customer Service Centre in Greenock. The expenditure charged in year to the Comprehensive Income and Expenditure Statement was £57,000 (2013/14 £59,000).

2013/14		2014/15
£		£
	Future Minimum Lease Payments	
57,000	- not later than one year	57,000
228,000	- later than one year and not later than five years	228,000
57,000	- later than five years	-
<b>342,000</b>	<b>Total</b>	<b>285,000</b>

**Note 10 Debtors**

31st March 2014		31st March 2015
£		£
54,100	Central government bodies	-
-	Other local authorities	1,764
55,398	Other Entities and Individuals	18,253
<b>109,498</b>	<b>Total short term debtors</b>	<b>20,017</b>

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**Note 11 Creditors**

31st March 2014 £		31st March 2015 £
21,993	Central government bodies	51,030
463,991	Other local authorities	592,624
56,972	Short Term Accumulating Absences	39,963
82,173	Accrued Payrolls	92,020
36,332	Other entities and individuals	12,350
<b><u>661,462</u></b>	<b>Total short term creditors</b>	<b><u>787,987</u></b>

**Note 12 Transfer to Creditors**

2013/14 £		2014/15 £
<b><u>463,991</u></b>	In terms of Section 58 of the Local Government (Scotland) Act 1973, Joint Boards have no specific powers to retain reserves to meet future funding requirements and the amount due to member authorities has been transferred to creditors.	<b><u>591,440</u></b>

**Note 13 Related parties**

The Joint Board's related parties are those bodies or individuals that have the potential to control or significantly influence the Joint Board, or to be controlled or significantly influenced by the Joint Board. The Joint 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 Joint 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 Joint Board.

The member authorities of the Joint Board have contributed requisitions in the following proportions to enable the Joint Board to carry out its objectives. The Joint Board in turn pays Renfrewshire Council for support services. The amount paid in respect of these services for the year ended 31 March 2015 was £106,770 (2013/14 £106,770).

2013/14 £	Council	Percentage	2014/15 £
463,200	East Renfrewshire	20.3%	463,200
540,800	Inverclyde	23.7%	540,800
<u>1,277,800</u>	Renfrewshire	<u>56.0%</u>	<u>1,277,800</u>
<b><u>2,281,800</u></b>	<b>Total</b>	<b><u>100.0%</u></b>	<b><u>2,281,800</u></b>

#### **Note 14 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 2014-2015 were £7,090 (£7,020 in 2013/14). There were no fees paid to Audit Scotland in respect of any other services.

#### **Note 15 Termination benefits**

The Joint Board did not terminate the contract of any employee during 2014-2015.

#### **Note 16 Retirement Benefits**

As part of the terms and conditions of employment of its employees, the Joint Board offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Joint 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 final salary scheme meaning that the Joint 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 Joint 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.

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The following transactions have been made in the accounting statements in 2014/15:

2013/14 £		Note	2014/15 £
<b>Comprehensive Income &amp; Expenditure Statement</b>			
Cost of Services			
305,000	Current service cost	(i)	330,000
-	Past service cost/(gain)		-
-	Settlements & curtailments	(ii)	-
305,000			330,000
<b>Financing &amp; Investment Income &amp; Expenditure</b>			
91,000	Net Interest	(iii)	107,000
<b>396,000</b>	<b>Total Post-employment Benefits charged to the Surplus or Defecit on the Provision of Services</b>		<b>437,000</b>
<b>Other post employment benefit charged to the Comprehensive Income and Expenditure Statement</b>			
(206,000)	Return on assets excluding amounts included in net interest		(667,000)
504,000	Actuarial (gains) and losses arising on changes in financial assumptions		1,985,000
(3,000)	Other (gains) and losses		-
<b>295,000</b>	<b>Total Actuarial (gain)/Losses</b>		<b>1,318,000</b>
<b>691,000</b>	<b>Total post employment benefit charged to the Comprehensive Income and Expenditure Statement</b>		<b>1,755,000</b>
(452,000)	Movement in Reserves Statement Reversal of net charges made to the Surplus or Defecit for the Provision of Services for post employment benefits according with the Code	(iv)	(1,523,000)
<b>239,000</b>	<b>Employers Contributions paid to Strathclyde Pension Fund</b>		<b>232,000</b>

Notes

- i. Current service cost is the cost of future entitlements to pension payments to current employees
- ii. Curtailments are the pension costs to employees retired under redundancy terms.
- iii. The 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.
- iv. 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 Joint Board to the Strathclyde Pension Fund during the year (£205,000).

The Joint Board is also responsible for all pension payments relating to added years benefits it has awarded, together with related increases. In 2014/15 these amounted to £5,148 (2013/14 £4,368).



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In addition to the recognised gains and losses included in the Comprehensive Income and Expenditure Statement, actuarial losses of £1.318 million are included in the Movement in Reserves Statement (2013/14 £0.295 million loss). The cumulative amount of actuarial losses is £4.409 million (2013/14 £3.091 million).

**16b. Assets and liabilities in relation to retirement benefits**

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

2013/14		2014/15
£000		£000
11,234	Opening present value	12,298
305	Current service cost	330
507	Interest Cost	528
82	Employee Contributions	78
	Remeasurement (gains)/losses:	
504	Actuarial (gains)/losses arising from changes in financial assumptions	1,985
(3)	Other (gains)/losses	-
(331)	Benefits Paid	(420)
<b>12,298</b>	<b>Closing present value of scheme liabilities</b>	<b>14,799</b>

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

2013/14		2014/15
£000		£000
9,243	Opening Fair Value	9,855
416	Interest Income	421
	Remeasurement gain/(loss):	
206	Return on assets excluding amounts included in net interest	667
239	Contributions from employer	232
82	Contributions from employee	78
(331)	Benefits Paid	(420)
<b>9,855</b>	<b>Closing fair value of scheme assets</b>	<b>10,833</b>

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**16c. Fund history**

	2010/11	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000	£000
Present Value of Liabilities	(8,776)	(9,327)	(11,234)	(12,298)	(14,799)
Fair value of assets	8,199	7,915	9,243	9,855	10,833
<b>Surplus/(deficit) in the scheme</b>	<b>(577)</b>	<b>(1,412)</b>	<b>(1,991)</b>	<b>(2,443)</b>	<b>(3,966)</b>

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

The total liability of £3.966 million has a substantial impact on the net worth of the Joint Board as recorded in the balance sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Joint 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 2016 is £0.228 million.

**16d. Basis for estimating assets and liabilities**

The Joint 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 2011.

The principal assumptions used by the actuary have been:

31st March 2014	Year Ended:	31st March 2015
<b>Mortality assumptions</b>		
	Longevity at 65 for current pensioners	
21.0 years	• Men	22.1 years
23.4 years	• Women	23.6 years
	Longevity at 65 for Future pensioners	
23.3 years	• Men	24.8 years
25.3 years	• Women	26.2 years
5.1%	Rate of increase in salaries*	4.3%
2.8%	Rate of increase in pensions	2.4%
4.3%	Rate for discounting scheme liabilities	3.2%
	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%

\*Salary increases are assumed at 1% p.a. until 31 March 2015 and reverting to long term assumption thereafter

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The pension scheme's assets consist of the following categories, by proportion of the total assets held:

<b>31st March 2014 £000</b>		<b>Percentage</b>	<b>31st March 2015 £000</b>
	<b>Equity Securities</b>		
908	Consumer	9.5%	1,024
798	Manufacturing	7.5%	817
361	Energy and Utilities	3.0%	322
659	Financial Institutions	7.0%	753
338	Health and Care	4.1%	440
537	Information Technology	5.8%	623
<b>3,601</b>	<b>Total Equity</b>	<b>36.7%</b>	<b>3,979</b>
	<b>Private Equity</b>		
929	All	9.7%	1,054
<b>929</b>	<b>Total Private Equity</b>	<b>9.7%</b>	<b>1,054</b>
	<b>Real Estate</b>		
690	UK Property	9.1%	990
-	Overseas Property	0.0%	-
<b>690</b>	<b>Total Real Estate</b>	<b>9.1%</b>	<b>990</b>
	<b>Investment Funds &amp; Unit Trusts</b>		
3,000	Equities	28.7%	3,108
1,144	Bonds	12.7%	1,372
4	Commodities	0.0%	4
14	Infrastructure	0.3%	37
-	Other	0.2%	20
<b>4,162</b>	<b>Total Investment Funds &amp; Unit Trusts</b>	<b>41.9%</b>	<b>4,541</b>
	<b>Derivatives</b>		
-	Inflation	0.0%	-
-	Interest Rate	0.0%	-
-	Foreign Exchange	0.0%	-
2	Other	0.0%	3
<b>2</b>	<b>Total Derivatives</b>	<b>0.0%</b>	<b>3</b>
	<b>Cash &amp; Cash Equivalents</b>		
471	All	2.5%	266
<b>471</b>	<b>Total Cash &amp; Cash Equivalents</b>	<b>2.5%</b>	<b>266</b>
<b>9,855</b>	<b>Total</b>	<b>100%</b>	<b>10,833</b>

**16e. 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. Employers' and employees' contributions have been determined so that rates are standard across all participating employers. The rate for employer contributions has been set at 19.3% for 2015-16 and 2016-17. This rate may vary thereafter following triennial valuation to be carried out as at 31 March 2014.

The fund will require to assess the impact for future accruals and contributions from impending changes to the LGPS such as the move from 1 April 2015 to a career average revalued earning (CARE) scheme.

**Note 17 Contingent Liabilities and Assets**

As at the Balance Sheet date the Joint Board had no material contingent assets or liabilities.





# Renfrewshire Valuation Joint Board

Annual audit report to  
Members and the  
Controller of Audit

August 2015

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The Accounts Commission is a statutory body which appoints external auditors to Scottish local government bodies. ([www.audit-scotland.gov.uk/about/ac](http://www.audit-scotland.gov.uk/about/ac))

Audit Scotland is a statutory body which provides audit services to the Accounts Commission and the Auditor General. ([www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk))

The Accounts Commission has appointed Anne McGregor as the external auditor of Renfrewshire Valuation Joint Board (RVJB) for the period 2011/12 to 2015/16.

This report has been prepared for the use of RVJB and no responsibility to any member or officer in their individual capacity or any third party is accepted.

This report will be published on our website after it has been considered by RVJB. The information in this report may be used for the Accounts Commission's annual overview report on local authority audits published on its website and presented to the Local Government and Regeneration Committee of the Scottish Parliament.

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# Key messages

<p>Audit of financial statements</p>	<ul style="list-style-type: none"> <li>• Unqualified independent auditor's report on the 2014/15 financial statements.</li> </ul>
<p>Financial management and sustainability</p>	<ul style="list-style-type: none"> <li>• RVJB operating within annual budgets and recovering costs on significant projects.</li> <li>• Level of balances due to local authorities increased to £0.6m at 31 March 2015, which is high at 24% of 2015-16 expenditure but there are plans to use £0.2m of that to fund voluntary/severance scheme in 2015-16.</li> </ul>
<p>Governance and transparency</p>	<ul style="list-style-type: none"> <li>• Systems of internal control operated effectively.</li> <li>• Internal audit concluded satisfactory assurance over systems of internal control but work still required on disaster recovery arrangements.</li> <li>• Meetings and papers are open to the public but an on-line register of interest would improve transparency.</li> </ul>
<p>Outlook</p>	<ul style="list-style-type: none"> <li>• RVJB met the significant challenge of implementing Individual Electoral Registration and in 2015/16 is planning for the next significant project; the revaluation of all non domestic properties due for 2017. Good financial management remains a priority as requisitions level remain at £2.291m for 2015-16, the same level for a third year in a row.</li> </ul>

# Introduction

1. This report is a summary of our findings arising from the 2014/15 audit of the Renfrewshire Valuation Joint Board (RVJB). The report is divided into sections which reflect our public sector audit model.
2. The management of RVJB is responsible for:
  - preparing financial statements which give a true and fair view
  - implementing appropriate internal control systems
  - putting in place proper arrangements for the conduct of its affairs
  - ensuring that the financial position is soundly based.
3. Our responsibility, as the external auditor of RVJB, is to undertake our audit in accordance with International Standards on Auditing, the principles contained in the Code of Audit Practice issued by Audit Scotland in May 2011 and the ethical standards issued by the Auditing Practices Board.
4. An audit of financial statements is not designed to identify all matters that may be relevant to those charged with governance. It is the auditor's responsibility to form and express an opinion on the financial statements; this does not relieve management of their responsibility for the preparation of financial statements which give a true and fair view.

5. A number of reports, both local and national, have been issued by Audit Scotland during the course of the year. These reports, summarised at **appendices II and III**, include recommendations for improvements.
6. **Appendix IV** is an action plan setting out our recommendations to address the high level risks we have identified during the course of the audit. Officers have considered the issues and agreed to take the specific steps in the column headed "Management action/response". We recognise that not all risks can be eliminated or even minimised. What is important is that RVJB understands its risks and has arrangements in place to manage these risks. Members and executive officers group should ensure that they are satisfied with proposed action and have a mechanism in place to assess progress and monitor outcomes.
7. We have included in this report only those matters that have come to our attention as a result of our normal audit procedures; consequently, our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.
8. The cooperation and assistance afforded to the audit team during the course of the audit is gratefully acknowledged.

# Audit of the 2014/15 financial statements

<b>Audit opinion</b>	<ul style="list-style-type: none"><li>• We have completed our audit and issued an unqualified independent auditor’s report.</li></ul>
<b>Going concern</b>	<ul style="list-style-type: none"><li>• The financial statements have been prepared on the going concern basis. We are unaware of any events or conditions that may cast significant doubt on RVJB to continue as a going concern.</li></ul>
<b>Other information</b>	<ul style="list-style-type: none"><li>• We review and report on other information published with the financial statements, including the management commentary, annual governance statement and the remuneration report. We have nothing to report in respect of these statements.</li></ul>

## Submission of financial statements for audit

9. We received the unaudited financial statements on 3 June 2015, in accordance with the agreed timetable. The working papers were of a high standard and staff provided good support to the audit team.

## Overview of the scope of the audit of the financial statements

10. Information on the integrity and objectivity of the appointed auditor and audit staff, and the nature and scope of the audit, were outlined in our Annual Audit Plan provided to management in March 2015.
11. As part of the requirement to provide full and fair disclosure of matters relating to our independence, we can confirm that we have not undertaken non-audit related services. The 2014/15 agreed fee

for the audit was set out in the Annual Audit Plan and, as we did not carry out any work additional to our planned audit activity, the fee remains unchanged.

12. The concept of audit risk is of central importance to our audit approach. During the planning stage of our audit we identified a number of key audit risks which involved the highest level of judgement and impact on the financial statements and consequently had the greatest effect on the audit strategy, resources and effort. We set out in our Annual Audit Plan the audit work we proposed to undertake to secure appropriate levels of assurance. **Appendix I** sets out the significant audit risks identified during the course of the audit and how we addressed each risk in arriving at our opinion on the financial statements.

13. Our audit involved obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

## Materiality

14. Materiality can be defined as the maximum amount by which auditors believe the financial statements could be misstated and still not be expected to affect the decisions of users of financial statements. A misstatement or omission, which would not normally be regarded as material by amount, may be important for other reasons (for example, an item contrary to law).

15. We consider materiality and its relationship with audit risk when planning the nature, timing and extent of our audit and conducting our audit programme. Specifically with regard to the financial statements, we assess the materiality of uncorrected misstatements, both individually and collectively.

16. We summarised our approach to materiality in our Annual Audit Plan. Based on our knowledge and understanding of RVJB we set our planning materiality for 2014/15 at £27,346 (1% of gross expenditure). We report all misstatements greater than £1,000. Performance materiality was calculated at £13,673 to reduce to an acceptable level the probability of uncorrected and undetected audit differences exceeding our planning materiality level.
17. On receipt of the financial statements we reviewed our materiality levels. Materiality remained at 1% but all pension costs were now

included and materiality increased to £28,416 and performance materiality to £14,208.

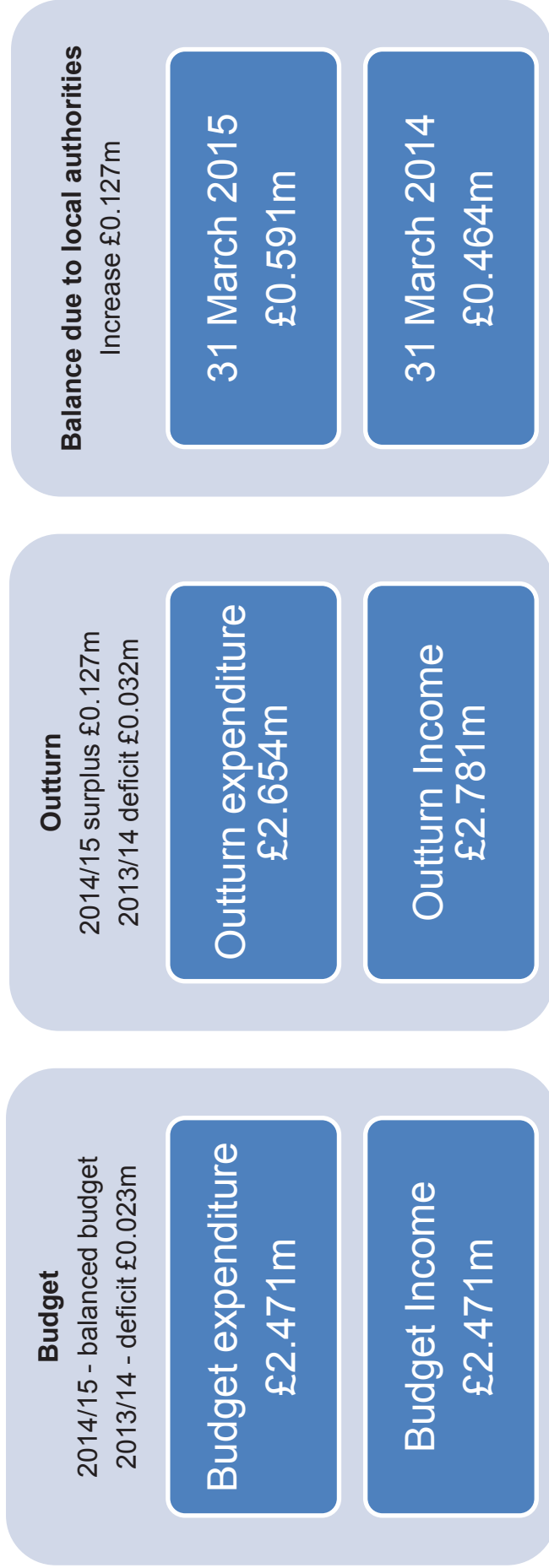
## Evaluation of misstatements

18. A number of presentational adjustments were identified within the financial statements during the course of our audit. These were discussed with relevant officers who agreed to amend the unaudited financial statements. We have no unadjusted misstatements to bring to your attention.

## Significant findings from the audit

19. International Standard on Auditing 260 requires us to communicate to you significant findings from the audit, including:
- The auditor's views about significant qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures.
  - Significant difficulties encountered during the audit.
  - Significant matters arising from the audit that were discussed, or subject to correspondence with management.
  - Written representations requested by the auditor.
  - Other matters which in the auditor's professional judgment, are significant to the oversight of the financial reporting process.
20. There are no matters, others than those set out elsewhere in this report, to which we wish to draw your attention.

# Financial management and sustainability



## Financial management

21. RVJB sets an annual budget to meet its commitments for the forthcoming financial year. Regular monitoring of expenditure and income against agreed budgets is central to effective financial management.

## Financial outcomes

22. RVJB incurred an accounting deficit on the provision of services of £0.061m, as shown in the Comprehensive Income and Expenditure Statement (CIES). In the CIES, cost of services increased from £2.591m to £2.735m, a 5.6% increase. The main increases from 2013/14 are on supplies and services which are for IT costs related to Public Sector Network (PSN) accreditation. The majority of costs

were recovered and included in other income which increased from £0.175m to £0.476m.

**23.** The surplus as presented in the management commentary (and in the table above), of £0.127m is different because it is prior to items such as pension adjustments and employee leave accrual. As the budget is prepared and monitored against in this way, it is appropriate for the management commentary details to be presented as such.

**24.** When compared to budget, both outturn income and expenditure were higher than expected resulting in the year end surplus position of £0.127m. Overspends recorded against employee costs, supplies and services were offset by an over recovery in other income.

**25.** The overspend in employee costs of £0.078m was due to additional canvassing work relating to the roll out of the Independent Electoral Registration Scheme (IER) and staff overtime leading up to the Scottish Referendum. The higher employee costs were partially offset by vacancies in the valuations department and staff on maternity leave. The costs relating to IER and the Scottish Referendum were fully recovered from the Cabinet Office and the Scottish Government and have been included in Other Income.

### Financial management arrangements

**26.** As auditors, we need to consider whether public sector organisations have established adequate financial management arrangements. We do this by considering a number of factors, including whether:

- financial regulations are comprehensive, current and promoted within RVJB
- reports monitoring performance against budgets are accurate and provided regularly to budget holders
- monitoring reports do not just contain financial data but are linked to information about performance.

**27.** Internal audit confirmed that a review and update of RVJB's financial regulations and codes was undertaken during 2014/15, to ensure that any revisions made to the Renfrewshire Council financial regulations and codes are incorporated as appropriate.

**28.** Revenue budget monitoring reports are submitted to the Joint Board on a quarterly basis. As well as providing comments on income and expenditure to date, the reports forecast the year-end outturn.

### Financial sustainability

**29.** Financial sustainability means that RVJB has the capacity to meet the current and future needs of its users. In assessing financial sustainability we are concerned with whether:

- there is an adequate level of reserves
- spending is being balanced with income in the short term
- long term financial pressures are understood and planned for
- investments in services are effective.

Effective long-term financial planning, asset management and workforce planning are crucial to sustainability.

### Pension liability

30. The net liability on RVJB's balance sheet increased by £1.506m, from £2.500m in 2013/14 to £4.006m in 2014/15. The main reason for this increase is the pension liability rise from £2.443m to £3.966m. This 64% increase is driven by changes in pension actuary's assumptions, mainly by the reduction in the net discount rate over this period.
31. The pension liability represents the difference between expected future pension payments and the underlying value of pension fund assets available to meet this cost.
32. A material net liability can highlight a potential going concern issue however we recognise that the appointed actuary is of the view that the asset holdings and contributions from employees and employers together with increases in contributions provide security over future liabilities. In light of these factors, it is reasonable that the accounts are prepared on a going concern basis.

but due to the level of income from recovery of costs that changed to adding £0.127m to working balances.

35. In previous years we have noted the growing balance and that while some of level of contingency is desirable to cover unexpected costs RVJB had not earmarked any reserves. The closing balance represents 24% of 2015/16 expenditure budget but we can see plans for using some of the balances for voluntary exit packages.

**Table 1: Reserves/ balances due to local authorities**

As at 31 March	2016 projected	2015	2014	2013
Balances due to local authorities	£206,391	£591,440	£463,991	£496,334

Source: Renfrewshire Valuation Joint Board Annual Accounts 2012/13-2014/15

### Financial planning

36. RVJB approved its 2015/16 budget in January 2015. The 2015/16 budget of total expenditure was set at £2.428m, a decrease of £0.043m from 2014/15. The main alterations from the previous year is budgeting for an increase in employee costs of £0.058 million, assuming a pay increase of 1.5%, and reducing budgeted administration costs by £0.116 million from 2014/15 levels.
37. In their revenue budget report for 2015/16, RVJB reported that they would undertake a staffing review to assess whether any employees

### Balances due to local authorities

33. Like all joint boards, RVJB has no specific powers to retain reserves to meet future requirements and technically the amounts are due to local authorities. These balances are used to support medium term financial planning and address any unforeseen costs.
34. The overall level of unallocated reserves held by RVJB increased by £0.127m. When the 2015/16 budget was prepared in January 2015, it was anticipated £0.017m would be drawn from working balances

would be interested in voluntary redundancy (VR) /voluntary early retirement (VER). It is anticipated that costs, up to a maximum of £0.200m, can affordably be met from existing reserve balances.

## Conclusion

38. Over the past two years RVJB has been able to recover costs on large projects like PSN and IER however, Other Income has been significantly different from that budgeted and the level of balances due to local authorities has been growing but there had been no plans to use the balances. With VR/VER plans in place for 2015-16, balance should reduce.

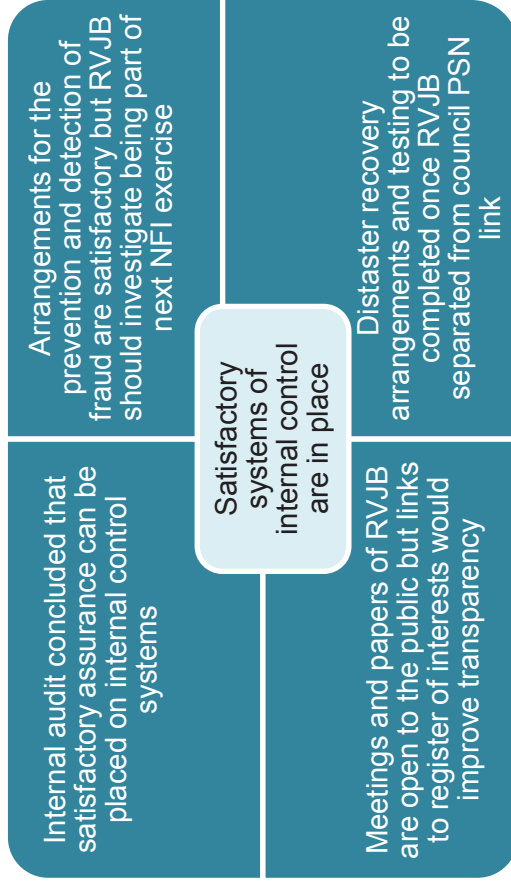
### Appendix IV – action plan point 1

## Outlook

39. An indicative budget has also been prepared for 2016/17 although the funding settlement for that year and beyond is uncertain. It is recognised that over the medium term the funding position of local government across Scotland is likely to involve a further period of contraction in available resources. The level of any contraction has yet to be established and is unlikely to emerge until December 2015. It is currently forecast that RVJB will be required to find recurrent savings in the region of £0.100m to £0.200m by 2016/17, depending on local government settlement levels.



# Governance and transparency



understandable, relevant and timely information about how RVJB is taking decisions and how it is using its resources. Overall we concluded that RVJB is open and transparent.

## Corporate governance

42. The Code of Audit Practice gives auditors a responsibility to review and report on audited bodies' corporate governance arrangements and we found that RVJB has satisfactory governance arrangements in place. In 2014 a number of policies and procedures were reviewed, in line with the phased programme. These include the Code of Conduct for RVJB employees, the whistleblowing policy and the introduction of a Declaration of Interest form for both senior officers and staff.

## Internal control

43. While auditors concentrate on significant systems and key controls in support of the opinion on the financial statements, their wider responsibilities require them to consider the financial systems and controls of audited bodies as a whole. However, the extent of this work should also be informed by their assessment of risk and the activities of internal audit.
44. With Renfrewshire Council (the council) being the host for RVJB, all financial transactions of RVJB are processed through the financial systems of the council and are subject to the same controls and scrutiny of the council including regular reviews of internal audit.

40. Members and management of RVJB are responsible for establishing arrangements to ensure that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and for monitoring the adequacy and effectiveness of these arrangements. We concluded that the RVJB has effective overarching and supporting governance arrangements which provide an appropriate framework for organisational decision making.
41. Citizens should be able to hold RVJB to account about the services it provides. Transparency means that citizens have access to

45. In the Internal Audit Annual Report 2014/15 on RVJB, the Chief Auditor concluded that satisfactory assurance can be placed upon the adequacy and effectiveness of RVJB's internal control, risk management and governance arrangements.

### Internal audit

46. Internal audit provides members and management of RVJB with independent assurance on risk management, internal control and corporate governance processes. We are required by international auditing standards to make an assessment of internal audit to determine the extent to which we can place reliance on its work. To avoid duplication, we place reliance on internal audit work where possible.

47. Our review of internal audit concluded that they operate in accordance with the Public Sector Internal Audit Standards and have sound documentation standards and reporting procedures in place. We placed reliance on their work on treasury management and payroll systems.

### Public service network and ICT

48. Last year we reported that after discussion with the Cabinet Office and Renfrewshire Council, who have been hosting /managing the majority of the IT services, RVJB chose to provide their own IT capability internally and to become PSN compliant in their own right. They were looking to implement their own connection to the PSN

network as opposed to connecting via the Renfrewshire Council system.

49. RVJB achieved PSN accreditation in October 2014 and recently completed a separate connection. The final stage is for Renfrewshire Council to separate RVJB from the council PSN connection but this work has still to take place.

### Appendix IV – action plan point 2

50. Last year we noted that internal audit had reported that areas of the disaster recovery arrangements needed to be improved upon as a matter of urgency to ensure the organisation can continue to provide their services during a period of interruption. The senior management team are rewriting the disaster recovery plan under PSN guidelines and then testing will take place.

### Appendix IV – action plan point 3

## Arrangements for the prevention and detection of fraud

51. In our Annual Audit Plan we highlighted the responsibility audited bodies have for establishing arrangements to prevent and detect fraud and other irregularities. In our opinion the overall arrangements for the prevention of fraud within RVJB are satisfactory, although it should be noted that no system can eliminate the risk of fraud entirely.

52. RVJB is not part of this year's National Fraud Initiative (NFI). NFI is a counter-fraud exercise led by Audit Scotland, overseen by the Cabinet Office for the UK as a whole. It uses computerised

techniques to compare information about individuals held by different public bodies, and on different financial systems, to identify circumstances (matches) that might suggest the existence of fraud or error. These exercises are undertaken every two years. <http://www.audit-scotland.gov.uk/work/nfi.phpf>. We would encourage RVJB to consider being involved in the next exercise in 2016/17.

information on corporate policies, targets and performance. We concluded that the financial statements are clear and actual expenditure and income clearly linked to budgeted figures, as described in the commentary. However, there is no link to registers of interest for members or senior officers.

#### **Appendix IV – action plan point 4**

### **Arrangements for maintaining standards of conduct and the prevention and detection of corruption**

53. The arrangements for the prevention and detection of corruption in RVJB are satisfactory and we are not aware of any specific issues that we need to record in this report.

### **Transparency**

54. When assessing transparency we consider questions such as:
- Are meetings are held in public?
  - Are papers and corporate documents available online and there is only limited use of taking papers in private?
  - Are financial statements clearly presented and budget monitoring papers concise and clear?
  - Is a register of interests available on the website?
55. Meetings of RVJB are held in public and papers available from the Renfrewshire Council website. RVJB website also publishes

# Best Value and performance

56. Best value is a key factor to consider when planning policies, programmes and projects and when taking any spending decisions. The council should have systems and processes to ensure that it can demonstrate that it is delivering best value by assessing and reporting on the economy, efficiency, effectiveness and equality in service provision.

## Performance management

57. Over the past five years RVJB has been working on significant projects including individual electoral registration and working towards the independence referendum in 2014. Access to IER funding ends on 31 December 2015 and challenge is now to move the IER project into standard part of RVJB's work.
58. 2015 is the final year of the five year Service Statement 2010/2015 by the Assessor and Electoral Registration Officer.
59. Each year the Assessor and Electoral Registration Officer prepare performance reports which are provided to members and available on RVJB website. Examples of performance are included below.

## Overview of performance targets in 2014/15

60. A key task for RVJB is to encourage electoral participation. As at 31 March 2015, the Electoral Registration officer concluded that legally satisfactory information is held for 96.75% (97.5% for 2013/14 and 2012/13) of residential properties across the joint board area.
61. RVJB maintains an up to date valuation list by adding new houses and the deletion of demolished houses. The Table below shows the performance figures for 2014/15.

**Table 2: Time taken to enter new houses onto CT list**

Time taken to enter new houses into the Valuation (Council Tax) List – Period 1st April 2014 to 31st March 2015				
Council Area	No. Added	Within 3 months	Between 3 & 6 months	More than 6 months
Renfrewshire	565	560	5	0
East Renfrewshire	252	239	10	3
Inverclyde	130	128	2	0
<b>Total</b>	<b>947</b>	<b>927</b>	<b>17</b>	<b>3</b>

62. The performance exceeded targets of 95% within three months but the target of 99.5% within 6 months was not achieved as the final performance was 98.21%. The 947 houses added in the year was down on previous years figures (1,019 in 2013/14, 1,171 in 2012/13)

and the average number of days taken to add a house to the valuation list was 24.90 days, within the 38 day target.

requisitions level remain at £2.291m for 2015-16, the same level for a third year in a row.

## National performance audit reports

63. Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. During 2014/15, a number of reports were issued specifically covering local government topics. These are outlined in appendix III. While these reports might not directly cover the work of RVJB, there may be lessons learned or helpful information on wider issues in local government. However, there are no formal processes in place to update members on these reports and disseminate the impact for RVJB.

### Appendix IV – action plan point 5

## Outlook

64. RVJB met the significant challenge of implementing Individual Electoral Registration and in 2015/16 is planning for the next significant project; the revaluation of all non domestic properties due for 2017. Good financial management remains a priority as



# Appendix I – Significant audit risks

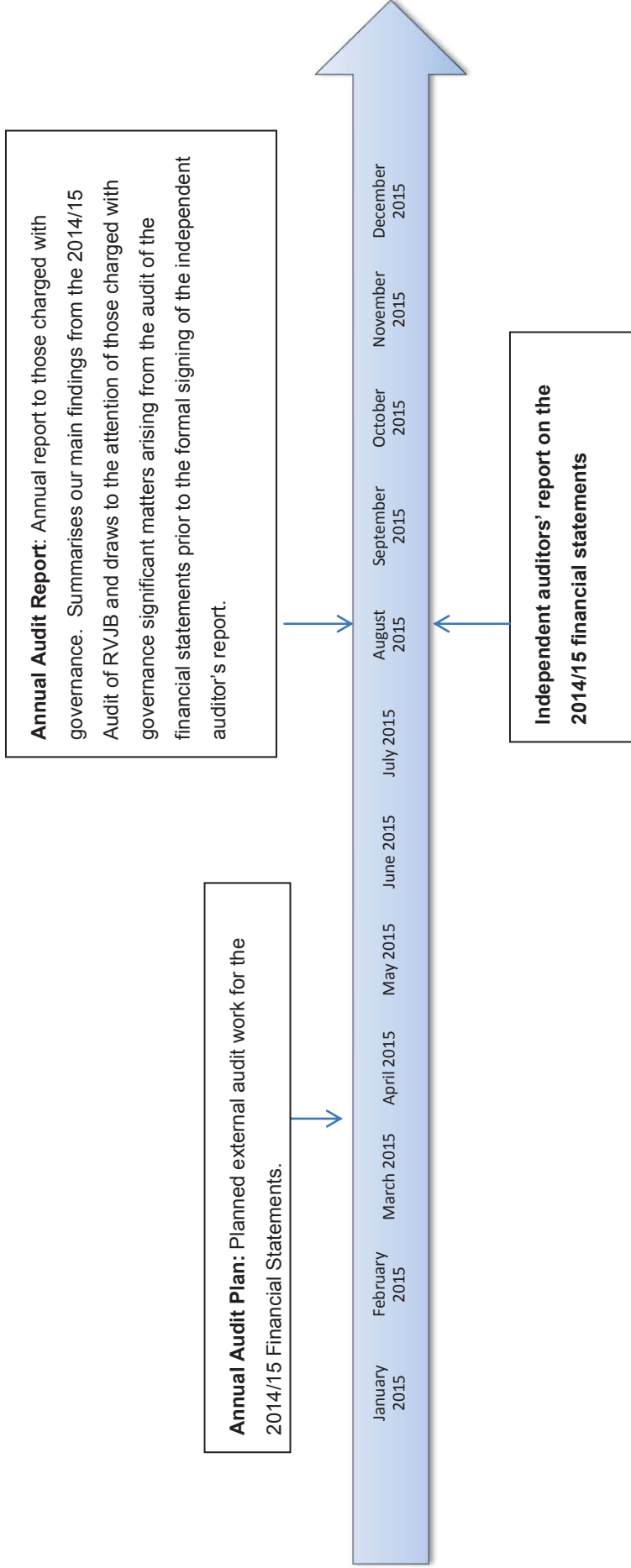
The table below sets out the financial statement audit risks we identified during the course of the audit and how we addressed each risk in arriving at our opinion on the financial statements.

Audit Risk	Assurance procedure	Results and conclusions
<p><b>Risk of material misstatement</b></p> <p><b>Management override of controls</b> As stated in ISA 240, management is in a unique position to perpetrate fraud because of management’s ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p>	<ul style="list-style-type: none"> <li>Detailed testing of journal entries.</li> <li>Review of accounting estimates for bias.</li> <li>Evaluating significant transactions that are outside the normal course of business.</li> </ul>	<p>No issues have arisen as part of our audit work that would indicate management override of controls affecting the outcome or year-end position.</p>
<p><b>Income Recognition</b> In previous years income from the Cabinet Office was sometimes received in advance of work while other income was received for work which had already taken place. There is a risk that income is accounted for in the wrong accounting period.</p>	<ul style="list-style-type: none"> <li>Review of the project costs as part of the financial statements audit to ensure that income and expenditure has been accurately matched.</li> <li>Cut-off testing will be undertaken on this account area to ensure income is accounted for in the correct financial year.</li> </ul>	<p>No issues were identified with the recognition of income from the Cabinet Office. Officers had introduced improved monitoring and recording of income and related expenditure.</p>

Audit Risk	Assurance procedure	Results and conclusions
<p><b>Annual Governance Statement</b></p> <p>The Annual Governance Statement is replacing the System of Internal Financial Control in 2014/15. The AGS requires greater detail in it and management may not include sufficient information to satisfy the Regulations.</p>	<ul style="list-style-type: none"> <li>Review of disclosures in the annual governance statement against the <i>Delivering good governance in local government</i>: framework.</li> <li>Ensure disclosures are consistent with the information in the financial statements.</li> </ul>	<p>The annual governance statement followed the guidelines and was consistent with information on the audit. There was only a minor presentation change to wording.</p>
<p><b>Review of policies</b></p> <p>The Joint Board are to revisit their policy database in 2015 to review existing policies and all new ICT policies. A number of new ICT policies were required as part of the PSN compliance work in 2014.</p> <p>There is a risk the annual governance statement does not reflect the position with review of the policy database.</p>	<ul style="list-style-type: none"> <li>We will follow up progress on the review of the policies to be provided in our final report on the audit.</li> <li>We will review the annual governance statement disclosures.</li> </ul>	<p>This is an on-going process with three policies going to the September meeting of the Board.</p> <p>No additional disclosures needed for the governance statement.</p>
<p><b>Management Commentary</b></p> <p>The 2014 regulations require the annual accounts to include a management commentary. The Commentary will include a number of additional disclosures in comparison to the current explanatory foreword.</p>	<ul style="list-style-type: none"> <li>Ensure information in management commentary is consistent with that contained in the financial statement.</li> </ul>	<p>We compared the management commentary to the Scottish Government guidance issued. In general the commentary met the guidance.</p>

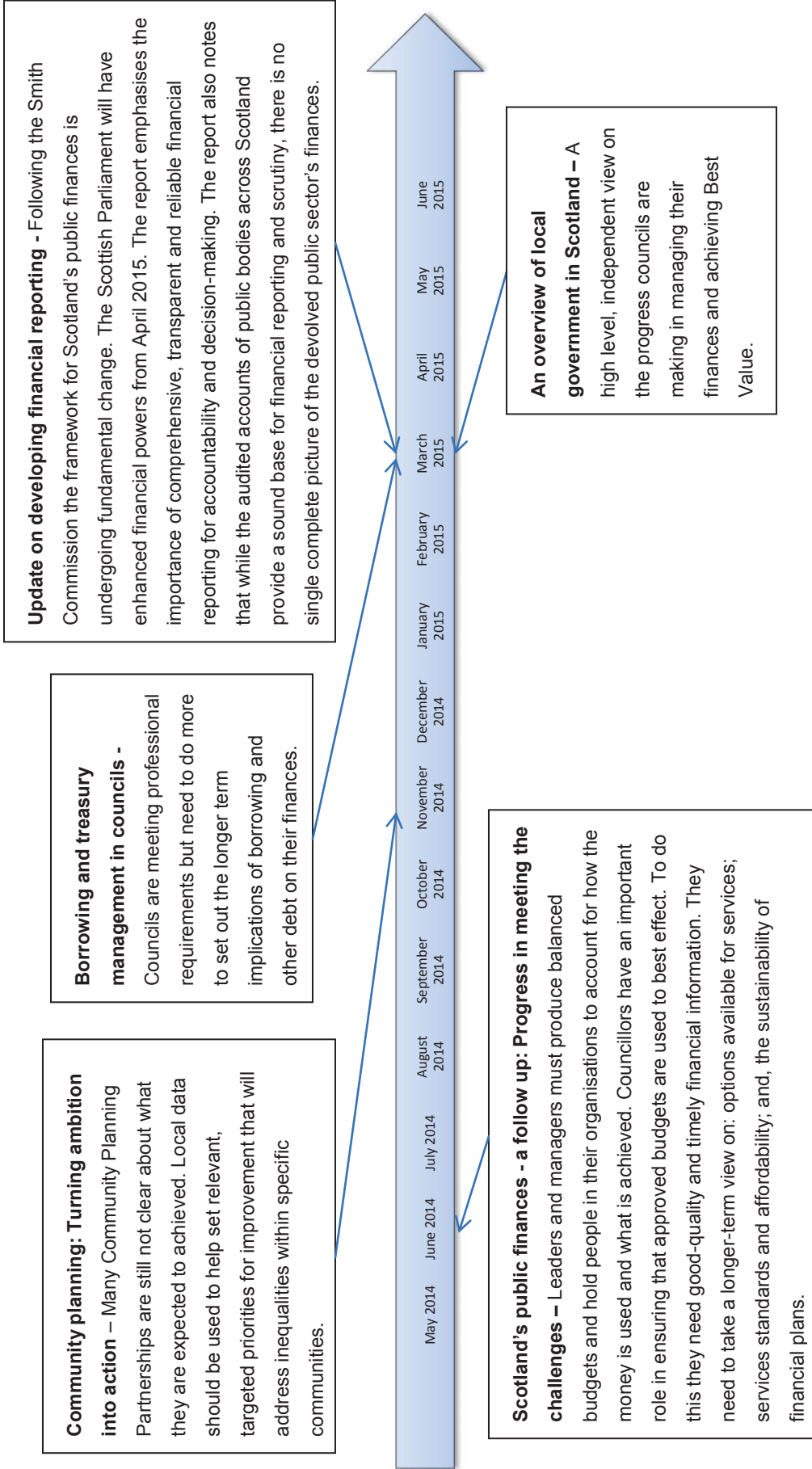


# Appendix II - Summary of local audit reports 2014/15





# Appendix III - Summary of national reports 2014/15





# Appendix IV - Action plan

No. Page/para	Issue/risk/Recommendation	Management action/response	Responsible officer	Target date
1 11/38	<p><b>Balances due to local authorities</b> The level of reserves at 31 March 2016 represents 24% of gross expenditure for 2015/16.</p> <p><b>Risk</b> RVJB might not be making best use of accumulated balances. Staff may not express interest in the VER scheme, leaving again a high level of reserves balances at the year end.</p> <p><b>Recommendation</b> Level of reserves should be reviewed for 2016/17 budget setting and plans implemented to use part of reserves in 2015/16.</p>	<p>In 2015/16, RVJB will be undertaking a staffing review and have earmarked £200k of reserve balances for VER.</p> <p>Treasurer and Assessor continue to monitor level of balances and should there be delays with VER, they update members with progress on utilising balances.</p>	Treasurer and Assessor	30 November 2015

No. Page/para	Issue/risk/Recommendation	Management action/response	Responsible officer	Target date
<p><b>2</b> <b>13/49</b></p>	<p><b>PSN connection</b> RVJB achieved PSN accreditation in October 2014 and recently completed a separate connection. The final stage is for Renfrewshire Council to separate RVJB from the council PSN connection but this work has still to take place.</p> <p><b>Risk</b> There is a risk RVJB incur additional costs and confusion over who has responsibility over security of connections.</p> <p><b>Recommendation</b> RVJB work with Renfrewshire Council officers and agree a timetable for RVJB to be disconnected from council PSN.</p>	<p>Assessor and Deputy assessor will liaise with Treasurer to agree a timetable for RVJB to be separated from the Renfrewshire Council PSN.</p>	<p>Treasurer and Assessor</p>	<p>31 September 2015</p>

No. Page/para	Issue/risk/Recommendation	Management action/response	Responsible officer	Target date
<p><b>3</b> <b>13/50</b></p>	<p><b>Disaster Recovery</b> RVJB achieved PSN accreditation in October 2014 and recently completed a separate connection. The final stage is for Renfrewshire Council to separate RVJB from the council PSN connection but this work has still to take place.</p> <p><b>Risk</b> There is a risk that RVJB would not be able to provide services during a period of interruption, or quickly get services up and running after a period of interruption.</p> <p><b>Recommendation</b> Implementation plans are prepared which include timetable for testing disaster recovery plans.</p>	<p>The senior management team are rewriting the disaster recovery plan under PSN guidelines and then testing will take place.</p>	<p>Deputy Assessor</p>	<p>31 September 2015</p>
<p><b>4</b> <b>14/55</b></p>	<p><b>Register of interests</b> The register of interests is not available on-line.</p> <p><b>Risk</b> There is a risk that RVJB is not demonstrating that there are no conflicts of interests in its decision making.</p> <p><b>Recommendation</b> The register of interests is put onto RVJB website.</p>	<p>Members' registers are available of their own council websites and we will look at putting links from our own website to these sites. Register of interests for senior officers will be put onto the RVJB website.</p>	<p>Deputy Assessor</p>	<p>30 September 2015</p>

No. Page/para	Issue/risk/Recommendation	Management action/response	Responsible officer	Target date
<p><b>5</b> <b>16/63</b></p>	<p><b>Audit Scotland National Reports</b> There is no formal process in place to review Audit Scotland national reports pertinent to RVJB.</p> <p><b>Risk</b> There is a risk that RVJB miss out on lessons learned from other audits across local government.</p> <p><b>Recommendation</b> Audit Scotland reports are reviewed by officers and summary information or lessons learned disseminated to members.</p>	<p>Deputy assessor will put in place arrangements for reports to be reviewed and decide which should be summarised for members.</p>	<p>Deputy Assessor</p>	<p>30 November 2015</p>





# Renfrewshire Valuation Joint Board

**Report to :** Renfrewshire Valuation Joint Board

**Meeting on :** 21 August 2015

**Subject :** Performance Report

**Author :** Divisional Assessor & Assistant 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 2015 to 30<sup>th</sup> June 2015

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	128	122	95.31%	6	4.69%	100%	0	0%
East Renfrewshire	64	60	93.76%	4	6.25%	100%	0	0%
Inverclyde	55	55	100%	0	0%	100%	0	0%
<b>RVJB totals</b>	<b>247</b>	<b>237</b>	<b>95.55%</b>	<b>10</b>	<b>4.04%</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

This performance meets our target of 95% within three months and exceeds our target of 99.5% within 6 months.

In the period from 1 April 2015 to 30<sup>st</sup> June 2015, the average number of days taken to add a house was as follows:

Council Area	No. Added	Average No. of Days
Renfrewshire	128	25.85
East Renfrewshire	64	23.24
Inverclyde	55	22.33
<b>RVJB Totals</b>	<b>247</b>	<b>24.37</b>

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 1<sup>st</sup> April and 30<sup>st</sup> June during 2014 and 2015

Council Area	No. Deleted 2014	No. Deleted 2015
Renfrewshire	9	18
East Renfrewshire	8	3
Inverclyde	139	0
<b>RVJB Total</b>	<b>156</b>	<b>21</b>

### 3.0 Non-domestic Valuation

One of the main areas of work in non domestic valuation at the moment 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 2015 to 30<sup>th</sup> June 2015

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	68	68	100.00%	0	0.00%	100.00%	0	0.00%
East Renfrewshire	28	27	96.37%	0	0.00%	100.00%	1	3.57%
Inverclyde	27	27	100.00%	0	0.00%	100.00%	0	0.00%
<b>RVJB totals</b>	<b>123</b>	<b>122</b>	<b>99.19%</b>	<b>0</b>	<b>0.00%</b>	<b>100.00%</b>	<b>0</b>	<b>0.81%</b>

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 is ahead of our target of 80% to be actioned within 3months and 95% within 6months although it is still very early within the reporting year.

#### 4.0 General Conclusions,

The performance levels detailed are in line with our expectations.

#### 5.0 Recommendations

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

Lindsey Hendry  
Divisional Assessor & Assistant ERO  
5 August 2015

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





# Renfrewshire Valuation Joint Board

**Report to:** Renfrewshire Valuation Joint Board  
**Meeting on:** 21 August 2015  
**Subject:** Electoral Registration Report  
**Author:** Assessor & Electoral Registration Officer

## 1.0 Introduction

This report provides an update on electoral registration matters to the members and is intended to keep members informed of current activities and issues facing the Board.

## 2.0 Individual Electoral Registration

It has been announced that the Transition Phase of IER will come to an end on 1<sup>st</sup> December this year (see appended letter from the Minister). This will mean that any unconfirmed electors who were retained during the transition phase will be removed. The numbers of unconfirmed electors on 1<sup>st</sup> August at the start of the Annual Canvass were:

Council Area	Unconfirmed Electors	Unconfirmed Electors in Residential Establishments	Total Unconfirmed Electors
East Renfrewshire	1,713	196	1,909
Inverclyde	1,632	245	1,877
Renfrewshire	3,347	278	3,625
<b>Total</b>	<b>6,692</b>	<b>719</b>	<b>7,411</b>

At present, unconfirmed electors remain on the Register and are able to vote. They are prevented from having any absent vote facility unless they register under IER.

These electors will be issued with a further Invitation to Register as part of the annual canvass and a tailored correspondence highlighting their removal from the Register if they do not respond. Those unconfirmed electors who are registered within Residential Establishments will be treated differently – a member of staff will make direct contact with the Residential Establishment

### 3.0 Annual Canvass

The 2015 Annual Canvass began in earnest with the issue of Household Enquiry Forms during the week beginning 3<sup>rd</sup> August. Royal Mail would have been delivering over several days during that week.

Electors have a number of options on receipt of forms:

- Register online using the Government Digital Service,
- Notify the ERO of “Changes” and “No Changes” via the Form and return by Post,
- Submit notification of “Changes” and “No Changes” by Telephone, Text or Internet,
- Visit or call the Registration Office if assistance is required.

A short term issue was discovered very early in the process. This resulted from the security code format being out of step with the agreed format as printed on the Forms. This matter was rectified within two hours.

The initial phase will run to 25<sup>th</sup> August after which, First Reminder Forms will be posted. Thereafter, we will begin the Door-to-Door canvass which will be conducted in the now routine manner.

The Register will be published on 1<sup>st</sup> December and any electors who were carried forward through IER Transition will be removed from the Registers.

### 5.0 Rolling Registration

This is the process for maintaining the Registers between Annual Canvasses and, this year has been in operation since March with updates published from April, including supplementary updates associated with the General Elections. A summary of the changes made is appended.

### 6.0 “Write-out” to Electors regarding Rejected Absent Votes

The first such exercise was carried out at this time in 2014, following the European Elections, when I wrote to every one of the individual electors whose Absent Vote had been rejected to explain that this had happened and to offer the opportunity to supply a fresh Postal Vote Application.

This applied to a very small number of Absent Voters and their vote was typically due to incorrect date-of-birth, printing rather than signing or signing the wrong form (husband/wife or father/son).

The UK Government decided that this should be repeated following the General Election and the following numbers were involved.

A summary of the impact:

Council Area	Total Absent Voters	Total Rejection Letters Issued	Total of Absent Vote Deletions (31 July)
East Renfrewshire	14,288	334	74
Inverclyde	12,494	251	62
Renfrewshire	25,928	240	68
<b>Total</b>	<b>52,710</b>	<b>825</b>	<b>204</b>

### 7. Recommendations/...

## **7. Recommendations**

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

Alasdair MacTaggart  
Assessor & ERO  
12<sup>th</sup> August 2015

For further information please contact Alasdair MacTaggart on 0141-618-5900 or via email at [alasdair.mactaggart@renfrewshire-vjb.gov.uk](mailto:alasdair.mactaggart@renfrewshire-vjb.gov.uk)

## **Appendix 1**

### Rolling Registration.

The table on the following page details the number of changes that have been made via monthly updates during the currency of the current Electoral Register.

Information relating to Rolling Registration changes comes from a variety of sources and we rely heavily on the continuing flow of information to ensure changes are effected as quickly as possible. The main sources, apart from electors are Councils, Landlords and Registers of Scotland. Our targeted activity in respect on unconfirmed electors has had an effect on the changes in electorate since June.



## Appendix 1: Rolling Registration changes by local authority area

Renfrewshire Council	Electors		Alterations to Existing Electors				Electorate Change
	Additions	Deletions	Address Changes	Maturity Date	Name Changes	Changes to Opts-in/out	
01-Apr-14	728	436	3	1	40	146	292
09-Apr-14	2,438	1,154	1	2	80	172	1,284
16-Apr-14	386	201	0	1	10	15	185
29-Apr-14	3,091	552	0	4	43	203	2,539
01-Jun-15	618	1,257	0	0	12	20	-639
01-Jul-14	315	981	2	0	20	32	-666
01-Aug-14	345	983	21	1	34	99	-638
<b>Total for Renfrewshire</b>	<b>7,921</b>	<b>5,564</b>	<b>27</b>	<b>9</b>	<b>239</b>	<b>687</b>	<b>2,357</b>

East Renfrewshire Council	Electors		Alterations to Existing Electors				Electorate Change
	Additions	Deletions	Address Changes	Maturity Date Changes	Name Changes	Changes to Opts-in/out	
01-Apr-14	301	207	0	0	27	78	94
09-Apr-14	1,088	614	0	1	41	103	474
16-Apr-14	143	91	9	0	6	16	52
29-Apr-14	1,489	306	0	0	17	63	1,183
01-Jun-15	220	626	3	0	10	10	-406
01-Jul-14	121	493	6	0	7	12	-372
01-Aug-14	159	485	50	1	21	70	-326
<b>Total for East Renfrewshire</b>	<b>3,521</b>	<b>2,822</b>	<b>68</b>	<b>2</b>	<b>129</b>	<b>352</b>	<b>699</b>

Inverclyde Council	Electors		Alterations to Existing Electors				Electorate Change
	Additions	Deletions	Address Changes	Maturity Date Changes	Name Changes	Changes to Opts-in/out	
01-Apr-14	380	208	0	0	26	88	172
09-Apr-14	991	544	0	2	41	75	447
16-Apr-14	161	67	0	1	3	14	94
29-Apr-14	1,484	263	1	0	16	59	1,221
01-Jun-15	279	605	4	1	6	27	-326
01-Jul-14	130	428	0	0	4	60	-298
01-Aug-14	136	518	2	0	18	53	-382
<b>Total for Inverclyde</b>	<b>3,561</b>	<b>2,633</b>	<b>7</b>	<b>4</b>	<b>114</b>	<b>376</b>	<b>928</b>

Joint Board in Total	Electors		Alterations to Existing Electors				Electorate Change
	Additions	Deletions	Address Changes	Maturity Date	Name Changes	Changes to Opts-in/out	
01-Apr-14	1,409	851	3	1	93	312	558
09-Apr-14	4,517	2,312	1	5	162	350	2,205
16-Apr-14	690	359	9	2	19	45	331
29-Apr-14	6,064	1,121	1	4	76	325	4,943
01-Jun-15	1,117	2,488	7	1	28	57	-1,371
01-Jul-14	566	1,902	8	0	31	104	-1,336
01-Aug-14	640	1,986	73	2	73	222	-1,346
<b>Total for Joint Board</b>	<b>15,003</b>	<b>11,019</b>	<b>102</b>	<b>15</b>	<b>482</b>	<b>1,415</b>	<b>3,984</b>

## Appendix 2: Ministerial Notification of end of IER Transition

Written Ministerial Statement – John Penrose MP

Title: Individual Electoral Registration

I am today laying before Parliament the Electoral Registration and Administration Act 2013 (Transitional Provisions) Order 2015, which will end the transition to Individual Electoral Registration (IER) in December 2015.

The Electoral Commission has recommended that the transition to IER should end in December 2016. The Government is concerned that by retaining “carry forward” electors (those who have not yet registered under the new system of Individual Electoral Registration) beyond December this year, this will pose an unacceptable risk to the accuracy of the register. Since the registers published by 1 December 2015 will be used for the Parliamentary Boundary Review and then the elections in May 2016, retaining carry forward electors risks having an unknown number of redundant entries on the registers, which would distort the results of the Boundary Review, increase the risk of electoral fraud, and potentially compromise the integrity of those elections.

The Government does not agree that we should be making a choice between completeness and accuracy, given the importance of both elements in delivering a fair democratic system which commands the confidence and respect of voters. We need to be more ambitious. We can and should aim to achieve both, which is why the Government believes it is crucial that the registers used to conduct the Parliamentary boundary review and for next year’s elections are as complete and as accurate as they can possibly be.

The remaining “carry-forward” group of electors is already only a third of its original size and by December they will have been contacted at least 9 times to encourage them to register individually. In addition to this, I am pleased to announce that up to £3 million of additional funding is being made available for all Electoral Registration Officers in Great Britain to target their non IER registered carry forward electors.

This funding will be targeted primarily at those authorities which have more than five per cent of their register consisting of carry forward electors. All authorities however will be entitled to bid for funding, if they feel they need to take additional steps to target this group of electors.



# Renfrewshire Valuation Joint Board

**Report to:** Renfrewshire Valuation Joint Board  
**Meeting on:** 21 August 2015  
**Subject:** Record Management Policy  
**Author:** Depute Assessor & Electoral Registration Officer

## 1.0 Introduction

The Public Records (Scotland) Act 2011 places an obligation on named authorities in Scotland to produce a records management plan which sets out their arrangements for the effective management of all records. RVJB is a named authority as defined in the act. The creation of a records management policy statement is a mandatory element of the plan, and is necessary in order to identify the procedures to be followed in managing the organisation's public records.

This policy is derived from a "Model" Records Management Plan for Assessors and EROs was devised by the Scottish Assessors Association in conjunction with the Keeper of the Records of Scotland.

## 2. Recommendation

The Board approves the adoption of this policy.

Kate Crawford  
Depute Assessor & ERO  
12 August 2015

For further information please contact Alasdair MacTaggart on 0141-618-5900 or via email at [kate.crawford@renfrewshire-vjb.gov.uk](mailto:kate.crawford@renfrewshire-vjb.gov.uk)

# RENFREWSHIRE VALUATION JOINT BOARD



## Records Management Policy

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## **Statement by the Assessor & Electoral Registration Officer**

*It is the aim of Renfrewshire Valuation Joint Board to achieve efficiency benefits through best practice applied to records management. This is intended to lead to improvements in the use of personnel and financial resources.*

*Best Practice in records management will ensure that all information:*

- Received or created is stored in the appropriate way and easily retrievable.*
- It is retained, destroyed or preserved in accordance with the Board's Retention and Disposal Arrangements.*
- Meets our current needs and our requirements into the foreseeable future.*
- Is capable of enabling change when required.*
- Is easily accessible to users and that the skills and technology are available to achieve this aim.*

*The Public Records (Scotland) Act 2011 emphasises the importance placed on records management in local authorities. It is our aim to draft and implement an effective Records Management Plan in order to meet the requirements of the Act. The Plan will be reviewed at regular intervals to ensure its effectiveness.*

**Assessor & Electoral Registration Officer**

**Date:**

## **1. General**

- 1.1 The Assessor, on behalf of Renfrewshire Valuation Joint Board (RVJB), carries out the functions of valuation of Non-Domestic properties for the purposes of the Valuation Roll; the banding of dwellings for the purposes of the Council Tax List and the Electoral Registration function for the three constituent local authorities.
  
- 1.2 RVJB recognises that the effective management of its records, regardless of format, is essential in order to support its core functions, to comply with legal, statutory and regulatory obligations, and to demonstrate transparency and accountability to all its stakeholders. Records are a vital information asset and a valuable resource for the organisation's decision-making processes, policy creation and operations, and must be managed effectively from the point of their creation until their ultimate disposal.

## **2. Purpose and Scope**

- 2.1 The purpose of this policy is to demonstrate the importance of managing records effectively within RVJB, to outline key aims and objectives in relation to recordkeeping, and to act as a mandate for the support and delivery of records management policies, procedures and initiatives across RVJB.
  
- 2.2 This policy relates to all divisions and sectors of RVJB and all records created by its employees. It relates to the management of records as an internal, facilitating function of the organisation and covers the records created by the organisation, about its activities. It does not relate to the management of any former records that may have been transferred to an archive.
  
- 2.3 The policy relates to all staff. It applies to all records regardless of format or medium, including paper, electronic, audio or visual.
  
- 2.4 The policy is to be read in conjunction with the Service Plan for RVJB, which details the aims, objectives and priorities for RVJB as well as the current recordkeeping practices in place within the organisation. Such aims include the improvement of business efficiency through less time spent searching for information, increased joined up working and improved communications across the organisation as a whole; the demonstration of compliance with statutory and regulatory recordkeeping obligations including the Public Records (Scotland) Act 2011, the Freedom of Information (Scotland) Act 2002, the UK Freedom of Information Act 2000 and the Data Protection Act 1998; and the promotion of openness, transparency, accountability and improved corporate governance.
  
- 2.5 The Public Records (Scotland) Act 2011 places an obligation on named authorities in Scotland to produce a records management plan which sets out their arrangements for the effective management of all records. RVJB is a named authority as defined in the act. The creation of a records management policy statement is a mandatory element of the plan, and is necessary in order to identify the procedures to be followed in managing the organisation's public records.

### 3. What is Records Management?

- 3.1 Records management may be defined as the process whereby an organisation manages its records, whether created internally or externally and in any format or media type, from their creation or receipt, through to their destruction or permanent preservation.
- 3.2 Records management is about placing controls around each stage of a record's lifecycle, at the point of creation (through the application of relevant data relating to a record, version control and naming conventions), during maintenance and use (through the management of security and access classifications, facilities for access and tracking of records), at regular review intervals (through the application of retention and disposal criteria), and ultimate disposal (whether this be recycling, confidential destruction or transfer to an archive for permanent preservation). By placing such controls around the lifecycle of a record, we can ensure they demonstrate the key attributes of authenticity, reliability, integrity and accessibility, both now and in the future.
- 3.3 Through the effective management of the organisation's records, RVJB can provide a comprehensive and accurate account of its activities and transactions. This may be achieved through the management of effective metadata as well as the maintenance of audit trail data.
- 3.4 We retain records that provide evidence of our functions, activities and transactions, for:
- **Operational Use** – to serve the purpose for which they were originally created (eg property records), to support our decision-making processes, to allow us to look back at decisions made previously and learn from previous successes and failure (eg minutes of meetings), and to protect the organisation's assets and rights (e.g Asset Register)
  - **Internal & External Accountability** – to demonstrate transparency and accountability for all actions, to provide evidence of legislative, regulatory and statutory compliance and to demonstrate that all business is conducted in line with best practice (e.g.Policies & Procedures).

### 4. Why is Records Management Important?

- 4.1 Information and records are a valuable corporate asset without which we would be unable to carry out our functions, activities and transactions, meet the needs of our stakeholders, and ensure legislative compliance.
- 4.2 The benefits of implementing records management systems and processes include:
- Improved information sharing and the provision of quick and easy access to the right information at the right time;
  - The support and facilitation of more efficient service delivery;
  - Improved business efficiency through reduced time spent searching for information;
  - Demonstration of transparency and accountability for all actions;
  - The maintenance of a record of the transactions of RVJB;
  - The creation of better working environments and identification of opportunities for office rationalisation;
  - Risk management in terms of ensuring and demonstrating compliance with all legal, regulatory and statutory obligations;
  - The meeting of stakeholder expectations through the provision of good quality services.



## **5. Policy Statement and Commitment**

- 5.1 It is the policy of RVJB to maintain reliable and useable records, which are capable of supporting business functions and activities for as long as they are required. This will be achieved through the consolidation and establishment of effective records management policies and procedures, including:
- The development of a business classification scheme to reflect the functions, activities and transactions of RVJB.
  - The review and consolidation of the retention and disposal schedule to provide clear guidance regarding the management of RVJB records.
  - The review and consolidation of destruction arrangements to detail the correct procedures to follow when disposing of business information.
  - The production of archive transfer arrangements in order to provide advice and guidance on how to securely transfer records to the archive, if appropriate.
  - The review and consolidation of information security policies and procedures in order to protect records and systems from unauthorised access, use, disclosure, disruption, modification, or destruction.
  - The review and consolidation of data protection policies in order to demonstrate RVJB's commitment to compliance with the Act and the safeguarding and fair processing of all personal data held.
  - The continuing review of our business continuity arrangements, encompassing strategies to ensure that vital records held by RVJB remain accessible and that there are processes in place to monitor the integrity and usability of records
  - The identification of records management as a distinct stream within the Board's training aims, with requisite training provided to all staff.
  - The completion of a self assessment review, following the implementation of the records management plan in order to ensure that the records management practices remain fit for purpose.

## **6. Roles and Responsibilities**

- 6.1 All staff have a responsibility to manage records effectively, through the documentation of all decisions and actions made by RVJB; the effective maintenance of records throughout their lifecycle, including access, tracking and storage of records; the timely review of records and their ultimate disposal, whether this be for confidential destruction or recycling or transfer to an archive for permanent preservation.
- 6.2 The lead responsible officer for records management in RVJB is the Assessor. With the support of the Chair of the Governance Working Group, they have responsibility for ensuring compliance with this records management policy.
- 6.3 The management team is responsible for approving a corporate approach to the management of records as defined within this policy, promoting a culture of best practice recordkeeping principles and practices in order to improve business efficiency and supporting records management through commitment and the provision of resources.
- 6.4 Divisional Assessors & Assistant ERO's are responsible for offering advice and guidance regarding records management to all staff within their division, highlighting any records management issues or concerns to the Chair of the Governance Working Group and transferring any records of historical value to an archive for permanent preservation.

6.6 All staff are responsible for suitably maintaining all records so that they can be easily retrieved, retaining all records in line with the retention and disposal schedule, ensuring that all actions and decisions are properly recorded and adhere to this policy.

6.7 The Chair of the Governance Working Group is responsible for ensuring that records management practices and procedures are established in line with all legal obligations and professional standards, issuing advice and guidance to Divisional Assessors & Assistant ERO's where necessary.

## **7. Legislative Framework**

7.1 The management of RVJB's records is done so in line with the following legislative, statutory and regulatory framework. Compliance with this policy will facilitate compliance with these acts, regulations and standards.

- Public Records (Scotland) Act 2011
- Equality Act 2010
- Local Electoral Administration and Registration Services (Scotland) Act 2006
- The Environmental Information (Scotland) Regulations 2004
- Freedom of Information (Scotland) Act 2002
- Freedom of Information Act 2000
- Management of Health and Safety at Work Regulations 1999
- Human Rights Act 1998
- Data Protection Act 1998
- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995
- Health and Safety at Work etc. Act 1974
- Public Records (Scotland) Act 1937

## **8. Relationship to other RVJB Policies**

8.1 This policy forms part of RVJB's overall framework but specifically relates to the following policies and procedures:

- Data Protection Policy
- Retention Guidelines and Disposal Arrangements
- Business Continuity Plan & Disaster Recovery Plan (Being Updated to Follow)
- Information Technology – SPr.IT.33 Checking Events Logs and Recording Findings
- Information Technology –RVJB.IT.07Electoral Registration Data Access and Building Security Policy
- Information Technology – RVJB.IT02 Access Control Policy
- Information Technology – SP1.01 Information Security Policy
- Information Technology – SPr.IT.34 Protective Monitoring Policy
- Information Technology – SP1.04 Security Incident & weakness Policy
- Information Technology – RVJB.IT.01 Security of IT Systems – Guidance to Staff

- Information Technology – SPr.IT.32 Procedure for Disposal of Media
- Information Technology - SP1.20 Protective marking, Handling & Disposal Policy & Procedures
- Information Technology – RVJB.RM.01 Archiving Policy & Transfer Arrangements
- Information Technology – SPr.PE.01 Building Security Policy
- Information Technology – RVJB.IT.07 Data Access & Building Security Policy
- Information Technology – SP.1.02 – Acceptable Use Policy

## **9. Training**

- 9.1 Training will be provided to all staff in order to highlight and increase awareness of their responsibilities in line with data protection, freedom of information and records management. Furthermore, core competencies and key knowledge and skills required by staff with operational responsibility for records management will be clearly defined to ensure that they understand their roles and responsibilities, can offer advice and guidance, and can remain proactive in their management of recordkeeping issues and procedures within RVJB.

## **10. Monitoring & Review**

- 10.1 Compliance with this Policy and related standards and guidance will be monitored by the *Chair of the Governance Working Group in consultation with Divisional Assessors and the Assessor*. Regular reports will be submitted to the Governance Working Group and Policy & Strategy Management Group and updates will be disseminated to all staff when required.
- 10.2 This policy will be reviewed in one year's time at which time compliance with the Public Records (Scotland) Act 2011 will also be reviewed. Further reviews of the policy will then take place at least every two years in order to take account of any new or changed legislation, regulations or business practices.





# Renfrewshire Valuation Joint Board

**Report to:** Renfrewshire Valuation Joint Board

**Meeting on:** 21 August 2015

**Subject:** 2017 Non Domestic Rating Revaluation Progress Report

**Author:** Divisional Assessor & Assistant Electoral Registration Officer

## 1.0 Introduction

The purpose of this report is to inform members of the Board on the current work that is being undertaken in preparation of the 2017 Non Domestic Rating Revaluation which comes into effect on the 1<sup>st</sup> April 2017.

## 2.0 Background

A five yearly Revaluation process was introduced by the Valuation and Rating (Scotland) Act 1956. This requires the Assessor to value all the lands and heritages within his valuation area. The valuations are totally fresh and bear no relation to the value applied in the preceding five years. The last revaluation was in 2010 with the expectation that the next Revaluation would have taken place in 2015. However due to various factors, this was postponed until 2017.

Every revaluation involves the production of a new Valuation Roll, containing revised values for all non-domestic properties situated within the Joint Board area. In addition to over 10,000+ non domestic subjects that require to be valued throughout the Joint Boards three local authority constituencies, the Assessor for Renfrewshire, being a designated Assessor, has the additional responsibility for valuing all Fixed Line Telecommunication subjects named within The Non Domestic Rating (Valuation of Utilities) (Scotland) Order 2005 throughout Scotland.

The process of carrying out these statutory duties 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 subjects. This process is founded on continuous processes carried out throughout each quinquennium. However the bulk of the work in relation to each Revaluation is carried out in the two years preceding the date of Revaluation. In effect, the steps outlined in the report to the Board by the Depute Assessor in January 2015 are now underway.

### 3.0 Number of Subjects to be valued.

In order to give the Board an idea of the scale of the project, the tables attached in **Appendix 1**, outline the number of subjects for which information requires to be ingathered, analysed and valued as at time of writing. These have been split into the Statistical Categories used by the Scottish Government. The 20 categories divide subjects into easily understood groupings such as Retail, Offices, Industrials, Health, Education and Hotels.

The category titled “Public Service” includes subjects such as Airports, Bus Stations, Court Houses, Fire Stations, Military Establishments, Police Stations 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.

These figures will change up to the publishing of the Valuation Roll in 2017, as running roll changes are processed.

The Revaluation will involve a considerable amount of hard work by the Assessor’s staff. This is not just in the mechanics of revaluation but also in the discussions and negotiations that will be carried out under the auspices of the Scottish Assessors’ Association to achieve the timeous completion of Practice Notes.

### 4.0 Current Progress in Collection of Rental Evidence

The date upon which all values will be based is the 1<sup>st</sup> April 2015. In order to ascertain rental levels for let subjects as close to this tone date as possible, rental questionnaires were issued at the beginning of July to individual proprietors and tenants of all known let subjects in respect of shop, office and industrial type subjects. Forms could either be returned by completing the paper copy or by completing the form on line at the Scottish Assessors Association Portal. Bulk landlords and their representatives have also been contacted to obtain the desired information. Examples include, Braehead, The Avenue at Mearns and the Oakmall shopping centres. The table below outlines the number of individual forms issued and returns received at time of writing.

#### Rental Questionnaires Issued

Council Area	Forms Issued	Forms Retuned	% of Forms Returned
Renfrewshire	5347	1237	23.13%
East Renfrewshire	1418	386	27.22%
Inverclyde	1891	418	22.10%
Total	8656	2041	23.58%

The response thus far has not been as good as expected with return rates below 25% on average.

In order to reach as many taxpayers as possible, it is intended that those properties known to be let that have not made a return will be visited by a member of staff in order to increase the return rate. Our goal is to produce values that are “right first time” and this can only be achieved upon receipt of the required information.

In addition, category specific questionnaires have also been issued for Petrol Filling Stations and Self Catering Units. These will be followed over the coming weeks with a request for turnover and cost details for a variety of subjects such as Licensed Premises, Hotels, Churches, Halls, and a wide variety of Sport and Leisure subjects.

### **5.0 Scottish Assessors Association Representation & VOA**

Numerous meetings have taken place and will continue do so over the coming months with various working groups and committees within the Assessors Association and the Valuation Office in London. These meetings will be particularly useful in relation to more complex subjects such as telecommunications and filling stations. The purpose of the meetings is largely to facilitate discussions and exchange of information in preparation of Practice Notes and agreeing schemes of valuation with members of the SAA, Valuation Office and professional agents representing various industries.

### **6.0 Preparations & Timeline**

It was anticipated that the proposed timeline for preparing and completing proposed valuations for the 2017 Revaluation would be the summer of 2016 some three months earlier than the previous revaluation at 2010. The Scottish Government has intimated that they are now seeking harmonisation with the English timetable set for the VOA and are looking for the bulk of subjects to be valued as early as January 2016. This aspiration is to allow sufficient time for the Scottish Government to establish the net effect of the Revaluation as soon as possible. This will allow the Government to establish an appropriate rate poundage, transition relief schemes and decapitalisation rates.

This significantly shortened timetable will place additional pressure on the staff and resources.

### **7.0 General Conclusions**

While every endeavor will be made to meet the current performance levels in relation to running roll and council tax targets, these may be affected as a result of time pressures due to the Governments requirement to produce valuations six months earlier that what was anticipated and the volume of work a revaluation involves.

### **8.0 Recommendations**

The Board notes the contents of this report.

Jacqueline Murgatroyd  
Divisional Assessor & Assistant ERO  
5 August 2015

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

## APPENDIX 1

EAST RENFREWSHIRE		
Cat	Description	Number of Subjects to be Revalued
1	Retail	566
2	Public House	23
3	Office including Banks	327
4	Hotel Etc	6
5	Industrial subjects including Factories Warehouses Stores and Workshops	333
6	Leisure Entertainment Caravans and Holiday Sites	60
7	Garages and Petrol Stations	45
8	Cultural	17
9	Sporting Subjects	8
10	Education and Training	34
11	Public Service Subjects	69
12	Communications (Non Formula)	6
13	Quarries Mines etc	3
14	Petrochemical	0
15	Religious	43
16	Health Medical	40
17	Other	79
18	Care Facilities	22
19	Advertising	34
20	Undertakings	16
	<b>Total</b>	<b>1,731</b>



## INVERCLYDE

Cat	Description	Number of Subjects to be Revalued
1	Retail	775
2	Public House	47
3	Office including Banks	339
4	Hotel Etc	9
5	Industrial subjects including Factories Warehouses Stores and Workshops	510
6	Leisure Entertainment Caravans and Holiday Sites	97
7	Garages and Petrol Stations	43
8	Cultural	29
9	Sporting Subjects	3
10	Education and Training	39
11	Public Service Subjects	92
12	Communications (Non Formula)	0
13	Quarries Mines etc	0
14	Petrochemical	0
15	Religious	64
16	Health Medical	34
17	Other	120
18	Care Facilities	52
19	Advertising	35
20	Undertakings	19
	<b>Total</b>	<b>2,307</b>

## RENFREWSHIRE

Cat	Description	Number of Subjects to be Revalued
1	Retail	1,737
2	Public House	121
3	Office including Banks	1,372
4	Hotel Etc	27
5	Industrial subjects including Factories Warehouses Stores and Workshops	1,661
6	Leisure Entertainment Caravans and Holiday Sites	145
7	Garages and Petrol Stations	70
8	Cultural	61
9	Sporting Subjects	11
10	Education and Training	78
11	Public Service Subjects	160
12	Communications (Non Formula)	20
13	Quarries Mines etc	1
14	Petrochemical	3
15	Religious	102
16	Health Medical	77
17	Other	396
18	Care Facilities	57
19	Advertising	144
20	Undertakings	34
	<b>Total</b>	<b>6,277</b>

## RVJB

Cat	Description	Number of Subjects to be Revalued
1	Retail	3,078
2	Public House	191
3	Office including Banks	2,038
4	Hotel Etc	42
5	Industrial subjects including Factories Warehouses Stores and Workshops	2,504
6	Leisure Entertainment Caravans and Holiday Sites	302
7	Garages and Petrol Stations	158
8	Cultural	107
9	Sporting Subjects	22
10	Education and Training	151
11	Public Service Subjects	321
12	Communications (Non Formula)	26
13	Quarries Mines etc	4
14	Petrochemical	3
15	Religious	209
16	Health Medical	151
17	Other	595
18	Care Facilities	131
19	Advertising	213
20	Undertakings	69
	<b>Total</b>	<b>10,315</b>





# Renfrewshire Valuation Joint Board

**Report to:** Renfrewshire Valuation Joint Board  
**Meeting on:** 21 August 2015  
**Subject:** Unacceptable Actions Policy  
**Author:** Depute Assessor & Electoral Registration Officer

## 1.0 Introduction

This Policy is supplementary to the existing Code of Conduct for RVJB and the RVJB Complaints Handling Policy. It is designed to offer advice to the public and to RVJB staff in terms of conduct towards that may be deemed unacceptable.

Service users have a right to be heard, understood and respected. Occasionally, the behaviour or actions of service users makes it difficult for us to deal with other service priorities due to the time and effort required to deal with a few service users. In some cases this may even extend to actions becoming unacceptable because they involve abuse of our staff or our process.

When this happens we have to take action to protect our staff. We consider the impact of the behaviour on our ability to do our work and provide a service to others.

This Policy explains how we will approach these situations

## 2. Recommendation

The Board approves the adoption of this policy.

Kate Crawford  
Depute Assessor & ERO  
12 August 2015

For further information please contact Alasdair MacTaggart on 0141-618-5900 or via email at [kate.crawford@renfrewshire-vjb.gov.uk](mailto:kate.crawford@renfrewshire-vjb.gov.uk)

# **RENFREWSHIRE VALUATION JOINT BOARD**



## **UNACCEPTABLE ACTIONS POLICY**

**July 2015**

## **1. Introduction**

This Policy sets out Renfrewshire Valuation Joint Board's (RVJB's) approach to the service users whose actions or behaviour RVJB considers unacceptable.

We believe that service users have a right to be heard, understood and respected. Occasionally, the behaviour or actions of service users makes it difficult for us to deal with other service priorities due to the time and effort required to deal with a few service users. In some cases this may even extend to actions becoming unacceptable because they involve abuse of our staff or our process.

When this happens we have to take action to protect our staff. We consider the impact of the behaviour on our ability to do our work and provide a service to others.

This Policy explains how we will approach these situations.

## **2. Appeals**

The Assessor is an independent statutory official who carries out his duties in terms of non-domestic valuation and council tax legislation. Likewise, as Electoral Registration Officer, he must adhere to appropriate legislation. A separate and distinct appeal system exists for disagreements with entries in the Valuation Roll, Council Tax Valuation List or Electoral Register. An appeal will not therefore be dealt with as a complaint as an appeal must follow the appropriate legislative framework.

## **3. What actions do RVJB consider to be unacceptable?**

People may act out of character in times of trouble or stress. There may have been upsetting or distressing circumstances leading up to a particular matter being raised by a service user.

We do not view behaviour as unacceptable just because a service user is forceful or determined. In fact, we accept that being persistent can at times be a positive advantage when pursuing a particular issue.

However, we do consider actions that result in unreasonable demands on our office or unreasonable behaviour towards RVJB staff to be unacceptable. It is these actions that we aim to manage under this Policy.

### **a) Aggressive or abusive behaviour**

We understand that many service users can be angry about the issues they have raised. If that anger escalates into aggression towards RVJB staff, we consider that unacceptable. Any violence or abuse towards staff will not be accepted.

Violence is not restricted to acts of aggression that may result in physical harm. It also includes behaviour or language (whether verbal or written) that may cause staff to feel afraid, threatened or abused, and may include threats, personal verbal abuse, derogatory remarks and rudeness.

We also consider inflammatory statements and unsubstantiated allegations to be abusive behaviour.

**b) Unreasonable demands**

A demand becomes unacceptable when it starts to (or when complying with the demand would) impact substantially on the work of the office.

Examples of actions grouped under this heading include:

- repeatedly demanding responses within an unreasonable timescale;
- insisting on seeing or speaking to a particular member of staff when that is not possible, or appropriate;
- repeatedly changing the substance of an enquiry or raising unrelated concerns.

An example of such impact would be that the demand takes up an excessive amount of staff time and in so doing disadvantages other service users.

**c) Unreasonable levels of contact**

Sometimes the volume and duration of contact made to our office by a service user causes problems. This can occur over a short period, for example, a number of calls in one day or one week. It may occur over the life-span of an enquiry when a service user repeatedly makes long telephone calls to us or inundates us with enquiries which essentially have been previously dealt with.

We consider that the level of contact has become unacceptable when the amount of time spent talking to a service user on the telephone, or responding to, reviewing and filing emails or written correspondence impacts on our ability to deal with other workload.

**d) Unreasonable use of the complaints process**

Individuals with complaints about RVJB have the right to pursue their concerns through RVJB's Complaints Handling Policy. They also have the right to complain more than once about an organisation with which they have a continuing relationship, if subsequent incidents occur.

However, this contact becomes unreasonable when the effect of the repeated complaints is to harass, or to prevent an organisation from pursuing a legitimate aim or implementing a legitimate decision. We consider access to our complaints procedures to be important and it will be in exceptional circumstances that we would consider such repeated use as unacceptable – but we reserve the right to do so in those exceptional cases.



#### **4. Examples of how we manage aggressive or abusive behaviour**

The threat or use of physical violence, verbal abuse or harassment towards RVJB staff is likely to result in a termination of all direct contact with the service user. Incidents may be reported to the police. This will always be the case if physical violence is used or threatened.

We will not accept any correspondence (letter, fax or electronic) that is abusive to staff or contains allegations that lack substantive evidence. We will tell the service user that we consider their language offensive, unnecessary and unhelpful and ask them to stop using such language. We will state that we will not respond to their correspondence if the action or behaviour continues.

RVJB staff will end telephone calls if they consider the caller aggressive, abusive or offensive. RVJB staff have the right to make this decision, to tell the caller that their behaviour is unacceptable and end the call if the behaviour persists.

#### **5. Examples of how we deal with other categories of unreasonable behaviour**

We have to take action when unreasonable behaviour impairs the functioning of our office.

We aim to do this in a way that allows a service user to legitimately pursue any issue they so wish to. We will try to ensure that any action we take is the minimum required to solve the problem, taking into account relevant personal circumstances including the seriousness of the issue and the needs of the service user.

##### **a) Actions we may take**

Where a service user repeatedly phones, visits the office, raises repeated issues, or sends large numbers of documents where their relevance is unclear, we may decide to:

- limit contact to telephone calls from the service user at set times on set days;
- restrict contact to a nominated member of RVJB staff who will deal with future calls or correspondence from the service user;
- restrict contact from the service user to writing only;
- writing to the service user advising them that the matter is considered to be closed and no further dialogue will be entered into with them.

Where we consider continued correspondence on a wide range of issues to be excessive, we may tell the service user that only a certain number of issues will be considered in a given period and we ask them to limit or focus their requests accordingly.

**We will always tell the complainant what action we are taking and why.**

## **6. The process we follow to make decisions about unreasonable behaviour**

Any member of RVJB staff who directly experiences aggressive or abusive behaviour from a service user has the authority to deal immediately with that behaviour in a manner they consider appropriate to the situation and in line with this Policy.

With the exception of such immediate decisions taken at the time of an incident, decisions to restrict contact with RVJB are only taken after careful consideration of the situation by a more senior member of staff.

### **a) How we let people know we have made this decision**

When an RVJB employee makes an immediate decision in response to aggressive or abusive behaviour, the service user is advised at the time of the incident. When a decision has been made by senior management, a service user will always be told in writing\* why a decision has been made to restrict future contact, the restricted contact arrangements and, if relevant, the length of time that these restrictions will be in place. This ensures that the service user has a record of the decision.

### **b) The process for appealing a decision to restrict contact**

It is important that a decision can be reconsidered. A service user can appeal a decision to restrict contact.

An appeal could include, for example, a service user saying that: their actions were wrongly identified as unacceptable; the restrictions were disproportionate; or that they will adversely impact on the service user because of personal circumstances.

A senior member of staff who was not involved in the original decision will consider the appeal. They have discretion to quash or vary the restriction as they think best. They will make their decision based on the evidence available to them. They must advise the service user in writing\* that either the restricted contact arrangements still apply or a different course of action has been agreed.

### **c) How we record and review a decision to restrict contact**

A copy of all letters in connection with decisions to restrict contact with particular service users should be kept in RVJB's proprietary electronic document management software application. A decision to restrict contact with a particular service user in relation to a specific matter may be considered if the service user demonstrates a more acceptable approach, or raises a completely different issue that has not been previously considered.

- This can be supplemented if written communication is not the appropriate form for the service user.

## **7. Equalities Act 2010**

Where the matter concerns an equal opportunity issue then it should be raised with the RVJB's Principal Administrative Officer.





# Renfrewshire Valuation Joint Board

**Report to:** Renfrewshire Valuation Joint Board  
**Meeting on:** 21 August 2015  
**Subject:** Disclosure Scotland Policy  
**Author:** Depute Assessor & Electoral Registration Officer

## 1.0 Introduction

The Board is required to implement a vetting programme for all staff whose duties involve inspections of properties where children or vulnerable adults are likely to be present.

The Board's Disclosure Scotland Policy and Procedure is designed to promote good practice in the process of attracting and selecting employees and creates equal access to employment for all, including ex-offenders. It also allows the Valuation Joint Board's services to be delivered to customers in their own home.

## 2. Recommendation

The Board approves the adoption of this policy.

Kate Crawford  
Depute Assessor & ERO  
12 August 2015

For further information please contact Alasdair MacTaggart on 0141-618-5900 or via email at [kate.crawford@renfrewshire-vjb.gov.uk](mailto:kate.crawford@renfrewshire-vjb.gov.uk)

# RENFREWSHIRE VALUATION JOINT BOARD



## Disclosure Scotland Policy

**JULY 2015**

## 1. Disclosure Scotland Policy Statement

- 1.1 Renfrewshire Valuation Joint Board's Disclosure Scotland Policy and Procedure is designed to promote good practice in the process of attracting and selecting employees and creates equal access to employment for all, including ex-offenders. It also allows the Valuation Joint Board's services to be delivered to customers in their own home.

## 2. Disclosure Scotland Procedures

- 2.1 There are three levels of Disclosure Checks (basic, standard and enhanced).
- 2.2 This policy requires, under the auspices of the Joint Board, a vetting programme for all technical staff whose duties involve inspections of properties where children or vulnerable adults are likely to be present. A person aged 18 or over may be considered to be vulnerable if they:
- are in receipt of personal care, or nursing, or support to live independently in his/her own home or in a care home;
  - receive any health or social care services;
  - have a substantial learning or physical disability;
  - have a physical or mental illness, chronic or otherwise, including an addiction to alcohol or drugs; and
  - have a substantial reduction in physical or mental capacity due to advanced age or to illness.
- 2.3 This policy requires all employees who handle electoral data to have been vetted to a basic level of Disclosure

## 3. Prospective Joint Board Employees/Recruitment and Selection

- 3.1 All applicants for posts must complete PT25 Rehabilitation of Offenders Act Form.
- 3.2 Should the position applied for be deemed exempt under the Rehabilitation of Offenders Act, they must declare all convictions, including **any** previous convictions for criminal offences. In other words, they are **not** entitled to withhold information about **any** previous convictions (including 'spent' convictions). They are also required to declare:
- any criminal proceedings still pending;
  - whether they have committed any offences against children or been subject to any civil proceedings where they were alleged to have committed offences against children under the age of 16.

- 3.3 The fact that a person has a criminal record does not automatically make him/her unsuitable for work with children or vulnerable adults. The following factors would be taken into account in deciding the relevance of convictions:
- the nature of the conviction;
  - the nature of the appointment;
  - when the offence(s) occurred; and
  - the frequency of offence.
- 3.4 It is essential that if the Assessor/ERO wishes to appoint an applicant with a criminal conviction that the appointment is referred to the Human Resources Officer in Renfrewshire Council **before** an offer of appointment be made. This should be recorded in the applicant's personal file.
- 3.5 Normally, if an applicant does not declare any serious convictions and they are subsequently traced, the Joint Board will **not** appoint unless there is a sound reason for this. For lesser/minor offences consideration should be taken into account regarding timescales and the age of the individual at the time. In all cases discussion should take place with the individual to ascertain whether or not it was a genuine misunderstanding or a deliberate attempt to mislead. If there has been a deliberate attempt to mislead then the Assessor/ERO will write to the individual informing them that the Joint Board will not be taking their application any further.
- 3.6 Existing employees are required to undergo Disclosure Scotland checks on a regular basis and the Adults Disqualified from Working with Children and Adults at Risk lists can be checked. The Renfrewshire HR recommendation is that it would be good practice to have Disclosure checks carried out for all every three to five years.
- 3.7 Existing Joint Board employees who apply for a post are required to complete a Job Application Form, declare any previous convictions and an appointment will not be made until a Disclosure Scotland clearance is received.
- 3.8 Existing Joint Board employees who have already been checked and apply for another post, which requires a Disclosure Check, will not be re-checked at this stage, unless 3 years have elapsed since their last check.
- 3.9 If it is not possible to receive a Disclosure Scotland clearance for periods of time when candidates have worked or resided outwith the United Kingdom they must be asked specific questions about this period and in particular whether they had any criminal convictions during this time abroad. In addition if they have not listed a referee from abroad they must supply a character or employer reference to cover this period. No decision should be taken to appoint until clearance is given by the Human Resources Officer in consultation with the Assessor/ERO (or nominated Depute). It is a condition of employment and is incorporated into contracts of employment that employees (who have been employed following a satisfactory Disclosure Scotland Check)



**must** notify the Joint Board if they are either convicted of a criminal offence, which may affect their suitability for their current post.

***Failure to disclose a relevant conviction or referral on to such a list will be classed as gross misconduct under the Joint Board's Disciplinary Procedures.***

#### **4. Interviewing Prospective Employees**

4.1 Managers or chairs of recruitment panels must ensure that the following checks are carried out, before candidates are interviewed:

- a) explanations must be sought for any significant time gaps in employment history;
- b) all candidates must be asked if they have any criminal convictions or any criminal proceedings pending (even if they have made a negative declaration in their application form) or been subject to any civil proceedings where they are alleged to have committed offences against children;
- c) all candidates must be advised that failure to disclose a relevant conviction will be classed as gross misconduct and will lead to dismissal;
- d) all candidates must be asked if they are or have been known by any other name(s);
- e) all candidates must be asked if they are on a Disqualified from Working with Children and Vulnerable Adults list; and
- f) nominated referees must be in accordance with the guidance notes provided to applicants i.e. one referee must be the present or immediate past employer at a senior level.

4.2 Prospective employees for positions which require a Disclosure Check must not commence duties with the Joint Board until confirmation has been received from Disclosure Scotland regarding whether or not criminal convictions, pending convictions and any other relevant Police information has been traced.

4.3 It is a criminal offence to employ an individual who is on the Disqualified from Working with Children and Adults at Risk lists unless the organisation did not know or could not reasonably be expected to know that the person concerned is listed.

#### **5. Casual Employees**

5.1 Casual employees will be required to complete a declaration form before accepting any further offer(s) of work. The declaration form is to ensure;

- a) there are no criminal conviction proceedings outstanding;
- b) that the individual has not been referred onto a Disqualified from Working with Children List.

- 5.2 It is the Assessor/ERO's responsibility for ensuring that the individual declares any relevant information that may affect their ability to continue to undertake casual work. Where there has been a gap in this work of more than 13 weeks (under the current arrangement, Payroll will automatically remove the individual from the payroll, as this is an Inland Revenue requirement).

## 6. Disclosure Scotland Checks

- 6.1 Renfrewshire Valuation Joint Board will process checks for all prospective employees and re-checks for existing employees.

A Disclosure Scotland form will be issued to the individual who has been given a provisional offer i.e. subject to a satisfactory Disclosure Check, references and occupational health medical check.

Care should be taken to check and ensure that the individual completes the form correctly (i.e. black ink, block capitals, all relevant details provided and writing is contained within the boxes).

The individual is also responsible for verifying proof of identity, i.e. at least 3 forms of identification should be provided and this must include one item of photographic identity e.g., Passport or Driving Licence.

When authorised staff are taking photocopies, the copies should be annotated 'Certified True Photocopies' dated and signed by the authorised person taking the copies, otherwise the photocopies will not be acceptable.

- 6.2 For more information on how to fill in a Disclosure form applicants should refer to the 'Guidance Notes for Completion of Disclosure Applications Letter'. As forms are scanned it is essential that they are filled in correctly, otherwise the form will be returned by the counter signatory or Disclosure Scotland, which will delay the process, which will include date of appointment.
- 6.3 The form along with the original documentation or 'certified' copies of proof of identity (signed by an authorised member of staff who saw the original I.D) should then be forwarded by the individual for counter-signing and processing of the Disclosure Form.
- 6.4 The Joint Board will pay for all Disclosure checks; the cost presently sits at £20.00 for all types of Disclosure checks.

## 7. Level of Checks

- 7.1 **Basic Disclosure** – this is related to an individual on their request, subject to confirmation of identity. This contains details of "unspent" convictions as defined in the Rehabilitation of Offenders Act 1974, (Exclusions and Exceptions) (Scotland) Order 2003 or will state that there are no such convictions.

- 7.2 **Standard Disclosure** – contains details of any spent or unspent convictions, warnings or written reprimands for positions exempt under the Rehabilitation of Offenders Act. It will also reveal if no such matters are on record.
- 7.3 **Enhanced Disclosure** – this is the highest level of Disclosure available and is reserved for positions involving regular caring for, training, supervising or being in sole charge of those under the age of 16 or “vulnerable adults”. The enhanced Disclosure contains the same details as the standard, however; in addition, it may also contain non-conviction information from local Police records (i.e. Police Intelligence) that a Chief Constable considers relevant in connection with the position being sought. This would include pending cases involving children, or individuals subject to a sex offender or antisocial behaviour disorder. Relevant information held by Government Departments may also be stated in this Disclosure Check e.g. the database will contain information about individuals who are considered unsuitable to work with children or vulnerable adults.
- 7.4 The Disclosure Checks are used to complement the Joint Board’s existing recruitment procedures and will only be processed following a provisional offer of employment or provisional offer for a voluntary position within the Joint Board.
- 7.5 Further guidance on Disclosure Checks for employees should be referred to the Joint Board’s Personnel Practitioner.

## **8. Handling Procedures and Code of Practice**

- 8.1 Disclosure information must only be used to confirm suitability for employment;
- 8.2 Disclosure information must only be passed to those who are authorised to see it in the course of their duties;
- 8.3 Disclosure information must be kept securely by the Joint Board, in lockable, non-portable storage containers. Access to storage units must be strictly controlled to authorised and named individuals;
- 8.4 Disclosure information must be kept no longer than six months. This is to allow for the resolution of any disputes or complaints. Disclosure information must only be retained for longer than this period in exceptional circumstances, and in consultation with Disclosure Scotland;
- 8.5 Disclosure information must be destroyed in a secure manner i.e. by shredding, pulping or burning. No image or photocopy or any other form of the Disclosure information should be kept; and
- 8.6 A record of the date of issue of the Disclosure, the name of the subject, the Disclosure type, the position for which the Disclosure was requested, the unique reference number of the Disclosure and details of the recruitment decision taken should be recorded by the authorized Joint Board staff.

## 9. Lead Counter Signatory

- 9.1 Renfrewshire Valuation Joint Board with a substantial requirement for Disclosures has nominated a lead counter signatory (Human Resources at Renfrewshire Council) with whom Disclosure Scotland can communicate. The lead counter signatory is responsible for confirming the identity and status of persons who will act as counter signatories. The lead counter signatory is accountable and responsible for ensuring the proper application of these procedures and compliances with the Code of Practice published by Scottish Ministers.

## 10. Code of Practice

- 10.1 A *Code of Practice* on the use of Disclosure Certificates has been published by Scottish Ministers. Joint Board employees using Disclosure Certificates should follow the principals in the code. See link below.  
<http://www.Disclosurescotland.co.uk/PDF/EXPLANATORY%20GUIDE.pdf>
- 10.2 The Police Act 1997 (Part V) makes improper use of Disclosure information an offence. In general terms Disclosure information may only be distributed to other employees directly involved in making decisions about the recruitment of the individual. **Any other Disclosure of information may be an offence.** The Act does not describe the ways in which improper Disclosure could occur; therefore improper Disclosure would include providing copies of certificates, written notes, verbal descriptions or any other form of communication of information obtained from a Disclosure Certificate. The Act states that conviction for improper Disclosure may lead to a fine or imprisonment for up to 6 months. Further information about Disclosure Scotland can be obtained from the Joint Board's Personnel Practitioner or directly from:

The Disclosure Bureau,  
Scottish Criminal Records Office  
1 Pacific Quay  
Glasgow  
G51 1EA

Helpline: 0870 609 6006

Web site: [www.Disclosurescotland.co.uk](http://www.Disclosurescotland.co.uk), Police Act 1997 (Part V) from HMSO

Web site: [www.hmso.gov.uk](http://www.hmso.gov.uk)

## 11. Future Developments

- 11.1 Following the Bichard Inquiry (post Soham) there have been further developments and proposed changes, this has resulted in extensive consultation and briefing by the Scottish Executive, and the final submission including proposed changes went to the Scottish Parliament at the end of March 2008.

- 11.2 The overarching principle of the anticipated changes are:
- ensure children and vulnerable adults are afforded the same level of protection across the UK;
  - avoid development of cross-border loopholes, which dangerous adults might exploit; and
  - ensure compatibility and seamless interaction whatever systems are developed – whether in each jurisdiction or on a UK basis.
- 11.3 The major aims of the new anticipated changes will be:
- those who are known to be unsuitable do not gain access to children or adults at risk; and
  - those who become unsuitable are detected at the earliest possible stage and prevented from continuing to work.
- 11.4 Key new elements of the anticipated and future changes will be:
- central decision-making body;
  - ongoing update and review of status;
  - access to systems by employers (on-line Checks);
  - mediated access to systems for personal employers

## **12. Health Warning and Review**

- 12.1 It is recognized that through all the latest developments and ongoing developments that this procedure may need to change from time to time, and as per all existing procedures will be subject to regular review. We would also welcome comment and will formulate a FAQ appendix.

Listed Appendices:

Appendix 1: Protection of Children (Scotland) Act 2003 (POCSA) definition of a child core position covered by this Act.

Appendix 2: List of posts which require Disclosure Scotland Checks

Appendix 3: Employing Ex-offenders

## **Appendix 1 – Protection of Children (Scotland) Act 2003(POCSA) and Adults at Risk Positions**

### **Child**

A “child” is defined as an individual who is under the age of 18 years. The Police Act 1997 also defines a child in this way. This is not the same as the definition of a child under the Children (Scotland) Act 1995 which defines a child as an individual under the age of 16 years (with some exceptions). This does not apply to 16 and 17-year-old young people who are in paid employment (as stated in paragraph 4 of Schedule 2 of the Act).

### **Adult at Risk**

As you may be aware the Scottish Executive is currently working towards introducing new legislation which establishes a Scottish List of adults disqualified from working with Adults. This legislation will be similar to that of the Protection of Children (Scotland) Act 2003. There is no implementation date for this legislation at present. An equivalent list is already established in England and Wales. Disclosure Scotland can confirm that we are now able to access the English and Welsh List when carrying out Enhanced Checks for positions working with Adults at Risk. If the individual is named on the list this will be Disclosed under the heading ‘Other Government Information’ on a Disclosure Certificate.

All registered bodies are advised that the following information outlines the current situation relating to Disclosures for positions involving working with Adults at Risk. Counter signatories should ensure the initials AAR are entered at the beginning of field C2 - "Position Applied For" where the Disclosure is required in relation to such a position. For example, a Nurse entry would be.

An **"Adult at Risk"** is defined within the Police Act 1997 (Criminal Records)(Scotland) Regulations 2006.

Simply click on **"Adults at Risk"** and refer to Regulations 10(2) to 10(7).

It must be stressed the onus is on the Counter signatory to highlight the position as having contact with an Adult at Risk. Disclosure Scotland will not Check the lists unless that prompt is present.

Disclosure Scotland’s experience is that the entries made in field C2 are often ambiguous. Please be aware that the descriptions you enter may be used by Police Forces to determine the relevancy of any non-conviction information they may hold. It is important that the titles entered are clear and actually portray the work to be done by the applicant. This will assist in the decision-making process.

There will be a new Disclosure Scotland Application Form introduced later this year and this will contain a question in the Counter signatory Section relating to whether the Position Applied For is a position in terms of contact with Adults at Risk and if the Counter signatory is requesting a check of the lists.

**Appendix 2 – List of posts which require Disclosure Scotland Checks – as at July 2015**

**Renfrewshire Valuation Joint Board**

Assessor/ERO

Depute Assessor

Divisional Assessor & Assistant ERO

Principal Valuer

Senior Valuer

Valuer

IT Support Officer

Trainee Valuer

Administration Officer

Clerical Assistant

Clerical Assistant / Receptionist

Senior Clerical Assistant

Temporary Clerical Assistant

**NB - The above list is not necessarily exhaustive and additions maybe added to the above lists, seek guidance from the Assessor/ERO. The Disclosure checks for those posts where unaccompanied home visits are a feature will be the Standard check but this may be reviewed in the future. For all other posts a Basic check is required**

### **Appendix 3 – Employment of Ex-Offenders**

1. Renfrewshire Valuation Joint Board complies fully with the Code of Practice, issued by Scottish Ministers, in connection with the use of information provided to registered persons and other recipients of information by Disclosure Scotland under Part V of the Police Act 1997, for the purposes of assessing applicants' suitability for positions of trust. We undertake to treat all applicants for positions fairly and not to discriminate unfairly against the subject of a Disclosure on the basis of conviction or other information revealed.
2. We have a written policy on the recruitment of ex-offenders, which is made available to all Disclosure applicants at the outset of the recruitment process.
3. We are committed to equality of opportunity, to following practices, and to providing a service which is free from unfair and unlawful discrimination. We ensure that no applicant or member of staff is subject to less favourable treatment on the grounds of gender, marital status, race colour, nationality, ethnic or national origins, age, sexual orientation, responsibilities for dependants, physical or mental disability, or offending background, or is disadvantaged by any condition which cannot be shown to be relevant to performance.
4. Renfrewshire Valuation Joint Board actively promotes equality of opportunity for all with the right mix of talent, skills and potential, and welcomes applications from a wide range of candidates, including those with criminal records. The selection of candidates for interview will be based on skills, qualifications and experience.
5. We will request a Standard or Enhanced Disclosure only where this is considered proportionate and relevant to the particular position. This will be based on a thorough risk assessment of that position. Where a Disclosure is deemed necessary for a post or position, all applications forms, job adverts, careers literature, website and any other appropriate literature will contain a statement that a Disclosure will be requested in the event of the individual being offered the position.
6. Where a Disclosure is to form part of the recruitment process, Renfrewshire Valuation Joint Board will encourage all applicants selected for interview to provide details of their criminal record at an early stage in the application process. We ask that this information be sent under separate, confidential cover, to a designated person within Renfrewshire Valuation Joint Board and we guarantee that this information will only be seen by those who need to see it as part of the recruitment process.
7. In line with the Rehabilitation of Offenders Act 1974, Renfrewshire Valuation Joint Board will only ask about convictions which are defined as "unspent" in terms of that Act, unless the nature of the position is such that we are entitled to ask questions about an individual's entire criminal record.



8. At interview, or under separate discussion, we undertake to ensure an open and measured discussion on the subject of any offences or other matters that might be considered relevant for the position concerned. Failure to reveal information that is directly relevant to the position sought could lead to withdrawal of an offer of employment.
9. We undertake to discuss any matter revealed in a Disclosure with the subject of that Disclosure before withdrawing a conditional offer of employment.
10. We ensure that all those in Renfrewshire Valuation Joint Board who are involved in the recruitment process have been suitably trained to identify and assess the relevance and circumstances of offences. We also ensure that they have received appropriate guidance and training in the relevant legislation relating to employment of ex-offenders (e.g. the Rehabilitation of Offenders Act 1974).
11. We undertake to make every subject of a Disclosure aware of the existence of the Code of Practice, and to make a copy available on request.

**HAVING A CRIMINAL RECORD WILL NOT NECESSARILY DEBAR THE APPLICANT FROM WORKING WITH RENFREWSHIRE VALUATION JOINT BOARD. THIS WILL DEPEND ON THE NATURE OF THE POSITION, TOGETHER WITH THE CIRCUMSTANCES AND BACKGROUND OF ANY OFFENCES.**

