



MINUTE OF MEETING OF THE GRAMPIAN VALUATION JOINT BOARD

7 NOVEMBER 2008

COUNCIL HEADQUARTERS, ELGIN

PRESENT

Councillors I Ogilvie (Convener), J Dunbar, (Depute Convener), L Bell (Substituting for R Shepherd), J Corall (Substituting for B Cormie), S Coull, J Dick, J Duncan, J Hamilton, I Mair and A Milne.

APOLOGIES

Apologies for absence were intimated on behalf of Councillors B Cormie, J Hunter, G Leslie, J Reynolds, R Shepherd, R Watson and M Watt

IN ATTENDANCE

A. A. McConochie, Assessor and Electoral Registration Officer, M. Wilson, Treasurer, S Blanshard, Auditor (Moray Council) and R. Ritchie, Senior Committee Services Officer, Moray Council for the Clerk to the Board. Also in attendance M Bruce, Audit Scotland.

1. MINUTE OF MEETING OF 20 JUNE 2008

The Minute of the meeting of the Board dated 20 June 2008 was submitted and approved as an accurate record, subject to correcting the date at Branch 9 to read 2008 and the spelling of 'Discretionary' at Branch 14.

2. CORPORATE GOVERNANCE

During consideration of this item Councillor Dick joined the meeting.

Under reference to Branch 3 (ii) and 4 of the Minute of the Board dated 20 June 2008 there was submitted a report by the Assessor updating the Board in relation to the development of Staffing Policies and a Risk Register.

The meeting noted that staffing resource difficulties within Moray Council has led to a slippage in the timetable in presenting the outstanding staffing policies. These difficulties have now been resolved and the drafting of the policies will be progressed with a view to submitting these to the Board at the earliest opportunity. A draft of the Theft and Defalcations Procedure was submitted the Board's consideration, which, if approved, will be subject to Trade Union consultation following which it will be implemented, subject to

any minor adjustments agreed with the Assessor and Head of Personnel, as previously agreed by the Board.

A copy of the Risk Register, reviewed on the 23 October 2008, was appended to the report and the meeting noted that Sections 4.2.1 to 4.5.1 of the report detailed the changes to the Register since 20 June 2008.

During discussion it was suggested that consideration be given to amending Section 6 of the draft Theft and Defalcations Procedure so as to ensure that all cases of the misappropriation of funds will be reported to the Police. It was also suggested that consideration be given to incorporating the procedure into the Anti Fraud and Corruption Policy.

Following consideration the Board agreed:

- (i) to note the position in relation to the development of Staffing Policies;
- (ii) to approve the Theft and Defalcations Procedure for consultation with the Trades Unions and implementation subject to:
 - (a) amending Section 6 of the draft to read 'In cases where money has been misappropriated, the matter will be reported to the Police'; and
 - (b) any minor changes stemming from the consultation being agreed with the Assessor and Head of Personnel; and
- (ii) that as part of the consultation process the opportunity would be taken to incorporate the Procedure with the Anti Fraud and Corruption Policy and that the revised version of that Policy would be submitted to a future meeting of the Board for formal approval.
- (iii) to note the current version of the Risk Register and arrangements for review.

3. REVIEW OF AUDIT & GENERAL PURPOSES SUB-COMMITTEE

Under reference to Branch 3 (i) (c) of the Minute of the meeting of the Board dated 20 June 2008 there was submitted a report by the Treasurer advising the Board of the current role and remit of the Audit & General Purposes Sub-Committee and inviting the Board to consider the need for a separate Audit Sub-Committee.

The meeting noted that the Treasurer undertook a review of the role and remit of the Sub-Committee, in consultation with the Assessor, Clerk to the Board and Internal and External Audit. The findings of the review recommended that all responsibilities required by an Audit Committee be undertaken by the Full Board and that the Sub-Committee return to its previous remit to deal with matters which may be referred to it, from time to time, by the Board, either with delegated authority to determine or to consider and make a recommendation(s) thereon to the Board.

Following consideration the Board agreed:-

- (i) to remove the responsibility for the review and monitoring of any Internal or External Audit Plans, Reports and Recommendations from the Audit & General Purposes Sub-Committee and in future submit these to the full Board for consideration;

- (ii) that the General Purposes Sub-Committee remit and responsibilities be revised to exclude all duties previously undertaken as the role of "Audit Committee"; and
- (iii) that the Board's Standing Orders be revised to reflect the change in roles and responsibilities of the Sub-Committee.

4. AUDITED ACCOUNTS FOR YEAR ENDING 31 MARCH 2008

There was submitted a report by the Treasurer seeking the Board's approval of the Audited Accounts for the year ending 31 March 2008, a copy of which was included with the meeting papers.

The meeting noted there had been some minor presentational changes made to that presented to the Board at its meeting on 20 June 2008 and a change to the depreciation calculation in the Balance sheet. The overall financial position remained as intimated to the Board on 20 June 2008, which reported a surplus of £297,300.

The Treasurer spoke to the report and the meeting noted that in response to a request from Finance Officials from Aberdeen City and Aberdeenshire Councils this would be the first year that the surplus will be returned to constituent authorities mid-year, after the completion of the audit of accounts. It was also noted that by returning the surplus now, as opposed to deducting it from 2009/10 requisitions, a higher than inflation increase in the requisitions for next year will be made to the constituent authorities. The reason for this being that in past years the surplus was netted off against requisitions and therefore kept them lower.

Following consideration the Board agreed to note:-

- (i) the Final Accounts for the year ending 31 March, 2008; and
- (ii) that the surplus of £297,300 for 2007/08 to be returned to the constituent authorities.

5. EXTERNAL AUDITOR'S FINAL REPORT FOR 2007/08

There was submitted a copy of the External Auditor's, Audit Scotland, Report on the Board's financial statements for 2007/08, which also summarised the key outcomes of the audit of the Board's financial statements for 2007/08 and the key aspects of the Board's reported financial position and performance to 31 March 2008.

M Bruce, Audit Scotland spoke to the report and advised the meeting that the report was an unqualified opinion on the financial statements of the Board for 2007/08, which had been submitted to the Controller of Audit by the deadline of 30 June 2008. She also advised that the final accounts preparation procedures and working papers were good which enabled the audit to progress smoothly and expressed her appreciation of the assistance given to her by the Treasurer and officers of the Board.

She then referred the meeting to the one action point detailed in the Action Plan, appended to the report, and it was noted that this had already been action by management.

Following consideration the Board agreed:-

- (i) to note the report; and
- (ii) that its' appreciation of the work of the Treasurer be minuted.

6. INTERNAL AUDIT REPORT

There was submitted a report by the Treasurer providing the Board with an account of Internal Audit work, undertaken by Moray Council's Internal Audit Section, within the Assessor's Department for the 2007/08 financial year and its contribution to the Statement of Internal Control provided by the Assessor confirming that the Department's financial and control procedures are operating in a satisfactory manner. A copy of Internal Audit's Report, which included an executive summary, scope of the audit and findings and recommendation. An Action Plan, in respect of the recommendations, was appended to the Report.

Following consideration the Board agreed to:

- (i) note the findings of the internal audit report, and
- (ii) endorse the actions completed by the Assessor's Department to discharge the recommendations in the Action Plan.

7. MONITORING STATEMENT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2008

There was submitted a report by the Treasurer inviting the Board to consider the Revenue Monitoring Statement for the period 1 April to 30 September 2008, a copy of which was appended to the report as an Appendix. The report also invited the board to note the capital expenditure for the new Banff Office to 30 September 2008, as detailed in Section 2.4 of the report.

The Treasurer spoke to the report and the meeting noted that the transactions for the first six months of the year resulted in a surplus, to date, of £164,000. Of this amount approximately £92,000 is due to difficulties in filling professional vacancies and a further £37,000 to meet the annual pay award for SJC staff which has still to be agreed. In regard to the Banff Office project, which is nearing completion, it is anticipated that there will be a balance of £450,000. Whilst a request has been received from on behalf of Aberdeenshire Council for this balance to be returned to the constituent authorities, the Treasurer will, once all the costs have been paid, submit a report with all the options open to the Board.

The meeting also noted that since the last monitoring report the Board received a specific grant of £36,747 from the Department of Constitutional Affairs for the upgrade of the electoral roll software and will be incorporated into the next monitoring statement.

Following discussion, during which the Treasurer responded to questions, the Board agreed to:-

- (i) note the Revenue Monitoring Statement for the period 1 April to 30 September 2008 and also noted the capital expenditure to 30 September 2008; and
- (ii) note the receipt of a grant for £36,747 for the upgrading of the electoral roll software.

8. IRRV SCOTTISH CONFERENCE

Under reference to Branch 9 of the meeting of the Board dated 20 June 2008 there was submitted a report by the Assessor on the 2008 IRRV Annual Scottish Conference 'Scotland – Challenges in a New Era' held in Crieff on the 3 & 4 September 2008.

The meeting noted that the Board was represented at this year's conference by the Convener, Councillor Coull deputising for the Depute Convener and Assessor. In addition, as a result of the "free place" offer a Principal Valuer based at Woodhill House was also in attendance. The meeting also noted that over two very full days delegates heard a range of speakers covering very current topics on the local government finance agenda as well as local government generally. Of particular interest to the Board's representatives were the future of Council Tax and Local Income Tax and the impact of proposals for the revenues and benefits sector. These were well covered from the political and professional viewpoint.

The Assessor and the Convener responded to questions in regard to their views on the conference. In response to a question in regard to the availability of speaker presentations the Assessor undertook to ascertain availability and advise Members.

Following consideration the Board agreed to note the report.

9. REGISTER OF ELECTORS

There was submitted a report by the Electoral Registration Officer (ERO) informing the Board of progress with the annual canvass, which also included, in terms of the Board's Code of Corporate Governance, information in relation to performance measurement.

There was also tabled at the meeting an update, as at 3 November 2008, providing details on the current canvass response for each of the Scottish Parliamentary Constituencies within Grampian.

The meeting noted that last year's annual canvass was the first to be fully affected by the new legislation set out in the Electoral Administration Act (2006). This year, in an effort to improve return rates, door-to-door canvassing was restricted to the Aberdeen Central Constituency, which had produced a substantial increase in returns. In regard to Section 69 of the Act, which created a new duty to 'encourage electoral participation' it was noted that this was addressed by public advertising during the canvass programme, notably on buses across Grampian and using the Community Pillars sited in Aberdeen.

The report provided the Board with an update on the door to canvass, the current canvass, 'opt-outs', postal votes and 'deadwooding'. The meeting also noted that the Electoral Register will be published on 1 December 2008 with copies being provided to elected members, MSP's, MP's etc as prescribed.

Following consideration, during which the ERO responded to Members' questions, the Board, in noting the report also noted the tribute paid to the ERO in achieving a 65% canvas response in Aberdeen Central.

10. KEY PERFORMANCE INDICATORS

Under reference to Branch 7 (v) of the Minute of the Board dated 11 November 2005 there was submitted a monitoring report by the Assessor in regard to non-financial key performance indicators in respect of the Valuation Roll and Council Tax for the period 1 April to 30 September 2008. There was appended to the report as Appendices 1 & 2 respectively comparative statements in respect of the Valuation Roll and Council Tax showing the positions for 2006/07, 2007/08 and the performance for the first six months (1 April to 30 September) of the current financial year.

In terms of the Board's Code of Corporate Governance the report also included two further performance measures not previously reported to the Board in regard to 'Completeness' and Accuracy' for the financial year 2006/07. The meeting noted that in respect of the Valuation Roll this relates to cases where the effective date is outwith the financial year the property became occupied (Completeness) and measures loss of rateable value on appeal in relation to new or altered running roll entries (Accuracy). In regard to Council Tax this relates to subjects which are entered outwith the relevant financial year (Completeness) and measures the number of subjects where the band fixed for a new house is successfully challenged via a proposal or appeal. The meeting also noted that whilst further performance measures, in relation to time to reply to correspondence, timeliness in answering telephone calls and compliance with statutory time limits, have yet to be developed all statutory publication dates have been met consistently.

Following discussion the Board agreed to note the report.

11. FORMAL COMPLAINT 005

In terms of the Board's Formal Complaints Procedure adopted by the Board on 3 November 2000 (Branch 7 of the Minute refers) there was submitted a confidential report by the Assessor bringing to the Board's attention details of a formal complaint received on 5 August 2008. A copy of the complaint and the response from the Depute Assessor (Aberdeenshire) were appended to the report.

The meeting noted that the complaint related to the manner in which the complaint was dealt with and the circumstances, which gave rise to a possible review of the valuation banding of the complainer's property. The noted that the complaint was originally lodged following contact with the complainer in the course of normal procedures when a possible error in the Council Tax Valuation List was identified. The prospect of a higher banding and higher financial liability clearly upset the complainer however the investigation concluded that there was no foundation to the complaint. The meeting also noted that the complainer had been advised that they have the right to lodge a proposal against the revised banding and that should they remain unsatisfied there is the right to have an appeal heard by the Valuation Appeal Committee. It was further noted that some improvement in procedures would be initiated as a result of the complaint.

The Board agreed to note the report.