



# Orkney and Shetland Valuation Joint Board



## Minute

Tuesday, 30 September 2025, 14:30.

Council Chamber, Council Offices, School Place, Kirkwall.

### Present:

#### Orkney Islands Council:

Dr Stephen Clackson, Kristopher Leask, Lindsay Hall, John Ross Scott and Dr Jean Stevenson.

#### Shetland Islands Council:

Allison Duncan, Stephen Leask, Moraig Lyall, Liz Peterson and Gary Robinson.

### Clerk to the Board:

- Gavin Mitchell.

### In Attendance:

- Erik Knight, Treasurer to the Board.
- Robert Eunson, Assessor and Electoral Registration Officer.

#### Orkney Islands Council:

- Hazel Flett, Service Manager (Governance).

#### KPMG:

- Mr Taimoor Alam, Public Sector Manager (via Microsoft Teams).

### Observing:

- Timothy Johnson, Depute Assessor.
- Susan Taylor, Committees Officer, Orkney Islands Council.

### Chair:

- Stephen Leask, Shetland Islands Council, Convener of the Board.

## **1. Introduction and Apologies**

The Convener welcomed everyone and reminded members that the meeting was being recorded and broadcast live over the Internet on Orkney Islands Council's website. The recording would also be publicly available following the meeting and available for listening to for 12 months thereafter.

Apologies had been intimated on behalf of Arwed Wenger (representing Shetland), with Moraig Lyall attending as a substitute.

## **2. Declarations of Interest**

No declarations of interest were intimated in respect of the business to be considered at this meeting.

## **3. Minute of Previous Meeting**

There had been previously circulated the draft Minute of the Meeting of the Board held on 24 June 2025.

On the motion of Mr John Ross Scott, seconded by Dr Stephen Clackson, the Board **approved** the Minute of the Meeting of the Board held on 24 June 2025 as a true record.

## **4. Matters Arising Log**

There had been previously circulated a log detailing matters arising from previous meetings, together with a list of regular reports.

The Clerk advised that explanatory notes accompanied the log and that actions 1, 2 and 4 from previous meetings would be removed following this meeting. In respect of action 3, the Assessor and Electoral Registration Officer advised that, with the Depute Assessor now in post, consideration of the Shetland accommodation would be revisited after work to meet statutory obligations had been completed.

Allison Duncan reiterated his concerns over the conditions in the Shetland Office and asked for assurance that this would be progressed. The Assessor and Electoral Registration Officer confirmed that, once the draft Valuation Roll was complete, with the statutory deadline being 30 November, this would be looked at, however, the staff had been in the building for 10 years and he was not aware of any concerns that could not be mitigated.

In response to a question from Dr Jean Stevenson, the Assessor and Electoral Registration Officer confirmed that, although it had been an exceptionally busy period on the valuation side, with the Depute Assessor now in post his experience was proving invaluable, particularly in dealing with matters arising from the new valuation timetable and process for appeals.

Following scrutiny of the log, the Board obtained assurance that action had been taken where required.

## 5. Audit Report to those Charged with Governance

There had been previously circulated a report presenting the External Auditor's Annual Audit Report to those charged with governance of the Orkney and Shetland Valuation Joint Board's Annual Accounts, for scrutiny.

The Treasurer advised the Board that, although KPMG would present the detail of their report, he reported that, during the course of the audit, two adjusted audit differences, together with a small number of presentational adjustments within the financial statements, were identified, which had been adjusted in the final accounts.

Mr Taimoor Alam highlighted the following:

- The audit was substantially complete, subject to receipt of the signed accounts and the signed letter of representation.
- There was no change to the approach to materiality, as set out on page 6 of the draft audit report.
- The audit risks set out on pages 7 and 8 remained as identified in the audit planning, with no concerns raised.
- Guidance issued by Audit Scotland confirmed that the Board fell within the definition of a less complex body, therefore the wider scope of the audit was restricted to financial sustainability, with page 12 setting out KPMG's conclusion.
- With regard to Best Value, the Board had implemented appropriate arrangements.
- The appointed auditor's responsibilities and independence, as set out in Appendices 1 and 2 of the audit report respectively.
- The audit differences, as set out in Appendix 4 of the audit report.

Lindsay Hall asked for a definition of 'Sectoral Cap Adjustment' in the audit costs. Taimoor Alam advised the Board that he would obtain further details and report back to the Board. The Treasurer advised the Board that audit fees were set by Audit Scotland but confirmed that further information from Mr Alam would be welcomed. Lindsay Hall commented positively on the completeness of the report.

The Board **scrutinised**:

**5.1.** The Annual Audit Report to the Board and the Controller of Audit in respect of the Orkney and Shetland Valuation Joint Board's Annual Accounts, attached as Appendix 1 to the report by the Treasurer to the Board, and took assurance.

On the motion of the Convener, seconded by Gary Robinson, the Board **resolved**:

**5.2.** That the Orkney and Shetland Valuation Joint Board's Letter of Representation to KPMG in connection with their audit of the financial statements of the Orkney and Shetland Valuation Joint Board for the year ended 31 March 2025, attached as Appendix 2 to the report by the Treasurer to the Board, be approved.

## 6. Annual Accounts

There had been previously circulated a report by the Treasurer to the Board presenting the final Annual Accounts for the Orkney and Shetland Valuation Joint Board for 2024/25, for approval.

The Treasurer confirmed that, in general, the final accounts remained much the same as the draft accounts presented at the previous meeting, with some minor typographical and grammatical errors rectified and noting the audit adjustments already highlighted in the auditor's report at item 5 above.

Amendments included the following:

- The application of the asset ceiling test in relation to defined benefit pension liability.
- Disclosure notes relating to lease liability in accordance with IFRS16.

The Treasurer thanked the team at KPMG for assisting the Board to successfully negotiate the complex accounting adjustments.

John Ross Scott welcomed completion of all outstanding significant governance issues highlighted in previous audits, as well as the successful recruitment to the post of Depute Assessor.

On the motion of Lindsay Hall, seconded by John Ross Scott, the Board **approved** the Annual Accounts for financial year 2024/25, incorporating the Annual Governance Statement, attached as Appendix 1 to the report by the Treasurer to the Board.

## **7. Revenue Expenditure Outturn**

There had been previously circulated a report by the Treasurer to the Board advising on the revenue budget outturn position for 2024/25.

In response to a query from John Ross Scott regarding the disparity between the requisitions, the Treasurer advised that Orkney had higher property costs. There had also been an underspend on grant funding which had reduced the requisition amounts required from both authorities.

The Board noted:

**7.1.** The revenue financial service area statement in respect of the Orkney and Shetland Valuation Joint Board, for financial year 2024/25, attached as Annex 1 to the report by the Treasurer to the Board.

The Board scrutinised:

**7.2.** The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 2 to the report by the Treasurer to the Board, and obtained assurance that appropriate action had been taken with regard to significant budget variances.

## **8. Revenue Expenditure Monitoring**

There had been previously circulated a report by the Treasurer to the Board advising of the revenue position of the Board as at 30 June 2025.

The Treasurer to the Board advised that, as there were no variances above the materiality levels, no additional reporting was required.

The Board noted the revenue financial service area statement in respect of the Orkney and Shetland Valuation Joint Board, for the period 1 April to 30 June 2025, attached as Annex 1 to the report by the Treasurer to the Board.

## **9. Equalities Duties**

There had been previously circulated a report by the Assessor and Electoral Registration Officer outlining how equality was mainstreamed into daily operations, for scrutiny.

The Assessor outlined the background to equality duties and reporting requirements which the Board was legally obliged to conform with. The four Equality Outcomes detailed in the report were unique to the Board and the annual report confirmed that one Equality Outcome (disparity in pay grades between Technical and Administrative posts) had been eliminated following adoption of the revised pay and grading model. Appendices to the annual report set out the Equality Pay Statement for the period 2025 to 2029 and Equalities Monitoring as at 1 April 2025.

The Convener commented that a small staff group would assist in eliminating any discriminatory issues. The Assessor confirmed that, rather than sending office emails, in-person communication was the preferred method and that this also promoted good working relationships.

John Ross Scott referred to Equality Outcome 4 in relation to gender segregation and how this could be achieved in a small team. The Assessor confirmed that the statistics detailed in Appendix 2 were amplified in such a small team. However, during recruitment, merits of all candidates were considered, regardless of gender.

On the motion of Gary Robinson, seconded by Liz Peterson, the Board **approved** the Equalities Mainstreaming and Equalities Outcomes report, attached as Appendix 1 to the report by the Assessor and Electoral Registration Officer.

## **10. Date of Next Meeting**

It was noted that the next meeting was scheduled to be held virtually on 27 November 2025.

The Board approved the undernoted dates for 2026:

- 10 March 2026 at 14:00 (virtual).
- 23 June 2026 (time TBC) (in Shetland).
- 28 September 2026 at 14:00 (in Orkney).
- 1 December 2026 at 14:00 (virtual).

## **11. Conclusion of Meeting**

At 15:05 the Convener declared the meeting concluded.

Signed: