

## **Item: 5**

### **Orkney and Shetland Valuation Joint Board: 5 November 2020.**

#### **Annual Audit Report 2019/20 – Action Plan.**

#### **Report by Clerk to the Board.**

### **1. Purpose of Report**

To provide an update on progress with the Action Plan arising from the Annual Audit Report on the 2019/20 Audit of Orkney and Shetland Valuation Joint Board.

### **2. Recommendations**

The Board is invited to note:

#### **2.1.**

That the Orkney and Shetland Valuation Joint Board considered the Annual Audit Report on the 2019/20 Audit on 28 September 2020.

#### **2.2.**

That the agreed Action Plan has been updated and is attached as Appendix 1 to this report.

#### **2.3.**

That a further update on progress on the Action Plan will be presented to the Board at its meeting in February 2021.

### **3. Background**

#### **3.1.**

The Orkney and Shetland Valuation Joint Board considered the Annual Audit Report on the 2019/20 Audit at its meeting held on 28 September 2020.

#### **3.2.**

The Board resolved to:

- NOTE the findings of the 2019/20 audit as contained in the external auditor's Annual Report at Appendix 1 of the report.
- APPROVED the agreed Action Plan as outlined in the Annual Report; and
- APPROVED the audited Annual Accounts for 2019/20 (Appendix 2 of the report) for Orkney and Shetland Valuation Joint Board for Signature.

### **3.3.**

This report provides an opportunity for the Board to consider the progress on the Action Plan.

## **4. Action Plan Progress**

### **4.1.**

The agreed Action Plan has been updated and is attached as Appendix 1 to this report.

### **4.2.**

It is proposed that a further update on the progress on the Action Plan be presented to the Board at its meeting in February 2021.

## **5. Financial Implications**

Other than the specific items listed in the Action Plan, which will be addressed separately by the Board, there are no financial implications arising directly from this report.

## **6. Legal Aspects**

Other than the specific items listed in the Action Plan, which will be addressed separately by the Board, there are no legal implications arising directly from this report.

## **7. Contact Officer**

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## **8. Appendix**

Appendix 1 – Action Plan – Recommendations for Improvement.

**Orkney and Shetland Valuation Joint Board  
Action Plan - Recommendations for Improvement**

Appendix 1

|   | Area                        | Recommendation   | Management Response   | Lead  | Target Date | Progress / Update  |
|---|-----------------------------|--|---|---|-------------|--|
| 1 | Governance and Transparency | The VJB should engage an independent review of its governance framework and the effectiveness of governance within the organisation  | The Board will seek to commission a review of its governance arrangements. Any review can only take place following the appointment of the substantive Proper Officers to the Board which is the immediate priority for the Board.      | Chief Executive of OIC/ Chief Executive of SIC. | 31/03/2021  | <b>Appointment of substantive Proper Officers underway. Options for the independent review are being explored for the Board to consider in due course.</b>   |
| 2 | Governance and Transparency | The VJB should undertake training to ensure that the Board and management are clear in their understanding and roles and responsibilities in line with the VJB's own governing documents and good practice.  | The Board commits to provide training to elected members and officers.  | Chief Executive of OIC/ Chief Executive of SIC. | 30/06/2021  | The Board will consider the benefits of addressing this recommendation in parallel with the review of the Board's governance arrangements, or to progress once the governance review has been concluded.                                   |
| 3 | Value for Money             | The robustness of performance reporting and reporting against Best Value should be improved by clearly setting out historical performance targets in addition to current performance, to enable monitoring of improvement. Reporting on Best Value should be clearly linked to the themes of Best Value set out in statutory guidance.                                 | The Board will seek to incorporate the suggested changes into its regular performance reports.  | Assessor.                                       | 30/06/2021  | <b>This action will be addressed by June 2021 as part of the review of 2020-21 accounting and audit process when the full year's performance figures are known.</b>  |
| 4 | Financial Sustainability    | When developing its Medium-Term Financial Plan (MTFP) the VJB should make reference to the key principles of public service reform - prevention, performance, partnership and people - and how these key principles are reflected in the VJB's financial planning. There should be clear links to the Scottish Government MTFS, the VJB's corporate plan and outcomes. | The VJB will develop its own MTFP, which has been delayed during the last year due to delays in the 2020/21 annual budgeting cycle and the CV19 Pandemic. The development of the MTFP will need to factor in the pay and grading model. | Section 95 Officer.                             | 30/06/2021  | The Board has commissioned the development of its own pay and grading model, which may have a considerable impact on the future resource requirements of the Board if approved by the Board.   |
| 5 | Financial Sustainability    | The VJB should consider developing a workforce plan, setting out (i) its current workforce, (ii) the workforce it currently needs, (iii) the workforce it needs in the future, (iv) the gaps between the current workforce and the needed workforce and (v) actions to fill those gaps (recruitment, training, automation, changing service provision)                 | The Board is committed to developing its own workforce development plan, however the Board consider it prudent to progress this recommendation once the outcome of a new pay and grading model is known, if approved by the Board.      | Section 95 Officer.                             | 31/03/2020  | <b>Work on the pay and grading model is currently being developed, at pace, by the Board in conjunction with an independent HR consultant. A report will be presented to the meeting of the VJB on 26 November 2020 for consideration.</b> |

|   |                             |   |   |           |            |  |
|---|-----------------------------|---|---|-----------|------------|--|
| 6 | Governance and Transparency | The VJB should carry out a review of how open and transparent it is, influenced by the views of the Board, staff and the wider community, Through this review, the VJB should identify improvements which can be made in the coming year. | The Board acknowledges the new recommendation to undertake a review of its governance arrangements. | Assessor. | 31/03/2020 | This recommendation will be addressed as part of the commitment to review the governance arrangements. |
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