



ANNUAL GOVERNANCE STATEMENT

2025/26

GOVERNANCE TEAM

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Scope of Responsibility

Lothian Valuation Joint Board (LVJB) is responsible for ensuring that its business is conducted in accordance with all relevant legislation and recognised standards of good practice. It is committed to ensuring that public funds are properly accounted for, used responsibly, and directed toward achieving maximum value. LVJB also strives for continuous improvement in how its services are delivered, with the aim of enhancing organisational efficiency.

To support this responsibility, LVJB has established comprehensive governance arrangements that oversee both its operational activities and the effective exercise of its statutory functions. These arrangements include robust processes for the identification, management, and oversight of risk.

Recognising its duty to maintain strong and effective governance, LVJB has developed a Code of Corporate Governance, which is underpinned by three core principles.



LVJB's internal Governance Committee provides assurance and quality control across the organisation's key functions and services. In addition, the Governance Strategy Group meets regularly to promote consistency in governance practices and service assurance activities.

Responsibility for leading and directing the annual reviews of the effectiveness of LVJB's governance arrangements, as well as providing ongoing oversight and robust challenge, rests with the City of Edinburgh Council (CEC) Internal Audit team and LVJB's external auditors, Audit Scotland.

Assessors Summary

The 2025/26 year was another exceptionally busy one for the organisation across all areas of service delivery. As in previous years, we continued to prioritise opportunities to enhance our effectiveness and efficiency, while recognising the ongoing financial pressures we face. The work of the relaunched Continuous Improvement Programme (CIP) has been central to this effort, helping us align more closely with EFQM principles and establish a leadership workstream designed to drive continuous improvement throughout the organisation.

Despite the significant challenges faced across all workstream areas over the past year, I am pleased to report that the hard work, commitment, and dedication of our staff enabled us to meet key legislative deadlines, making 2025/26 another successful year for the organisation. We achieved the 30 September 2025 deadline for disposing of all non-domestic proposals lodged for the 2023 Revaluation, while also continuing to manage appeal hearings set by the Scottish Courts and Tribunal Service for both domestic and non-domestic subjects.

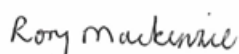
Last year also saw us successfully deliver the draft 2026 Revaluation Roll by the statutory deadline of 30th November 2025. This process involved the revaluation of c. 36,000 non-domestic subjects and represented the first occasion in which we have had to deliver the Revaluation with a one-year valuation date. My organisation has had to be more innovative and creative in its approach, utilising and embracing new IT solutions as a means of achieving this statutory target, and we are currently in the final stages of delivering the live 2026 Revaluation Roll which will take effect on 1st April 2026.

The 2026 Electoral Register was published on 1 December 2025 incorporating new boundaries and taking into account the polling district reviews which had been conducted by local authorities. Staff involved in this workstream are continuing to work diligently towards the delivery of the Scottish Parliamentary Elections in May 2026.

My organisation continues to demonstrate its ambition through its Corporate and Service Plan, with a strong commitment to identifying opportunities for greater efficiency and continuous improvement across all areas in a financially sustainable way. I am extremely grateful to all staff for their tremendous efforts over the past year. Their dedication has enabled us to deliver significant achievements while maintaining the effective delivery of our core services.

We remain focused on strengthening our governance arrangements and will continue to implement further improvements in line with good practice and external recommendations.

The LVJB Annual Governance Statement 2025–26 confirms that no significant governance issues have arisen during the year that require specific reporting.



Rory Mackenzie MRICS AEA (Cert-Scot)

Assessor & Electoral Registration Officer

Governance Assurance Framework

Our governance framework encompasses the culture, values, systems, and processes through which the organisation is directed, managed, and held to account. This framework enables LVJB to monitor progress against its strategic objectives and to assess whether the achievement of those objectives has resulted in the efficient and effective delivery of our services.

A key component of the governance framework is the system of internal control, which is designed to manage risk to an acceptable level. These controls help ensure that LVJB conducts its business in a manner consistent with the principles set out in the **CIPFA/SOLACE framework, *Delivering Good Governance in Local Government***.

The diagram below illustrates the relationship between the core principles of good governance in the public sector. **Principles A and B** underpin and inform the implementation of **principles C to G**, reflecting the overarching requirement to achieve intended outcomes while consistently acting in the public interest.



Principle A	Behave with integrity, has strong ethical values and respects the rule of law
Evidence	<p>The Corporate Leadership Team (CLT) actively promotes a culture of integrity and consistently reinforces the organisation’s core values. A Code of Conduct for Board Members is in place, complementing the existing Employee Code of Conduct and providing a clear framework for expected standards of behaviour.</p> <p>These codes are supported by a suite of internal policies, including Public Interest Disclosure, Scheme of Delegation, Anti-Bribery, and Disciplinary Procedures, all of which operate within a structured programme of regular review. Together, these arrangements ensure a well-defined and shared understanding of the importance of exemplary conduct and ethical practice across all areas of the Joint Board’s activities.</p>
Improvement plan	<ol style="list-style-type: none"> 1) Further strengthen organisational understanding and awareness of equality, diversity and inclusion (EDI) across all staff groups, with enhanced visibility and promotion of EDI within the annual review cycle and associated governance reporting. 2) Continue to review, update, and develop policies and procedures to ensure they remain current, fit for purpose, and responsive to organisational needs.

Principle B	Ensure openness and comprehensive stakeholder engagement
Evidence	<p>We continue to review and strengthen our approaches to stakeholder engagement to ensure that the services we provide remain high-quality, accessible, and clearly understood. During the year, we expanded our use of digital communication channels and enhanced the visibility of our social media presence to improve reach, transparency, and responsiveness. Work has also progressed on developing clearer and more consistent messaging across our core service areas, supporting stakeholders to better understand the role of the Joint Board. These activities contribute to our ongoing commitment to effective communication, accountability, and continuous improvement.</p>
Improvement plan	<ol style="list-style-type: none"> 1) Continue to evaluate and adopt enhanced approaches to strengthen stakeholder engagement across all key groups. 2) Evaluate and expand the range of information available to stakeholders, prioritising enhancements that improve digital accessibility and user experience.

Principle C	Seek outcomes in terms of sustainable economic, social, and environmental benefits
Evidence	<p>Our Continual Improvement Programme (CIP) continues to progress, with initiatives being further developed and refined. Following the successful review of effective leadership across LVJB, the group will now broaden its focus to consider people-centred strategies aimed at streamlining processes and enabling more efficient ways of working.</p> <p>In parallel and building on the recent successful implementation of several key “green” initiatives, we will maintain a strong level of focus on sustainability to ensure continued improvement and momentum in this area.</p>
Improvement plan	<ol style="list-style-type: none"> 1) Involve staff in redesigning processes, removing barriers to efficient working, and supporting them with the right digital tools. Building capability and fostering a culture of continuous improvement will ensure sustained gains in efficiency and staff experience. 2) Continue to explore and implement opportunities to further reduce our carbon footprint and strengthen our environmental performance.

Principle D	Determine interventions necessary to optimise the achievement of intended outcomes
Evidence	<p>Our Management of Capability Procedure is now a core mechanism for meeting our performance expectations and ensuring we continue to deliver services to the standard required by our stakeholders. Achieving these outcomes depends on making the most effective use of employee time and expertise, supported by regular workload balancing and the ongoing enhancement of processes and procedures. In addition, the introduction of leadership training and development workshops will strengthen strategic direction and promote greater consistency in staff management across the organisation.</p>
Improvement plan	<ol style="list-style-type: none"> 1) Strengthen the operational application of the Management of Capability Procedure, aligned with MyPath, to support consistent performance improvement across the organisation. This will be reinforced through clearer leadership objectives and a sustained focus on improving management capability and accountability. 2) Review and refine the project management framework to enhance oversight, strengthen governance, and maximise the likelihood of successful delivery.

Principle E	Develop capacity, including the capability of its leadership and the individuals within it
Evidence	<p>A recent review of Agile working has highlighted significant benefits within our technical divisions, including enhanced responsiveness and more efficient workflow management. Building on this success, we propose exploring further organisational changes that apply Agile principles more widely to increase flexibility, strengthen our ability to respond to emerging challenges, and improve capacity during periods of peak activity. Successful implementation will require enhanced leadership capability, supported through targeted development programmes to ensure consistency, confidence, and effective management of teams through change</p> <p>To support this expansion, it is essential that we continue to strengthen the skills and capabilities of our senior managers and wider leadership team. Targeted leadership development, combined with improved management consistency and confidence, will play a critical role in sustaining Agile principles, enabling effective decision-making, and guiding teams through evolving ways of working.</p>
Improvement plan	<ol style="list-style-type: none"> 1) Continue to enhance staff capability at all levels through a blend of internal training, guidance, and targeted third-party learning opportunities that further strengthen skills and professional development. 2) Building on the success of our Agile working model, assess opportunities to extend this approach throughout the organisation to improve flexibility, efficiency, and overall service delivery.

Principle F	Manage risk and performance through robust internal control and strong financial management
Evidence	<p>Risk identification and monitoring are actively embedded across the organisation, with staff encouraged to recognise and escalate potential issues at the earliest opportunity. Risks are routinely discussed at internal operational meetings, ensuring they are reviewed, understood, and appropriately managed by relevant teams. This approach supports a proactive risk culture, strengthens early intervention, and ensures that operational risks are closely aligned with our service delivery objectives.</p>
Improvement plan	<ol style="list-style-type: none"> 1) Continue to strengthen the visibility and significance of risk management across all organisational activities, ensuring it is recognised as a core component of effective decision-making and service delivery. 2) Maintain rigorous oversight and scrutiny of our Corporate, Service, and Project Risk Registers to provide sustained assurance and ensure risks are proactively monitored, managed, and escalated where necessary.

Principle G	Implement good practice in transparency, reporting, and audit to deliver effective accountability
Evidence	<p>The review of our current suite of internal and external key performance indicators is now nearing completion. The updated KPIs will provide clearer and more consistent expectations of performance, enabling staff to better understand required standards and focus their efforts accordingly. This revised framework will support strengthened performance management across the organisation and provide stakeholders with improved visibility of progress against strategic objectives.</p>
Improvement plan	<ol style="list-style-type: none"> 1) Review and present performance statistics in a format that is easily accessible, transparent, and straightforward for stakeholders to understand. 2) Ensure internal performance targets are aligned to key organisational deliverables and that staff have a clear understanding of their contribution to achieving these objectives.

The Role of Quality Assurance

We continue to strengthen and promote the role of quality assurance across the organisation, ensuring that our services consistently meet expected standards. Our approach is focused on providing stakeholders with confidence in the accuracy and reliability of our work, while offering an additional safeguard against error. Oversight of all reported quality-related actions and recommendations is maintained by the Governance Committee, which provides independent scrutiny and assurance.

Council Tax

- *Weekly interface audit reports are generated, reviewed, and circulated to the four constituent councils to ensure accuracy and transparency.*
- *Point-of-sale reports are examined to verify that sales data is correct, as this information determines both the effective date and liability date for any changes in banding.*
- *Senior staff conduct a 10% check of all self-verified transactions as part of routine operational assurance. In addition, the Quality Assurance team undertakes a further 10% assurance check on both self-verified and verified transactions. Any anomalies or incorrectly processed transactions identified through this process are promptly reported and corrected to maintain the accuracy and integrity of the data.*

Valuation Roll

- *Weekly interface audit reports are produced, reviewed, and issued to the four constituent councils to ensure accuracy and transparency.*
- *Senior staff undertake 100% checks on all Business Growth Accelerator entries, along with a 10% sample check of self-verified transactions. These checks are supplemented by follow-up reviews from the Quality Assurance (QA) team, providing a second line of assurance. Any anomalies or incorrectly processed transactions identified through either layer of scrutiny are promptly reported and corrected.*
- *Valuation Roll names updates processed by Technical & Support staff receive a 10% check by QA.*

ER Support/Processing

- *System reports are regularly examined to ensure that electors are correctly processed, absent voting arrangements are accurately applied, and the integrity of the register is maintained. As part of our quality assurance approach, a 10% sample of transactions from electoral activity reports is subject to further checking to verify accuracy and compliance with statutory requirements.*

Miscellaneous

- *Quality Assurance conducts a 10% sample check of building warrants and planning permissions each quarter, carrying out a full end-to-end review to confirm accuracy and compliance. For planning permissions, filtered cases are examined to ensure they have been correctly removed in line with established procedures.*
- *The team also validates the quarterly return of appeal and proposal statistics submitted to the Scottish Government, providing assurance on the accuracy of the data.*
- *Assurance checks are also undertaken on all domestic and commercial sales information received from Registers of Scotland (RoS) where a matched entry exists on the Valuation Roll or Council Tax List. This ensures data integrity and supports the accuracy of property records.*

Internal Audit Opinion

Internal Audit completed its 2024/25 review, examining the design and operational effectiveness of the Board's ICT Helpdesk. The review evaluated key control areas, including ICT helpdesk procedures, governance and monitoring arrangements, staff training and guidance, and system security.

The audit concluded with an overall rating of "**Limited Assurance.**" This outcome reflects the identification of significant weaknesses, gaps, and instances of non-compliance. Consequently, **material improvements are required** to strengthen governance, risk management, and internal control frameworks. The enhancements outlined below are essential to ensure that risks are effectively managed and that the ICT Helpdesk can fully support the achievement of the Board's organisational objectives.

Summary of Helpdesk Management Enhancements

- A focused programme of improvements has been implemented to strengthen the effectiveness and governance of the ICT Helpdesk. Key updates include clearer procedures for **ticket allocation, prioritisation, and escalation**, supported by newly introduced **Service Level Agreements (SLAs)** and defined **roles and responsibilities** across Support and Development teams.
- Performance monitoring has been enhanced through new **KPIs**, improved **data quality controls**, and active oversight of external stakeholder tickets. A **user feedback mechanism** now provides insight into satisfaction and service experience.
- Training arrangements have been updated through a revised **Training and Education Policy**, with **lessons learned from thematic reviews** now integrated to support continuous improvement.
- Finally, assurance has been strengthened through the introduction of a **bi-annual SOC report review**, supporting ongoing compliance and effective risk management.

LVJB is committed to ensuring that these enhancements deliver sustained improvement in the effectiveness and reliability of the ICT Helpdesk. Ongoing monitoring of performance, compliance, user feedback, and training outcomes will form a core part of our governance approach. This continuous oversight will help ensure that controls remain robust and that any associated risks are effectively managed.

Annual Performance Statistics

The statistical performance information presented relates to the statutory performance measures for the Assessor and Electoral Registration Officer's core service areas. The key indicators focus on the time taken to update the Council Tax List and Valuation Roll to reflect property changes, providing an objective measure of the efficiency and responsiveness of the service.

Council Tax KPI Comparisons (number of transactions processed by timescales).

Year	<3 Months	%	3-6 Months	%	>6 Months	%	Total
01/04/2025 to 31/03/2026	5,017	78.6	525	8.2	841	13.2	6,383
01/04/2024 to 31/03/2025	4,370	76.42	605	10.58	743	13	5,718

Point of Sale Comparison (where a property has been altered and subsequently sold, this table provides updates by timescales).

Year	<3 Months	%	3-6 Months	%	>6 Months	%	Total
01/04/2025 to 31/03/2026	174	61.9	92	32.7	15	5.4	281
01/04/2024 to 31/03/2025	133	52.99	89	35.46	29	11.55	251

Valuation Roll KPI Comparisons (number of transactions processed by timescales).

Year	<3 Months	%	3-6 Months	%	>6 Months	%	Total
01/04/2025 to 31/03/2026	435	30.6	265	18.7	720	50.7	1,420
01/04/2024 to 31/03/2025	539	41.85	350	27.18	399	30.97	1,288

Electoral Registration totals by Council area comparison

Council Area	2023 Register	2024 Register	2025 Register	2026 Register
Edinburgh	395,190	394,079	405,264	404,175
Midlothian	75,401	76,303	77,668	78,225
East Lothian	87,929	88,659	90,225	90,805
West Lothian	144,924	146,155	149,210	149,280

Current Postal Vote counts

Council Area	Total Reserved	Total Devolved
Edinburgh	77,781	78,662
Midlothian	19,672	19,255
East Lothian	15,894	15,538
West Lothian	26,845	26,530
Total	140,192	139,985

What have we delivered?

Power BI

Power BI has significantly strengthened our ability to analyse and act upon a wide range of operational data, including council tax datasets and workflow information. By bringing these sources together in a single, interactive platform, we can now **explore trends, identify bottlenecks,** and understand **service demands** in far greater depth.

Mental Health Plan

Our Mental Health Action Plan has strengthened staff wellbeing by us supporting the **MIND Mental Health at Work Commitment**, enhancing training, expanding **wellbeing activities**, and improving **signposting to support services**. Ongoing monitoring of **absence and stress-related data** will assess the effectiveness of these measures and inform future improvements.

CIP Reboot

Following review, the CIP group has become more agile and streamlined, enabling the organisation to undertake a self-assessment aligned with **EFQM principles**. This assessment informed the development of a focused **leadership workstream**, which has identified a range of activities and training designed to drive further improvement across the organisation.

Resource planning and work allocation

We have assessed our arrangements for work planning and resource allocation after meeting the challenges of the **new proposal system**. Following completion of its first 3-year cycle, we undertook a **lessons-learned review** to assess the efficiency of the process. The insights gained will support refinements to the system and ensure that **future improvement activity** is better aligned with organisational priorities and service delivery expectations.

Draft Revaluation

We successfully delivered the **draft Revaluation 2026 Roll**, covering approximately **36,000 properties**, in late **November** last year. This represented an important milestone in meeting our statutory obligations and ensured that subsequent valuation and engagement activities could progress in line with planned timescales.

Corporate and service plan



Maintenance and publication of the Valuation Roll, Council Tax List & Electoral Register



Community focus, reporting, partnership working and engagement



Risk management, accountability and adhering to standards



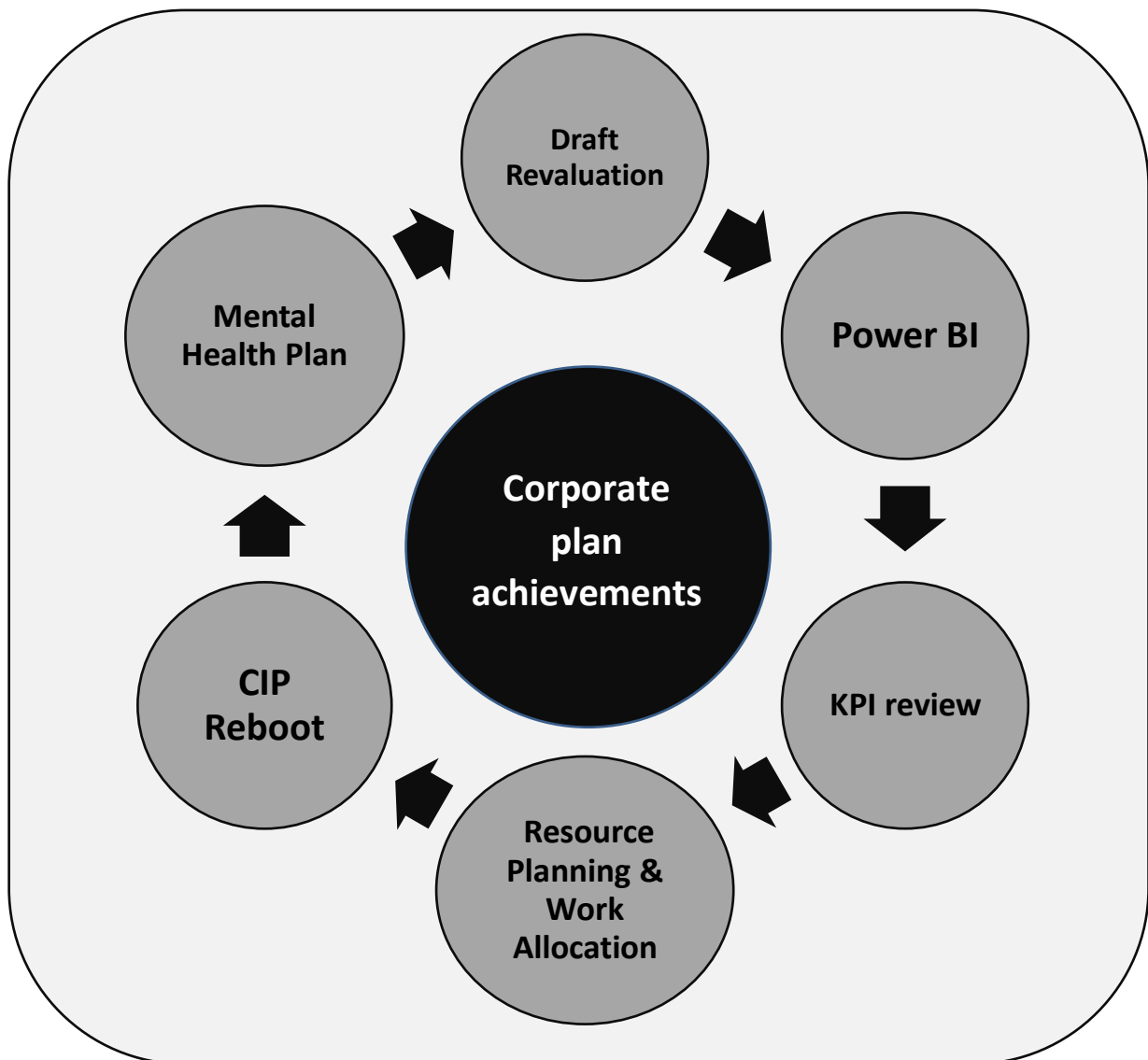
Continual improvement and supporting the wellbeing of staff

Corporate and Service plan – achievements

The successful delivery of the draft Revaluation Roll, alongside the disposal of proposals represents a significant organisational achievement. This work involved substantial coordination, technical expertise, and sustained commitment across a range of teams, and the effort from staff throughout the process has been exceptional.

A key contributor to this success has been our enhanced ability to analyse operational data through Power BI. The improved visibility of valuation and workflow information has enabled more informed decision-making, better prioritisation, and more efficient allocation of resources. These data-driven insights have strengthened our planning, supported early identification of risks, and helped streamline processes at critical points in the cycle.

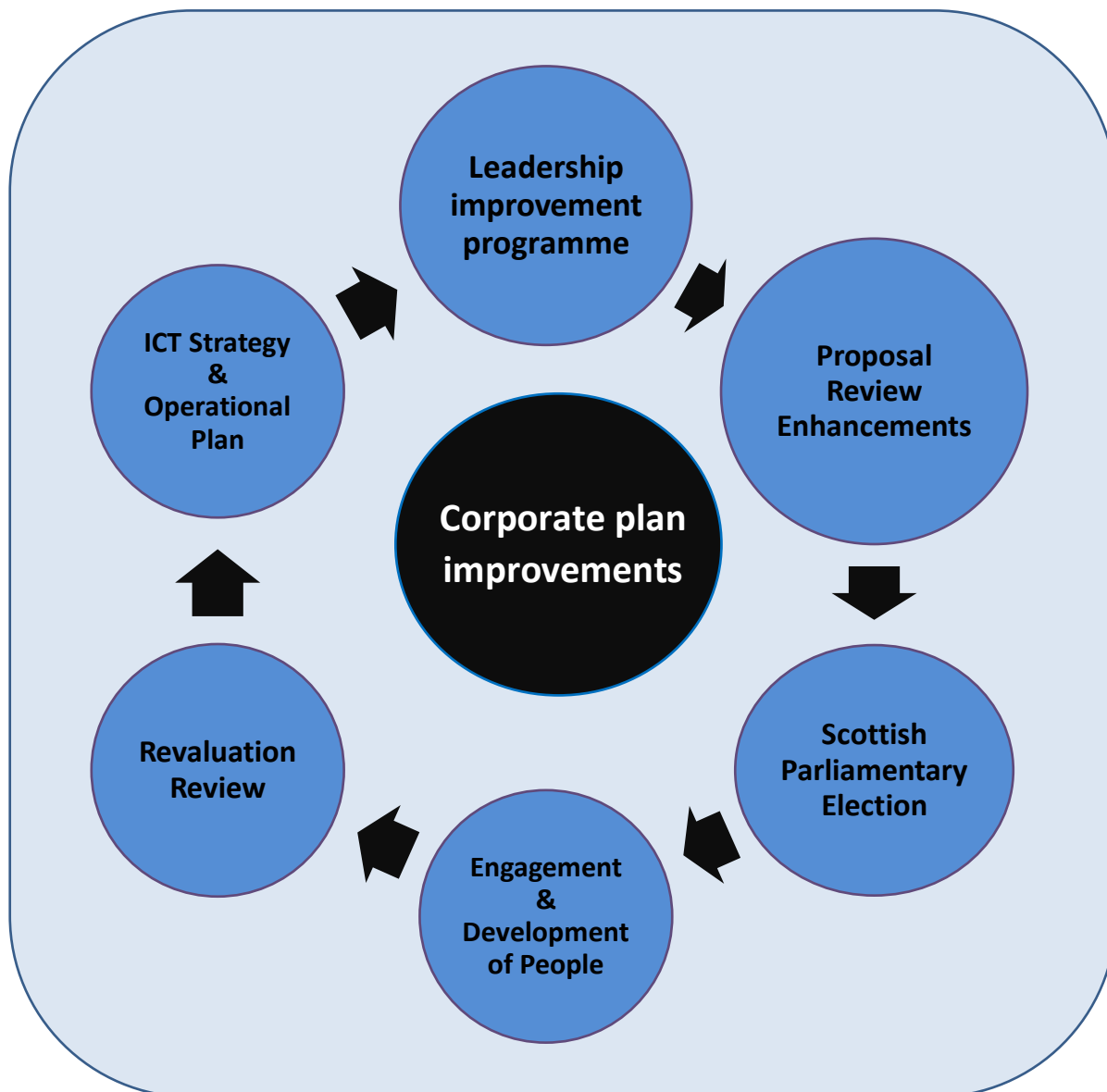
Collectively, this combination of staff commitment and improved analytical capability has played a central role in delivering such a strong outcome in our first full three-yearly revaluation cycle.



Corporate and Service plan – work in progress

LVJB recognises the importance of continually identifying new opportunities to enhance organisational efficiency and performance. We acknowledge that sustained improvement requires us to challenge traditional ways of working and to regularly reflect on how effectively we operate, both internally and in our engagement with stakeholders.

The activities outlined below are designed to support this ongoing improvement process and ensure the organisation is well positioned to adapt to forthcoming legislative changes.



Scottish Parliamentary Election

This year brings the significant challenge of delivering the **2026 Scottish Parliamentary Election**. Preparatory work is well underway, including a series of meetings with Returning Officer teams across all authorities to ensure **coordinated regional planning**. Election timetables will be created and issued, and development of polling schemes has already commenced. This will place **substantial demands** on the organisation, and agile working, supported by flexible deployment of staff from across the organisation, will be critical to ensuring **successful delivery**.

Revaluation Review

A comprehensive **review of the revaluation process** will be undertaken to capture lessons learned from the first delivery of the three-year cycle. This review will assess the **effectiveness, efficiency, and resilience** of existing processes, with a particular focus on the role of systems, data quality, and analytical capability. The intention is to identify where improvements can be made to **reduce operational pressure**, minimise stress on staff, and ensure a more **sustainable and streamlined** approach for future revaluations.

Leadership Improvement Programme

Implement a **strategic leadership and management development** programme for the WLT, combining the expertise of an external facilitator with a suite of targeted internal training modules. The programme should directly address issues already identified, build **collective leadership capability**, and strengthen the conditions required for high performance across the organisation. It should enable the WLT to operate with **greater strategic coherence**, foster a culture of constructive challenge, and establish a sustainable framework for **long-term leadership development**.

Engagement & Development of people

This year's main workstream for CIP will focus on EFQM Criterion 3 from our self-assessment, **strengthening how people are managed**, utilised, and developed. Priorities include ensuring the **right people are in the right roles**, supporting **effective change**, designing work practices that meet workforce needs, and constructively reviewing existing tasks to ensure they **add value**.

Proposal improvements

Following the **review of the recent proposals process**, an action plan and implementation timetable will be developed to deliver **system improvements, streamline workflows, strengthen communication, and enhance planning and resource allocation**. These changes are intended to support more efficient and consistent delivery of the process by staff across the organisation.