

2021/22

Annual Governance Statement



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1. Introduction

Lothian Valuation Joint Board (LVJB) has responsibility for ensuring that it conducts its business in accordance with legislation and proper standards, and that public money is properly accounted for and expended to achieve maximum value. LVJB are committed to pursuing continuous improvement in the way in which services are delivered to attain organisational efficiency.

In discharging this responsibility, LVJB has established comprehensive arrangements for the governance of its activities and the operational exercise of its functions, which includes arrangements for the management and oversight of risk.

LVJB acknowledges its duty for ensuring that there is effective governance within the organisation and as such has developed a Code of Corporate Governance defined by three main principles.

Accountability

- as a public body we are held accountable to citizens and stakeholders
- we implement good practice in reporting, quality assurance and auditing

Transparency

- processes, procedures and data are accessible to those who need them, and sufficient information is provided to understand and monitor them
- we engage with our stakeholders and help them understand the services we provide

Effectiveness & efficiency

- the organisation produces service oriented results while making the best use of its resources
- we operate in an environment of continuous improvement

LVJB's Governance Committee provides internal assurance and quality control over the primary functions and services of the organisation. There is also an external Governance Strategy Group that meets regularly with Board members to ensure consistency in respect of governance and service assurance matters. The responsibility for leading and directing the annual reviews of the effectiveness of LVJB's governance arrangements and providing ongoing oversight and robust challenge is City of Edinburgh Council (CEC) Internal Audit and external auditors, Azets.

2. Adapting to the consequences of the pandemic

COVID-19 continues to present organisations with unique challenges and though there is indication of a return to more familiar routines, there can be no doubt that businesses have had to adapt their operational and service models significantly.

Over the last year, LVJB have maintained the provision of high levels of service quality around its three core functions and continue to oversee these services with the necessary governance and control mechanisms required to provide assurance to stakeholders and Board members.

The organisation sustains clear and consistent communication with staff as we move closer to a formal hybrid return to work situation. Staff who opt to work from home will undertake appropriate risk assessments to ensure that their working environment is safe and has the necessary resources for them to function effectively.

Risk management, assessment and evaluation, continues to be monitored via the LVJBs Governance Committee, Project Management Framework, Quality Assurance procedures and Corporate Leadership Team. This provides appropriate levels of assurance which are reviewed through our annual Internal & External audits and are incorporated in this Annual Governance Statement.

The pandemic has produced one major risk to the organisation in that circa 17,000 material change of circumstance appeals have been lodged on COVID grounds. Resolving this number of appeals in what would in essence be a 6 month period and at the same time carrying out the 2023 Revaluation would be extremely difficult. Proposed legislation may yet impact on the validity of these appeals and although the disposal timetable has been pushed out to December 2023, this remains a significant risk.

As we near almost 2 years of primarily imposed working from home conditions, it has provided the opportunity to refine work practices and to also improve remote security access and system protocols. New and alternative ways of working will continue to evolve and we must make every effort to create organisational & service delivery improvements during this period of continued transition.

3. Governance Assurance Framework

Our governance framework comprises the culture, values, systems and processes by which the organisation is directed and regulated. It enables the LVJB to monitor the attainment of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services in an efficient manner.

Internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It assures that in conducting its business, LVJB reflects the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government.

Principle 1	Behave with integrity, has strong ethical values and respects the rule of law
Evidence	The Corporate Leadership Team (CLT) actively promote a culture of integrity and values. We have a code of conduct for Board members which complements our existing employee code. This, combined with other internal policies such as public interest disclosure, scheme of delegation, anti-bribery, disciplinary codes, etc. all falling under a regular review framework, ensures a well-defined understanding of the importance of exemplary behaviour and ethics in all areas of the Joint Board’s activities.
Improvement plan	<ol style="list-style-type: none"> 1) Participate in the Scottish Government Consultation on the review of the Public Sector Equality Duty in Scotland 2) Continued review of policies and procedures for relevance and currency
Principle 2	Ensure openness and comprehensive stakeholder engagement
Evidence	Transparency to stakeholders in the decisions we make and information we provide is being delivered with the implementation of additional assessors portal (www.saa.gov.uk) functionality. This includes providing comparative rental data used for valuation purposes and enhanced user experiences for ratepayers to digitally engage with the organisation. We have also implemented a revised model complaints handling procedure to provide a user-focused and accessible means for stakeholders to help our organisation “get it right first time”.
Improvement plan	<ol style="list-style-type: none"> 1) Continue to assess and develop new ways of engaging with stakeholders 2) Consider what additional information can be made available to ratepayers particularly from a digital accessibility perspective
Principle 3	Seek outcomes in terms of sustainable economic, social, and environmental benefits
Evidence	The existing Business Strategy 2020/2023 has been reviewed to assess the impact of COVID and reflect ongoing transformational change. This has enabled the creation of an updated draft strategic plan which will facilitate the creation of a longer term financially stable position. Initial discussion with the Board, Treasurer, Accountant and Auditor have commenced in the development of this plan. As we continue our journey towards formal hybrid working, it has become clear that there are opportunities to reduce our environmental impact in terms of external survey and ways in which we engage with stakeholders.
Improvement plan	<ol style="list-style-type: none"> 1) Continue to develop the creation of a longer term financially secure Business Strategy 2) Investigate opportunities to reduce our carbon footprint
Principle 4	Determine interventions necessary to optimise the achievement of intended outcomes
Evidence	Following a series of workshops and training sessions, LVJB are currently rolling out “My PaTH”, a new software platform for performance management. The system provides staff with the ability to set objectives for the year, identify training & development needs, increase skills, knowledge & ability under regular review with their line manager. It is anticipated that this will facilitate positive conversations

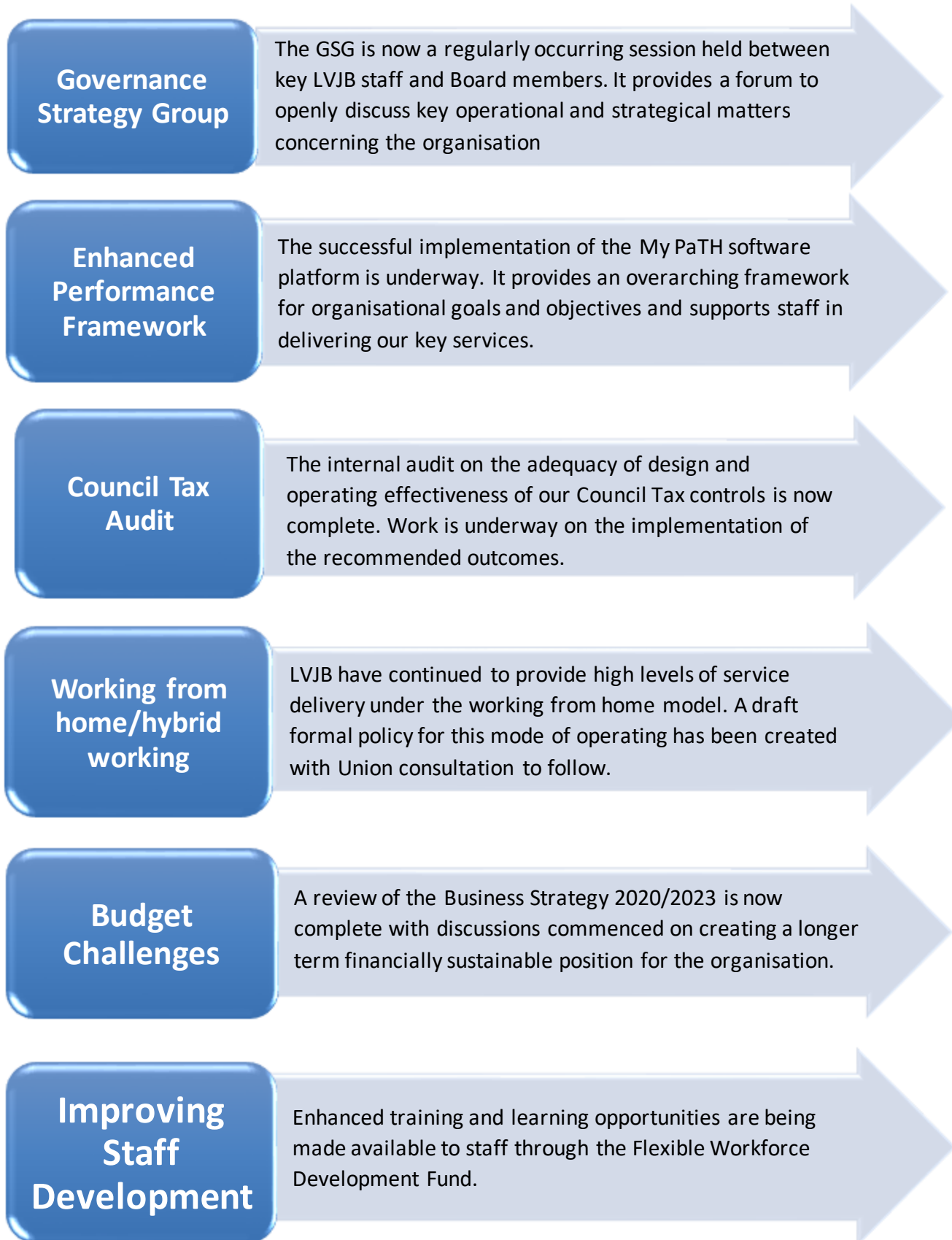
	between managers and staff, refresh motivation and increase job satisfaction whilst creating a more supportive, open and honest culture. LVJB operates under a flat cash budget with core costs approved for the 2022-2023 financial year.
Improvement plan	<ol style="list-style-type: none"> 1) Review the introduction of My PaTH to assess its organisational impact 2) Continued application of the LVJB Project Management Framework to monitor and evaluate positive project outcomes
Principle 5	Develop capacity, including the capability of its leadership and the individuals within it
Evidence	The My PaTH framework encompasses all levels of our organisational structure. It permits LVJB to identify and develop essential skills and techniques for staff to deliver high quality levels of service. Deployment of these services are supported by the creation of detailed workforce plans to enhance strategic allocation of resources.
Improvement plan	<ol style="list-style-type: none"> 1) Continue to assess and provide tailored training and personal development opportunities to staff. Fully utilise the Flexible Workforce Development Fund in this regard. 2) Review service output, performance and development on a regular basis to ensure continuing effectiveness
Principle 6	Manage risk and performance through robust internal control and strong financial management
Evidence	Risk is a standing item on the bi-monthly LVJB Governance Committee agenda and any identified significant risks are escalated for review at CLT. Corporate risks are discussed at the Governance Strategy Group (GSG) and where required, presented to the Joint Board. The organisation is subject to annual internal and external audit review with the identification of any control weaknesses and provision of assurance recommendations. LVJB's internal Governance team are responsible for ensuring all information compliance and statutory obligations are met.
Improvement plan	<ol style="list-style-type: none"> 1) Continue to promote risk management as an integral part of all organisational activities which must be considered in all aspects of the decision making process 2) Monitor service delivery effectively and continue to undertake post implementation reviews
Principle 7	Implement good practice in transparency, reporting, and audit to deliver effective accountability
Evidence	LVJB produce and publish a suite of reports on its external website. These include statements on annual corporate & service plans, financial regulations, records management, standing orders, annual corporate assurance statements, etc. Ongoing specific KPI and overall performance statistics and financial statements are presented to the Joint Board. A suite of audit and QA reports (see Section 4) is presented at Governance Committee meetings, delivering assurance over key service provision.
Improvement plan	<ol style="list-style-type: none"> 1) Continue to create and communicate information for stakeholders in a readily understood style which is appropriate to the intended audience and is easy to access and interrogate 2) Ensure that management recommendations for corrective action made by internal/external audit are acted upon

4. The role of Quality Assurance

We continue to maintain and promote the role of quality assurance within the organisation. Emphasis is placed on providing stakeholder confidence that the level of service provided meets expectation and offers additional protection against inaccuracies. The Governance Committee has overall scrutiny of all reported actions and recommendations. The current suite of QA activity checks is shown in the table below.

Function	Task	Description
Council Tax	Interface Audit	Audit Reports are produced for each interface period. Checked and emailed weekly to the four constituent councils.
	Point of Sale Reports	Weekly check for the same period as the interface report. Confirm accuracy of sales date which is applied as the effective and liability date for any change in banding.
	Council Tax Assurance Checks	The Council Tax managers carry out a 10% check of all self-verified transactions. QA will carry out an assurance check on 10% of all self-verified and verified transactions as a second line check. Report on any anomalies or transactions incorrectly processed. The report is run on a weekly basis for the same period as the interface report but includes additional entries for Point of Sales where the original banding has been retained which are not interfaced.
Valuation Roll	Interface Audit	Audit Reports are produced for each interface period. Checked and emailed weekly to the four constituent councils.
	Business Rate Assurance Checks	The Principal Surveyors will carry out 100% checks on any business growth accelerator entries and a 10% check on self-verified transactions. QA will carry out follow up assurance check on these as a second line check. Report on any anomalies or transactions incorrectly processed.
	PTO Name Checks	Valuation Roll names updates processed by Technical & Support staff receive a 10% check by Governance.
Electoral Support/Processing Areas	EMS reports	Check system reports to ensure that electors are correctly processed, absent voting arrangements are applied correctly and ensure the accuracy of the register. A quality assurance check will take place on 10% of the reports produced for electoral activities.
Miscellaneous	KPI Stat Review	Produce monthly KPI stats for review by CLT & Technical Divisions
	Building Warrant/Planning Permission Checks	QA carry out a 10% check on a sample of building warrants and planning permissions each quarter. A full end to end check is carried out. All the filtered cases on sample Planning Permissions are checked to ensure that they are removed in accordance with procedure.
	Revaluation Appeal Stats Quarterly Return	Validate the quarterly return of RVAPP stats provided to Scottish Government.
	Sales data check	Accuracy checks carried out on all domestic and commercial sales data received monthly from Registers of Scotland where there is a matched entry on the Valuation Roll or Council Tax List.

5. What have LVJB delivered?



6. Corporate and Service Plan

Our Corporate and Service plan sets out the key activities and outcomes that we will deliver within the financial year and the way in which we will measure our performance.

Our key Corporate and Service priorities for 2021/22 were;



7. Corporate and Service plan – achievements

Following the implementation of our domestic mobile survey system we have introduced additional functionality to increase the visibility and management of new housing build sites. Our “Housing Register” provides a comprehensive overall view of all new housing in the Lothian area. It enables re-allocation of sites and single click occupancy update to improve efficiency of staff resource monitoring active sites and streamlining the creation of entries on the Council Tax List.

We have initiated the SPSO revised complaints handling procedure and updated our website to reflect this new information making it readily accessible to customers. Aside from providing enhanced insight into potential areas of service improvement, upon receipt of complaints we will now;

- Resolve complaints as close to the frontline as possible
- Record all complaints
- Report on active learning from complaints & publicise complaints information

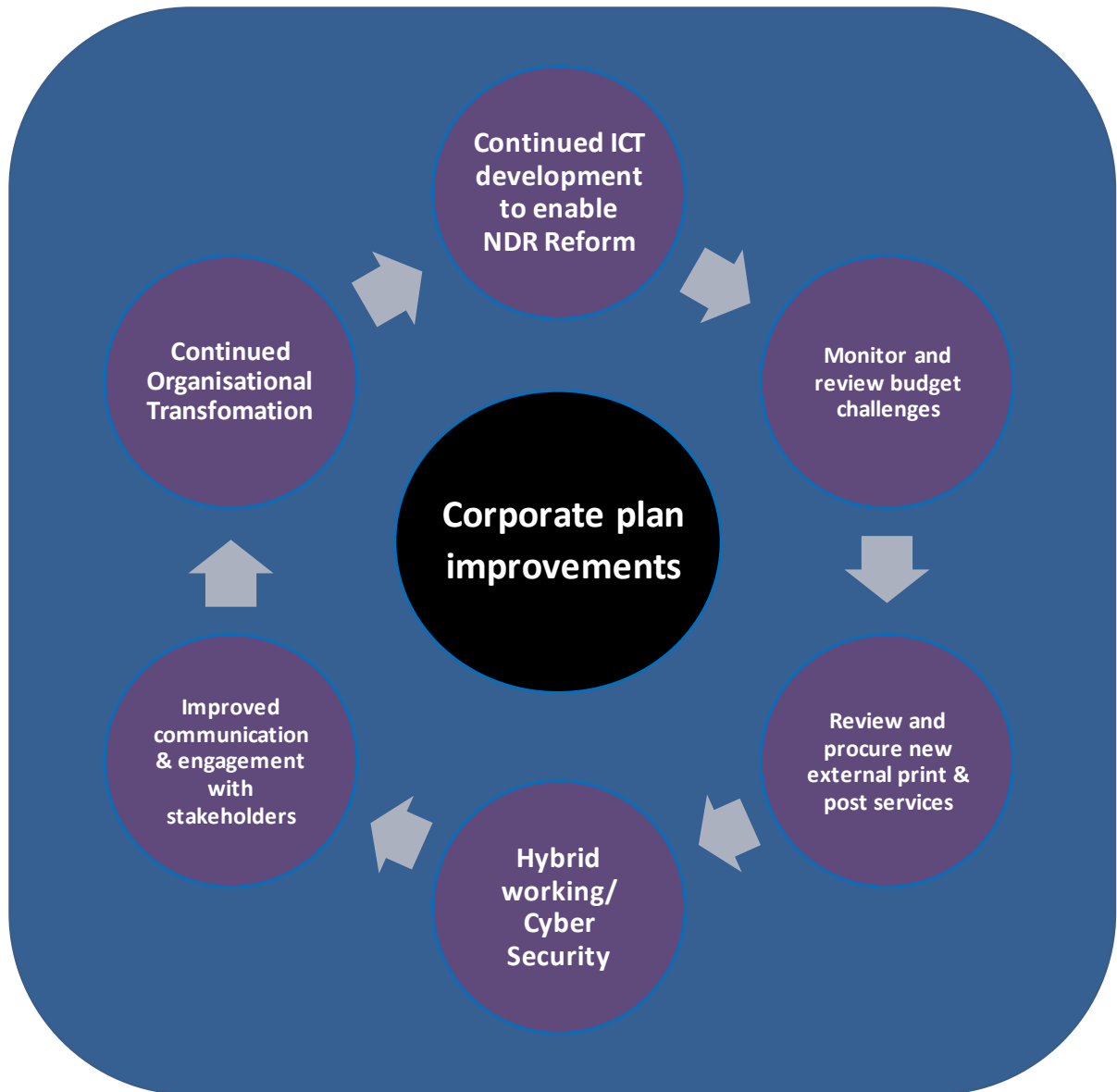
Continued operation from home has provided the opportunity to review our external working procedures. We have engaged with a supplier to provide personal security devices for staff giving location and check in/out information to confirm assignments have been completed safely.



8. Corporate and Service plan – work in progress

LVJB recognises the importance of continually seeking to deliver improvements in organisational efficiency and performance. We acknowledge that the organisation must continue to challenge traditional ways of working and reflect on how well we function both internally and when engaging with stakeholders.

Below are ongoing activities aimed at supporting this process of improvement.



9. Future work in 2022

