

Item: 7

Orkney and Shetland Valuation Joint Board: 2 March 2023.

Annual Audit Report 2021/22 – 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 2021/22 Audit of Orkney and Shetland Valuation Joint Board.

2. Recommendations

The Board is invited to note:

2.1.

The updated Action Plan, attached as Appendix 1 to this report, which contains actions arising from the Annual Audit Report on the 2021/22 Audit.

2.2.

That a further update on progress will be presented to the Board, at its meeting to be held in June 2023.

It is recommended:

2.3.

That the target date for Action 3 is amended to 31 December 2023.

3. Action Plan Progress

3.1.

On 8 December 2022, the Board considered progress on the Action Plan arising from the Annual Audit Report on the 2021/22 Audit, as well as progress on the actions arising from the 2020/21 Audit.

3.2.

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

4. 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 the report.

5. Governance Aspects

The content and implications of this report have been reviewed and, at this stage, it is deemed that the Board **DOES NOT** require external legal advice in consideration of the recommendations of this report.

6. Contact Officer

Karen Greaves, Clerk to the Board, Email karen.greaves@orkney.gov.uk

7. Appendix

Appendix 1: Action Plan – Recommendations for Improvement.

**Orkney and Shetland Valuation Joint Board
Action Plan - Recommendations for Improvement –2021/22-Annual Audit**

	Area	Recommendation	Management Response	Lead	Target Date	Progress / Update
1	Financial Sustainability	The Board should re-introduce more regular financial monitoring reports to the Board, and as a minimum report on a quarterly basis.	The Report recommendations are accepted and agreed. Financial monitoring reports will follow the Orkney Islands Council financial monitoring process and calendar for quarterly reporting.	Treasurer	01/04/2022	Complete. Implemented with effect from financial year 2022/23
2	Financial Sustainability	The Board should consider expanding the formal budget papers to incorporate the risks that the Board face and how these could potentially impact on the Board's financial position	The Report recommendations are accepted and agreed. The budget paper will be expanded in future to incorporate a section on the financial risks faced by the Board and how these could impact on the Board's financial position.	Treasurer	31/03/2023	In progress. The budget paper for financial year 2023/24 will include a section on financial risk.
Follow Up of 2020/21 Actions						
3	Governance and Transparency	The VJB should review its internal governance documents, ensuring that its Constitution is appropriately tailored and up to date, and supported by VJB-specific Financial Regulations, Contract Standing Orders and other governance documents as appropriate.	The Report recommendations are accepted and agreed. The VJB will review its internal governance documents.	Clerk	31/12/2022 31/12/2023	In Progress. The Board has agreed revised Standing Orders at its meeting on 30 June 2022 and a Final Scheme of Delegation at its meeting in Dec 2022. Tailored Financial Regulations and Contract Standing Orders will now be developed. It is proposed to amend the target date to 31/12/23 to allow sufficient time for these documents to be developed and agreed.
4	Governance and Transparency	A comprehensive analysis of the skills and competencies required of the Board and Leadership team should be completed and the current post-holders assessed against these. A clear training plan or alternative arrangements should be put in place to address any gaps identified.	The Report recommendations are accepted and agreed. The VJB will undertake the skills analysis and appropriate training for the Board and Leadership Team.	Clerk	31/12/2022	Complete. This was completed in December 2022 and continued programme of induction / training is in place.
5	Leadership	The VJB should undertake a comprehensive root-cause analysis and 'lessons learned' review given the number and significance of the issues identified during our audit. A clear improvement plan needs to be developed to implement the findings of this review.	The Report recommendations are accepted and agreed. The VJB will undertake an appropriate review.	Clerk	31/12/2022	Complete and was presented to the Board at its meeting in December 2022.