

## News release

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### Serious flaws in governance at Orkney and Shetland Valuation Joint Board

A report into Orkney and Shetland Valuation Joint Board (VJB) highlights significant concerns in relation to governance and transparency. The Board accepts and is committed to addressing these urgent issues, with some improvement action having already been taken. There is, however, a clear need for improvements in governance and decision making.

The Accounts Commission found the processes used to manage the contracts and pay awards for the Assessor and Depute Assessor to be seriously flawed. Decisions taken were unlawful or not supported by the appropriate procedures.

A decision to extend and enhance the contract of the Assessor - the most senior member of staff at the VJB - was taken at a meeting that wasn't properly convened, rendering the Board's decision unlawful. The process to confirm decisions made was flawed. Recruitment difficulties also led to the VJB appointing a Depute Assessor on a consultancy basis. The Depute Assessor's hourly rate of pay increased by 400% over a five-year period. The increases were subject to neither appropriate scrutiny nor challenge.

The Board is committed to addressing these issues, with steps taken to make improvements. But decisions taken have resulted in increased costs, additional work, risked reputational damage and undermined confidence decisions made provided value for money.

William Moyes, Chair of the Accounts Commission said, "The flaws and weaknesses in decision making at this Valuation Joint Board are serious. We welcome the commitment and progress made to address these significant concerns. Following May's local government elections, we expect effective training and development to be in place, enabling board members to fulfil their responsibilities.

"That these serious issues have been picked up in the Annual Audit Report demonstrates the robustness of this process. We would strongly encourage lessons to be learned by other public bodies, particularly joint boards."

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#### Notes to editors

1. The appointed auditor will report on progress made by the Valuation Joint Board. The Controller of Audit who will report further to the Accounts Commission, as appropriate.
2. The Orkney and Shetland Valuation Joint Board ('the VJB') is an independent body, established by the Valuation Joint Boards (Scotland) Order 1995. Its primary purpose is to discharge all the functions of its two constituent councils, Orkney Islands Council and Shetland Islands Council, as required by legislation relating to the Valuation Roll and the Council Tax Valuation List.

3. The VJB is governed by a Board, comprising up to ten councillors from the constituent councils (five from each). It has 15 full-time equivalent posts and, in 2020/21, had a budget of £809,000. The VJB is funded by the two constituent councils.
  
4. All reports by the Accounts Commission and Auditor General published since 2000 are available [on the Audit Scotland website](#)
  - The Accounts Commission is the public spending watchdog for local government. It holds councils and various joint boards and committees in Scotland to account and help them improve. It operates impartially and independently of councils and of the Scottish Government, and meets and reports in public.
  - Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.