

Tayside Valuation Joint Board

2023/24 Annual Audit Report



 AUDIT SCOTLAND

Prepared for Tayside Valuation Joint Board and the Controller of Audit

19 November 2024

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Key messages

2023/24 annual accounts

- 1 Tayside Valuation Joint Board's financial statements give a true and fair view of its financial position for the year ended 31 March 2024.
- 2 The audited part of the remuneration report, the management commentary and the annual governance statement were all consistent with the financial statements and prepared in accordance with the applicable requirements.

Wider scope

- 3 The Joint Board has appropriate budget monitoring and reporting arrangements in place and reported a net overspend against budget of £0.088 million for 2023/24.
- 4 The Joint Board requested an additional contribution from constituent councils during 2024/25 to return the uncommitted general reserve balance to the minimum level set out in the reserves strategy by 31 March 2025.
- 5 Reviews of the Standing Orders, Financial Regulations and Whistleblowing Policy remain ongoing.
- 6 Appropriate arrangements are in place to secure Best Value, and measure the efficiency and effectiveness, of the Joint Board's operations.
- 7 Additional requirements for Council Tax bandings for self catering accommodation impacted on processing times in 2023/24.

Introduction

1. This report summarises the findings from the 2023/24 annual audit of Tayside Valuation Joint Board (the Joint Board). It is addressed to the Joint Board and the Controller of Audit and will be published on Audit Scotland's website: www.audit-scotland.gov.uk.
2. The scope of the audit was set out in an annual audit plan presented to the June 2024 meeting of the Joint Board. This annual audit report comprises the findings from the audit of Tayside Valuation Joint Board's 2023/24 annual accounts, and conclusions on wider scope areas as set out in the [Code of Audit Practice 2021](#), which for less complex bodies includes conclusions on financial sustainability and Best Value.
3. We would like to thank Joint Board members, and officers, for their cooperation and assistance during the audit.

Responsibilities and reporting

4. The Joint Board has responsibility for ensuring the proper financial stewardship of public funds. This includes preparing annual accounts that are in accordance with proper accounting practices. The Joint Board is also responsible for compliance with legislation putting appropriate and effective arrangements in place for governance and propriety.
5. The responsibilities of the independent auditor appointed by the Accounts Commission are established by the Local Government (Scotland) Act 1973, the [Code of Audit Practice](#) and supplementary guidance, and International Standards on Auditing in the UK.
6. This report contains an agreed action plan at [Appendix 1](#) setting out specific recommendations, responsible officers, and dates for implementation. Weaknesses or risks identified in this report are only those which have come to my attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues raised and to maintain adequate systems of control

Auditor Independence

7. We confirm that we comply with the Financial Reporting Council's Ethical Standard. We can also confirm that we have not undertaken any non-audit related services and therefore the 2023/24 audit fee of £9,330, as set out in our annual audit plan, remains unchanged. We are not aware of any relationships that could compromise our objectivity or independence.

Part 1. Audit of 2023/24 annual accounts

Public bodies are required to prepare annual report and accounts comprising financial statements and other related reports. These are principal means of accounting for the stewardship public funds.

Tayside Valuation Joint Board's financial statements give a true and fair view of its financial position for the year ended 31 March 2024.

The audited part of the remuneration report, the management commentary and the annual governance statement were all consistent with the financial statements and prepared in accordance with the applicable requirements.

Audit opinions on the annual accounts are unmodified

8. The Joint Board approved the annual accounts for the year ended 31 March 2024 on 18 November 2024. As reported in the independent auditor's report, in my opinion as the appointed auditor:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework
- the audited part of the remuneration report was prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014
- the management commentary and annual governance statement were consistent with the financial statements and properly prepared in accordance with the applicable requirements.

The 2023/24 annual accounts were certified on 19 November, in line with the agreed audit timetable

9. We received the unaudited annual accounts on 17 June 2024, in line with the agreed audit timetable. The accounts and working papers presented for audit were of a good standard and management and finance staff provided support to the team during the audit process. This enabled the final accounts audit to be completed in line with the agreed audit timetable and the 2023/24 annual accounts were certified on 19 November 2024.

10. Regulation 11 of [The Local Authority Accounts \(Scotland\) Regulations 2014](#) requires local government bodies to publish on its website its signed audited annual accounts by 31 October each year. We acknowledge that the failure to meet this deadline was due to the availability of resources to complete the 2023/24 audit. We recognise that it is in the best interests of public accountability to get the reporting of audited accounts back to pre-pandemic timelines. We are identifying ways to work more efficiently to expedite the 2024/25 audits whilst at the same time maintaining high standards of quality.

The Public Inspection Notice was not in accordance with the Regulations

11. Regulation 9 of [The Local Authority Accounts \(Scotland\) Regulations 2014](#) requires local government bodies to give public notice of the right of interested persons to inspect and object to the unaudited accounts and inspect specified associated documents. Requirements for the format, timing and placement of the public notice are set out in the regulations. As was the case in 2022/23, a notice was made available on the Joint Board's website, however, it referred throughout to Dundee City Council, rather than the Joint Board. The notice was appropriate in all other aspects and we do not believe this had any impact on the ability of members of the public to raise objections to the 2023/24 annual accounts.

Recommendation 1

Management should review the contents of the annual accounts public inspection notice for 2024/25 prior to it being uploaded to the Joint Board's website to ensure that it is accurate and placed in accordance with the regulations.

Our audit approach and testing was informed by our materiality levels for the 2023/24 audit

12. The concept of materiality is applied by auditors to determine whether misstatements identified during the audit could reasonably be expected to influence the economic decisions of users of the financial statements, and impact the opinion set out in the independent auditor's report. Auditors set a monetary threshold when considering materiality, although some issues may be considered material by their nature and it is ultimately a matter of the auditor's professional judgement.

13. Our initial assessment of materiality was carried out during the planning phase of the audit and was based on the financial results reported in the Joint Board's audited 2022/23 annual accounts. These materiality levels were reported in our annual audit plan to the June 2024 meeting of the Joint Board.

14. On receipt of the unaudited 2023/24 annual accounts we reconsidered our materiality levels based on the financial results for the year ended 31 March 2024, and decided to amend our planned amounts to reflect the decrease in gross expenditure. The final material levels are in [Exhibit 1](#) on page [7](#).

Exhibit 1

Materiality values

Materiality level	Amount
Overall materiality: This is the figure we calculate to assess the overall impact of audit adjustments on the financial statements. It has been set based on our assessment of the needs of the users of the financial statements and the nature of the Joint Board's operations.	£79,000
Performance materiality: This is used by auditors when undertaking work on individual areas of the financial statements. It is a lower materiality threshold, set to reduce the probability of aggregated misstatements exceeding overall materiality. Performance materiality was set at 75 per cent of overall materiality, reflecting the scale of previous year's adjustments, the extent of estimation in the accounts and the planned testing in proportion to the scale of the organisation.	£59,000
Reporting threshold: We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount.	£4,000

Our audit identified and addressed the risks of material misstatement

15. [Exhibit 2](#) sets out the significant and non-significant risks of material misstatement to the financial statements. It also summarises the further audit procedures we performed during the year to obtain assurances over these risks and the conclusions from the work completed.

Exhibit 2

Significant and non-significant risks of material misstatement

Nature of risk	Audit response	Conclusion
Significant risks of material misstatement		
<p>1. Risk of material misstatement due to fraud caused by management override of controls</p> <p>As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.</p>	<ul style="list-style-type: none"> Assessed the design and implementation of controls over journal entry processing. Made enquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. Tested journals at the year-end and post-closing entries with focus on significant risk areas. Considered the need to test journal entries and other adjustments during the period. 	<p>The completion of the assurance procedures did not identify any evidence of management override of controls.</p>

Nature of risk	Audit response	Conclusion
	<ul style="list-style-type: none"> • Evaluated significant transactions outside the normal course of business. • Assessed any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year. • Substantively tested income and expenditure transactions around the year-end to confirm they are accounted for in the correct financial year. • Tested accounting accruals and prepayments focusing on significant risk areas. 	
Other risks of material misstatement		
<p>2. Estimation in the valuation of pension assets and liabilities</p> <p>Actuarial estimates are a complex combination of liabilities over significant future periods based on life expectancy, CPI growth and discounting (based on corporate bond rates).</p> <p>Assets are based on an individual employer body's share of assets at the last triennial valuation of the pension fund. Roll forward adjustments are made to members data and to asset valuations.</p> <p>There is a risk that small changes in the assumptions used can lead to large changes in the valuations, creating a risk of material misstatement in the annual accounts.</p>	<ul style="list-style-type: none"> • Assessed the scope, independence and competence of the professionals engaged in providing estimates for pensions. • Reviewed the appropriateness of actuarial assumptions and results including comparison with other councils and the pension fund as a whole. • Established officers' arrangements for ensuring the reasonableness of professional estimations and the accuracy of information provided to the actuary by the council. 	<p>We did not identify any errors in the valuation of pension assets and liabilities, however we did note that funded and unfunded elements had been netted off in the draft accounts.</p> <p>Refer to issue 1 in Exhibit 3</p>
Source: Audit Scotland		

We reported the significant findings from the audit prior to the annual accounts being approved and certified

16. International Standard on Auditing (UK) 260 requires us to communicate significant findings from the audit to those charged with governance, including our view about the qualitative aspects of the board's accounting practices.

17. The significant findings are summarised in [Exhibit 3](#). Our audit also identified other presentational and disclosure issues which were discussed with management. These were all adjusted in the audited annual accounts and none were significant enough to require to be separately reported under ISA260.

Exhibit 3

Significant findings and key audit matters from the audit of the annual accounts

Issue	Resolution
<p>1. Pension Asset</p> <p>Where there is a pension asset position on the funded element of a Local Government Pension Scheme (LGPS) then any unfunded pension liability should be disclosed separately on the face of the Balance Sheet and not netted off against the funded pension asset.</p> <p>The Joint Board had a pension asset of £1.958 million on its funded LGPS element and a pension liability of £0.235 million on the unfunded element. These were netted off in the unaudited accounts and shown on the Balance Sheet as a net pension asset of £1.723 million.</p>	<p>Management corrected the audited 2023/24 annual accounts to disclose the funded and unfunded LGPS elements separately on the face of the Balance Sheet. This had no impact on the total Net Assets figure.</p>

Source: Audit Scotland

Total misstatements identified during the audit were £0.261 million, including unadjusted misstatements of £0.026 million

18. It is our responsibility to request that all misstatements, other than those below our reporting threshold, are corrected, although the final decision on making the correction lies with those charged with governance.

19. Total misstatements identified were £0.261 million which exceeds our performance materiality threshold. We considered whether further audit procedures were required and reviewed the nature and causes of these misstatements, which mainly related to the Pension adjustment as noted in Exhibit 3. We have concluded that these arose from issues that have been isolated and identified in their entirety and do not indicate further systemic error. We considered whether other misstatements presented material risks of misstatement in the relevant account area and concluded they did not.

20. We also identified three misstatements which were not corrected by management in the audited accounts. Further details of the uncorrected misstatements are included in [Appendix 2](#). The net impact of this would have

been to decrease net expenditure in the comprehensive income and expenditure statement for the year ended 31 March 2024 by £6,000, with a corresponding increase in net assets at 31 March 2024 of £6,000 in the balance sheet.

Limited progress was made on prior year recommendations

21. The Joint Board has made limited progress in implementing the agreed prior year audit recommendations, with only 1 out of 3 recommendations being completed by the previously agreed date. For actions not yet implemented, revised responses and timescales have been agreed with management, and are set out in [Appendix 1](#).

Part 2. Wider Scope

For less complex bodies, wider-scope audit work considers the financial sustainability of the body and the services that it delivers over the medium to longer-term, and the arrangements for securing Best Value.

The Joint Board has appropriate budget monitoring and reporting arrangements in place and reported a net overspend against budget of £0.088 million for 2023/24.

The Joint Board requested an additional contribution from constituent councils during 2024/25 to return the uncommitted general reserve balance to the minimum level set out in the reserves strategy by 31 March 2025.

Reviews of the Standing Orders, Financial Regulations and Whistleblowing Policy remain ongoing.

Appropriate arrangements are in place to secure Best Value, and measure the efficiency and effectiveness, of the Joint Board's operations.

Additional requirements for Council Tax bandings for self catering accommodation impacted on processing times in 2023/24.

Appropriate budget monitoring and reporting arrangements are in place

22. The Joint Board approve the annual budget prior to the start of the financial year and quarterly budget monitoring reports are provided to each board meeting during the year. The budget monitoring reports provide detail on variance against budget and include year-end projections. This allows members to scrutinise the financial performance of the Joint Board and to consider actions to mitigate projected overspends or other developments during the year.

The Joint Board reported a £0.088 million deficit for the year ended 31 March 2024 which was funded from the general reserve balance

23. In January 2023 the Joint Board approved its provisional budget for 2023/24. This was based on expenditure of £3.712 million and income of £3.680 million, comprising funding contributions of £2.794 million from the constituent councils and other income of £0.886 million. This resulted in a forecast deficit for the year of £0.032 million to be met from the general reserve.

24. The actual outturn for the year was a deficit of £0.088 million, which was funded from the general reserve balance. This resulted in the general reserve

balance decreasing from £0.132 million at 31 March 2023 to £0.044 million at 31 March 2024.

25. The deficit of £0.088 million reported for the year ended 31 March 2024 reflected the underlying budget variances during the year. The most significant underspends and overspends are summarised in [Exhibit 4](#).

Exhibit 4

Summary of significant variances against budget for 2023/24

Area	£m	Main reasons for variance
Underspends		
Staff Costs	0.070	Vacant posts at the start of the financial year along with staff working part time hours against full time budgeted posts.
Overspends		
Property Costs	0.041	Ongoing cost pressure of utility bills for offices.
Supplies and services	0.087	One off costs of IT network verification and purchase of software licences to assist with implementation of UK Parliament boundary review. The cost of postage has continued to rise with little drop in postage users despite the availability on online return options.

Source: Tayside Valuation Joint Board Annual Accounts 2023/24

The Joint Board approved a 2024/25 revenue budget of £3.870 million in January 2024

26. In January 2024, the Joint Board approved the Revenue Budget 2024/25 to 2028/29. This included a revenue budget for 2024/25 which was based on expenditure of £3.870 million and income of £3.680 million, comprising funding contributions of £2.978 million from the constituent councils and other income of £0.866 million. This results in a forecast deficit for the year of £0.026 million to be met from reserves.

27. Indicative revenue budgets have also been developed for the 4-year period 2025/26-2028/29. As funding support from the Scottish Government for the Barclay Review ends in 2024/25, the Joint Board will require additional support from constituent councils by way of increased requisitions in the future.

The Joint Board requested an additional contribution from constituent councils during 2024/25 to return the uncommitted general reserve balance to the minimum level set out in the reserves strategy by 31 March 2025

28. The Joint Board reviews the level of its uncommitted reserves when setting the budget each year. The approved reserves strategy specifies that the minimum uncommitted reserves should be maintained at £0.060 million.

29. A review of the Joint Board's general reserve carried out as part of the development of the 2024/25 revenue budget forecast that as at 31 March 2024, the level of the general reserve would be only £0.013 million. In order to return the general reserve to the agreed minimum level a one-off additional contribution was requested from each constituent council to restore the balance to the minimum level by 31 March 2025. Indicative budgets for the period 2025/26-2028/29 do not anticipate that the Joint Board will be required to use its general reserve to break even.

Tayside Valuation Joint Board has appropriate and effective governance arrangements in place to support scrutiny of decision-making

30. In reviewing the adequacy of the governance and transparency arrangements of an organisation we consider a number of areas, including:

- the structure and conduct of the Joint Board
- the level of openness and transparency, and
- the overall arrangements and standards of conduct, including those for the prevention and detection of fraud, error, bribery and corruption.

31. The Joint Board is comprised of members from Dundee City, Angus, and Perth & Kinross Councils and meets quarterly. From our attendance at Joint Board meetings during the course of the audit appointment we have observed that sufficient time is allowed to discuss the issues on the agendas and members are well prepared and ask appropriate questions.

32. The Joint Board continued to hold meetings remotely via Microsoft Teams throughout 2023/24. However, we have not noted any adverse impact on the level of scrutiny at Joint Board meetings due to these being held remotely.

A new Assessor and Electoral Registration Officer was appointed during the year

33. Darryl Rae was appointed as Assessor and Electoral Registration Officer on 2 September 2024 following the departure of the previous postholder on 31 January 2024. The post was filled by an acting up arrangement in the interim period.

The Joint Board conducts its business in an open and transparent manner

34. Openness and transparency means that the public have access to understandable, relevant and timely information about how the Joint Board is taking decisions and how it is using resources such as money, people and assets. The Joint Board demonstrates its commitment to transparency in a number of ways:

- members of the public can attend meetings of the Joint Board
- agendas and minutes for the Joint Board meetings and supporting papers are available on the Joint Board's website. As of August 2023, all

Joint Board meetings have been recorded and made available online thereafter.

- the availability of the annual accounts on the website.

35. We are content that the Joint Board conducts its business in an open and transparent manner.

A review of the Standing Orders and Financial Regulations remains ongoing

36. In our 2022/23 Annual Audit report, we recommended that the Joint Board should review and update the Standing Orders and Financial Regulations, which date from 2017 and 2018 respectively. To date, this remains ongoing. There continues to be a risk that these documents do not reflect current requirements or business practices. The Joint Board should finalise its review of both these documents and update them as required.

Recommendation 2

The Standing Orders and Financial Regulations should be reviewed and updated.

The management commentary in the 2023/24 annual accounts provided a fair, balanced and reasonable analysis of the organisation's financial performance for the year

37. In addition to the consistency opinion on the management commentary covered in Part 1 of this report, we also consider the qualitative aspects of the management commentary included in the annual accounts. The purpose of the management commentary is to provide information on the Joint Board, its main objectives and strategies, and the principal risks that it faces. It is required to provide a fair, balanced and reasonable analysis of a body's performance and is essential in helping stakeholders understand the financial statements. We concluded that the management commentary in the 2023/24 annual accounts satisfied these requirements.

The Joint Board needs to update its Whistleblowing arrangements

38. The Joint Board is responsible for establishing arrangements for the prevention and detection of fraud, error and irregularities, bribery and corruption. Furthermore, it is responsible for ensuring that its affairs are managed in accordance with proper standards of conduct by putting effective arrangements in place. In our 2022/23 Annual Audit Report we recommended that the Joint Board revise its Fraud Guidelines and Whistleblowing policies.

39. Revised Fraud Guidelines were approved by the Joint Board in June 2024.

40. A review of the Whistleblowing Policy remains ongoing. The current policy dates from 2014 and therefore there is a need to review and update these documents to reflect current requirements.

Recommendation 3

Management should review the Joint Board's Whistleblowing Policy. Once completed, the revised arrangements should be clearly communicated to all staff.

The Joint Board has appropriate arrangements in place to secure Best Value, and measure the efficiency and effectiveness, of its operations

41. The Joint Board's Corporate Plan & Service Plan 2022-2025 was initially approved in June 2022. It has been updated and re-approved by the Joint Board annually since then, most recently in June 2024. The plan identifies the core Strategic Objectives to help it fulfil the Joint Board's Mission and Vision, and so ensure:

- services are delivered in accordance with all statutory requirements.
- service development and delivery is in accordance with the principles of Best Value and continuous improvement.
- individual and collective responsibility for the services provided.
- innovation is encouraged and achievement recognised within the organisation.
- monitoring and reporting of performance levels to stakeholders.
- the integration of equalities issues into all aspects of our service provision.
- The Joint Board builds on achievements to date.

42. The plan contains a number of corporate and strategic objectives for which clear performance measures have been identified.

43. In August 2024, the Joint Board published its Public Performance Report 2023/24. This provides a good summary of key performance information for NDR and Council Tax valuation processing, financial and staffing issues and customer feedback.

Additional requirements for Council Tax bandings for self catering accommodation impacted on processing times in 2023/24

44. Significant resources were required during 2023/24 to ensure that the Joint Board could undertake a retrospective audit of self-catering holiday accommodation as required by the Council Tax (Dwellings) and Part Residential Subjects (Scotland) Regulations (as amended). In recognition of this additional work, the Board reduced its performance targets to 75 per cent of entries within 3 months (previously 93 per cent) and 80 per cent of entries within 6 months (previously 98 per cent).

45. [Exhibit 5](#) shows that actual performance was significantly down on prior years as expected, but was broadly in line with the revised target for entry within 3 months, and slightly above the revised target for entry within 6 months.

Exhibit 5**Council tax processing performance 2021/22 to 2023/24**

Percentage entered on Valuation List within:	2021/22 Actual	2022/23 Actual	2023/24 Target	2023/24 Actual
Less than 3 months	92.5%	91.9%	75.0%	74.6%
Less than 6 months	97.8%	97.4%	80.0%	83.3%

Source: Tayside Valuation Joint Board Annual Accounts 2021/22 to 2023/24

46. The significant use of resources to respond to the requirements for Council Tax also had an impact on NDR processing times in 2023/24. [Exhibit 6](#) shows that whilst performance increased compared to the prior year, when a number of factors contributed to a fall in performance, they remain slightly below target.

Exhibit 6**NDR processing performance 2021/22 to 2023/24**

Percentage entered or amended on the Valuation Roll within:	2021/22 Actual	2022/23 Actual	2023/24 Target	2023/24 Actual
Less than 3 months	77.1%	63.1%	72.5%	67.6%
Less than 6 months	87.9%	74.2%	88.0%	83.5%

Source: Tayside Valuation Joint Board Annual Accounts 2021/22 to 2023/24

Appendix 1. Action plan

2023/24 recommendations

Issue/risk	Recommendation	Agreed management action/timing
<p>1. Public Inspection Notice</p> <p>Regulation 9 of The Local Authority Accounts (Scotland) Regulations 2014 requires local government bodies to give public notice of the right of interested persons to inspect and object to the unaudited accounts and inspect specified associated documents. Requirements for the format, timing and placement of the public notice are set out in the regulations. As was the case in 2022/23, a notice was made available on the Joint Board's website, however, it referred throughout to Dundee City Council, rather than the Joint Board.</p> <p>Risk: The Joint Board do not comply with the requirements of Regulation 9 of The Local Authority Accounts (Scotland) Regulations 2014.</p>	<p>Management should review the contents of the annual accounts public inspection notice for 2024/25 prior to it being uploaded to the Joint Board's website to ensure that it is accurate and placed in accordance with the regulations.</p> <p>Paragraph 11.</p>	<p>Accepted</p> <p>This will be reviewed and uploaded to the Joint Boards website when appropriate</p> <p>Responsible officer: Treasurer</p> <p>Agreed date: 30 June 2025</p>
<p>2. Governance documents</p> <p>The Joint Board's Standing Orders and Financial Regulations have not been reviewed and updated since 2017 and 2018 respectively.</p> <p>Risk: Key governance documents do not reflect current requirements or business practices.</p>	<p>The Standing Orders and Financial Regulations should be reviewed and updated.</p> <p>Paragraph 36.</p>	<p>Accepted</p> <p>This will be reviewed and updated as required.</p> <p>Responsible officer: Clerk & Treasurer</p> <p>Agreed date: 31 March 2025</p>

Issue/risk	Recommendation	Agreed management action/timing
<p>3. Arrangements for prevention and detection of fraud and error</p> <p>The Joint Board's Fraud Guidelines dates from 2016 and the Whistleblowing Policy dates from 2014.</p> <p>Risk: Appropriate arrangements are not in place to prevent and detect fraud or error.</p>	<p>Management should review the Joint Whistleblowing Policy. Once completed, the revised arrangements should be clearly communicated to all staff.</p> <p>Paragraph 39.</p>	<p>Accepted</p> <p>Management will review the Joint Board's Whistleblowing Policy, and following revision will be communicated to staff.</p> <p>Responsible officer: Assessor and Electoral Registration Officer</p> <p>Agreed date: 31 January 2025</p>

Follow-up of prior year recommendations

Issue/risk	Recommendation and agreed action	Update
<p>1. Affordability of future financial plans</p> <p>The uncommitted general reserve balance for 31 March 2023 is below the level set out in the Joint Board's approved reserves strategy and further use is planned.</p> <p>Risk: Future financial plans are undeliverable.</p>	<p>Management should review future financial plans to ensure they are affordable based on the current uncommitted general fund reserve level and anticipated future contributions from constituent councils.</p> <p>Responsible officer: Treasurer</p> <p>Agreed date: 31 January 2024</p>	<p>Implemented</p> <p>As part of the 2024/25 revenue budget setting process, the Joint Board made a one-off request to constituent Councils for additional funding to restore the General reserve to agreed levels. Indicative budgets for the period 2025/26-2028/29 have been developed and these do not anticipate that the Joint Board will be required to use its general reserve to break even in this period.</p>
<p>2. Governance documents</p> <p>The Joint Board's Standing Orders and Financial Regulations have not been reviewed and updated since 2017 and 2018 respectively.</p> <p>Risk: Key governance documents do not reflect current requirements or business practices.</p>	<p>The Standing Orders and Financial Regulations should be reviewed and updated.</p> <p>Responsible officer: Clerk & Treasurer</p> <p>Agreed date: 31 March 2024</p>	<p>Ongoing</p> <p>Review and update of Standing Orders and Financial Regulations remains ongoing.</p> <p>See Recommendation 2 above</p>

Issue/risk	Recommendation and agreed action	Update
<p>3. Arrangements for prevention and detection of fraud and error</p> <p>The Joint Board's Fraud Guidelines dates from 2016 and the Whistleblowing Policy dates from 2014.</p> <p>Risk: Appropriate arrangements are not in place to prevent and detect fraud or error.</p>	<p>Management should review the Joint Board's Fraud Guidelines and Whistleblowing Policy. Once completed, the revised arrangements should be clearly communicated to all staff.</p> <p>Responsible officer: Assessor</p> <p>Agreed date: 31 January 2024</p>	<p>Ongoing</p> <p>Revised Fraud Guidelines were approved by the Joint Board in June 2024. However, review and update of the Whistleblowing Policy remains ongoing.</p> <p>See Recommendation 3 above</p>

Appendix 2. Summary of uncorrected misstatements

We report all uncorrected misstatements in the annual report and accounts that are individually greater than our reporting threshold of £4,000.

The table below summarises uncorrected misstatements that were noted during our audit testing and were not corrected in the financial statements. Cumulatively these errors are below our performance materiality level as explained in [Exhibit 1](#). We are satisfied that these errors do not have a material impact on the financial statements.

Nature of misstatement	Transactions / balances impacted	Comprehensive Income and Expenditure Statement		Balance Sheet	
		Debit £000	Credit £000	Debit £000	Credit £000
1. Over accrual of invoice	Cost of services		9		
	Short-term creditors			9	
2. Under accrual of invoice	Cost of services	10			
	Short-term creditors				10
3. Recharges for Tax, NI and Pensions are not correctly accounted for at year end	Cost of services		7		
	Short-term creditors			7	

Tayside Valuation Joint Board

2023/24 Annual Audit Report

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