Glasgow City Council Internal Audit Section
Committee Summary
Financial Services – Assessors – Revised Valuation process

Item 3(h)

20th March 2024

1 Introduction

1.1 As part of the agreed Internal Audit plan, we have carried out a review of the revised valuation process introduced by the Assessor and Electoral Registration team in December 2023.

1.2 The Assessor and Electoral Registration Team are responsible for the preparation and maintenance of the Valuation Roll, which contains rateable values for all non-domestic properties in Glasgow. All valuation data is held on the Assessors Core system, and when a valuation change is required to a property, valuation staff will update the Core system and issue a Valuation Notice, in accordance with current legislation.

1.3 Following a review of the valuation process by Senior Officers, a decision was taken to update the arrangements to ensure these were better aligned with current working practices and to make the process more effective and efficient. The revised process removed the use of the DIPS system and amended the roles and responsibilities of staff involved in the process.

1.4 The objective of the audit was to ensure that effective controls are in place covering the revised valuation process, including the recording and actioning of requests, the approval arrangements, and ensuring that there is an adequate audit trail to support the new process. The scope of the audit included:

- Documented procedures covering the revised process and supporting documents.
- Roles and responsibilities of all key parties involved.
- Performing a walk-through of the revised process to assess for gaps in control and potential risks.
- Training requirements for relevant staff.
- Selecting a sample of recent amended valuations for review, to ensure that these have been handled in line with the revised procedure.
- The approval arrangements.
- Record keeping arrangements.

2 Audit Opinion

2.1 Based on the audit work carried out, a satisfactory level of assurance can be placed upon the control environment. The audit has identified one opportunity for improvement which management should consider.

3 Main Findings

3.1 We are pleased to report that the key controls are in place and operating effectively. New documented procedures have been developed in relation to the revised valuation process. We found that these were reflective of the new working arrangements and that the roles and responsibilities of all officers involved in the process were also adequately documented.

3.2 Through discussion with officers within the Assessors team, we found that all were aware of the new arrangements and of their role and responsibilities in the process. We were satisfied from review of the new process that there were no areas of concern to note and that the revised arrangements did not result in control gaps or expose new areas of risk.

3.3 Training was provided to relevant staff in advance of the revised process being launched, and arrangements were made to deliver this to a small number of staff who missed the initial session. We were satisfied that the training provided adequately covered all key areas of the new process and staff demonstrated good working knowledge through discussions held on-site.

3.4 There are adequate arrangements in place to ensure that all changes to valuations are authorised by a senior officer before they are fully uploaded on the Core system. This consists of a weekly audit report process, which detail all valuations that have taken place during that period. These are reviewed by senior officers and approved, where appropriate.

3.5 We selected a sample of 20 valuation changes, which had been undertaken since the implementation of revised process and found that all amendments been carried out in line with the new procedure, had been adequately approved, and a clear segregation of duties was in place.

3.6 We also identified an opportunity for improvement. Currently, the team retain a paper copy of all completed weekly audit reports and supporting evidence (in accordance with local arrangements that were put in place), and these are held within the office. Due to the restrictions of the Core system

used by the team, there is no facility to produce the weekly reports electronically. However, we noted that although the audit reports need to be printed, the team have the ability to scan and retain the documentation electronically. At present the weekly annotated reports are not currently scanned.

3.7 An action plan is provided at section four outlining our observations, and service improvement. We have made one service improvement:

Priority	Definition	Total
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	0
Medium	Less critically important controls absent, not being operated as designed or could be improved.	0
Low	Lower level controls absent, not being operated as designed or could be improved.	0
Service Improvement	Opportunities for business improvement and/or efficiencies have been identified.	1

3.8 The audit has been undertaken in accordance with the Public Sector Internal Audit Standards.

3.9 We would like to thank officers involved in this audit for their cooperation and assistance.

3.10 It is recommended that the Head of Audit and Inspection submits a further report to Committee on the implementation of the actions contained in the attached Action Plan.

4 Action Plan

No.	Observation and Findings	Service Improvement	Management Response
1	Due to the restrictions of the Core system's functionality, which we appreciate is associated with the age of the system, the team are required to print the weekly audit reports. The weekly audit report is a key control element of the process; therefore, the manual intervention is unavoidable. However, we identified that once the weekly checks are completed there is the opportunity to scan in the paper reports, which have been annotated by relevant staff to confirm approval and actions taken. This would reduce the volume of manual records being stored in the office.	Management should consider putting in place arrangements for storing final documentation relating to valuation changes electronically.	**Response:** Accepted Retaining a scanned pdf version of the audit control outcome reports is a proportionate and sensible improvement suggestion which I will implement. The team is briefed, and the procedures are being updated. **Officer Responsible for Implementation:** City Assessor & Electoral Registration Officer **Timescales for Implementation:** Imminent – 07 March 2024