

Audit Committee Presentation – 13th December 2018**Asset Valuations****Introduction**

At the Audit Committee on 26th September, I updated the committee on the progress of the delivery of the Asset Valuations by the Asset Valuation Team based in Property.

At the time of the last presentation, Property had recently recruited a team to deliver the Asset valuation process. This team has now been in place for 6 months, and the work for the delivery of the 2018/19 asset valuations is being delivered according to the plan and dates agreed in the Terms of Engagement between Property and the Finance and ICT team.

At our last meeting I brought a diagram which showed the context of the Asset Valuation team within the Council, and the reliance and inter-dependencies from other teams, both within Property and in other departments of the Council.

There were 5 key actions that I presented at the last meeting which, when delivered, ensure a robust delivery of the Asset Valuation process. Please find below an update for these 5 areas:

Update on the Actions agreed at the last Audit Committee**1. Embed Awareness**

The new Senior Valuer, Christina Davies, has met with all key stakeholders in the Asset Valuation process and established Service Level Agreements for the supply of data, and the requirements of that data. These outputs from different areas of the Council, impact on the integrity of the data, and all parties are now fully aware of, and more importantly, are in agreement with the requirements and deadlines.

2. Improved Internal Communication

Monthly progress meetings continue to be held between the Property Asset Valuation Team and the Capital Accountancy Team, who receive the completed valuations for input into the accounts. The Asset Valuation Team is now working in a very positive manner to ensure that the Valuations are delivered in line with expectations. Open and transparent discussion and debate take place where particular issues arise in relation to a specific valuations, and this positive relationship is now ensuring a collaborative approach to the delivery of the Valuations.

3. Evidence Based Checking Processes throughout

Following the appointment of the Senior Valuer and her team, a manual has been produced (please see below) and the various peer review and checking processes and procedures now in place are documented within. These processes are now very rigorous, with the purpose of ensuring that the data presented to the Capital Accountancy team is correct and ready for the complex loading into the Council's accounting database.

4. Production of Asset Valuation Manual

Version 1 of the Asset Valuation Manual is in circulation and with the Capital Accountancy Team and also Internal Audit. This incorporates all the feedback and

comments that have been received by stakeholders to date. Internal Audit will be responsible for sharing this document with our external auditors. Two things should be noted in this respect.

Firstly this is a “living document”. Changes, as and when identified, will be contained in an addendum document and will then be formally incorporated as a new revision to the Asset Valuation manual at the end of the audit cycle. Such issues, which may include evolving practice and procedures, new recommendations and improved processes, will be discussed and agreed at the Finance and Asset Valuation Meeting and minuted accordingly. To assist in the process members of the Asset Valuation Team, and the Capital Accountancy Team attend regular CIPFA presentations where Case Studies are reviewed, and guidelines on improved practices discussed. This facilitates jointly agreed improvements which will be documented and included in the Manual.

Secondly, Internal Audit have indicated that they will undertake an audit of our processes, using the Manual to check the processes and checking procedures that we have in place.

5. Earlier start Date for Valuations.

At the last Asset Valuation meeting, it was agreed that a list of those assets not valued within the last 5 years and therefore probable for inclusion in the following year's valuation list (commonly called the 20% list), would be provided early January. This will significantly improve the time available for Property to undertake the preparation of the data required in the valuation process, enabling re-measures of land and property to be carried out. In turn this should enable the earlier preparation of the data packs required for the Valuers to inspect and undertake valuations of the assets. Whilst this will not be the final 20% list this will without doubt improve the speed with which the Valuers can be provided with up-to-date data packs in relation to assets on the 20% list once issued.

Sarah Morris
5th December 2018