

REPORT TO: TAYSIDE VALUATION JOINT BOARD – 9 FEBRUARY 2026

REPORT ON: INTERNAL AUDIT

REPORT BY: ASSESSOR

REPORT NO: TVJB 4-2026

1 PURPOSE OF REPORT

1.1 To present to the Board the following Internal Audit Report which is attached as an appendix to this report:- Internal Audit Report 2026/04 – Staff Recruitment & Retention.

2 RECOMMENDATIONS

2.1 The Board is asked to note the contents of the Staff Recruitment and Retention Audit Report.

3 FINANCIAL IMPLICATIONS

3.1 The cost of Internal Audit Services is provided for in the Assessor's Revenue Budget.

4 POLICY IMPLICATIONS

4.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti Poverty and Equality Impact Assessment. There are no major issues.

5 BACKGROUND

5.1 Henderson Loggie, Chartered Accountants, have been appointed to provide an Internal Audit Service in respect of the three year period from 1 April 2025 to 31 March 2028. Audit work has proceeded in accordance with the Audit Needs Assessment and Strategic Plan for the period 2025 to 2028 as approved by the Board on 25 August 2025.

5.2 Internal Audit Report 2026/04 – Staff Recruitment & Retention is attached as Appendix 1 to this report. It has been prepared by Internal Audit following discussion with the Assessor. The overall conclusion of the report is that the level of assurance is satisfactory.

5.3 Three priority 3 recommendations have been identified which have been accepted. These are summarised below;

- R1: Complete a learning needs analysis by role, update the skills matrix for all staff, and review annually to identify training gaps.
- R2: Review and update the PDR framework for implementation
- R3: Use the PDR process for staff and manager skills self-assessments, compare results, and record gaps in the skills matrix.

- 5.4 Management welcomes the findings of the Internal Audit report and notes the overall conclusion of satisfactory assurance. The recommendations identified are considered proportionate and constructive and align with work already underway to strengthen workforce planning, performance management and skills development.
- 5.5 The report also recognises a number of strengths in current arrangements, including the existence of an approved Workforce Plan, good uptake of training, and established induction and succession planning activity.
- 5.6 Implementation of the agreed actions will support greater consistency, transparency and evidence-based decision-making in relation to training and development, and will help ensure the organisation continues to have the capacity and capability required to meet its statutory duties and strategic objectives.

6 CONSULTATION

- 6.1 The Clerk and Treasurer to the Joint Board have been consulted on this report.

7 BACKGROUND PAPERS

- 7.1 None.

DARRYL RAE
Assessor

February 2026

LEVEL OF ASSURANCE

Satisfactory

Tayside Valuation Joint Board

Staff Recruitment & Retention

Internal Audit report No: 2026/04

Draft issued: 22 January 2026

Final issued: 23 January 2026



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Level of Assurance

In addition to the grading of individual recommendations in the action plan, audit findings are assessed and graded on an overall basis to denote the level of assurance that can be taken from the report. Risk and materiality levels are considered in the assessment and grading process as well as the general quality of the procedures in place.

Gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Action Grades

Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Joint Board.
Priority 2	Issue subjecting the organisation to significant risk and which should be addressed by the Assessor.
Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.



Management Summary

Overall Level of Assurance

Satisfactory	System meets control objectives with some weaknesses present.
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Risk Assessment

This review focused on the controls in place to mitigate the following risks on the Tayside Valuation Joint Board Risk Register (as at March 2025):

- Risk 4.2 - Loss of key members of staff through resignation, retirement, illness (Residual Rating = 3)
- Risk 4.4 - Inability to recruit/retain staff (Residual Rating = 3)

Background

As part of the Internal Audit programme at Tayside Valuation Joint Board for 2025/26 we carried out a review of the systems in place for Staff Recruitment & Retention. Our Audit Needs Assessment identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Joint Board and management that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Recruitment and retention of key staff is of paramount importance. The Board must ensure that it has the organisational capacity to implement its strategic plans and make full use of the abilities of its staff. It should therefore explicitly relate its staffing requirements to its strategic and operational objectives in terms of numbers, skills, knowledge, deployment, structure, etc. Staff should know what is expected of them; their performance should be regularly assessed; and they should be assisted in improving their performance and contribution to the Board’s objectives through learning and development opportunities.



Scope, Objectives and Overall Findings

This audit considered whether the Board is making best use of its staff and included a high-level review of workforce planning; training; and succession planning.

The table below notes each separate objective for this review and records the results:

Objective	Findings			
	Level of Assurance	1	2	3
The objective of our audit was to obtain reasonable assurance that:		No. of Agreed Actions		
1. The Board has a systematic approach for ensuring that its staff resources match identified need in order to deliver planned commitments. Where gaps are identified, timely action is taken to close these gaps.	Satisfactory	0	0	1
2. The Board’s approach to training, including induction training, is clearly informed by an assessment of where there are skills / knowledge / performance gaps.	Satisfactory	0	0	2
3. The Board has a systematic approach to evaluating its training to ensure that it is achieving the desired impact.	Satisfactory	0	0	0
4. Appropriate succession planning strategies, action plans and monitoring arrangements are in place.	Good	0	0	0
Overall Level of Assurance	Satisfactory	0	0	3
		System meets control objectives with some weaknesses present.		

Audit Approach

The Assessor, and other senior staff, were interviewed, and the Board’s policies, procedures and organisational structure were reviewed, to assess compliance with the above objectives.



Summary of Main Findings

Strengths

- A Workforce Plan for the period 2026 – 2029 is in place and marked for annual review. The plan considers the current position of the organisation, staff requirements to meet expected workload, and succession planning.
- A variety of training opportunities are available to staff through the Bob's Business platform. In addition to this, employees may request specific training or attendance at relevant events to support their development.
- Weekly training reports are provided from the Bob's Business platform for management, showing completion rates for each module, and showing the percentage of people that are currently undertaking specific modules. Review of the training data in December 2025 noted strong completion rates for all modules.
- A training log is in place for 2025/26, which records attendance at training, conferences, and paid study opportunities that have taken place throughout the year.
- All new staff undergo a formal induction process co-ordinated by management. This consists of getting an oversight into the organisation and undertaking initial mandatory training.
- Consideration has been given to succession planning and associated risks through the identification of key roles, risks, and internal development requirements.
- Analysis of the age profile of staff has been undertaken and processes including flexible retirement plans have been implemented to mitigate risks of losing experienced staff from the organisation.

Weaknesses

- The Skills Audit matrix has not been reviewed or updated since August 2022. The information that was recorded on the matrix was also not used to inform training and development activity or decisions since its implementation. A learning needs analysis has not been undertaken to establish skills and training requirements for specific job roles.
- The Personal Development Review (PDR) process has lapsed in recent years and it is not currently being undertaken in line with the Board's established PDR framework. While employees maintain regular contact with their line manager and performance and training needs are discussed, the PDR framework is not being applied consistently across the organisation. The framework remains in place and is currently under management review to support improved compliance and consistency.
- There is currently no process in place to support assessment of employee skills. Consideration could be given to self-assessment as part of the PDR process with a managerial review feeding into the skills matrix.

Actions Already in Progress

- The Training and Development policy is currently under review. The review will ensure that the information is up to date and relevant and consider where the policy could be further enhanced
- The induction process is currently under review and changes have been implemented to enhance signposting and availability of relevant information to new employees

Acknowledgments

We would like to take this opportunity to thank the staff at Tayside Valuation Joint Board who helped us during the course of our review.



Main Findings and Action Plan

Objective 1 - The Board has a systematic approach for ensuring that its staff resources match identified need in order to deliver planned commitments. Where gaps are identified, timely action is taken to close these gaps.

There is an approved establishment list, and staffing budgets are based on approved posts. Budgets are set annually by the Treasurer, with the Assessor providing estimates of expenditure, including that relating to staffing costs. In the Corporate Plan it is noted that “As the functions of the service are statutory in nature, the resources of the Joint Board are directed by the need to meet the statutory timetables associated with each of its functions.” Like other public sector bodies, the Board has been under increasing financial pressure, with budgets having been reduced in real terms in recent years. Recruitment is managed in line with available budgets and approvals for new posts. Management monitor staff numbers to ensure that sufficient resources are attached to each office and function so that operational commitments and service levels can be met. Skills gaps are filled either through redeployment of staff by supporting staff through further training or, where necessary, through external recruitment in line with the staff budget model.

In 2019, the Board undertook a re-organisation to ensure that the right staffing structure and capabilities were in place to meet the Board’s needs going forward and to address succession planning needs. A Workforce Plan was developed for the period 2019 – 2022 and was revised in April 2021 by the Assessor. The Workforce Plan sets out key information relating to the current environment in which the Board operates, the future role the Board will have with regards to legislative or political changes, and the organisational structure. At the time of our review, we noted that the Assessor had put in place an updated Workforce Plan for the period 2026 – 2029. A copy of the draft report was provided to us for review and we noted that the updated plan covers key areas, including:

- the current position including service demands, current staffing complement and funding context;
- staffing requirements for both key service lines such as Electoral Registration and Valuation;
- workforce pressures, constraints and risks; and
- succession planning.

The Workforce Plan 2026 – 2029 provides a comprehensive overview of the staffing needs of the organisation to meet demand, and the challenges the organisation is facing with regards to fulfilling staffing resource requirements.



Staff Recruitment & Retention

Objective 1 - The Board has a systematic approach for ensuring that its staff resources match identified need in order to deliver planned commitments. Where gaps are identified, timely action is taken to close these gaps (continued).

A Duty Report to the Scottish Parliament on the number of Assessors and availability of resources in the sector was sent to the Scottish Parliament on the 31st of May 2025, under Section 24 of the Non-Domestic Rates (Scotland) Act 2020 and is subject to Parliamentary procedure. As part of the report, the following sections were considered:

- the number of Assessors and Depute Assessors appointed by the board or authority holding office on 1st April in that year;
- whether that number is sufficient for the proper exercise of the functions of those Assessors and Depute Assessors in relation to non-domestic rates;
- whether the board or authority has sufficient resources for the proper exercise of its functions in relation to non-domestic rates; and
- such other matters relating to non-domestic rates as the board or authority considers appropriate.

From discussion with the Assessor, it was determined that there is a skills database document in place that measures the knowledge and experience of staff from across the organisation in various areas. Staff members are awarded a score of 0 to 3, with 0 being no knowledge or experience, and 3 being significant experience and expertise in a specific area. The areas that staff are assessed against are:

- Governance and Leadership
- People
- Finance
- Valuation Roll & Council Tax
- Electoral Registration
- IT
- Administration



Staff Recruitment & Retention

Objective 1 - The Board has a systematic approach for ensuring that its staff resources match identified need in order to deliver planned commitments. Where gaps are identified, timely action is taken to close these gaps (continued).

Observation	Risk	Recommendation	Management Response		
<p>The exercise to assess employee skills within the skills database document was last completed in August 2022. From discussion with the Assessor, it was noted that while the document remains in place, it has not been used to inform any training and development activity or decisions.</p>	<p>The current skill set of staff is unknown.</p> <p>Staff are not receiving appropriate training or support to close organisational skills gaps.</p>	<p>R1 A learning needs analysis should be undertaken to establish the organisations' skills and experience requirement for each job role. The Skills Audit matrix document should then be reviewed to ensure it reflects all current employees and the skills they hold with analysis of how this compares to the requirements set out in the learning needs analysis. This should be reviewed on at least an annual basis to ensure that it aligns with organisational skills requirements and to identify training needs.</p>	<p>Recommendation accepted.</p> <p>A programme of staff training and development is already in place and training activity is recorded and monitored. However, it is recognised that this approach would benefit from being more formally aligned to a routine skills audit and learning needs analysis.</p> <p>Management will undertake a learning needs analysis and review the Skills Audit matrix to ensure it is up to date and used to inform training and development activity on an ongoing basis.</p> <p>To be actioned by: Management Team</p> <p>No later than: 31 December 2026</p> <table border="1"> <tr> <td>Grade</td> <td>3</td> </tr> </table>	Grade	3
Grade	3				



Staff Recruitment & Retention

Objective 2 - The Board's approach to training, including induction training, is clearly informed by an assessment of where there are skills / knowledge / performance gaps.

The Board has a Training and Development Policy which supports the understanding that appropriate training is critical to service delivery and career development opportunities. The policy contains detailed information about support that is available to employees enrolling on courses that lead to a qualification, including:

- Access to support
- Selecting a course
- Financial support
- Administrative procedures
- Time given to support studies

At the time of the audit, it was confirmed that the Assessor was undertaking a review of the Training and Development policy and will look to ensure that the information is up to date and relevant and consider where the policy could be further enhanced. From review of the draft revised policy, we were able to confirm that the policy had been enhanced with consideration given to identifying training and development needs, types of training delivered, and details of mandatory core training.

A training log is in place which records any training or conferences attended, and paid study that has been undertaken in the year. The log records the date, course title, provider and attendees.

All new staff participate in a formal induction process. The process is coordinated by managers and covers all service areas. The Board makes use of a suite of e-learning modules which must be completed by all new staff. The results of e-learning modules are recorded on individual employee training records. From discussion with the Assessor, it was established that the induction process is currently under review and changes have been implemented to enhance signposting and availability of relevant information to new employees.



Staff Recruitment & Retention

Objective 2 - The Board's approach to training, including induction training, is clearly informed by an assessment of where there are skills / knowledge / performance gaps (continued).

All employees are meant to undergo an annual Performance and Development Review (PDR). There is a framework document to support this, although it is noted that this has not been updated since December 2019, with a review due to be completed every three years. The PDR process is designed to enable staff and managers to plan for the upcoming year with regards to personal goals and training and development needs. The PDR cycle should take place every 12 months, with each meeting reflecting on progress against previous goals and discussing performance and development needs. A six-monthly interim meeting may also be held as appropriate to monitor progress from the last meeting.

Observation	Risk	Recommendation	Management Response		
From discussion with the Assessor, it was noted that the Personal Development Review (PDR) process has lapsed in recent years and it is not currently being undertaken in line with the Board's established PDR framework. While employees maintain regular contact with their line manager and performance and training needs are discussed, the PDR framework is not being applied consistently across the organisation. The framework remains in place and is currently under management review to support improved compliance and consistency.	Performance expectations and development needs are not consistently communicated or documented across the organisation.	R2 The Board should review the PDR framework to assess if any amendments need to be made to the process. Once complete, the PDR process should be re-implemented as soon as possible to ensure that employees and managers have a formal process by which to assess performance and consider goals and development needs. This will create consistency across the organisation.	<p>Recommendation accepted.</p> <p>A review of the current PDR framework will be undertaken to assess its ongoing appropriateness and proportionality and to identify whether any amendments are required.</p> <p>To be actioned by: Assessor</p> <p>No later than: 31/03/2027</p>		
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Staff Recruitment & Retention

Objective 2 - The Board's approach to training, including induction training, is clearly informed by an assessment of where there are skills / knowledge / performance gaps (continued).

Observation	Risk	Recommendation	Management Response		
<p>As noted under Objective 1, a skills database document was developed that measures the knowledge and experience of staff across the organisation. The process is designed to identify where there may be gaps in skills or knowledge and can help inform training plans.</p> <p>Currently staff skills are not being routinely assessed and the information captured by the matrix is now out of date.</p>	<p>Staff performance and skills are not being appropriately evaluated.</p>	<p>R3 As part of the PDR process, consideration should be given to employee self-assessment of current skills in line with the Learning Needs Analysis and skills matrix referenced at R1.</p> <p>Management should also complete their own assessment of current skills and input into the skills matrix. Results should then be compared to identify any perceived skills gaps.</p>	<p>Recommendation accepted.</p> <p>As part of the re-implementation of the PDR process, employee self-assessment and management assessment of skills will be incorporated, with outputs used to update the skills matrix and support the identification of skills gaps and associated training needs.</p> <p>To be actioned by: Assessor</p> <p>No later than: 31/03/2027</p>		
			<table border="1"> <tr> <td>Grade</td> <td>3</td> </tr> </table>	Grade	3
Grade	3				



Objective 3 - The Board has a systematic approach to evaluating its training to ensure that it is achieving the desired impact.

Work has been undertaken to enhance the training provision offered to the Board's staff. In 2025, a training platform, Bob's Business, was implemented to provide key training to all staff. Training is completed via an eLearning platform and includes training in key areas such as GDPR, cyber security, and fraud awareness. Weekly reports are provided by the platform providing information about completion rates, due dates, and engagement with training. From review of training records at the time of our audit in December 2025, we were able to verify that completion rates are good, with approximately 98% of all staff completing all training due to date, and noted strong engagement in open training courses. In addition to this, staff are also able to complete training through the Cyber and Fraud Centre Scotland and key members of staff have completed training and attended events hosted by the National Records of Scotland.

From discussions with the Assessor, and a review of the PDR framework, we identified that formal evaluation of the impact of training would typically be identified as part of the PDR process. As noted above under objective 2, the PDR process is not currently operating effectively as designed resulting in a loss of opportunity to formally evaluate the impact of training (see **R2** above).



Objective 4 - Appropriate succession planning strategies, action plans and monitoring arrangements are in place.

Succession planning has been identified as a key strategic risk for the organisation. Through discussions with the Assessor, we identified that there is no formal succession strategy in place, however a number of succession measures are in place, including:

- Career grade structures in place for valuation staff (key skills area).
- Commitment to Graduate Apprentice Route with all 3 current candidates excelling academically through support.
- 3 newly qualified valuers recruited in less than 2 years – RICS APC programme.
- 2 longer standing members of valuation staff undertaking Chartered qualification through experience route – ongoing.
- Enhanced exposure to National SAA working groups and Committees for valuers and senior valuers (historically more senior staff attended).
- Association of Electoral Administrators Certification qualification .
- Board funded RICS rating Diploma (recipient now promoted as an Assistant Assessor).
- Renewed relationships with training partners at Dundee City Council to utilise key training including management / leadership development.
- Review of Flexible Retirement policy recently undertaken, which will be reported to coming the Joint Board in February 2026.
- Successful application to Public Sector upskilling fund – Grant award of £7k with relevant courses selected for IT staff.
- Since the workforce plan was written (April 2025) both Admin officer roles have been successfully filled internally (one after a period of 13 months acting up).
- Effective from this month internal progression from Senior Valuer to Principal Valuer in Perth following retirement.

As part of the Workforce Plan 2026 – 2029 (see Objective 1), succession planning risks are noted under sections 3 and 4, with a dedicated section at section 6. It is noted that succession risk is influenced by expected retirements, and wider movements within the valuation profession between Assessor's offices. Key roles under review include Administrative Officers, Principal Valuers, Senior Valuers, Assistant Assessor, Administrative Manager, and Technicians. For each role, analysis has been undertaken to assess the criticality of the role and associated potential risks. It is expected that as a result of internal development opportunities, staff may be able to step up into senior roles in the future, however some external recruitment may also be required to address resource gaps.

An appendix attached to the Workforce Plan includes an analysis of the age profile of staff, using equalities data from April 2025. The data shows a trend of an aging workforce, creating potential issues for workforce planning and transfer of skills and knowledge. To mitigate this in the short term, flexible retirement options are available, and efforts are being made to attract junior candidates to ensure appropriate succession is in place.

As noted under Objective 1, the Duty Report to the Scottish Parliament on the number of Assessors in the sector and availability of resources was most recently submitted on 31st May 2025. Under Section 2 of the report, it was noted that currently the number of Assessors and Depute Assessors appointed by the Board is sufficient to carry out the statutory duties of the Board in relation to non-domestic rates. However, it is anticipated that there will be a loss of experienced staff through retirement in the coming years. Through review of the current climate, it is anticipated that it will be difficult to replace departing staff with fully qualified surveyors. However, in order to continue to meet the demands of the Board, it is essential that these roles are filled by personnel with the correct skill set and experience.



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