



SUMMARY MINUTES of the VALUATION TRIBUNAL SERVICE BOARD

88th Meeting, held on 22 July 2015 at 10:30am

Present: Anne Galbraith CBE (Chairman), John O'Shea (Deputy Chairman), Martin Allingham, Robin Evans, Ian Tighe

In attendance: Tony Masella (Chief Executive & Chief Operating Officer), Ann Batom (Director of Finance & Information Systems), Lee Anderson (Director of Operations & Development), Diane Russell (Board Secretary)

ITEM 1: APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

There were apologies from Graham Zellick (VTE President) and Ronald Barham. There were no declarations of interest.

ITEM 2: CONFIRMATION OF MINUTES. MATTERS ARISING

The Minutes of the meeting of 19 May 2015 were accepted as an accurate record. All of the actions had been completed before the meeting as required

ITEM3: FINANCE

Work to model impact of budget reductions up to 40% had been undertaken, following the Chancellor's announcement. Some savings would depend on spend to save initiatives through IT changes, If reforms are enacted to make the appeals process for NDR simpler and more efficient, then larger savings may be possible. The VTS has made substantial savings over several years. Any significant cutback in budget would impact on staff levels, and be likely to lead to a slowing down of the administration of appeals Current examples of making savings are the new WAN contract with Vodafone, and the forthcoming replacement finance system, which will be operational from 1 January 2016.

The Board reviewed the Management Accounts, which showed that total expenditure to 30 June 2015 was £1,507k including £52k depreciation and minus £101k revenue annually managed expenditure (RAME). The grant in aid income to the end of June was £1,515k.

ITEM 4: STRATEGIC RISK REGISTER

This had last been updated on 14 July. Of the 11 risks itemised, 10 had not changed. A new risk had been added relating to the retirement of the President.

ITEM 5: CHAIRMAN'S REPORT

The closing date for applications in the JAC VTE member recruitment exercise was 28 July, with input required from September onwards for interviews.

The Triennial Review was still planned but needed confirmation from the new Ministers. The team would soon begin one-to-one interviews with stakeholders and there would be a wider consultation. It was understood that DCLG intended to time this to coincide with the reform of business rates administration consultation in September.

The Information Commissioner's model Publication Scheme for NDPBs listed Board and senior managers' expenses and allowances as data that should be made available. The Board agreed to have its individual Members' annual expenses published on the VT website

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ITEM 6: PRESIDENT'S REPORT

This had been circulated in advance of the meeting. It included a copy of the President's retirement statement.

ITEM 7: CEO'S REPORT

Pension fund consolidation. Following a consultation, the consolidation would take place in two stages to be completed by 31 March 2016. The CEO was waiting for the Secretary of State to confirm in writing that this would happen. This was a big achievement of a VTS aim dating back to 2004.

NDR reform. The current thinking was for a three-stage process: 'Check' – a factual check on the assessment; 'Challenge' – at which point the VOA would be able to share rental data so they could give a decision; 'Appeal' - to the VTE against the VOA decision. In addition, better data sharing between the billing authorities and the VOA was intended. It was underlined that the number of fully contested cases would not change, only the number that have to be administered without needing a hearing, so clerking outputs and venue costs would be broadly the same. Also, while the number of appeals being made should fall, they would have to be registered, which would be a new activity. More thorough active case management and customer service (leading to a return to previous levels of customer satisfaction) would also require staff resource

IT development. The executive had visited the Supreme Court and found that, since its divorce from the MoJ, it had implemented many of the IT solutions that the VTS had envisaged and others that might be adopted. A visit to the Competition Appeals Tribunal had been arranged to see their document management system.

Staffing complement. The current complement of 92 FTEs was artificial, since in reality that number could never be afforded within the 'Pay budget'. The Board approved a revised complement of 80. Due to vacancies, staff in post stood at 76 FTEs. Recruitment would be undertaken to increase this FTE to 80; this would include a new trainee grade to attempt to get some career progression through the service.

On the '**Chancellors target**' of clearing 95% of rating appeals outstanding as at 30 September 2013 'by July 2015', to date 93.3% had been cleared. The Chairman noted that this was not for the want of effort in the VTS and she asked that the Board's thanks be passed on to all the staff involved

Performance summary (internal measures). In the last quarter of 2014-15 more appeals were cleared than received but, because of a legislative change, almost 200,000 appeals were received in the first quarter of 2015-16. The focus on high volume listings to meet the Chancellor's target had had an adverse effect on customer satisfaction and this fall remained a challenge. There were some process changes being implemented, especially regarding direct contact with appellants, which would again become a focus of effort after 31 July, when efforts on the Chancellor's target ended. For the same reason the percentage of lists that resulted in two or more decisions or finished after 3pm was also short of the aim for the year at this early stage. The aim to reduce rail booking costs by 10% had been exceeded by 5% in Quarter 1.

ITEM 8: BUSINESS PROGRESS REPORTS

Business Plan achievements for Quarter 1. Of the 20 objectives, six were listed for Quarter 1 and of those, one was completed and two completed in part. Four were underway with progress being made to a KPI target for the year in three of them. Another objective had also been completed ahead of schedule.

Workload statistics for Quarter 1. On the summary sheet, almost every piece of data showed a fall in numbers, except for the massive influx of new appeals. The reductions were because of work flow on the Chancellors target. From August the VTS would be listing first time appeals and the data should appear more normal. In addition the movement of VOA staff onto revaluation work had reduced the number of clearances. Because of the backlog of historic work in London,

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resources had been temporarily focussed here, but as steady state was returning the outstanding work now was looking more balanced and the operational activity would reflect that..

ITEM 9: PROGRAMME MANAGEMENT GROUP REPORT

Many of the projects had been discussed at other points in the meeting, but additionally projects were commencing on website and Sharepoint enhancement. The priorities from the overarching programme of IT developments were those projects that could be demonstrated to have an immediate benefit.

ITEM 10: COMMITTEE REPORTS

The Audit & Risk Assurance Committee's draft minutes had been circulated and had been the subject of an oral report at the last Board meeting.

ITEM 11: ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING Wednesday 23 September 2015 at 10.30am.