



SUMMARY MINUTES of the VALUATION TRIBUNAL SERVICE BOARD

90th Meeting, held on 27 January 2016 at 10:30am

Present: Anne Galbraith CBE (Chairman), John O'Shea (Deputy Chairman), Martin Allingham, Ronald Barham, Robin Evans, Ian Tighe, Martin Young (VTE Vice-President) **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)

ITEMS 1 and 2: APOLOGIES, DECLARATIONS OF INTEREST, CONFIRMATION OF MINUTES AND MATTERS ARISING

1. There were no apologies and no declarations of interest. The Minutes of the meetings of 25 November 2015 were accepted. The actions had been completed as necessary.

ITEM 3: MATTERS FOR DECISION

2. Governance documents: Standing Financial Instructions, Board Standing Orders and Ways of Working had been reviewed and minor updating amendments made. The Board approved the documents as amended. The Procurement Policy had been revised with assistance from David Horne, independent member of the Audit & Risk Assurance Committee. Subject to confirmation of the OG thresholds, the Board confirmed its acceptance of the Policy.

ITEM 4: FINANCE

3. The Finance Committee meeting held the previous week had discussed and scrutinised the issues and numbers in the Finance Overview and in the management accounts. The draft minutes of that meeting had been circulated. DCLG had approved the budget proposal at QBR3 and business cases for i) allowing pension deficits to be paid; ii) appeals management IT development in principle which was a basis for starting the discovery phase. At 31 December 2015, the GIA draw down was £4,265k in line with the budget and expenditure of £4,237k. The budget as revised for QBR3 was now £6,949k. The Spending Review had resulted in a reduction of 18% over the period to 2019-20 with no requirement imposed to reduce head count. There continued to be no capital budget allocation for the VTS. There would be a 4.2% decrease on total budget for the coming year.

ITEM 5: REVIEW OF VTS STRATEGIC RISK REGISTER

4. The Risk Register showed 10 risks, two of which were now closed, concerning the Employment Tribunal case and the Spending Review outcomes. An assessment of the risk on capital funding had reduced following the approval of all business cases to date. Only one risk remained in the 'red' category for immediate corrective action, relating to the reputational risk around the number of appeals in the system. This risk could only be "actively managed" in terms of having discussions with relevant bodies. A meeting had taken place the previous day with DCLG and the VOA, where the VTS had pressed for the two organisations to have a common clearance figure.

ITEM 6: CHAIRMAN'S REPORT

5. Induction and training plans for the new VTE members were near completion. Approval had been given for a second tranche of recruitment in 2016-17. The exercise to find a new VTE President would be re-launched on 3 February. Board recruitment was being planned to replace Ronald Barham, whose term of office would end on 31 March 2016 and the Chairman, whose appointment ends on 31 October 2016.

6. A strategy/ scoping paper was presented, summarising the issues that the Board had discussed in October. The consensus was that, particularly with the Triennial Review report awaited, the more radical options should not be further investigated at this time.

OFFICIAL

ITEM 7: VICE-PRESIDENT'S REPORT

7. There were now about 20,000 appeals stayed dependent on the appeal to the Supreme Court in *Woolway (VO) v Mazars*. It was understood that the VOA wanted to 'triage' these appeals to see how many really were dependent and how many could be cleared.

ITEM 8: CEO'S REPORT

8. **NDR Reform** – the response period for the consultation had closed. From the responses seen, it was clear that there remained great concern regarding the transparency of rental information used to establish the basis of rateable values set by the VOA. Without such transparency, there were reservations about whether the changes proposed would achieve the intended outcomes.

9. **Appeals management system** - a tender specification had been prepared for a 'discovery phase' to engage an external supplier under the Crown Commercial Service framework. This was intended to provide information on solutions, timeline and costs which would then inform an outline business case. While the level of spend for the discovery stage fell within the CEO's financial delegation, the Board's endorsement of this course of action was sought and given.

10. **Long Terms Sickness Absence** - there were seven long term sickness absences, four of which were likely to be resolved by the end of February. There were no major concerns regarding short term absences.

11. **Complaints** - during 2015, 39 complaints had been received and dealt with by Team Leaders. Seven of these progressed to a 'stage 2' process, handled by the Service Delivery Manager; of them, one complaint was referred on to the Director of Operations & Development as a 'stage 3' complaint. No complaints were investigated the Ombudsman. In comparison to the number of appeals received, this was regarded as a very small number and lower than the previous year. Compliments were also being recorded now.

12. **Staff Survey** - as a result of the report, a working group had been established to develop an action plan.

ITEM 9: HEARING VENUES

13. Hearing venues were under constant review, with feedback from appellants, staff and VTE members. They were selected according to various criteria, the chief of which was to provide access to justice. From some 80 venues last year, this had been reduced to around 60. There were 12 regional venues for NDR hearings. Currently about £162k was spent on them each year, though there was a KPI to reduce last year's spend by 10% this year. The VTS sought to maximise the use of in-house hearing rooms. The tribunal user/customer surveys showed that type of venue was of little importance to appellants but some saw the use of hotels as extravagant for a public body.

ITEM 10: BUSINESS PROGRESS REPORTS

14. **Performance summary for Quarter 3.** Areas where work was needed to meet KPI's were noted. Appeal receipts and the very high backlog were evident; clearances were down and these included VOA settlements. A high percentage of VOA caseworkers had been focussed on revaluation work for the 2017 List, which impacted on the VOA's ability to deal with appeals. For council tax work the VTS had high performance levels that could not be replicated for NDR where the greater appeal volumes were.

ITEM 11: PROGRAMME MANAGEMENT GROUP REPORT

15. The WAN was now in operation and the internet was now available on staff desktops. There was good progress on the website development; some work investigating expanding the use of Sharepoint from CTR appeals to other CT appeal types was ongoing.

ITEM 12: COMMITTEE REPORTS

16. **Remuneration Committee:** the Annual Assurance Statement to the Board was received. No changes had been proposed to the Committee's terms of reference.

ITEM 11: ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING - Wednesday 23 March 2016 at 10.30am.