

SUMMARY MINUTES of the VALUATION TRIBUNAL SERVICE BOARD

94th Meeting, held on 8 June 2016 at 11:30am

Present: Anne Galbraith CBE (Chairman), John O'Shea (Deputy Chairman), Martin Allingham, Robin Evans, Ian Tighe (from Item 5), Martin Young **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 meeting of 25 May 2016 were accepted as an accurate record. The actions had been completed as necessary. There were no matters arising.

ITEM 3: AUDIT & RISK ASSURANCE COMMITTEE REPORT

2. The Committee Chairman reported on a number of items covered in the earlier ARAC meeting before turning to the Annual Report & Accounts. The Committee noted good progress against audit recommendations throughout the year and it had received the annual report from internal auditors Mazars, concluding the outcome for the year had been satisfactory. The Committee had undertaken a 'light touch' self-assessment exercise using the NAO's revised checklist. This had proved to be a satisfactory tool and, overall, no significant issues about the Committee's workings had been found.

3. The Committee had received the VTS Accounting Officer's Governance Statement and the Annual Report & Accounts 2015-16, following a report from the Director of Finance & Information Systems. The field work for audit and subsequent communications had gone well.

4. The Committee had received the NAO's Audit Completion Report, which was now final and had been completed in line with Deloitte's plan and fee. There were no remaining issues and all of last year's recommendations had been implemented. The NAO had suggested delaying sign off of the accounts until nearer the date that the Comptroller & Auditor General could sign (week beginning 27 June 2016).

ITEM 4: MATTERS FOR DECISION

5. **Annual Report & Accounts 2015-16.** The Board approved the accounts but agreed to delay signing until 22 June 2016. Should any material events arise between times, the Board would be informed.

ITEM 5: ANY OTHER BUSINESS

6. **Aspire contract.** Tony Masella had taken legal advice about awarding a contract to the new body formed from HMRC, using the 'sole supplier exemption' under the Public Contracts Regulations 2015, for the purposes of maintaining the central database (CDB) until 2019, essential for the handling of all appeals on the present and earlier rating and valuation lists. The Board was presented with this advice and asked to comment. The Board accepted that it was most likely that no other provider could realistically compete for this contract. However, the risk of making use of a direct award had to be weighed up; the justification had to be clear. Recognising that time was of the essence, the Board agreed that the legal advisors should be approached again to clarify their advice, with reference to the regulations and the basis for exemption.

7. **Migration of back office servers.** The VTS's business case (approved by the Board in May 2016) had referred to the shared service with DCLG on 'Connect' (provided by Fujitsu) as an option, but rejected it on grounds of likely cost and print/technical/security issues that had come to light in various earlier discussions with the DCLG IT team. In addition, the VTS would not be a signatory to the contract, only a beneficiary, so its specialist needs would not be prioritised and any changes required would be likely to be expensive. There had been a meeting with DCLG IT/Fujitsu to discuss the technical issues but a promised conclusive response had not yet been received. However, DCLG IT had said it would not support the business case, which meant that DCLG Finance would not support it either. The Board, aware of how long the dialogue had been ongoing and the 'drop dead date' of October 2016, was disappointed with this response. The

Connect solution had been dismissed in the business case as not meeting the requirements of the project. However, it would be necessary to obtain conclusive evidence as to whether this solution could work or not, according to what DCLG wished to see. It was agreed that Fujitsu be commissioned to provide this information. Every opportunity would be taken to stress the timescales and the consequences of missing them on dependent projects

8. There was no other business. The date of the Board's next meeting is on Wednesday 28 September 2016 at 10.30.