

## **SUMMARY MINUTES of the VALUATION TRIBUNAL SERVICE BOARD**

**98th Meeting, held on 22 February 2017 at 10:30am**

**Present:** John O'Shea (Acting Chairman), Gary Garland (VTE President, ex-officio Board member), Martin Allingham, Robin Evans. **In attendance:** Tony Masella (Chief Executive & Chief Operating Officer), Lee Anderson (Director of Operations & Development), Tracey Cheetham (Interim Finance Director), Nicola Hunt (Board Sec)

### ITEMS 1, 2 and 3: WELCOME, APOLOGIES, DECLARATIONS OF INTEREST, CONFIRMATION OF MINUTES AND MATTERS ARISING

There were no apologies and no declarations of interest. The Minutes of the meeting of 30 November 2016 were accepted as an accurate record. The actions had been completed as necessary. There were no matters arising.

### ITEM 4: CHIEF EXECUTIVE'S REPORT

**Audit tender.** It was noted that following an evaluation of the tenders received for the provision of internal audit services from 1 April 2017, Mazars had been re-appointed. **Direct contract award to HMRC.** Initial discussion on 2017-18 costs had identified a potential increase of 4.5%. The CEO had requested further details and would update the Board.

### ITEM 5: FINANCE

**Management accounts to 31 January 2017.** These were reviewed including a report that provided the forecasts and actual spends showing any variances. It was noted that all financial reports are generated directly from SAP which mitigates against errors in cross pollination from various spreadsheets.

The Interim Finance Director, Tracey Cheetham, reported that under a Chairman's urgent action, an interim payment of £175,000 had been made towards the pension deficit, and a further payment of £153,000 was due to be made shortly. **Update on financial improvements.** The finance improvements are still ongoing, all processes have been stripped back and where possible manual processes have been removed and SAP utilised. Purchase to pay was rolled out successfully. Once the move to Connect had taken place the processes should improve further as, for example staff will be able to use the self-service function to process T&S claims. For booking hearing venues, use of ePCS by named individuals, with a fixed upper limit and strictly monitored was proposed to make the process more efficient. During January 2017, of the 106 purchase orders raised 61 were for venue hire; payment by cards would remove this.

### ITEM 6: MATTERS FOR DECISION – REVISED GOVERNANCE DOCUMENTS

**Board Standing Orders.** The suggested revisions to the Standing Orders were intended to assist the organisation regarding decision making. The main changes were in respect of financial delegation limits as it was felt current levels are too low, causing delays in the approval process and affecting the running of day to day business. The Board was content to approve a £60,000 limit for the Directors and £300,000 for the CEO. Approval for contracts above £300,000 would be for the Board on an annual basis.

**Draft Budget 2017-18.** It was noted that the 2017-18 budget reflected a 5.42% reduction. The Board approved the budget presented.

### ITEM 7: EVALUATION OF NDR PILOT

The recent NDR pilot carried out in Leicestershire and Kent, had proved very successful and he presented the evaluation report which included the findings of an independent qualitative survey. He confirmed that in discussion with the VT User Group, with whom the evaluation report had been shared, both the VOA and professional bodies were in full support of the new process. The Board confirmed support of this adoption across England.

### ITEM 8: REVIEW OF VTS STRATEGIC RISK REGISTER

There were currently 16 risks identified on the strategic risk register; two had been closed, one reduced, one increased (that capital approved through business cases would not be spent by 31

March. It was agreed to amend the narrative on risk relating to large numbers of appeals in the system, because the rollout of the pilot process would help clear appeals faster.

#### ITEM 9: ACTING CHAIRMAN'S REPORT

There would be a joint recruitment exercise carried out for the Board vacancies following Anne Galbraith's and Ian Tighe's departures; Lola Moses has been appointed to replace Ronald Barham. CIPFA training had been attended by John O'Shea and Robin Evans. It was agreed that Lola Moses will fill the vacancy on the Audit & Risk Assurance Committee; the vacancies on the Finance Committee will be filled following the new appointments to the Board; Martin Allingham will replace Robin Evans as chair of the Remuneration Committee.

#### ITEM 10: VTE PRESIDENT'S REPORT

The JAC recruitment process had now concluded and the expectation was that 75-80 members would be appointed. The President had been reviewing the current Practice Statements to form a more simplified and consolidated approach. This would be in operation on 1 April.

#### ITEM 11: IT UPDATE

**Appeals Management System.** A working group of staff was working closely with SFW (the IT partner). The project was running on a very tight timeline, but was expected to keep within limits. It was difficult to plan a system when the regulations had not been published, nor confirmation received about whether or not fees would have to be processed. The working group had focussed on getting an acceptable system ready for April, although in reality no appeals would be received until later in the year. It was also anticipated that professional representatives would be focussing their effort on the backlog of 2010 appeals rather than CCA. It is hoped the full system would be ready by July 2017.

**Connect.** The project had been problematic, but the discovery phase was due to finish this week. The provision on back office servers would cease at the end of June Fujitsu have been asked to deliver their solution at the beginning of June.

**Electronic Document & Records Management System.** It is planned extend the current use of Sharepoint across all appeal types and develop its capabilities. It was hoped an IT partner would be engaged before the end of this financial year.

#### ITEM 12: BUSINESS UPDATE REPORTS

**Performance summary for Q3.** An update on the performance data, against the internal measures was provided.

#### ITEM 13: COMMITTEE REPORTS

**Finance Committee draft minutes.** The last Finance Committee Meeting was held at the end of January 2017; draft minutes had been circulated to the Board. **Audit & Risk Assurance Committee.** The Committee last met on 20 December 2016. Draft minutes had been circulated.

#### ITEM 14: ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING – 22 March 2017 10.30