

SUMMARY MINUTES of the VALUATION TRIBUNAL SERVICE BOARD

97th Meeting, held on 30 November 2016 at 10:30am

Present: John O'Shea (Acting Chairman), Gary Garland (VTE President, ex-officio Board member), Ian Tighe, Martin Allingham, Robin Evans. **In attendance:** Tony Masella (Chief Executive & Chief Operating Officer), Lee Anderson (Director of Operations & Development), Tracey Cheetham (Interim Financial Controller), Diane Russell (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 28 September 2016 were accepted as an accurate record. The actions had been completed as necessary. There were no matters arising.

ITEM 10: CHIEF EXECUTIVE'S REPORT

Finance team. The Director of Finance & Information Systems had resigned and the process to recruit a Finance Director would start shortly. The interim Financial Controller, would stay on to build a new team and put appropriate financial processes in place, building on SAP as a financial tool for the VTS. The aim of all the change was to have increased reassurance for the Accounting Officer, the Board and budget holders.

Direct contract award to HMRC. This was now in place. It represented the best deal achievable for the VTS, with more transparency in charges for the VTS. There was an exit plan built into the contract and the aim was to get off the central database as soon as possible (before 2019).

NDR pilot. Tony Masella was delighted to report this as a success story so far. The pilot involved 1,958 appeals listed for Kent and Leicestershire. Of five tribunals held so far there had been very few heard cases/decisions, very little paperwork received and a high percentage of settled cases (50-70% compared to the norms of 12% in London and 24% in Doncaster). The postponement/adjournment rate was also down and reinstatement requests would be managed robustly. Gary Garland was encouraged by the results to date, seeing that the process acted as a driver to the parties to resolve their differences and eliminated gamesmanship. In a meeting between the President and CEO with the CEO of the VOA, she was content with the way the pilot appeared to be working, noting that this was leaner, with less reworking of cases.

Hearing venues. The VTS had conducted an exit survey of all those attending hearings. Of 540 responses on 44 venues, covering travelling, parking, accessibility, signage, ambience, safety, layout and facilities, the overall view of the venue was "adequate" or better in 94% of responses. There were some actions coming out of the survey to improve where necessary.

ITEM 4: PROGRAMME MANAGEMENT UPDATE

Electronic Document & Record Management (EDRM). An outline business case for the Board and a funding business case to DCLG had been drawn up. This development would be part of the overall package for check, challenge, appeal (CCA). It would give benefits in terms of consistency, security and leaner records retention. The cloud component in the proposal was recognised as a risk and would be added to the next iteration of the business case, which would also show revenue costs over the life of the system. **Appeals Management System.** The business case was presented with additional information gleaned from the procurement exercise. Following what had seemed to be successful procurement through Crown Commercial Services (CCS), the preferred supplier's lawyers had sought to vary the terms of the framework contract regarding intellectual property rights. As a consequence and having consulted CCS, the VTS would not be engaging with them and would be contacting the second preference, to engage with them, clarifying their availability and delivery date.

Connect. The necessary business cases had been drawn up. Progress had been stalled as efforts were made to get dates for a workshop. The Board was concerned about how much of the capital money outlined in the business cases could be spent in the financial year. Tracey Cheetham confirmed that DCLG had been given indications about how much was likely to be spent this year and what would fall into 2017-18.

ITEM 5: PERFORMANCE AWARD PROPOSALS

A report for the Board elaborated on a recommendation arising from the staff survey. Individual and team awards were proposed. These would be non-consolidated and, because of a change in regulations, they would be pensionable. DCLG had a similar process and their approval would be sought for implementing a VTS scheme. Subject to some changes to the proposals, the Board approved the scheme.

ITEM 6: MANAGEMENT ACCOUNTS TO 31 OCTOBER 2016

These were presented in a similar format as before but the data had been extracted automatically from SAP, with nothing bespoke off system. Overall there was a £153k underspend on pay for use on non-pay spending after a pension deficit reduction payment had been submitted to the LPFA (£175k). DCLG had agreed that the VTS could use the underspend rather than give it up, provided that the VTS came in on budget overall for pay and non-pay.

ITEM 7: REVIEW OF THE STRATEGIC RISK REGISTER

The risk register had last been updated at EMT on 16 November; it showed 13 risks, two of which were new and two had reduced residual assessment. Three risks remained in the 'red' category: capital funding availability; Connect migration; administration of a fees system. The new risks related to Finance Director recruitment and changes in the Finance team/processes.

ITEM 8: ACTING CHAIRMAN'S REPORT

There was no news about the appointment of a VTS Chairman or a Board service member, or about the Triennial Review outcome. The Acting Chairman's appointment had been extended to 31 March 2018. The term of appointment for the Audit & Risk Assurance Committee's independent member, David Horne, would cease on 28 February 2017. The Board was content that he be invited to serve a further term.

ITEM 9: PRESIDENT'S REPORT

The President reiterated his view that the NDR Pilot was working well. He was midway through a review of Practice Statements, to simplify some and dispense entirely with others. The implementation date would be 1 April 2017, allowing for any consequences of the new regulations for 2017 rating list appeals to be incorporated.

ITEM 10: PERFORMANCE AND WORKLOAD UPDATES FOR QUARTER 2

Tribunal user survey. A general improvement in satisfaction levels was evident over the quarter. Further improvements were anticipated to flow from greater simplicity of process and more active case management.

Achievements against the business plan objectives. Of the 17 objectives, eight had been scheduled for achievement by the end of Q2. Six of those had been completed and two were ongoing. Some of the target dates for achievement were likely to slip a quarter because of events and a revised performance appraisal system would also now be in place by the end of the year.

KPIs and performance measures. The general position was positive with only a few measures or KPIs not on target. It was noted that there were still many detailed decisions, which took longer to issue. Gary Garland's view was that shorter decisions were preferable, and he was also considering oral decisions being given out on the day in some straightforward cases. The number of cases listed and cleared was up this quarter

ITEM 11: ANY OTHER BUSINESS

A schedule of IT elements reaching end of life/being unsupported (such as the servers) was needed, with an assessment of the risks, to assist in planning refresh/replacement. A current status list would be drawn up and this would be maintained and monitored in future.

A lessons learned note was issued about the SAGE project. One aspect was that possibly this particular business case had not been sufficiently scrutinised because of its low financial value rather than its high impact. Changes to the Procurement Policy would be made to eliminate this risk in future.

DATE OF NEXT MEETING - 25 January 2017 [*subsequently changed to 22 February*] at 10.30