

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

**99th Meeting, held on 22 March 2017 at 10:30am**

**Present:** John O'Shea (Acting Chairman), Lola Moses, Martin Allingham, Robin Evans. **In**

**attendance:** Tony Masella (Chief Executive & Chief Operating Officer), Lee Anderson (Director of Operations & Development), Tracey Cheetham (Interim Finance Director), Diane Russell (Board Sec)

### WELCOME, APOLOGIES, DECLARATIONS OF INTEREST, CONFIRMATION OF MINUTES

There were apologies from Gary Garland (VTE President and *ex officio member*) and no declarations of interest. The Minutes of the meeting of 22 February 2017 were accepted as an accurate record. The actions had been completed as necessary.

Matters arising: The 2017 appeal Regulations had been laid on 17 March for effect from 1 April 2017. The controversial phrase "professional judgement" had been removed and Tribunal panels were to make an estimate of "reasonable" judgment. The regulations on penalties were not part of this statutory instrument and would follow as an amendment later. Regulations on fees were included.

### CHIEF EXECUTIVE'S REPORT

The VTS had received confirmation of its 2016-17 budget on 3 March, at £8,611k. DCLG had approved payment of the 1% pay increase from 1 April 2017. The WAN dispute with Virgin Media had yet to be resolved. Discussions continued with lawyers and should this matter not be resolved by 31 March 2017, it would be treated as a contingent liability for the purposes of the annual accounts.

### FINANCE

**Management accounts to 28 February 2017.** The Finance Committee had reviewed the figures in detail and draft minutes of that meeting had been tabled. There was currently a forecast underspend of £245k, of which £150k was going to be used for pension deficit payment. The remaining underspend of £100k would revert to DCLG. The report was noted.

**Update on financial improvements.** Purchase to pay had been rolled out 1 January and was now embedded. The project plan highlighted those tasks where the completion date had been missed, some of which were outside of Finance's control, but it was still on track to deliver on time. A manual of the reviewed, and new processes was being developed, to provide continuity if there were any further changes of staff.. A new Financial Controller had recently started at the VTS and this presented the opportunity to test out the accuracy of the documentation and to check how far staff were complying with it. The report was noted.

### MATTERS FOR DECISION – DRAFT BUDGET 2017-18

The Board had approved the budget presented at its February meeting. However, since then the VTS and the LPFA had agreed that deficit payments would not be required from 2017-2020, so from the amount budgeted for those payments, £242k had been moved to Salaries.

Consequently there would not be the corresponding AME credit for the pension payment so that adjustment had also been made. DCLG had emailed its confirmation. **The Board formally approved revised budget for 2017-18, in line with the recommendation from its Finance Committee.**

### BUSINESS PLAN 2017-18

A draft of the Board's Forward Plan had been circulated the previous day. The late laying of the appeal and procedural regulations, had delayed its production. This year the focus needed to be on implementing the changes in business rates (revaluation, CCA and rollout of the pilot process) and the President's consolidated practice statement. Building on the success of the pilot, and the new standard direction being extended throughout England, the plan committed the VTS to list at least 125,000 cases during the 2017-18 financial year, 120,000 of these being business rates appeals. It was considered pointless to list excessive numbers when the result would be an

increased number of postponements, which caused unnecessary frustration to all. There was a new KPI to achieve a reduction in postponements.

#### REVIEW OF VTS STRATEGIC RISK REGISTER

There were 13 live risks, one relating to the appointment of a Finance Director having been closed following Tracey Cheetham's acceptance of appointment to the post. The risk around managing appeals against the 2017 rating list under the new Check Challenge and Appeal process had reduced as the system was in development. The slow pace of Board appointments remained a risk to the governance of the VTS. The assurance map was also presented, showing levels of assurance against each risk in the Strategic Risk Register. Internal audit was content with this as an additional tool.

#### ACTING CHAIRMAN'S REPORT

It was reported that the Department would be advertising the Board vacancies shortly and hoped to have a Chairman and Board member named by July.

#### IT UPDATE

**Appeals Management System.** It was reported that daily meetings were taking place to update on progress of the build stage. Rather than develop something quickly that was basic, the decision had been made to get it right and take the time necessary beyond 1 April 2017. In reality early appeals were unlikely but it would be possible to deal with any on paper. Work was ongoing on identifying a suitable payment module, and the views of other government agencies that receive fees were being sought. The next phase of the project would deal with the public facing system and would involve engagement with GDS and the configuration of the database itself.  
**Connect.** The transition was looking smoother than anticipated, with likely dates for the two offices being 6 and 7 May; there was some leeway on this as the deadline was the end of June.  
**Electronic Document & Records Management System.** DCLG had agreed the business case and procurement was starting through CCS.

#### BUSINESS UPDATE REPORTS

**KPIs and workload for Q3.** The rag report showed that most of the KPIs would be achieved this year. The Quarter 3 workload statistics showed an increase in listed settled, in attendances and decisions, with postponements and adjournments down. This meant there should be a positive effect on the cost per appeal.

#### COMMITTEE REPORTS

**Finance Committee draft minutes.** The Finance Committee had met on 16 March 2017. Draft minutes had been tabled.

**Audit & Risk Assurance Committee.** The Chairman reported on the Committee's business at its meeting the preceding day.

#### ANY OTHER BUSINESS

External audit would start on 18 April, and the date for signing the Accounts would be known soon after. The auditors did not seem to have concerns about the VTS this year: the issues about the Director of Finance and the finance system had been audited to provide assurance. There was no other business.

DATE OF NEXT MEETING – 24 May 2017 10.30.