

SUMMARY MINUTES of the VALUATION TRIBUNAL SERVICE BOARD

111th Meeting, held on 28 November 2018 at 10:30am

Present: Robin Evans (Chairman), Gary Garland (VTE President and ex-officio member), Suzanne McCarthy (Deputy Chairman), Lola Moses, Martin Allingham and Neil Buckley. **In attendance:** Tony Masella (Chief Executive & Chief Operating Officer), Lee Anderson (Director of Operations & Development), Keung Wong (Finance Director), Diane Russell (Board Sec)

WELCOME, APOLOGIES, DECLARATIONS OF INTEREST, CONFIRMATION OF MINUTES

There were no apologies. There were no declarations of interest. The Minutes of the meeting of 26 September 2018 and the note of the Board's Strategy Day were accepted as accurate records. The actions had been completed as necessary.

CHIEF EXECUTIVE'S REPORT

Doncaster dilapidations had now been agreed at £105k (provision had been made for £120k). The inaugural meeting between the VTS and the VOA to improve communications and mutual understanding had taken place on 24 October 2018 and found to be useful. This would be a quarterly meeting (next to be held in January 2019).

The MoJ Judicial Workforce Reform Team had confirmed that VTE member recruitment was not yet in the JAC plan for 2019-20, but they were working towards this.

Accounting Officer meeting report. The Department's main concern was around the implementation of CCA and the impact on appeals.

Achievements towards the BP objectives. This showed progress in most objectives was satisfactory. However, the target relating to VTE members using tablets in hearing was not yet fully implemented as a lessons learned report was still being developed and the aim was to acquire more suitable devices for this purpose.

FINANCE REPORT

Management accounts to 31 October 2018. It was reported that the Finance Committee had examined the report in detail. The October forecast highlights spending of £7,900k against the budget of £8,400k. In December, Finance would be looking at forecasts in depth with budget holders to clarify what the final position is likely to be. It was accepted that forecasting/ budgeting had to improve. However, it remained the case that the VTS was often required to flex up or down because of external factors over which it had no control. This was particularly the case when considering staff numbers at a time when future workload was uncertain. While workload was a factor that could be taken into account in delays over recruiting, uncompetitive salaries should not be and the executive was to manage this. The Board would want to understand the risks and assumptions when presented with next year's draft budget.

Three-year financial plan. The paper showed the forecast as at 31 October. Information had been included on risks that would potentially need to be managed over the next three years. This included assumptions on workload and the timing of receipt of larger numbers of CCA appeals, which could only be a best guess. The staff resource and therefore the Pay budget was based on these assumptions plus inflation/pay award increases.

MATTERS FOR DECISION

Business case for pension deficit payment. This made the case for making the £348k planned pension payment; the payment would provide some future-proofing against the likely increases following the next triennial valuation, which comes at a time of volatility in the financial markets. The second reason for making a further payment was the make-up of the membership, with more pensioners than active members, a disparity that was likely to increase over the next 5-10 years. The proposal would help to control and mitigate future contribution rate increases. The Board approved the business case.

Business case for exiting the appeals database (CDB). The VTS's contract for the CDB expires in September 2019 and because of concerns about the cost of being on this platform, it had been agreed that the exit should be progressed as quickly as possible. In order to achieve this a back-office solution was needed to receive the data taken from the CDB. The saving was

estimated to be £100k a year and this needed to be clarified in the business case. The Board approved the business case.

OPERATIONS AND PROGRAMME REPORT

Programme Management update. The portal for online CCA applications had been tested at the Digital Accessibility Centre and their report was being reviewed to see which of the recommended adjustments could be made; this would set the timetable back about one month. The business case for the business-to-business API for agents' CCA applications had been agreed in principle and so work could commence.

KPIs and performance measures. These were largely satisfactory. The payment of undisputed invoices within five days of receipt was below target but there had been a significant month-on-month improvement on last year. Postponements were just above the 10% target, having increased since a higher court judgment suggested the VTE should move from requiring 'exceptional reasons' to 'good reasons' before granting a postponement. The increase in cost per appeal listed was not a concern at the moment, because fewer cases had been listed; this KPI would need to be looked at longer term if the trend continued. This did not affect the number of cases that were fully contested before a panel, which remained between 3,000-4,000 a year.

CHAIRMAN'S REPORT

Board skills audit. The Board members had completed a self-assessment of their own skills and experience, with the aim of identifying gaps in the Board as a collective. The Chairman's view was that Board members appeared to complement each other in the range of skills. There were a few areas where it would be useful to have a short presentation, such as on lean methodology. It was agreed that non-VTE members of the Board would benefit from attending a hearing once a year and dates of CCA appeal hearings would be sent to them.

FOLLOW UP TO THE BOARD'S STRATEGY DAY

The Mission, agreed values and strategic aims as revised following the Strategy Day were approved subject to some minor changes to the wording. These would be disseminated to staff. The Framework Agreement set out that the Ministry's strategic objectives and how the VTS would contribute to meeting them must also be referred to in the Business Plan/Corporate Plan.

COMMITTEE REPORTS

Finance Committee. The Committee's draft minutes from its meeting on 19 November had been circulated and referred to in item 4. These were noted. The Committee's Terms of Reference were ratified.

ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING – 30 January 2019 at 10.30.