

SUMMARY MINUTES of the VALUATION TRIBUNAL SERVICE BOARD

112th Meeting, held on 30 January 2019 at 10:30am

Present: Robin Evans (Chairman), Gary Garland (VTE President and ex-officio member), Suzanne McCarthy (Deputy Chairman), 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 apologies from Lola Moses. There were no declarations of interest. The Minutes of the meeting of 28 November 2018 were accepted as an accurate record. The actions had been completed as necessary. There were no matters arising.

CHIEF EXECUTIVE'S REPORT

Board training – following the skills audit the Training Manager would be contacting Board Members individually to establish what training they would benefit from receiving for their personal development as effective Board Members. It was noted that attendance at an appeal hearing was in fact important 'training'. Two of the non-VTE members of the Board had recently attended tribunal hearings and their feedback was welcomed. It was agreed that it would be useful to attend both non-domestic rating and council tax hearings and to do so regularly. The Framework agreement between the VTS and MHCLG had now been signed and was available on the website.

FINANCE REPORT Management accounts to 31 December 2018. It was reported that the Finance Committee had examined the management accounts in detail. After nine months, the year to date actuals and forecast totalled £7,524k with forecast savings of £895k. This was made up of an underspend of £167k in Pay, £433k in Non-pay, £70k in Capital and £225k in Depreciation (which had been surrendered to the Department). The Committee had discussed at length the reasons for the underspend. They concluded that a more realistic forecast for the recruitment to vacant posts was needed in future but noted that it had not been possible to predict the downturn in workload.

Capital – all the business cases for projects had been approved by MHCLG now, and the VTS was working closely with suppliers to deliver the activities and make the payments in this financial year.

MATTERS FOR DECISION

Board approval was sought to use £680k of savings made over the year to make an additional pension payment. The medium to long term benefit of doing so was that it would future-proof the VTS to an extent at a time of uncertainty, both politically and economically. The profile of membership was heavily skewed on pensioner numbers compared to employees, a situation that was likely to become more apparent, and that the current employer contribution rate was relatively low and so highly likely to increase as the growth rate worsened. The Board agreed and approved the business case which would now be submitted to MHCLG.

OPERATIONS AND PROGRAMME REPORT

Programme Management update. Work continued on the Check, Challenge and Appeal appeals portal. The integration with GovPay needed to be completed and then the end-to-end system would be resubmitted to the Digital Accessibility Centre now that their recommendations had been implemented. This would be done early in March. Having received sign off of the business case for exiting the central database for old appeals, Ceox had been contracted and early engagement was favourable, with a commitment to complete by 31 March 2019. The move from Connect had happened on 28 January, having been delayed due to difficulties incorporating the VTS's bespoke business applications. There were some teething problems but it represented a major change for staff in terms of their IT use, Office 365 would be a much better platform with more flexible ways of working.

Workload. There was a commitment to list 4,000 appeals a month to September 2019, though a large number of business rates appeals were held up in litigation and it was unclear when the appeals made as a result of the legislation overturning the Mazars decision would be received.

VTS DRAFT BUDGET 2019-20

MHCLG wanted an indication of requirements for the next two years and this would be submitted to them. The budget for 2018-19 was £8,400k; the requirement for next year was £7,900k. It was noted that the budgetary requirement for 2020-21 showed a further reduction. Despite submitting this indicative budget to MHCLG, the Board would see the final version in March, for its approval. The Finance Committee had been through the draft budget in detail and was comfortable with it; its recommendation to the Board was to accept this. The Board accepted the draft.

COMMITTEE REPORTS

Finance Committee. The Committee's draft minutes from its meeting on 25 January had been circulated and referred to during the meeting. These were noted.

Finance Committee's Annual Report to the Board. The Board accepted the report.

ARAC. The Committee's draft minutes from its meeting on 18 December 2018 had been circulated; these were noted.

ARAC Terms of Reference: Minor changes had been made following the annual review. The Committee's Terms of Reference were ratified.

Remuneration Committee Terms of Reference: No changes had been made following an annual review. The Committee's Terms of Reference were ratified.

REVISED GOVERNANCE DOCUMENTS

The following documents had all been reviewed. Minor changes only were recommended. The Board approved the **Standing Financial Instructions**, the Board's **Standing Orders** and **Ways of Working** (with Board Business programme appended) and the **Board Code of Conduct**.

ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING – 27 March 2019 at 10.30.