



Valuation Tribunal Service Corporate Plan 2020-23

incorporating the
2020-23 Business Plan

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Introduction by the Chairman

Over the past couple of years we have achieved some major changes by investing in new technology, restructuring the organisation and introducing the new Check, Challenge and Appeal (CCA) process. In addition to training our own staff Valuation Tribunal Members in the changed regulatory processes, we have also been actively engaged in training users in the 2017 appeal processes. Working with the President of the VTE we have clarified and simplified the Consolidated Practice Statement to reflect appeal processes and procedures from 1 April 2020.

During the period of this plan we expect to see real benefit from all this hard work by our executive team and staff. There are still many initiatives to come, but not on the scale of recent years. We expect that users of our service will very much benefit from many of the changes introduced.

One area of uncertainty is the timing and number of 2017 rating list appeals. To date only a relatively small number of appeals have materialised and it is too early to assess whether this is a result of the new CCA process. A large number of appeals lodged over a short period will put a great strain on our service and we will continue to monitor developments.

Robin Evans
Chairman

Foreword by the Chief Executive and Chief Operating Officer

This business plan sets out our priorities and targets and builds on our continued strong record of delivery. We have successfully introduced and developed our new appeal service under Check, Challenge and Appeal regime and have embraced government's digital agenda by developing digital interaction for our users. We have also introduced fresh technology in our steps to move towards more paper free hearings. Our focus continues to be on delivering our statutory objectives in meeting our user's needs.

This year will be one of consolidation as we embed fully the technological developments and practices we introduced last year. Embedding new ways of working to make us more flexible, efficient and better placed to handle any changes in demand for our services is our focus in the coming months. This includes strengthening our workforce and working with the Judicial Appointments Commission to recruit additional members of the Valuation Tribunal for England.

Appeal receipts for 2017 have been low. However this has given us the opportunity to review the impact on users of the new legislative processes and adjust our processes accordingly.

As well as investing in our own people, we have also provided external training for our users on both non-domestic rating and council tax to help improve understanding of legislative and Tribunal processes.

Efficiency, effectiveness and achieving value for money remain priorities for us. We will further research technological developments to enhance our service and will continue to review our processes to improve our productivity and efficiency.

Coronavirus (COVID-19) Impact

Naturally, our aims above were identified ahead of the Coronavirus (Covid-19) pandemic. The national Covid-19 lockdown has impacted directly on the ability of the Valuation Tribunal Service (VTS) and Valuation Tribunal for England (VTE) to facilitate and deliver tribunal hearings. We have faced huge challenges throughout the lockdown as we supported our staff, VTE Members and our appellants, whilst ensuring that the interests of the wider public were considered.

The values and core priorities set out in this document remain pivotal to our future plans. Whilst we have made good progress in moving to a 'new normal' it is inevitable that our well intentioned activities have not progressed as previously planned as we have re-prioritised activities. This has created challenges for the year ahead.

We certainly intend to strive towards meeting the aims we set ourselves pre COVID and we aim to do this without undermining the continuing focus on our coronavirus response. However, we do recognise that it may be some time before we are in a more stable position.

We will maintain the key performance indicators we have set out pre COVID and will report periodically on activity with a suitable narrative to address how Covid-19 has impacted on these measures.

Working collaboratively with the VTE, we have been proactive to ensure that work not unduly impacted by Covid-19 could be progressed. This has included designing and testing new processes to allow the introduction of remote hearings from September 2020, the introduction of an appeals listing service, registration of appeals under CCA appeals, etc. Much of this work has proved to be key enablers to allow us in being responsive to changing circumstances. We have a programme to work with our sponsor team at MHCLG to modernise the tribunal procedure regulations to embrace a more flexible approach and enshrine remote hearings within governing regulations.

Tony Masella
Chief Executive and Chief Operating Officer

Who we are and what we do



The Valuation Tribunal Service (VTS) delivers a range of services to the Valuation Tribunal for England to hear and determine disputes that have arisen between those who pay council tax or non-domestic rates and their local council or the Valuation Office Agency (VOA).



The Valuation Tribunal for England (VTE) is headed by a President and is a separate statutory body charged with¹:

dealing with appeals in ways which are proportionate to the importance of the appeal, complexity of the issues and the anticipated costs and resources of the parties;

- avoiding unnecessary formality and seeking flexibility in the proceedings;
- ensuring, so far as practicable, that the parties are able to participate fully in the proceedings;
- using any special expertise effectively; and
- avoiding delay, so far as compatible with proper consideration of the issues.

¹ The Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, as amended

Our priorities

Our strategic objectives are set out in statute. These are:

- Support the VTE by administering a fair, efficient and accessible appeals system
- Enhance the quality and consistency of our service to all stakeholders
- Operate with financial and organisational initiative and efficiency
- Build capacity and capability in our staff, learning from their experience and from their feedback.

To assist us to meet our statutory duty set out in the Local Government Act 2003, we have grouped them into five aims.



Delivering our priorities in 2020-21

Our priorities for the 2020-21 financial year, and the goals we aim to achieve, are set out in our action plan.

Strategic objective	Priority	What we will do and why	When we will do it	Current position	Key Indicators of success (KSIs)	KPI/ internal target
Support the VTE by administering a fair, efficient and accessible appeals system	Be an exemplar national tribunal, delivering a local service	<p>Commission a survey of rating professionals on aspects of the 2017 appeal process and the capital investment of the appeal portal.</p> <p>Carry out and conclude a feasibility study to investigate legislatively and administratively the possibility of moving more appeal hearings to paper based.</p>	<p>Quarter 3</p> <p>Quarter 2</p>	<p>We currently commission a monthly survey of unrepresented appellants</p> <p>Backlogs are created for hearing dates, which require a physical presence</p>	<p>Having a clear understanding of the requirements of rating professionals for Check, Challenge and Appeal</p> <p>Greater volumes cleared.</p>	<p>Increase in customer satisfaction</p> <p>Timeliness in dealing with appeals</p>
Build capacity and capability in our staff, learning from their experiences and their feedback	Build the diversity and capability of our staff and VTE	<p>Develop and introduce a mentoring and coaching process that assists staff in their roles.</p> <p>Implement on-line training modules on a live platform for staff and VTE members.</p> <p>Maintain dialogue with the Ministry of Justice's Judicial Reform Team over VTE recruitment process.</p> <p>Implement a programme of raising awareness of emotional intelligence and mental health awareness</p>	<p>Quarter 1</p> <p>Quarter 1</p> <p>Quarter 2</p> <p>Quarter 2</p>	<p>Staff receive year end appraisals but not on the job assessments.</p> <p>This was developed in 2019-20 and is ready to be rolled out.</p> <p>Judicial Appointments Commission (JAC) recruiting 30 new Chairmen in 2019-20.</p> <p>Staff have received training</p>	<p>Staff are proactively assisted in their individual roles and encouraged</p> <p>Ensuring that more VTE members receive training</p> <p>Recruit around 25 new chairman annually through JAC</p> <p>Better preparing staff and VTE Members to deal with vulnerable customers</p>	<p>Better performance and standardisation of practices</p> <p>Increase in number of VTE members receiving training, leading to better and informed judicial decision making</p> <p>Number of decisions maintained if not increased.</p> <p>Increase customer satisfaction</p>

Enhance the quality and consistency of our service to all stakeholders	Maximise the use of our IT for the benefit of all stakeholders, particularly appellants	Build on discussions to deliver a modernised and more efficient call handling solution. Researching technological advancements that may be introduced in to the VTE environment.	Quarter 2 Quarter 3	Current telephony is old and we are looking to build on tested technology used by our sponsoring department Building on investment of 2019-20	Greater proactiveness in call management More effective handling of appeals at hearings	Increase in staff satisfaction Improved processes
	Continue to improve customer/ user satisfaction	Develop a proactive venue management process to ensure our venues deliver to our requirements to meet customer expectations.	Quarter 2	Venue survey conducted in 2019-20 to understand customer requirements.	Improvement in customer satisfaction; reduction in complaints	Overall customer satisfaction regarding venues
Operate with financial and organisational initiative and efficiency	Seek out efficiencies which leads to greater effectiveness	Review and consolidate IT and communications contracts	Quarter 3	2019-20 has been a year of development of new technology and we need to bring contract spend in line with developments introduced.	Reduction in IT and communication spend	Meeting efficiencies

Key performance indicators

All our KPIs are routinely monitored and reviewed by the Board and the Executive Management Team so that they continue to reflect the changing environment of local taxation appeals and any underperformance is addressed throughout the year.

Strategic Objectives	Support the VTE by administering a fair, efficient and accessible appeal system	Council Tax Appeal	80% of appeals determined within 6 months of registration 90% of decisions issued within 1 month of the hearing
		Non-Domestic Rating Appeals	85% of appeals determined within 6 months of registration 90% of decisions issued within 1 month of the hearing
		All Appeals	80% of appeals resolved at first time of listing
	Enhance quality and consistency of our service to stakeholders	Complaints	75% of complaints resolved at Stage 1 with no further escalation
		Customer Survey	60% of customers surveyed satisfied with the overall service
		Digital Services	60% of appeals lodged through VT online appeal services 80% of tribunal notices issued electronically
	Operate with financial and operational initiative and efficiency	Finance	90% of undisputed invoices paid within 5 working days of receipt
		Tribunal Hearings	80% of scheduled hearings result in 2 or more appeals being heard on the day
	Build capacity and capability in our staff	Absenteeism	Short term sickness absence maintained at or less than the previous years (3.2 days per FTE)
		Training	90% of staff receive 5 days training and development per year

Performance against these KPIs will be published in our Annual Report and Accounts.

Delivering financial efficiency

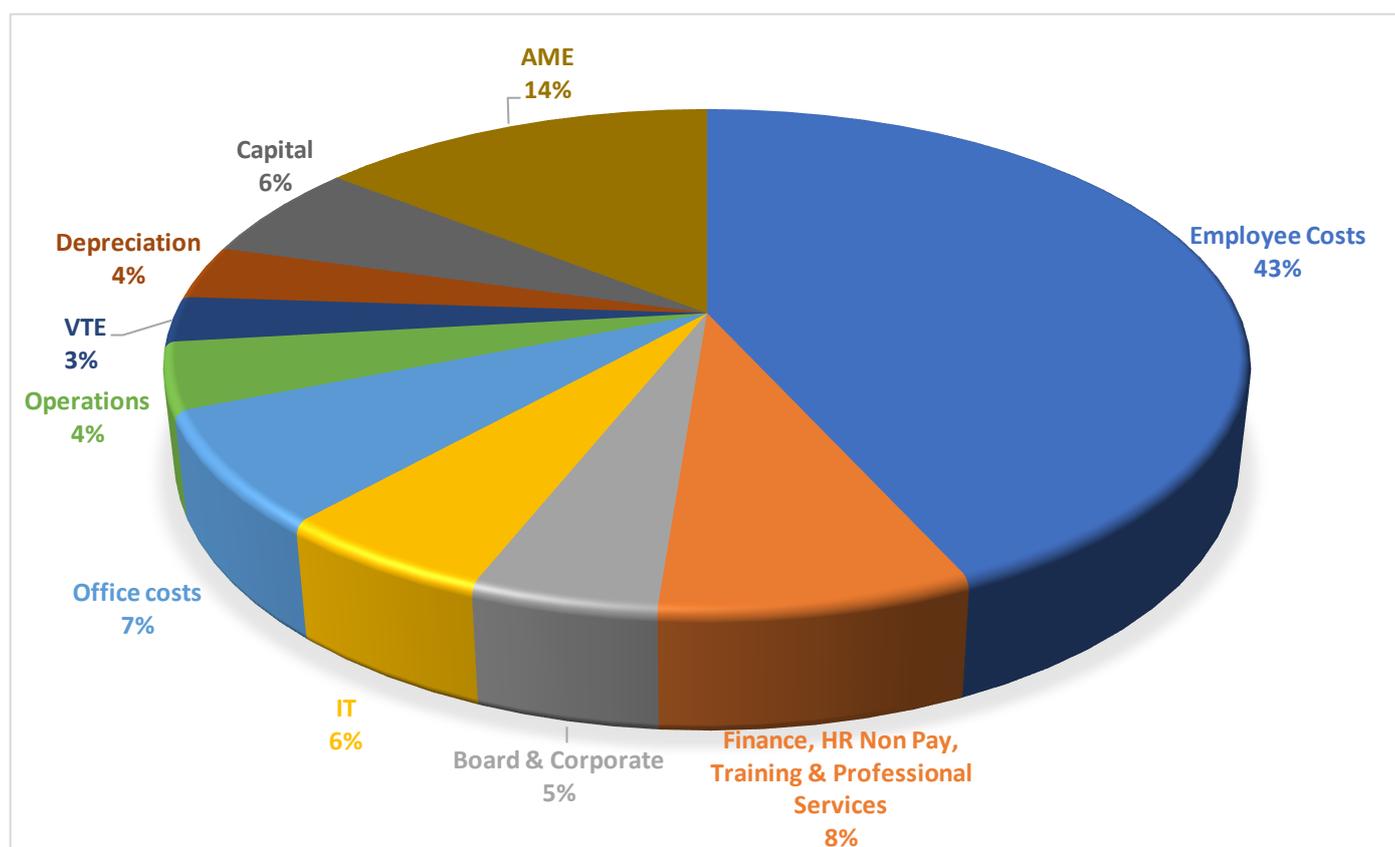
As a statutory body we remain committed to providing excellent value from the funding entrusted to us. The VTS receives grant in aid funding from MHCLG for its activities and we continue to work with our sponsoring department to deliver financial efficiencies whilst complying with the requirements of our Framework Document, maintaining the statutory service required of us by Parliament.

2020-21 Total funding

We receive funding from our sponsoring department. Our expectation of funding required for us to deliver our services during 2020/21 is £7,024 (a reduction of 5.6% from 2019-20). The table below illustrates the breakdown of this indicative funding.

Budget category	£'000
Pay	2,875
Pension payment	388
Total Pay	3,263
Depreciation	260
Non Pay	2,472
Capital	470
Resource Annually Managed Expenditure (AME)	1,073
Total Resource Funding	7,538

The pie chart below shows the areas of spend directing our funding:



2020-23 Total resource funding

The Table below provides an indication of our estimates of funding needed over the next three years, taking in to account our current thinking regarding staffing, the estate, IT development,

appeal volumes and VTE requirements. Naturally, our estimates are subject to consideration and approval from our sponsoring department and subject to wider public decisions on spending review.

	2020-21 (£'000)	2021-22 (£'000)	2022-23 (£'000)
Admin - Pay	2,875	2,986	3,167
Admin - Non Pay	2,472	2,016	2,070
Pension payments	388	427	453
Depreciation	260	190	130
Total Admin	5,995	5,620	5,820
Capital	470	100	150
Resource AME	1,073	1,208	1,350
Total Resource Funding	7,538	6,928	7,320

Following our investment in capital development over the past two years to improve our IT infrastructure, our requirement for capital within the next three years is largely focussed on 'fine tuning' any current technological changes. We are also keeping a watchful eye on decisions regarding business rates revaluation and the ongoing fundamental review of business rates so that we are able to flex very quickly on any changes required to our IT as a consequence.

Workload

We start this financial year with the following number of appeals, broken down in to each appeal type. A significant amount of 2010 appeals were subject to superior court intervention and cannot be progressed until such time as the superior court judgment was issued. Following discussion with the parties, these ATM appeals are progressing.

Non Domestic Rating	
2010 List Appeals	52,000
2017 List Appeals	135

Council Tax Appeals (by type)	
Council Tax Reduction	400
Council Tax Liability	350
Council Tax Valuation	1000
Council Tax Completion	200

Check, Challenge and Appeal (CCA) was introduced by government on 1 April 2017 along with the 2017 Rating List and this regulatory reform has significantly changed the process involved in lodging non-domestic rate appeals. Prior to CCA, the appeal process was automated and required no prior engagement from the respective parties to discuss until a tribunal hearing date was set by us. This automated process meant that significant numbers were transmitted to us by the Valuation Office Agency as 'appeals'. During the lifetime of

the 2010 Rating List, (from 1 April 2010 to 31 March 2017), 974,726 appeals were lodged with us, of which 716,112 were listed for a hearing on 3,858 tribunals.

CCA introduced two distinct regulatory stages that previously did not exist, check and challenge. The 'challenge' part requires the ratepayer to submit evidence to support any claim for a reduction in rateable value and has a built-in negotiation stage before the VOA issue a decision notice, which a ratepayer has four months to appeal. This new process was designed to encourage a disclosure and exchange of evidence between the parties, thus reducing the number of appeals potentially needing a hearing.

Whilst the CCA process has removed the previous automated process which will inevitably reduce the vast appeal numbers that we usually need to administer, there is some uncertainty as this early stage as to whether there will be any reduction in the number of appeals physically requiring a tribunal hearing. In reality, too few proposals have started the CCA process to provide any real certainty of what final volumes will look like. Currently, there are some 10,000 challenges which have yet to complete the process and be issued with decision notices, which could give rise to appeals.

The Rating List for 2017 has been live now for three years and at present we have received 293 appeals, of which 198 have been listed and decided and 68 agreed between the parties (consent orders). The number of challenges to date seems small in comparison to previous Lists. Our own estimate is that the 2017 List will generate between 20,000 to 30,000 appeals during its lifetime. Our current maximum capacity for clearing appeals is around 4,000 per annum, so if the higher estimate becomes the reality, delays will be inevitable. The longer ratepayers take to enter the CCA process, the greater the risk of a deluge of appeals surfacing over a short time period causing delays and backlogs.

Risks to the organisation

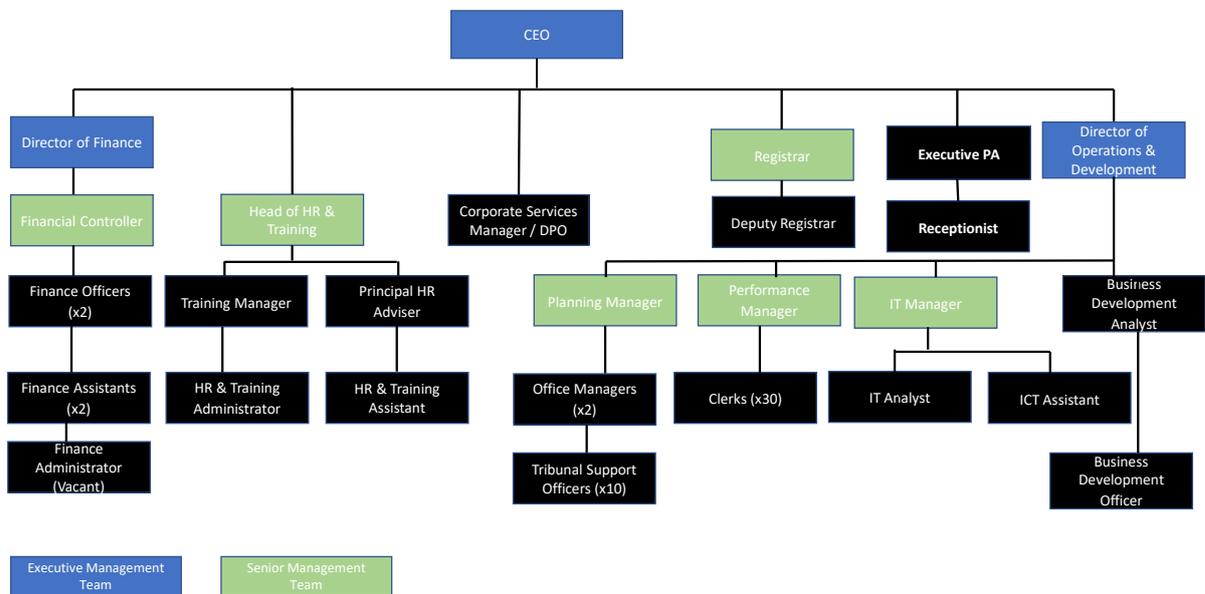
The VTS's risk management process provides a structured approach for managing risk, with risk registers maintained at project, operational and strategic level. Our principle risks and uncertainties are as follows:

Risk description	Mitigation
Uncertainty of volumes of 2017 rating List appeals.	Restructured organisation to create greater flexibility
A deluge of challenges being submitted over a short time period causing delays and backlogs.	Maintain dialogue with our sponsoring department and keep under review both staff and VTE resources. Have provided external training to the Valuation Office Agent and professional bodies to improve understanding of the new process and expectations on appealing
The uncertainty around more frequent revaluations, coupled with the slow start on 2017, means that 2017 appeals will overlap	Work in consultation with our sponsoring body

with future rating lists.	
Need to find replacement offices when leases expire in 2020.	We are working with Government Property Agency, Cabinet Office and National Property Controls to secure suitable office space.
Insufficient VTE Members to deal with appeal volumes	Within Judicial Appointment Commission's recruitment programme for the next two years.

Staffing

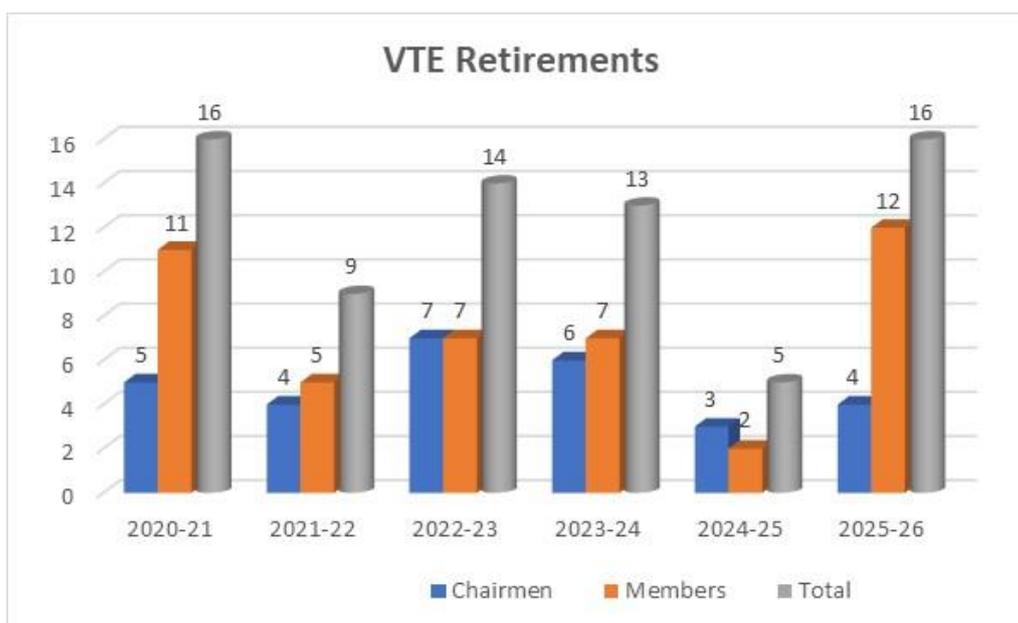
We have restructured our staff to better respond to the legislative changes in the non-domestic rating environment. Our structure from 1 April 2020 is:



As an evolving organisation it is imperative that we remain flexible and maintain a staffing structure that continues to fulfil our statutory purpose. Employing sufficient specialist and technical staff to meet challenges head on is key to our success. Our new grade of Tribunal Support Officers will be pivotal in case managing appeals, whilst our peripatetic clerks use their technical skills to support VTE members in providing the technical, legal and procedural advice they require at the hearings we convene throughout England.

Valuation Tribunal for England

Our statutory purpose is to support and provide advice to the VTE. We currently have 167 VTE Members. The statutory retiring age for VTE members is 72 and the graph below shows the numbers of expected retirements in each financial year. Any resignations will be in addition to these numbers.



We have been working with the Judicial Advisory Commission (JAC), who is responsible for the recruitment of members, to be sighted within their recruitment programme of judicial members on an annual basis. We already launched an exercise last year and we expect the Lord Chancellor to make appointments in this financial year. To keep ahead of potential resource issues with the VTE, and to meet increased workload demand, we have sought to be included annually within JAC’s recruitment programme for 30 senior members (chairmen) per annum. This approach is to provide greater flexibility in the clearance of appeals as senior members are able to sit on their own.

The estate

We operate from two offices (London and Doncaster), both of which have leases expiring this financial year. Following approval from the Places for Growth program, we are working with the Government Property Agency (GPA) to secure an office location within London in order to maintain our tribunal presence. We are currently assessing options, which include a stay put option or move to a new location post the 31 July lease end date.

Similarly, we are engaging with the GPA to identify suitable office space in the Yorkshire region post 30 September 2020 lease end date. We are currently reviewing the feasibility of an extension to our current sub-lease. However, this will be dependent on the future strategy regarding this building by the current major occupiers, Department of Works and Pensions.

Governance arrangements to support the Corporate Plan

All of our activities are underpinned by governance arrangements which support the delivery of our services. These include:

- the statutory framework set out in the Local Government Act 2003;
- Board reviews of performance and achievement against this Business Plan;
- reporting to MHCLG in line with the Framework Document and complying with government policy and sponsoring department rules;

- the Board's Finance and Audit & Risk Assurance Committees, which exercise detailed oversight in their relevant areas;
- Standing Orders, Standing Financial Instructions and Procurement Policy, which are reviewed and updated at least annually;
- our risk management processes which are overseen by both the Audit and Risk Assurance Committee and the Board;
- A business continuity plan which has been formulated with significant staff engagement and which is seen as a living document, regularly reviewed and tested;
- our information governance, through a set of policies that support effective and secure data handling, implemented by staff trained to ensure they handle data, especially personal data, appropriately;
- a Change Approvals Board, responsible for considering and controlling all requests for IT and business process changes.

Delivering and reporting on the Business Plan

The Business Plan is published on our website and on the staff intranet. VTS budget holders bid for budgets for activities designed to deliver the objectives outlined in the Plan and to minimise risks. The objectives set out in the Plan provide the basis for staff personal development objectives. The delivery of this Plan will be monitored quarterly at three levels:

- the delivery of targets and achievements against the Plan will be monitored by the Board, which may amend the Plan to reflect new or revised Ministerial requirements that emerge during the year;
- the Chief Executive and Chief Accounting Officer will monitor the achievements of the Plan with his executive team; and
- we will share our progress and achievements with MHCLG through quarterly Accounting Officer meetings and any other meetings convened.