

SUMMARY MINUTES of the VALUATION TRIBUNAL SERVICE BOARD

132nd Meeting, held on 27 October 2021 at 11:00 am

Present: Harry Rich (Chair); Suzanne McCarthy (Deputy Chair); Neil Buckley (Member); Paul Cammidge (Member); Stephen Chappell (Member); Kevin Everett (Member); Gary Garland (VTE President, *ex-officio* member); Alison Griffiths (Member) and Lola Moses (Member).

In attendance: Tony Masella (Chief Executive & Chief Operating Officer); Lee Anderson (Director of Operations & Development); Keung Wong (Finance Director) and Nicola Hunt (Board Secretary).

Welcome, Apologies, Declarations of Interest, Confirmation of Minutes

There were no apologies for absence and no new declarations of interest. Minutes of the meeting held on 28 July 2021 were confirmed as accurate. Actions had been completed as required.

Chief Executive's Report

Tony Masella referred to the salient points in his report. Staff returned to the office week commencing 13 September in 'work bubbles' of Monday/Tuesday or Thursday/Friday, Wednesdays are kept free for meetings. So far the return had gone well.

Following the Cabinet reshuffle, the Ministry of Housing, Communities and Local Government (MHCLG) had become the Department for Levelling Up, Housing and Communities (DLUHC) under Michael Gove as Secretary of State.

There is a new drive to bring ALBs into the Cabinet Office's Shared Services strategy across the Civil Service to create 'better shared services across Finance and HR'. This is part of the Civil Service Modernisation Programme about using modernised systems and processes "to deliver greater value and efficiency through the consolidation of Finance and HR activity into five shared service centres across government". Each department is attached to one of these centres and the groupings of departments (and their ALBs) to receive their transactional Finance and HR services from one of the five shared service centres – Defence, Overseas, Delivery, Policy and HMRC. DLUHC are part of the HMRC cluster. The expectation at this stage is to share systems as opposed to Finance and HR teams being centralised. Shared services already exist regarding Finance (SAP).

Tony Masella referred to VTE Members' engagement which remained a concern. Out of 140 members available, engagement was around 53%. There was a heavy reliance on a small cohort of members who are sitting more than three days per month which was not sustainable in the long term. A VTE engagement survey had been drafted to better understand engagement levels. Harry Rich was keen for the survey to be carried out in order to obtain data on why members are not engaging and what can be done to resolve the issue.

Finance

Management Accounts to 30 September 2021. The September management accounts showed a forecast of £6.57m against a full year budget of £6.96m, resulting in a forecast underspend of £387k.

The NJC pay award of 1.75% had been rejected by the union and the employer had rejected further talks. If the matter is not agreed it is likely the pay award will need to be accrued at year end.

Update on Annual Report & Accounts 2020-21

Due to queries raised by KPMG regarding Barnet Waddingham's final pension valuation report, the Annual Report & Accounts would not be signed-off by NAO until confirmation of whether adjustments to the financial statements will be required. It was anticipated that the earliest the accounts could be laid is 15 December.

Risk Management

Strategic Risk Register. There are currently nine risks on the Strategic Risk Register, categorised as follows: three red, four amber, one yellow and one green. The Board noted the risks. No further risks were identified.

Operations and Programme Update

The Website Development project was progressing well; Lee Anderson was confident the website will be more accessible once the project is complete. Work continued to make it possible for agents to register NDR appeals online in batches, and then make payment by invoice to avoid numerous credit card payments. The Department had not yet confirmed when the move to Teams for external calls will take place to replace the MiCollab system currently being used. The Appeals Portal will be extended to deal with all appeal jurisdictions as this is currently only possible for CCA cases.

Performance/KPI data. The KPI report isn't a full quarter report because the full dataset will not be available until the end of the month when decisions have been issued. The situation is slowly improving to clear the backlog which built up when hearings couldn't be facilitated during the COVID period. It was noted the KPIs would look more positive if new cases received were dealt with first as the target for appeals being determined within six months of receipt would improve, but it was felt this would be unfair to appellants where older appeals remain outstanding.

Most complaints are resolved at stage 1 of the process with a few being escalated to stage 2 for Tony Masella to investigate. It was anticipated that the target of two or more appeals being heard on the day will be reached. It was noted that hearing cases on papers was not popular with the majority of appellants, online hearings were preferred.

Chair's Report

Harry Rich advised that the Remuneration Committee had met recently. He planned to hold a strategy session in January which would be separate to the business planning 2022-23 discussions at the January Board meeting.

VTE President's Report

The President reiterated that face-to-face hearings are impossible due to logistics and would be difficult with the expected budget cuts. Another factor is that there is not an even spread of members nationally. The shortage of members in certain geographical areas is not a problem with remote hearings and the cost of travelling is saved. Feedback from the Valuation Tribunal User Group on remote hearings remained positive and there was only a small minority of appellants who would prefer face-to-face hearings. The President planned to update the Consolidated Practice Statement next year.

Committee Updates

ARAC. Suzanne McCarthy referred to the minutes of the ARAC meeting held on 27 September 2021. The Board had no further comments to make.

Suzanne McCarthy was pleased to report that the internal audit report on the Learning Management System received substantial assurance and congratulated those involved.

Finance Committee. The draft minutes from the meeting on 17 September were circulated. The Board had no further comments to make.

Remuneration Committee. The Remuneration Committee had met once this year; this was reported earlier in the meeting.

VTE Members observing Board meetings

Harry Rich had received a request from a VTE Member who was interested in observing a Board meeting. It was agreed this was a good idea in principle, but observers should be offered the chance to join virtually to avoid unnecessary travel and there should be no more than two observers at any meeting. This opportunity should be offered to VTS staff as well.

Any Other Business

Providing there are no changes to government advice regarding the COVID environment, the next Board meeting will be held at Leman Street. The format of future Committee meetings will be at the discretion of the respective Chairs.

Date of next meeting: Wednesday 24 November 2021 at 11:00 am.