

## **Summary Minutes of the Valuation Tribunal Service Board 147<sup>th</sup> Meeting held on 28 November 2023 at 10:30 am in Leman Street**

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

**In attendance:** Tony Masella (Chief Executive & Chief Operating Officer); Lee Anderson (Director of Operations & Development); Keung Wong (Finance Director); Matthew Jones (Membership Engagement Lead – item 5 only) and Amy Dusanjh (Acting Board Secretary).

### **Welcome, Apologies, Declarations of Interest, Confirmation of Minutes**

Apologies for absence had been received from Alison Griffiths (Member), Kevin Everett (Member) and Peter Bates (ALB Business Partner, DLUHC) as an observer.

There were no new declarations of interest.

Minutes of the meeting held on 27 September 2023 were confirmed as a true record of the meeting. Actions had been completed as required.

### **Chief Executive's Report**

Tony Masella referred to his previously circulated report. In terms of the proposal put forward on VTE recruitment, MoJ/HMCTS had agreed it was possible to adopt the legal change presented but they were not comfortable to disapply the JAC from the recruitment process as it would require a high threshold and introduce risk to the Lord Chancellor. Therefore, MoJ suggested changes be explored with the VTE recruitment process that better meet the requirements of the VTS. Tony would present a further paper detailing areas of improvement within the current process.

The 2023 VTE Senior Member recruitment exercise had not progressed, but it was hoped it would conclude by February 2024. The Chair suggested a letter should be sent to the Minister/Secretary of State and the Lord Chancellor, setting out the impact of the JAC recruitment process on the VTS's ability to deliver its statutory purpose.

Matthew Jones, VTS Membership Engagement Lead, had conducted a survey of members and was holding a series of forums which had been informative thus far. Matthew would collate the issues raised and provide recommendations and an action plan to the Board in January.

The NJC cost of living pay award had been agreed in November and will be paid in December; it would be backdated to 1 April 2023.

**Business Plan Achievements on Objectives to Q2.** Tony Masella explained that the 2023-24 Business Plan identified 17 objectives, of which nine were completed by Q2, which he felt showed a good result and was in line with his expectations. The Chair congratulated the teams involved.

Tony Masella and the VTE President were currently reviewing the Consolidated Practice Statement (CPS) with the aim of increasing engagement with billing authorities and to

ensure active case management is carried out earlier in the process. This 'triaging' pilot would mainly focus on Council Tax Liability and Council Tax Reduction appeals.

The Chair noted that better reasoned decisions were being produced as a result of the implementation of a standard policy for clerks on key ingredients of a decision. Tony Masella confirmed that decisions were now more concise and reasoning was being linked to issues more clearly; but there was still further work to be done. Lee Anderson advised that AI technology was being investigated to see if it could assist in writing generic sections of decisions more speedily, with the addition of bespoke information for each decision.

## **Finance**

**Management Accounts to 31 October 2023.** The management accounts to 31 October reflected the supplementary budget following the reduction of the Board approved budget by DLUHC. The supplementary return had been submitted and the year-end forecast reflected the revised budget of £6,671k. The Board noted the resource funding forecast of £6,569k, with a forecast underspend of £102k, against the supplementary budget. There was now a better understanding of the position in respect of the pay budget following the agreement of the NJC pay award. The Board expressed its thanks to Keung Wong on how he had dealt with the pay budget.

**Update on Annual Report & Accounts.** Keung Wong highlighted that the NAO fieldwork was almost complete. There were a few outstanding queries around the IFRS 16 Lease Application and additional membership data within the pension scheme.

Changes to the Annual Report had been implemented as requested by DLUHC and the NAO. It was hoped audit completion would be obtained in time for the ARAC meeting on 11 December 2023 with the aim to recommend to the Board on 24 January 2024, and subsequently lay on 30 January 2024. The Board agreed to discuss the Annual Report & Accounts at the January meeting.

## **Interim update on Member Engagement**

Matthew Jones had provided a paper that set out the steps taken to understand VTE Members' engagement and some interim findings. Members who responded generally indicated that they enjoyed their role, however family life and employment limited their availability for sittings. 70% of those who responded were in employment which was very different to the make-up of historical members who were in the main retired. In terms of motivation, a large proportion of those responding had judicial aspirations, and many were very interested in rating law.

The Chair suggested that as the forums were still being run it was not practical to reach any conclusions yet, but to wait for the final report in January which would include the analysis of findings and solutions/recommendations. The Board congratulated Matthew Jones on his work so far, especially his manner of questioning at the members forums which they found to be very useful.

## **Risk Management**

**Strategic Risk Register.** Tony Masella presented the Strategic Risk Register and referred the Board to the nine risks, categorised as two red, two amber, one yellow and four green. This had been reviewed by EMT on the 14 November 2023. The Board noted the register; no further risks were identified.

## **Update on Stakeholder Management**

Lee Anderson reported upon the action plan which was mainly focussed around routine meetings and monthly updates with all stakeholders. Some items that were being tackled were noted as:

- Getting better visibility of evidence from billing authorities
- Proposing some changes to the CPS for CT Reduction and CT Liability appeals
- Increasing the emphasis on self-managing the Tribunal Support Officers Team

## **Operations and Programme Update**

**Appeal Workload Analysis.** Lee Anderson referred to the analysis of operational workflow for the period 1 April to 1 November 2023. The Board noted the following:

- 3,495 appeals received
- 3,757 appeals cleared
- 4,544 appeals outstanding at the start of November 2023

**KPI update (Q2).** Lee Anderson presented the two papers, (1) the external KPIs, which had received ministerial approval, and (2) the internal KPIs, which provided more granular detail.

Generally, the position was positive. The main areas of concern were appeals determined within six, nine and 12 months of receipt. From Q1 to Q2 this had improved significantly with targets being reached for six and nine months, but office fit-out cost appeals skewed the 12 months figure. Lee Anderson was pleased to see targets being reached at Q2 as he had expected these would be hit towards the end of the year, which was testament to clearing appeals in a more efficient way. In terms of the other KPIs, again these had also mostly hit their targets during Q2.

## **Chair's Report**

There had been a change in Minister, therefore sign-off of the Board recruitment process was likely to be delayed. The Chair had reminded DLUHC colleagues of the governance risks involved if there were lengthy delays.

## **VTE President's Report**

The VTE President informed that Vice-President appointment letters were waiting to be issued.

There was some discussion on members having the responsibility of informing the Tribunal if they require reasonable adjustments in order to carry out their role as a VTE Member.

## **Committee Reports**

**ARAC Draft Minutes.** The draft minutes from the meeting on 23 October 2023 had not yet been approved by the Committee but were circulated to the Board for information. The Board had no comments to make.

Suzanne McCarthy expressed the Committee's dissatisfaction with NAO (the external auditors) and the manner in which they had handled the final audit. A lessons learned report would be completed after the completion of the audit.

**Remuneration Committee Terms of Reference.** The TOR had been circulated; the Board had no comments to make; these were approved by the Board.

**Finance Committee Draft Minutes.** The draft minutes from the meeting on 25 October 2023 had not yet been approved by the Committee but were circulated for information. The Board had no comments to make.

**Any Other Business**

Major issues had been experienced with the broadband at the London office, therefore the contract had been ceased and a new supplier found.

The Chair commented that sadly this was Neil Buckley's last meeting as a VTS non-executive Director. Over his six year term, Neil had brought an amazing amount of experience, skills and knowledge, the Chair and colleagues thanked him for his great contribution. Neil thanked the Executive and staff for their work over the years and stated that he could see the progress made.

**Date of next meeting:** Wednesday 24 January 2024 at 11:00 am.