

## **Summary Minutes of the Valuation Tribunal Service Board 148<sup>th</sup> Meeting held on 24 January 2024 at 11:00 am in Leman Street**

**Present:** Harry Rich (Chair); Suzanne McCarthy (Deputy Chair); Stephen Chappell (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); Matthew Jones (Membership Engagement Lead – item 6 only); Nick Pellegrini (ALB Business Partner, DLUHC – as an observer) and Nicola Hunt (Board Secretary).

**Welcome, Apologies, Declarations of Interest, Confirmation of Minutes**  
Apologies for absence had been received from Kevin Everett (Member).

Suzanne McCarthy reported that she had been appointed a member of the Royal Institute of Chartered Surveyors' Professional Standards Steering Group.

Minutes of the meeting held on 28 November 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 and drew the Board's attention to the paper on VTE Member Recruitment (Appendix A of his report) as requested by DLUHC. This had been sent to DLUHC who confirmed it had been forwarded to MoJ to advance the matter. His opinion remained that the JAC was not the best vehicle for making non-legal, non-paid appointments, and put forward an alternative approach involving DLUHC at Ministerial level, which would deliver a more efficient process whilst still providing assurance to the Lord Chancellor.

Tony Masella was pleased to report that member engagement had improved slightly. He remained keen to return to a baseline of 80 hearings per month; currently it was only possible to achieve 65 per month.

The 2024-25 budget delegation had been confirmed at £5,044k for pay, non-pay and pension, which presented a challenge. The business planning commission was underway, including an understanding that a capital budget requirement was currently at nil. Work was currently ongoing on this and a business case of capital requirements for 2024-25 will be presented to the Board at the next meeting.

Tony Masella presented a paper highlighting views sought from staff on business plan priorities. There was a lot of focus on moving towards AI technology, and to a triaging approach regarding the handling of appeals from receipt to listing. This would include changes to Council Tax evidence submissions, which would involve changes to the current Consolidated Practice Statement, which was being reviewed with the VTE President.

**Business Plan Achievements on Objectives to Q3.** Tony Masella reported that of the 17 objectives highlighted in the 2023-24 Business Plan, 11 were completed by Q3. It was unlikely one objective would progress due to circumstances outside of VTS control

(integration of the VTS system with the VOA system). The remainder were being progressed.

## **Finance**

**Management Accounts to 31 December 2023.** Keung Wong presented the management accounts showing the position as at 31 December 2023, reflecting a total resource funding forecast for 2023-24 of £6,495k, with a forecast underspend of £176k, against the supplementary budget of £6,671k. It was noted:

- Total resource funding was within 97% of the supplementary budget
- November cashflow remained within the £200k mark
- £1,230,150 of CCA fees had been received
- 4,435 Cases had been received
- £20,890 Total bank transaction charges for CCA appeal fees

**Draft VTS Budget 2024-25.** Keung Wong referred to the first draft of the budget for 2024-25, highlighting that £7,001k is the amount the VTS had to operate within. Planning for the next year was based on this, the contingency budget was zero, and capital funding had to be applied for separately.

The draft budget will be submitted for approval at the next Board meeting. It was a challenging budget and included a guestimate on the contractual NJC cost of living pay award and any potential increments, and the impact such increases had on pension payments.

**VTS Annual Report & Accounts 2022-23.** The Board reviewed the Annual Report & Accounts 2022-23 which had been previously circulated.

The Audit & Risk Assurance Committee (ARAC) had reviewed the Annual Report in depth at a meeting that morning, including the audit findings, the audit certificate and Letter of Representation. A number of minor amendments had been made the previous day following recommendations from NAO, but it was confirmed these changes did not impact materially on the report.

The ARAC Chair confirmed to the Board the Annual Report & Accounts 2022-23 had been fully discussed and the Committee was content to recommend them to the Board for approval.

The Board approved the Annual Report & Accounts 2022-23. The Chair passed on his thanks to the team.

**Standing Financial Instructions.** The document had undergone its annual review and minor changes had been made. The Board approved the updated document.

## **Member Engagement Update**

Matthew Jones had provided a paper which built on the interim paper that was presented to the Board in November. It set out the insights gained around member engagement and included recommendations on how these issues could be addressed.

All the forums had now taken place and the variety of opinions put forward had been interesting. There were a lot of recommendations, some of which would take time and

incur costs. The Executive will review all recommendations, which would assist in finalising the budget paper for capital funding. Some suggestions would be quick wins or low cost, but not everything would be affordable. Therefore, some recommendations will need to be submitted to the Change Approvals Board.

Matthew Jones elucidated that his engagement with the VTE Members had been positive. The Chair thanked Matthew for the excellent report and recommendations and asked for an indication on priorities at the April meeting.

### **Risk Management**

**Strategic Risk Register.** Tony Masella presented the Strategic Risk Register and referred the Board to the eight risks shown, categorised as three red, one yellow, one green and three amber. This had been reviewed by EMT on the 19 December 2023. The Chair suggested further discussion should take place later in the meeting in respect of non-executive recruitment. The Board noted the register.

### **Operations and Programme Update**

**Appeal Workload Analysis.** Lee Anderson referred to the analysis of operational workflow for the period 1 April to 31 December 2023. The Board noted the following:

- 4,555 appeals received
- 4,638 appeals cleared
- 4,645 appeals outstanding at the start of January 2024

Lee Anderson confirmed the statistics were not fundamentally different to the previous report reviewed by the Board and the clearance of appeals remained consistent. Investigations continued on agent activity for NDR appeals to try and avoid listing cases which then get settled prior to the hearing. The challenge stage of the process should be robust discussions between parties with all evidence being exchanged, but the number of cases settled at the last moment remained a concern.

The possibility of creating 'pre-lists' was being discussed to see if this would result in a more effective use of tribunal resources. A timeline would be provided to parties to allow potential problems with certain cases to be brought to the attention of the VTS before notices of hearing were issued.

Agent API had gone live; this enabled agents to transmit batch processing of appeals with single payments.

### **Chair's Report**

The Chair commented that sadly this was Suzanne McCarthy's last meeting and thanked her for the six years' diligent service as Deputy Board Chair and Chair of ARAC. He thanked Lola Moses for her seven years' service to the VTS Board and ARAC, to which she had brought insight and expertise. Lola was also congratulated on her appointment as a Vice-President of the VTE commencing on Monday 5 February 2024.

The Chair had hoped the recruitment of non-executive Directors to the Board would have progressed by now as he had initiated the question in 2022, and he had been discussing the matter in detail with DLUHC since August 2023. It was now a matter of urgency following the departure of Neil Buckley in November, and Suzanne McCarthy and Lola Moses would be leaving imminently. This would leave only five Board Members. Neil and Suzanne were independent members, the rest of the Board are VTE Members. Concern

was expressed that statute requires a Board of 6-10 people, although the quorum for meetings is four. The two vacancies on ARAC need to be filled. The Chair suggested adding a risk to the risk register about the delayed recruitment as this could result in a breach of governance requirements.

The Chair then advised that his own term of office expires in May, and that he would not be seeking its renewal. The President expressed concern and stated that recruitment should be progressed as a matter of urgency otherwise there would not be a functioning Board as decisions cannot be made if the Board is not quorate. Nick Pellegrini agreed to try and progress the matter and would keep the Board updated. It was stated that in the past it had been possible to grant temporary extensions until new Board Members were recruited. Suzanne McCarthy confirmed she would accept an extension to her term of office for another year if required.

### **VTE President's Report**

The President expressed his frustration in the current VTE Member recruitment process. Interviews had concluded for the last exercise and successful candidates were identified by 2 August 2023, but the formal appointments had yet to be finalised. The training programme had been planned for February/March 2024 in the hope that the new members would be ready to sit in the new financial year.

The President was pleased to report that Lola Moses and Frazer Stuart had been appointed as Vice-Presidents of the VTE with effect from 5 February 2024, which brought the team of VPs to three.

### **Committee Reports**

**ARAC Draft Minutes.** The draft minutes from the meeting on 11 December 2023 had not yet been approved by the Committee but were circulated to the Board for information. The Board had no comments to make.

**Date of next meeting:** Wednesday 3 April 2024 at 10:30 am.