

**Summary Minutes of the 162<sup>nd</sup> Valuation Tribunal Service Board Meeting  
held on Tuesday 27 January 2026 at 10:30 am  
at the Hilton London Euston, 17-18 Upper Woburn Place, WC1H 0HT**

**Present:** Suzanne McCarthy (Board Chair); Stephen Chappell (Member); Gary Garland (VTE President, *ex-officio* Member); Sarah Guerra (Member); Joanne Hadley (Member); Chiew Yin Jones (Member); Clive Quantrill (Member) and Kevin Sadler (Member).

**In attendance:** Tony Masella (Chief Executive & Chief Operating Officer); Lee Anderson (Interim Chief Executive); Keung Wong (Finance Director); Matthew Jones (Membership Engagement Lead – item 11 only); Nick Pellegrini (MHCLG sponsoring Team – observer) and Nicola Hunt (Board Secretary).

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

There were no apologies for absence or new declarations of interest to record. This meeting was Lee Anderson's first meeting as Interim Chief Executive, and it was Joanne Hadley, Tony Masella and Gary Garland's last meeting.

Minutes of the meeting held on 26 November 2025 were confirmed as an accurate record.

Actions had been completed as required.

**Interim Chief Executive's Report**

Lee Anderson reported that he and Frazer Stuart, Vice-President, had attended a meeting with Fernando Cantero, Judicial Appointments Commission (JAC), to discuss the next round of VTE Member recruitment. Because of the number of applicants all of the candidates would be moved forward to be considered by selection panels.

Chiew Yin Jones asked if there were any plans to amend the term 'Chairman' to 'Chair' when referring to VTE panels. Lee Anderson explained that a change to internal policy could be implemented, but the VTS had limited influence to make such a change with the JAC and the wider judicial framework. Nick Pellegrini added that a legislative change would be required and that when wider changes were made to legislation the language used could be amended at the same time. The Board asked that in addition to changing internal policy on the language used, opportunities to influence wider legislative approach should be sought.

In the last budget the Government announced that a High Value Council Tax Surcharge would be introduced for properties valued at £2m and above. Lee Anderson said that discussions had begun with MHCLG and the Valuation Office to understand the implications of this for the VTS. It was estimated that circa 200,000 properties would fall within this bracket. A consultation on this subject was expected to be opened shortly.

Lee Anderson thanked the Board for facilitating a prompt turnaround when approving the business case for the laptop refresh. The business case had now received formal

sign-off from MHCLG, and 72 new laptops had been ordered with expected delivery in March.

The appointment of a fixed-term full time statistician was progressing. Interviews had taken place and it was hoped that a successful candidate would be appointed very soon.

Diligent, the Board services provider, had offered a free trial of its AI capabilities to coincide with the March Board meeting. It was hoped that this innovation would provide more consistency and ease the administrative burden at the front end of the process, with added functionality to summarise the meeting packs and how data was viewed. The Board agreed it would be interesting to compare the full reports with the summaries produced.

Lee Anderson had recently completed an Accounting Officer course and would take over the role from Tony Masella as Accounting Officer for the VTS from 1 March.

### **Chair's Report**

**Appointment of Chief Executive.** The Chair reported that the panel had been finalised for the Chief Executive interviews which would take place on 27 March.

**Board Member Appraisals.** The Chair would be conducting formal appraisals of Board Members before the end of the financial year. She explained that an internal Board Effectiveness Review would also be carried out around the same time. The sponsoring Department carry out an appraisal on the Chair.

**Reappointment of Stephen Chappell to the Board.** The Chair was delighted to inform the Board that Stephen Chappell had been reappointed for a further year to 2 February 2027.

**Recruitment of Board Vacancies.** The Chair reported that 19 applications had been received for the Board VTE Chair vacancies. Eight had been identified for interview, which would take place at the end of February/beginning of March.

**Appointment of Frazer Stuart as the Vice-President Exercising Duties whilst President Office is Vacant.** Frazer Stuart, Vice-President, would assume the functions and responsibilities of the President, including membership of the Finance Committee, until a new President was appointed.

**Risk Appetite/Risk Assurance.** The Chair asked the Board for its level of interest in conducting an exercise to review the VTS's risk appetite, Risk Register and Assurance Map. Tony Masella pointed out that this discussion should take place during a strategy day because a session during an ARAC meeting would not allow sufficient time for the level of discussion required. Discussions had taken place during ARAC meetings on the organisation's approach to risk management, the weighting of risks and how mitigations should be set out clearly. Once the risk appetite was set, it would be cascaded to the team to ensure they understood what the narrative should include, the mitigations, and the format of how risks should be presented. It was agreed that the Board needed to discuss this further.

**VTS Forward Strategy.** The Chair advised that discussions regarding the VTS Forward Strategy would take place once the new Chief Executive was in post.

**Meeting with Baroness Taylor.** The Chair would be meeting with Baroness Taylor on 3 February, during which the internal review report would be signed off. The report would then be circulated to the Board and the recommendations discussed during the March Board meeting. She was pleased that it was clear from the report that the VTS/VTE were successful. A new forum had been set up to monitor the progress of the recommendations and to check that initiatives were moving in the right direction. Tony Masella added that the Board needed to be aware of any changes to CCA which was critical when the revaluation was coming.

### **Business Plan Achievements in Q3**

Lee Anderson referred to the 11 priorities in the Business Plan for 2025-26. Five were categorised as green, five were amber and one was red.

### **Suggested Business Plan Objectives 2026-27**

The Chair referred to the suggested priorities for the 2026-27 Business Plan which were set out in the discussion paper. She explained that the new Chief Executive may want to review them, but in the meantime, this needed to be progressed.

### **Finance Committee**

#### ***Update of the Finance Committee (including draft Minutes of 20 January 2026).***

The draft minutes of the Committee's last meeting had not yet been approved by the Committee but were circulated to the Board for information. The Board noted the draft minutes.

**Finance Committee's Terms of Reference.** The Finance Committee's Terms of Reference had been reviewed. The main change was the quorum had been reduced to two, but this would be reviewed again once new Board Members had been appointed. The Board approved the revised Terms of Reference.

**Recommendation to Reduce the Employer Pension Contribution Rate.** Keung Wong informed that following the triennial valuation review, the actuaries proposed the employer pension contribution rate should be reduced from 16.3% to 14% for the next three years. The reason for this reduction was because the pension fund was in surplus of £10.9m, equating to a funding level of 121.5%. The Finance Committee had agreed during the meeting on 20 January that the revised contribution rate should be recommended to the Board for approval. Sarah Guerra questioned what would happen if the Board chose not to reduce it. Keung explained that the Board had the ability to reject the suggested reduction, but the historical trends and current actuarial advice would make that hard to justify. The Board approved the reduced employer contribution rate of 14%.

### **Finance Update**

#### ***Management Accounts to 31 December 2025 and Summer Supplementary***

**Return.** In presenting the management accounts to 31 December 2025, Keung Wong explained that the budget had been revised during the Summer Supplementary Estimates Return process. The current position was a forecast year to date total of £6,325k, against a supplementary budget of £6,442k, with a forecast underspend of £117k.

**Finance Risk Register.** Keung Wong presented the Finance Risk Register which reflected two live risks, categorised as one yellow and one amber.

**Preliminary Draft Budget for 2026-27.** The initial draft budget had been previously circulated. Keung Wong confirmed that the total resource funding required was £6,442k compared to the current £6,612k. Further work would be undertaken to refine the details and the final version would be submitted to the Board in March. The Board noted the draft budget 2026-27.

### **Operations and Programme Update**

**Appeal Workload Analysis.** Lee Anderson referred to the previously circulated report which provided an analysis of hearings, appeal receipts and clearances to the end of Q3, and a forecast to the end of the financial year. Due to IT issues at the Valuation Office delays had occurred resulting in a spike of Council Tax Valuation appeals received, and for this reason the number of hearings would need to be increased during Q4 to deal with the additional workload. In respect of NDR, the number of 2017 List appeals had reduced and the number of 2023 List appeals was steadily increasing, but they were not expected to be as high as the volumes seen with the 2017 List. Appeals against the 2026 List may be higher.

The KPI data for Q3 would not be available until one clear month had passed from 31 December 2025 to allow decisions to be processed. However, the unedited data indicated that there had been a significant improvement in the turnaround times for both Council Tax and NDR cases and the position was positive. The full KPI report would be submitted to the March meeting.

### **Audit & Risk Assurance Committee**

**Update of the ARAC (including draft Minutes of 15 December 2025).** The draft minutes of the meeting held on 15 December had not yet been approved by the Committee but were circulated to the Board for information. Keung Wong advised that the internal audit position was being reviewed. He was pleased to report that the issue regarding the Accounting Officer position which was raised at the meeting had now been resolved. The Board noted the draft minutes.

### **Matters for Approval**

**Standing Financial Instructions.** The document had undergone its annual review and was approved at the ARAC meeting in December. Changes had been made to the Board Committees section, Receipt of Gifts and Hospitality section, and references to Leman Street had been changed to 2MS. The Board approved the updated Standing Financial Instructions.

### **Member Engagement Update**

Matthew Jones attended the meeting to provide an update on member engagement and was pleased to report improvements had been seen. However, he was disappointed that certain members of the 2025 new entrant cohort had not engaged in the training process since attending their induction days. They had been sent communications by the President regarding their lack of progress. The Chair thanked Matthew for his report and asked for a progress update in six months.

### **Strategic Risk Register and Assurance Map**

Lee Anderson presented the Risk Register and Assurance Map, and highlighted the eight live risks, categorised as four green, three yellow and one amber.

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

The President informed the Board that he had been liaising with Frazer Stuart, the Vice-President who would be carrying out presidential duties until a permanent replacement had been appointed. Frazer would be attending the next Board meeting. The President had enjoyed the last 10 years working with the VTS and would miss interacting with the staff, VTE Members and the Board.

Tony Masella expressed his thanks to Gary Garland for his hard work as President of the VTE. Gary would be sorely missed by the Board, staff and VTE Members. The Board wished him the best of luck for the future. On behalf of the Board, the Chair thanked Tony for his hard work and commitment to the VTS over the last 37 years. He too would be missed by everyone.

**Date of next meeting:** Tuesday 24 March 2026.