VALUATION TRIBUNAL SERVICE 2026/27 BUSINESS PLAN

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FOREWORD

As Interim Chief Executive, I present the 2026/27 Valuation Tribunal Service (VTS) Business Plan. This Plan sets out how we will continue to provide the Valuation Tribunal for England (VTE) with the organisational capability, governance and operational support needed to deliver a fair, efficient and accessible appeals system, while maintaining public confidence in our statutory role.

Our priorities for the year reflect the recommendations of the 2025/26 internal service review undertaken by our sponsoring department. They form a coherent programme across VTE support, operations and development, finance and people, combining essential appointments and recruitment activity with reforms that modernise performance measures, strengthen financial processes and improve our digital services.

In delivering this Plan we will remain anchored in our core values: impartiality, professionalism, people focus and efficiency. These values guide how we administer appeals, how we work with tribunal members and stakeholders, and how we steward public funds. They also underpin our commitment to continuous improvement, good risk management and transparent reporting to the Board and to our sponsor department. In 2025/26, 76% of appellants said they were satisfied with our service, and we will continue to prioritise user satisfaction in the year ahead.

Our strategic objectives across the year will support key leadership and capacity-building activity for the VTE, including progress towards the appointment of a new President and ongoing work to strengthen recruitment and engagement of members. In parallel, we will advance work to refresh performance metrics, improve the end-to-end experience of our users, and put in place the foundations for larger change programmes, including preparation for the High Value Council Tax Surcharge and our planned office move.

We will also maintain a strong focus on value for money, recognising the wider pressures on public expenditure. Through disciplined budget management, effective procurement and improved forecasting and reporting, we will ensure that resources are directed to the areas that protect core delivery and build resilience for future demand.

As Interim Chief Executive, my responsibility is to provide stability, momentum and clarity of purpose ahead of a handover to the newly appointed Chief Executive postholder at the end of Quarter 1.

I would like to thank our staff, tribunal members, Board and stakeholders for their continued commitment and collaboration as we deliver this Plan together.

Lee Anderson

Interim Chief Executive

OUR SERVICE

The Valuation Tribunal Service (VTS) is a statutory, independent organisation sponsored by the Ministry of Housing, Communities and Local Government (MHCLG). The VTS delivers a range of services to the Valuation Tribunal for England (VTE), which makes the final decisions on disputes that have arisen between those who pay council tax or non-domestic rates and their local council or the Valuation Office (VO). The VTE is headed by a President and is a separate statutory body charged with[1]:

- 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.

DELIVERING FINANCIAL EFFICIENCY

The VTS receives grant-in-aid funding from our sponsoring department (MHCLG) for its activities. We recognise the growing challenges facing the public purse and the restraints this may place upon us in maintaining the statutory service required from us by Parliament whilst, at the same time, complying with the requirements of our Framework Agreement.

We are committed to ensuring that funding allocated to us is used effectively and responsibly. We will continue to work with our sponsoring department in identifying more efficient ways of working whilst at the same time maximising the value derived from every resource allocated. We will do this through careful budget management, cost effective procurement practices and continuous monitoring of spending to identify areas for further improvement.

We will prioritise financial efficiency so that we can continue to deliver high quality services in meeting our statutory responsibility whilst maintaining public confidence in what we do.

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

OUR CORE VALUES

IMPARTIAL

We act with integrity, honesty and openness in exercising our statutory functions, to maintain confidence in us as a public service.

PROFESSIONAL

We deliver on our commitment by applying high levels of expertise, conduct and personal responsibility and developing our skill base.

PEOPLE FOCUSSED

We are responsive to the needs of our users in taking care to get things right.

EFFICIENT

We actively embrace change and bring new ideas to deliver excellent value for money services for our users, demonstrating agility and flexibility in our approach.

OUR STRATEGIC OBJECTIVES

OUR BUSINESS PLAN PRIORITIES

The business plan priorities set out for 2026/27 embrace the recommendations resulting from the MHCLG Internal Service Review carried out in 2025/26. They represent a balanced and coherent programme of organisational, judicial, operational and strategic development.

The priorities are set out in four sections **Valuation Tribunal for England (VTE), Operations and Development, Finance and Human Resources**. They combine essential leadership appointments and recruitment activity with forward looking reforms to performance measures, digital services and financial processes. The plan strengthens core tribunal capacity through member recruitment and engagement, while also preparing the organisation for future demands such as the introduction of the High Value Council Tax Surcharge and the upcoming office move. Alongside this, actions to modernise systems, enhance staff insight, and review organisational structures ensure that the VTS remains resilient, efficient and well positioned to meet both current and emerging challenges.

Collectively, the priorities provide a stable foundation for improved service delivery, stronger governance and sustained organisational effectiveness.

VALUATION TRIBUNAL FOR ENGLAND (VTE)

OBJECTIVE

WE SUPPORT THE VTE BY ADMINISTERING A FAIR, EFFICIENT AND ACCESSIBLE APPEALS SYSTEM.

PRIORITIES

1. **Appointment of VTE President**

   Enable and support the appointment of a new VTE President in liaison with MHCLG. Ensuring statutory judicial leadership and governance continuity.

   When: Commences Q1 2026/27

   What success looks like: Postholder in place and operating effectively by Q4 2026/27

2. **Judicial Appointment Commission (JAC) Member Recruitment**

   Working with the VTE Vice President (with President's responsibilities) to assist the JAC led recruitment of 34 new VTE Members. Maintaining a focus on tribunal capacity and meeting hearing demands.

   When: Appointment process concludes in Q2 2026/27.

   What success looks like: New appointees onboarded by Q4 2026/27 and training and development programme in place.

3. **Carry out a substantive review of the VTE Member recruitment model**

   To consider whether the current recruitment model for VTE Members is the right one for an organisation where the Membership role is non-fee paid, has no requirement for legal qualifications and is heavily reliant on voluntary engagement. Work with MHCLG to review scope to change the recruitment model to deliver a robust direct appointment approach ensuring a more suitable, flexible and sustainable recruitment method for VTE Membership.

When: Initial fact finding in Q1 to establish the scope for changes to the appointment model. Proposal and clarity on deliverable outcomes and timelines to be finalised in Q2.

What success looks like: More efficient approach to member recruitment and ability to respond quickly to changes in member resource requirements. Increased flexibility and diversity across VTE member cohort.

4. **Increase active VTE Membership**

   Consider package of engagement measures including exploring other recognition methods used by volunteer-based organisations.

   When: Q2 2026/27

   What success looks like: Higher levels of engagement both in the form of more active members and the average number of Tribunals undertaken during a year increases from 2025/26 levels.

VTS OPERATIONS & DEVELOPMENT

OBJECTIVE

WE ENHANCE THE QUALITY AND CONSISTENCY OF OUR SERVICE TO ALL STAKEHOLDERS.

PRIORITIES

5. **High Value Council Tax Surcharge (HVCTS)**

   Collaborate with key stakeholders to ensure the development of an appeal framework that is efficient, fair, and operationally robust. Develop realistic workload estimates and operational delivery plans. Ensure VTS can meet digital and operational demands effectively with appropriate staffing and budget.

When: Programme team set up in Q1 to provide clarity on deliverable outcomes and timelines.

What success looks like: By end Q3 2026/27, VTS has an approved business case providing a clear delivery strategy to be rolled out in 2027/28, in preparation for the introduction of HVCTS on 1 April 2028.

6. **Performance Metrics**

Revise council tax (CT) and non-domestic rating (NDR) performance metrics to provide a reliable data set that addresses factors outside the Tribunal's control and better aligns with other judicial bodies.

When: Q1 2026/27

What success looks like: Updated Key Performance Indicators approved at Ministerial level that provide measurable, relatable and stretching targets for the VTS and can be benchmarked against other judicial bodies.

7. **Modernise VT Appeals Management Portal**

Modernise our digital portal so that it offers more user centred features such as status tracking, evidence exchange and guidance communication. Consider AI focused solutions and align with work on implementation of HVCTS.

When: Q3 2026/27

What success looks like: A Government Digital Service (GDS) approved portal that works for appellants, agents, the VO, local authorities and tribunal teams. Improved transparency, consistency and efficiency across the end-to-end appeal process.

8. **Strategy to Manage Appeals and Consent Orders**

Recognising the inefficiency of late settlements and the impact on tribunal planning and member workload, work with the VO and professional bodies to develop a strategy to improve NDR case flow, improve workload planning and facilitate the increased resolution of appeals without recourse to a panel hearing.

When: Q2 2026/27

What success looks like: Taking 2025/26 as a baseline, a reduction in the number of NDR appeals listed to a hearing that are subsequently settled by consent.

VTS FINANCE

OBJECTIVE

WE OPERATE WITH FINANCIAL AND ORGANISATIONAL INITIATIVE AND EFFICIENCY.

PRIORITY

9. **Improve Financial Processes**

   Build on the work undertaken with Moore Insight in 2025/26 to streamline finance processes, enhance forecasting and strengthen planning. Work to include automation of financial statements and notes to account, cash flow forecasting and management of fixed asset register.

   When: Q2 2026/27

   What success looks like: Reduced repetition of manual activities, more effective utilisation of staff resources, improved accuracy and turnaround times.

VTS HUMAN RESOURCES

OBJECTIVE

WE BUILD CAPACITY AND CAPABILITY IN OUR STAFF, LEARNING FROM THEIR EXPERIENCE AND FROM THEIR FEEDBACK.

PRIORITIES

10. **Appointment of Chief Executive Officer**

    Support the recruitment and onboarding process for a substantive CEO appointment. To provide stable leadership and strategic direction.

    When: Q1 2026/27

    What success looks like: A successful transition from the interim CEO to a permanent CEO. The postholder will be a strong advocate and leader for the VTS and work well with the Board, the sponsoring department and all other key stakeholders.

11. **Review the organisational staffing structure to ensure it remains fit for purpose in a changed environment**

    Incorporate a review of succession plans and implement measures to address risks arising from an ageing senior leadership cohort and align the staff structure to the needs of appellants, external stakeholders and the VTE. Ensure continuity, maintain organisational expertise and mitigate operational risks.

    When: Q2 – Q3 2026/27

    What success looks like: The VTS is able to mitigate the loss of experienced staff at operational and management level and continues to deliver its core functions and respond effectively to ongoing service demands.

12. **Staff Survey**

Engage and work with an independent survey provider to develop a staff survey that gives staff a voice and allows feedback on experience of working at the VTS.

When: Q2 - Q3 2026/2027.

What success looks like: A survey that delivers a clear, measurable understanding of staff satisfaction and commitment. Identification of areas for further consideration and improvement.

13. **Office Move**

Work with MHCLG's London Plan Programme Team to facilitate a seamless transition from the VTS current location at 2 Marsham Street to Government Offices Great George Street (GOGGS). Ensuring clear communication and employee engagement, adherence to VTS space requirements and a controlled budget management.

When: Q4 2026/2027.

What success looks like: Successful and timely move completed with minimal disruption to employees or business operations and delivered within agreed budget.

MEMBERSHIP OF THE VTE

The Valuation Tribunal for England (VTE) is a tribunal sponsored by MHCLG, falling outside of the wider Ministry of Justice ecosystem. Membership appointments are made by the Lord Chancellor falling within the Constitutional Reform Act 2014, under a process managed by the Judicial Appointments Commission (JAC). Appointments to the VTE are non-fee paid and VTE Members are essentially volunteers. The VTE is made up of three Vice-Presidents, a panel of Senior Members (referred to in legislation as 'Chairmen') and a panel of Members. Whilst the position of President is vacant following the retirement of Gary Garland, one of the Vice-Presidents is carrying out the functions of the President until a successor is appointed. As of 31 March 2026, the overall VTE membership stands at 188. Our statutory function is to support and provide advice to the Valuation Tribunal for England (VTE) and its membership.

There are two strategic areas of interest when it comes to VTE Membership:

Recruitment

The JAC are currently carrying out a recruitment exercise for new Senior Members and Members, with interviews anticipated to take place during Summer 2026. Whilst the timeline for this is out of our control, it is expected that this new intake will be appointed and passed to us to commence training in the later part of 2026/27 or early 2027/28. The existing JAC process can feel inaccessible to prospective volunteers who do not have a legal background and makes it challenging to attract skills best suited to the local taxation appeal environment, such as rating and valuation specific skills. The recent review of the VTS/VTE carried out by our sponsoring department allows us the opportunity to consider whether the current recruitment model for VTE Members is the right one for an organisation where the Membership role is non-fee paid, has no requirement for legal qualifications and is heavily reliant on purely voluntary engagement.

Engagement

There have been continued improvements in the rate of hearings cancelled owing to Member-related issues. The VTS Board closed the strategic risk associated with this in September 2025, and this will be closely monitored. The introduction of the new Member booking platform in April 2025 has provided Members with more flexibility and the ability to balance their voluntary role with their other commitments by booking hearings further in advance. Focus is ongoing to support the widest possible participation from the VTE Membership and the recent VTS/VTE review provides a renewed focus on Member engagement to maximise opportunities in this regard.

APPEAL VOLUMES

We will start the 2026/27 financial year with the following number of appeals, broken down between non-domestic rating and council tax.

Appeal Type	Volume
Non-Domestic Rating	
2017 Rating List	670
2023 Rating List	640
Non-Domestic Rating Other	40
Council Tax Appeals	
Council Tax Valuation	2,320
Council Tax Liability	810
Council Tax Reduction	290
Council Tax Other	90

It should be noted that the exceptionally high volume of outstanding Council Tax Valuation appeals stems from a significant surge in appeal activity during the third and fourth quarters of 2025/26.

Over the course of the year, we anticipate receiving around 5,000 Council Tax appeals spanning all categories, along with approximately 3,000 Non-Domestic Rating appeals. The majority of Non-Domestic Rating appeals are expected to relate to the 2023 Rating List, following the conclusion of the list on 31 March 2026.

To ensure a focus on the timely resolution of outstanding appeals, we plan to schedule 900 hearings, through which we will resolve approximately 5,000 appeals. Other cases will be settled by consent and withdrawal without recourse to the tribunal panel. In response to the increased Council Tax Valuation volumes, we will ensure a higher ratio of Council Tax hearings during the first six months of 2026/27.

By the end of the financial year, we expect around 5,000 appeals to remain outstanding across all categories.

VTS FUNDING

Delivering value for money and ensuring that taxpayer money is spent in the most effective manner possible is the way that we maintain public confidence in the service we deliver. We do so by carefully reviewing expenditure and controlling costs and systematically evaluating core processes to identify continuous improvements in effectiveness and efficiency.

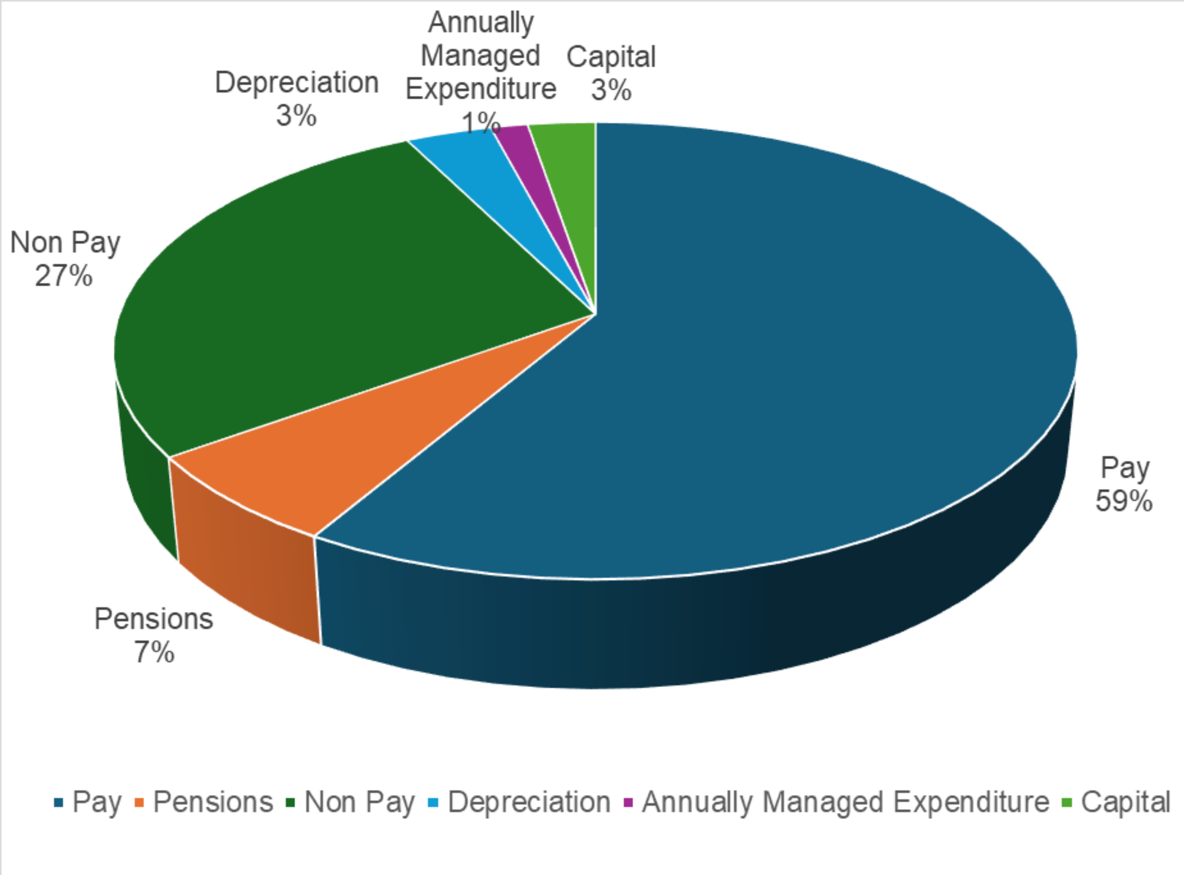
We continue to navigate the economic challenges faced and the pressures this presents on the public sector.

The 2026/27 budget has been developed in alignment with the requirements set out in the 2025 Spending Review. This includes delivering a 10% real-terms savings target over the next three years, with a specific savings requirement of £21k for 2026/27.

The proposed 2026/27 budget is

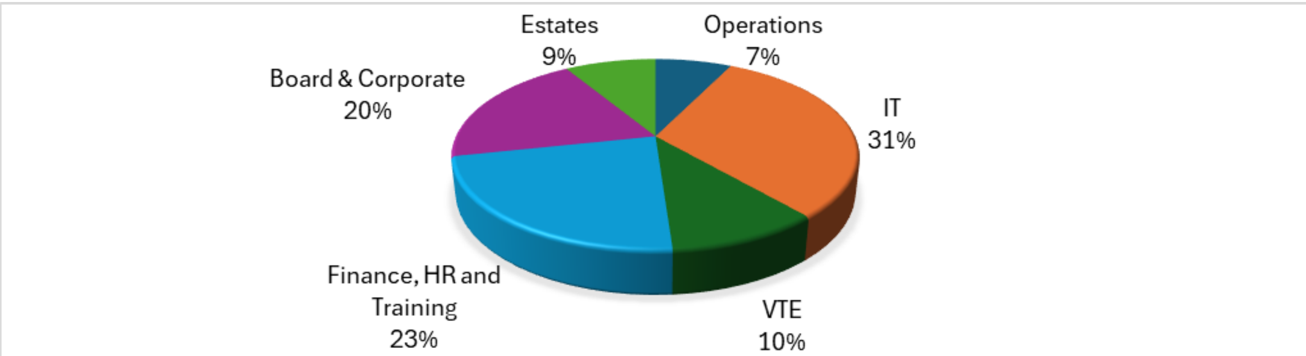
Control Total Level (£'000)	Budget
Pay	3,533
Pensions	397
Total Pay	3,930
Non-Pay	1,659
Depreciation	202
Total Resource DEL	5,793
AME	87
Capital	160
Total Resource Funding	6,040

Below is the breakdown of areas of spend that reflects the total budget spend of £6,040k for 2026/27.

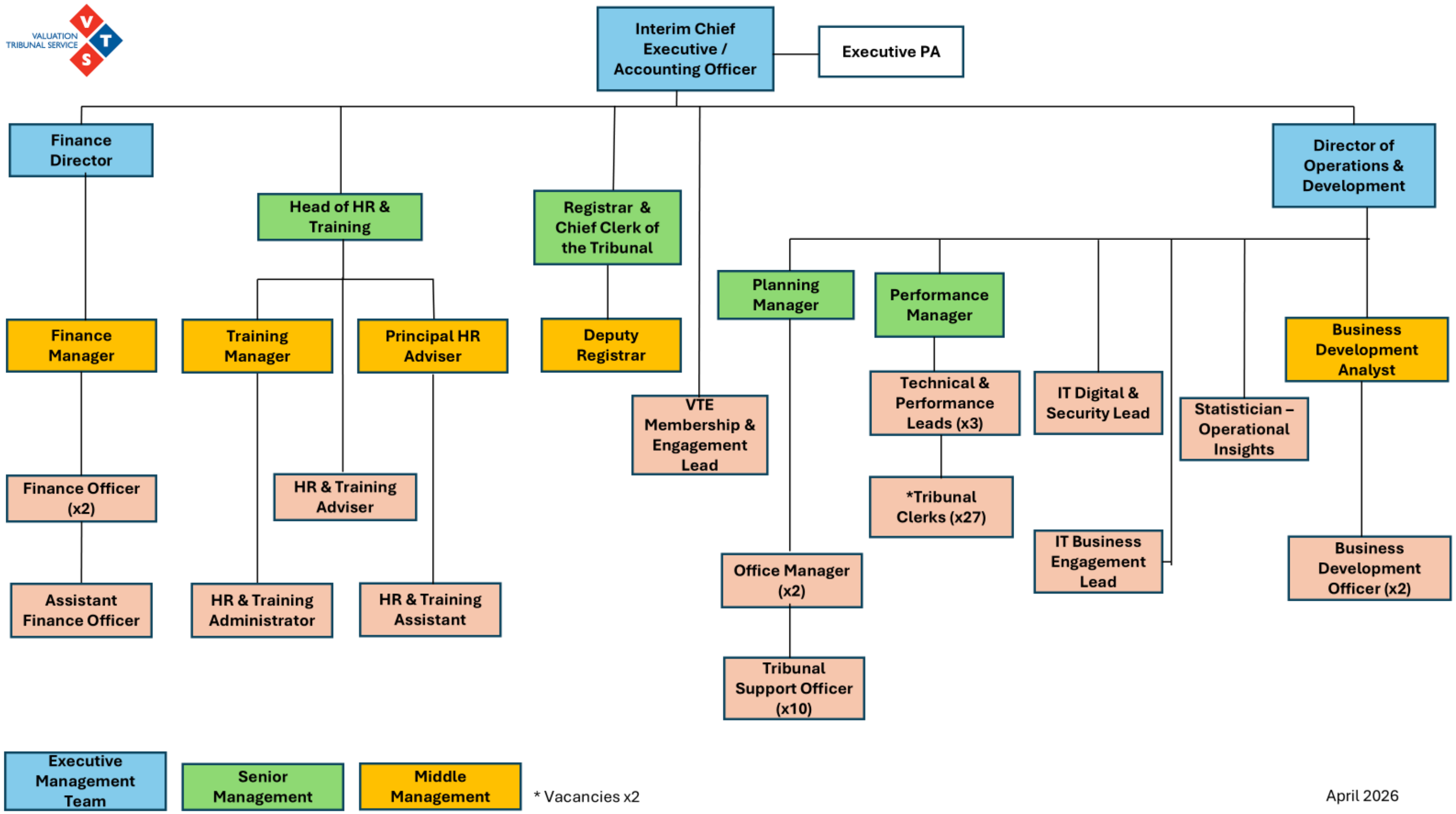


The operational (Non-Pay) spend represents 27% of our total allocated funding. This area of expenditure is critical to the delivery, development and sustainability of the service, enabling staff to operate effectively and ensuring compliance, quality and continuous improvement.

The projected allocation of non-pay costs for the 2026/27 financial year is focused on maintaining core operations while supporting service development and resilience. The breakdown of Non-pay is:



VTS STAFFING



* Vacancies x2

April 2026

OUR KEY PERFORMANCE INDICATORS

Objective	Area	Measure
Support the VTE by administering a fair, efficient and accessible appeal system	All Council Tax Appeals	• 80% of appeals determined within 6 months of registration (excluding cases stayed by the VTE) • 95% of decisions issued within 1 month of the hearing
	2023 List Non-Domestic Rating Appeals	• 95% of appeals determined within 12 months of registration (excluding cases stayed by the VTE) • 95% of decisions issued within 1 month of the hearing
	All Appeals	• 80% of appeals resolved at first time of listing • < 1% of VTE decisions referred to higher courts
Enhance quality and consistency of our service to stakeholders	Complaints	• 80% of complaints resolved at Stage 1 with no further escalation
	Digital Services	• 95% of NDR appeals lodged using our online appeal service • 95% of tribunal statutory notices issued electronically
	User Survey	• 75% of users surveyed are satisfied with the administrative service we provide
Operate with financial and operational initiative and efficiency	Finance	• 90% of undisputed invoices paid within 5 working days of receipt
	Tribunal Hearings	• 85% of scheduled hearings result in 2 or more appeals being heard on the day
Build capacity and capability	Absenteeism	• Short term sickness less than 3.4 days per person
	Staff Training	• Training and development days for staff members average 5 days or more per year
	Member Training	• Training and development for VTE members averages 5 sessions or more per year

GOVERNANCE ARRANGEMENTS TO SUPPORT THE CORPORATE PLAN

All 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 Agreement and complying with government policy and sponsoring department rules
- the Board's Finance, Audit, Risk and Assurance and Performance 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, overseen by both the Audit and Risk Assurance Committee and the Board
- A business continuity plan, 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
- An Executive Change Approval 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 will monitor the achievements of the Plan with the VTS senior leadership team; and
- we will share our progress and achievements with MHCLG through quarterly VTE/VTS Sponsorship Board and Accounting Officer meetings.