



## Forward Plan 2011-15

### Valuation Office Agency

**April 2011**

*This plan will be updated annually*

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## A Vision

Our Core Purpose is “to provide the valuations and property advice required to support taxation and benefits”.

Our vision is to be a modern, professional organisation providing fair, impartial and transparent services, based on the right, evidence-based, timely decisions that our customers can trust.

We will be responsive to our customers needs, providing value for money and readily accessible services to those who need them.

Our reputation will be based on the integrity, consistency and quality of the work we do. We will be an Agency proud of our performance; positive and confident about the role we play; generous in sharing our knowledge, skills and information; investing in the future and continually challenging ourselves to improve and develop.

Our strategic objectives are to:

- Target and achieve greater customer trust;
- Drive quality and consistency through improved processes;
- Develop and sustain the right capabilities;
- Sustainably reduce our costs and improve our value for money.



## B Coalition Priorities

Coalition objective	Application by the Agency
We will cut red tape by introducing a one in and one out rule whereby no new regulation is brought in without other being cut by a greater amount.	We will support our clients, Department for Communities and Local Government (DCLG) and Welsh Assembly Government (WAG), and stakeholders such as the Valuation Tribunal England (VTE) in reducing the regulatory burden on ratepayers and council taxpayers.
We will find a practical way to make small business rate relief automatic.	We will work with DCLG, Billing Authorities and business rate taxpayers to help make taxpayers aware of small business rate relief.
We will make it easier for people to set up new enterprises by cutting the time it takes to start a new business. We will reduce the number of forms needed to register a business and move towards a one click model.	We will develop and enhance our customer understanding, on the basis of which we will assess the need for any changes needed to support start-ups. We will continue to provide an online service through BusinessLink for non-domestic business rates payers.
We will promote small business procurement in particular introducing an aspiration that 25% of government contracts should be awarded to SME and by publishing tenders in full on line and free of charge.	We will embed this approach in our commercial and procurement practices.
We will promote the radical devolution of power and greater financial autonomy to local government and community groups. This will include a review of local government finance.	We will support DCLG in the review of local government finance, by providing evidence, data, advice and operational support as necessary. We will also provide any similar assistance that may be required by WAG.
We recognise that deficit reduction and continuing to ensure economic recovery is the most urgent issue facing Britain.	We will live within our means in our Spending Review (SR10) period funding settlement, delivering even better value for money (VfM) and a sustainable cost base. We will comply with government spending controls.
We will introduce arrangements that will protect those on low incomes from the effect of public sector pay constraint and other spending constraints.	Our pay scheme reflects this protection. We will ensure all eligible staff earning less than £21000 receive a £250 uplift in pay in 2010/11 and 2011/12.



<b>Coalition objective</b>	<b>Application by the Agency</b>
We will create strong financial discipline at all levels of government and place an obligation on public servants to manage taxpayers' money wisely.	We will create a sustainable cost base and improve our value for money – with a mandatory VfM performance objective for everyone in the Agency and undertake a Financial Systems Risk Review.
We will require public bodies to publish online job titles, salaries and expenses of all senior staff at Band1 of the Senior Civil Service (SCS) and above including an organogram.	We will continue to publish and update our SCS salaries and organogram throughout the year.
We will update new protections for whistleblowers in the public sector.	We will keep our recently refreshed whistleblowing guidance updated.
We will take steps to open up government procurement and reduce costs and we will publish government IT contracts online.	Working with HM Revenue & Customs (HMRC), we will open up our procurement and will publish IT contracts in line with Cabinet Office guidance.
We will create a level playing field for open source software and will enable large ICT projects to be split into smaller components.	Our IT strategy will support Cabinet Office, HMRC and wider government in this objective.
We will require full online disclosure of all central government spending and contracts over £25,000.	We will continue to disclose all spends over £25,000.
We will create a new “right to data” so that government held datasets can be requested and used by the public and then published on a regular basis.	We will, while preserving taxpayer confidentiality, increase the number and range of official statistics and data sets we publish.



## **Examples of activities the Agency will no longer do**

Our core purpose has been discussed with all our client departments, and endorsed by our Minister.

We need to make choices about what we will do and importantly what we won't do in order to succeed over the SR10 period. We will do that by sticking to our core purpose and doing only the work that is required to deliver what our customers (those who use our services - taxpayers or benefit recipients) need and what our clients (the government departments who pay for those services) will pay for.

In practice this means that we will think hard about whether all the things we have traditionally done are still required to support taxation and benefits. And if they're not, we'll stop doing them. This will mean for example:

- Standardising our processes and interactions where possible;
- Using shared services across Whitehall, where this is a more cost effective option.



## C Structural Reform Plans

The Coalition is committed to a programme of reform that will radically transform government.

This section sets out how, and when, the Agency will achieve the reforms that are needed to make this happen. Structural Reform Plans are key tools for holding Departments and Agencies to account for the implementation of Programme for Government commitments, replacing the old top-down systems of targets and central micromanagement.

### **Delivering a more effective, better value and more transparent service for the taxpayer**

The Agency is embarking on a change programme for the period of the SR10, creating a more streamlined organisation with simpler processes and clearer lines of sight from top to bottom.

The key milestones of this transformation programme are:

<b>Action</b>	<b>Start</b>	<b>Finish</b>
Streamlining Council Tax and Business Rates delivery.	Ongoing	31-March -2012
Commensurate changes to our line management structure.	Ongoing	31-March-2012
Accommodation Review – with the closure of up to 10 offices.	Ongoing	31-March-2012
Streamline and improve processes in our Business Rates work.	Ongoing	31-March-2013 <sup>1</sup>
Streamline and improve processes in our Council Tax work.	Ongoing	31-March-2013 <sup>2</sup>

During 2011/12 we will improve our customer understanding, in order to provide services that reflect their needs. This will also improve our value for money, by helping us make better use of our resources.

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<sup>1</sup> Work will take more than one year to complete and implement and will straddle the reporting years.



## D Agency Expenditure

This section sets out the Agency's planned expenditure over the Spending Review (SR10) period, as discussed with our major clients, and reflecting estimated income from our Commercial Services division. It is split into resource expenditure (to deliver front line services and corporate support) and capital (to deliver accommodation changes and develop new or enhanced IT):

£m	2010-11 (Baseline)	2011-12	2012-13	2013-14	2014-15
<b>Total Agency Expenditure allocation</b>	<b>218.9</b>	<b>211.7</b>	<b>210.3</b>	<b>211.7</b>	<b>208.6</b>
Programme spending	209.7	205.7	202.3	204.7	201.6
Capital spending <sup>2</sup>	9.2	6.0	8.0	7.0	7.0

We have discussed SR10 funding with each of our major clients. Although funding has not been finalised with every client for every year, the latest agreed and indicative figures are set out in the table below:

£m	2010-11 (Baseline)	2011-12	2012-13	2013-14	2014-15
Department for Communities and Local Government	150.2	152.0	149.0	154.0	150.0
Welsh Assembly Government <sup>3</sup>	9.9	9.6	9.3	8.9	8.7
Department for Works and Pension	17.0	14.5	14.2	10.3	10.3
HM Revenue and Customs	10.5	10.0	9.4	9.2	9.0
Total Other <sup>4</sup>	22.1	19.6	20.4	22.3	23.6
<b>Total expected income<sup>5</sup></b>	<b>209.7</b>	<b>205.7</b>	<b>202.3</b>	<b>204.7</b>	<b>201.6</b>

<sup>2</sup> Capital spending is provided as a separate funding stream from our sponsor department - HMRC

<sup>3</sup> Funding for 2014/15 not discussed with Welsh Assembly Government yet - indicative figure only.

<sup>4</sup> Includes forecast income from Commercial Services (which provides services to the wider public sector on a cost-recovery basis), Fair Rent work and the Community Infrastructure Levy

<sup>5</sup> Numbers may not sum due to rounding



The Chief Executive of the VOA is also the Accounting Officer for the Payment of Local Authority Rates (POLAR) scheme. This is a scheme by which local billing authorities are compensated by central government for the non-domestic rates due on properties occupied as diplomatic missions.

The VOA administers the POLAR scheme. Our role is to liaise with local billing authorities and the missions. We pay the rates due to the billing authorities and then seek to recover a voluntary contribution from the diplomatic missions.

Our forecast payments are set out below:

<b>£m</b>	<b>2010-11 (Baseline)</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Gross payments - POLAR	42.6	47.1	53.5	61.5	73.6

Following significant rises in office rental values in central London in particular, many diplomatic buildings currently benefit from transitional relief, which phases the increase in rates payments. This relief will be progressively removed over the years to 2014/15, accounting for the significant increase in forecast expenditure.





## Areas of Common Spend

The indicators below will help the public to judge whether the Agency is being run efficiently, and can be compared across other Departments and Agencies:

<b>Overall:</b>
Cost of operating the Agency (including staff costs, procurement and accommodation) over time, split between operating and capital costs;
Number of employees, including breakdown by job type, seniority and their contract type (full time/part time);
Cost of corporate services (including human resources, finance, information and communications technology, communications, procurement) as a percentage of the cost of operating the Agency.
<b>On 3<sup>rd</sup> party spend:</b>
Accommodation cost per square metre and per employee;
Cost of standard desktop computer per employee and number of electronic devices per employee;
Value of major areas of spending (office products, travel etc).



## **E Transparency**

Greater transparency across government is at the heart of the government's commitment to enable the public to hold public bodies to account, to reduce the deficit and deliver better value for money in public spending.

This section sets out the information that will enable users of our services to assess the efficiency and productivity of the Agency and to hold us more effectively to account. By publishing a wide range of indicators, we will enable the public to make up their own minds about how we are performing. We will use transparency to facilitate this accountability.

Transparency is a key operating principle for the Agency and will be championed by the Chief Finance Officer.

### **Information Strategy**

Our information strategy is set in the context of VOA's response to the transparency agenda. The VOA has already set out its strategic response to that in terms of public access to information in three main ways:

- Production of Official Statistics;
- Publication of transparency (input and impact) indicators including spending data;
- Access to granular data; we will explore the potential use of the secure microdata lab run by HM Revenue & Customs to allow academics and OGD's safe access to our customer data within the law.

As an Agency of HMRC, VOA is bound by the Commissioners for Revenue and Customs Act 2005 (CRCA) and only publishes core data as part of its functions under this. Its statutory duty includes publishing entries in the local taxation lists (lists of council tax bands and rateable values for non-domestic (business) rates). The data published on BusinessLink and Directgov on a property by property basis fulfils this obligation. The VOA makes compilations of the published non-domestic data available upon request, generally to private sector organisations, recouping the marginal cost to the Agency of producing these.



In addition to the input and impact indicators, VOA's strategic response to the drive to improve transparency will be in the form of Official Statistics. Our statistics publications will be developed in alignment with the Code of Practice for Official Statistics. This includes:

- release dates are now announced via the 12 month and 2 month ahead release schedules which are regularly updated;
- we aim to release publications at 9.30am;
- we will introduce links for our releases to the UK Statistics publications hub;
- and we seek engagement with stakeholders to ensure our outputs meet user requirements.

In terms of our portfolio of Official Statistics outputs, we will:

- bring outputs for non-domestic rate and council tax into greater alignment in terms of content (so there are equivalent statistical outputs), frequency of release (in general increasing frequency compared with previously) and geographical detail (using recognised statistical standards);
- introduce new outputs, including private rental data, as well as taking over release of existing official statistics currently published by other departments where it is practical to do so;
- improve accessibility of our stats both by: improving the layout of our publications on the VOA website; the presentation and consistency of tables; introducing visualisation tools; developing more interactivity with the data;
- make our data available at increasingly lower levels of geography, while protecting individual taxpayers' privacy, aiming towards lower layer super output areas to be accessed at least via the Neighbourhood Statistics presented by the Office for National Statistics;
- seek wider use of our data/statistics across government where possible to support either existing official statistics.



## Input Indicators

The Agency will adopt the following input and impact indicators:

<b>Input Indicator</b>	<b>When will publication start?</b>	<b>How often will it be published?</b>	<b>How will it be broken down?</b>
Average staff cost of dealing with a case for Business Rates	April 2011	Annually	National
Average staff cost of dealing with a case for Council Tax	April 2011	Annually	National
Average staff cost of dealing with a Housing Benefits referral	April 2011	Annually	National
Average staff cost per case for Capital Taxes casework	April 2011	Annually	National

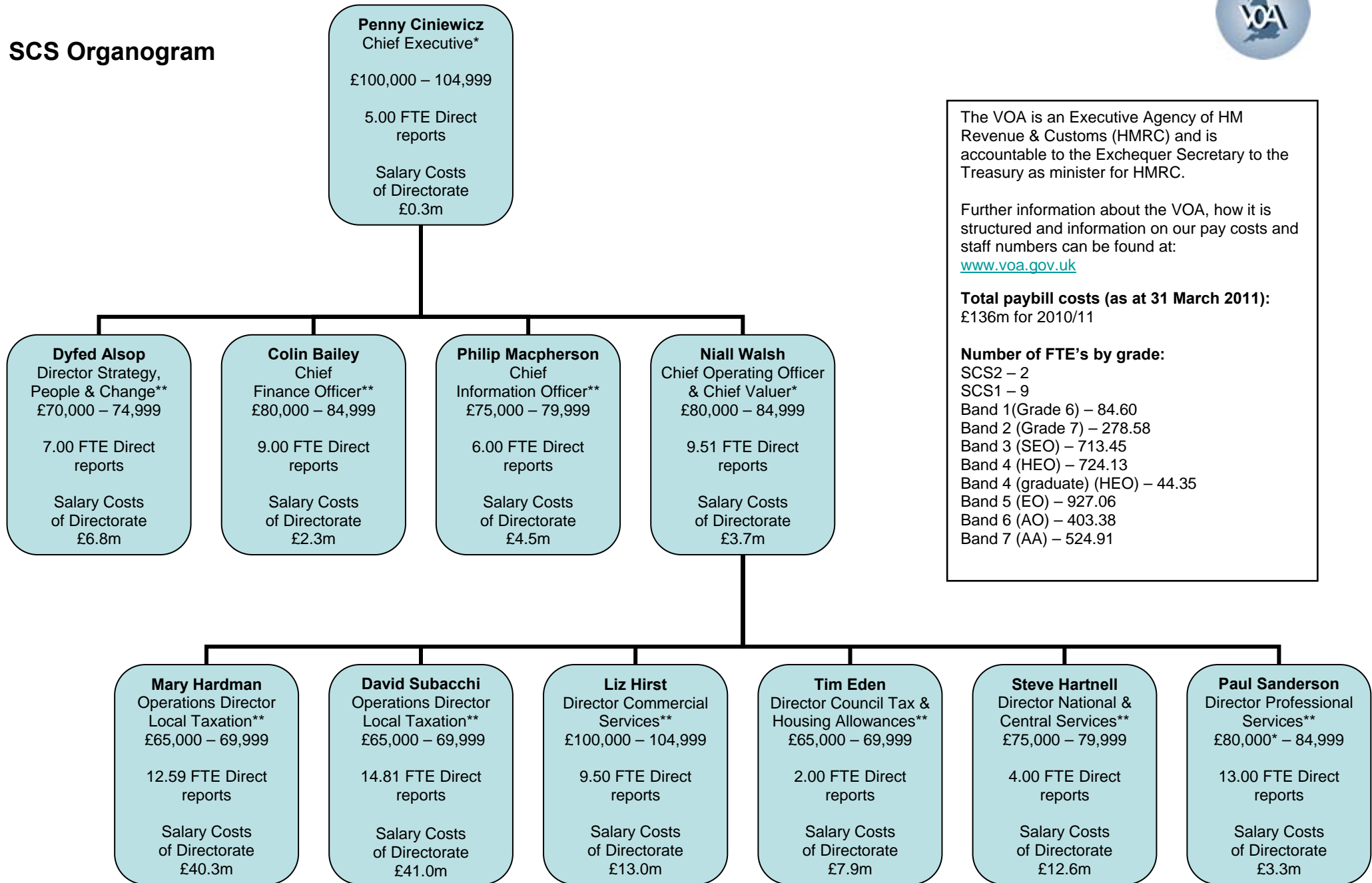
## Impact Indicators

<b>Impact Indicator</b>	<b>When will publication start?</b>	<b>How often will it be published?</b>	<b>How will it be broken down?</b>
Support the collection of taxation through compiling and maintaining Council Tax and Business Rates lists	April 2011	Annually	National
Proportion of VOA services meeting timeliness service levels	April 2011	Annually	National
Proportion of VOA processes meeting quality standard levels	April 2011	Annually	National
Proportion of VOA assessments meeting accuracy standard levels	April 2011	Annually	National
The Agency will operate within its budget reduction of 20% (in real terms) over the Spending Review period	Ongoing	Annually	National
Customers are satisfied with the overall experience of VOA services	April 2011	Annually	National

We will also publish the volumes of cases we handle.



# SCS Organogram



The VOA is an Executive Agency of HM Revenue & Customs (HMRC) and is accountable to the Exchequer Secretary to the Treasury as minister for HMRC.

Further information about the VOA, how it is structured and information on our pay costs and staff numbers can be found at: [www.voa.gov.uk](http://www.voa.gov.uk)

**Total paybill costs (as at 31 March 2011):**  
£136m for 2010/11

**Number of FTE's by grade:**  
SCS2 – 2  
SCS1 – 9  
Band 1(Grade 6) – 84.60  
Band 2 (Grade 7) – 278.58  
Band 3 (SEO) – 713.45  
Band 4 (HEO) – 724.13  
Band 4 (graduate) (HEO) – 44.35  
Band 5 (EO) – 927.06  
Band 6 (AO) – 403.38  
Band 7 (AA) – 524.91

\* as per Cabinet Office grading definitions of Director  
\*\* as per Cabinet Office grading definitions of Deputy Director



## The Board

The Board is chaired by the Chief Executive and is responsible for setting the overall direction for the business; monitoring strategy implementation; approving the Agency's annual budget and performance measures and ensuring that sound performance, risk and financial management is in place.

Penny Ciniewicz	Chief Executive
Niall Walsh	Chief Operating Officer and Chief Valuer
Mary Hardman	Operations Director
Paul Sanderson	Director of Professional Services
Philip Macpherson	Chief Information Officer
Colin Bailey	Chief Finance Officer
Dyfed Alsop	Director of Strategy, People and Change
Dawn Johnson	Non-Executive Director
Jane Earl	Non-Executive Director
Alex Jablonowski	Non-Executive Director

The Accounting Officer, the Chief Executive, is advised by an Audit and Risk Committee with four Non-Executive Members, two of whom, Dawn Johnson and Alex Jablonowski, are also members of the Board. The other Non-Executive Members are Gary Reader and Alison Hewitt.



## **Operating and Performance Board**

The OPB is chaired by the Chief Operating Officer and Chief Valuer and oversees and manages operational performance and risk across the VOA.

Niall Walsh	Chief Operating Officer and Chief Valuer
Liz Hirst	Director of Commercial Services
Tim Eden	Director of Council Tax and Housing Allowances
Mary Hardman	Operations Director
David Subacchi	Operations Director
Paul Sanderson	Director of Professional Services
Steve Hartnell	Director of National and Central Services
Mary Morrison-Paton	Head of Corporate Communications and Engagement
Richard Browne	Head of Business Partners (IT Services Division)
Sean Lloyd	Head of Finance, Strategy and Planning
Stephen Wright	Head of Research and Development (Business Improvement and Support Team)
Christina Duncan	Head of Human Resources and Learning

## **The Committees supporting the Agency's Boards:**

Investment and Finance Committee;  
Workforce Change Committee;  
Operating Risk Committee; and  
Professional Ethics and Technical Issues Committee.

Operational projects are overseen by the Valuation and Review Programme Board, and a programme board for governance of the VOA2015 change programme.



## Key Facts

The Valuation Office Agency (VOA) is an executive Agency of HM Revenue & Customs (HMRC).

The Valuation Office was established in 1910 and was launched as an Agency, under the Next Steps initiative on 30 September 1991. The functions of the former Rent Service were transferred to the VOA on 1 April 2009.

The work of the Agency encompasses:

- compiling and maintaining lists of rateable values for the 1.7 million non-domestic properties in England and 100,000 in Wales, to support the collection of around £25<sup>6</sup> billion in business rates;
- compiling and maintaining lists of bandings for some 23 million domestic properties in England and 1.3 million in Wales, to support the collection of around £26<sup>6</sup> billion in council tax;
- determining local housing allowance across 153 Broad Rental Market Areas in England, providing some 714,000 rental assessments for housing benefit purposes and registering some 78,000 Rent Act 1977 fair rents in England;
- providing valuation advice to HMRC in connection with capital gains tax, inheritance tax and other compliance work;
- delivering a range of statutory and non-statutory valuation and estate surveying services to central and local government and the wider public sector;
- providing valuation advice and services to the Scottish Parliament and Welsh Assembly Government; and
- advising Ministers on property valuation matters.

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<sup>6</sup> Source – HM Treasury estimates for 2010/11 (The Budget)