



Valuation Office  
Agency

# Valuation Office Agency Business Plan 2016-18



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# Foreword by Penny Ciniewicz

The next few years are set to be not only transformational for the VOA, but also busy in terms of our service delivery. In addition, we will be operating against a backdrop of reducing resource. This two-year Business Plan reflects that.

To ensure we transform successfully and continue to provide our customers with the service they expect from us, but at lower cost to the taxpayer, we will focus on a vital set of core deliverables over the next two years. They are:

- completing Revaluation 2017
- implementing Check, Challenge, Appeal (CCA) from April 2017
- meeting our service commitments to our clients and customers
- ensuring we have clear and realisable transformation plans for 2017-18 through to 2019-20, which will allow us to operate more efficiently within a reducing funding envelope
- building leadership and management capability, in particular by piloting our new approach to performance management.



**Penny Ciniewicz**  
Chief Executive

In 2016-17, we will deliver 1.9m valuations for the non-domestic properties in England and Wales, in line with our statutory responsibility to carry out regular revaluations. We will publish the draft valuations by October 2016. Local authorities will use our valuations to calculate business rates bills from 1 April 2017 and the sums collected will fund vital local public services.

Reform of the non-domestic rating (NDR) appeals system – known as Check, Challenge, Appeal – is also due to come into effect in England on 1 April 2017. We have already provided the Government with advice and expertise to support improvements in the way the NDR system works and to ensure the NDR appeals system is fairer, simpler and speedier. However, there is still a great deal of work to do to deliver a modernised system that is responsive to our customers' needs. We will continue working with our stakeholders and customers to design and deliver the new system.

Although we do not yet have confirmed budgets beyond 2016-17, we know our major clients are working towards significant reductions of up to 30% over the Spending Review period (2019-20). We therefore expect the Agency to be smaller in size, by around 1,000 people, by the end of this Spending Review period. This is because our transformation will enable us to deliver our services in different ways. We will manage this reduction in people mainly through natural staff turnover, which is currently 9% per annum on average. Redundancy will be the last option.

Through our transformation, we will modernise our existing digital services and invest in new ones. We will automate and digitise many of our processes, and continue using customer insight to help us build digital services that are so straightforward and convenient to use that our customers and delivery partners will choose to use them.

Being a smaller, more digital Agency, with an improved ability to help our customers access the services they need remotely, will also mean we can continue to reduce the amount of office space we need, in line with the Government's estate strategy. Continuing to reduce the space we occupy will help us reduce costs and focus our spend on front-line services.

We recognise that closing offices can be difficult for our people, so we have been talking to them about our plans and working to give them as much notice as possible of changes that will affect them. We aim to ensure people can continue to work with us wherever possible, for example we have enabled more of them to work from home.



Throughout our transformation journey, we will keep our focus on providing trusted and expert property valuation and advice services. We will continue to invest in and develop people throughout the Agency, encouraging everyone to take at least five days' learning and development each year and supporting people's continuing professional development. We will continue to invest in the professional development of colleagues in our core surveying profession and our 11 other professions. Our plans to make at least 90 new apprenticeship places available in 2016-17 will also mean we play our part in the Government's ambition to create three million more apprenticeships.

Our investment in our leaders and managers is also being brought into sharp focus as we pilot a new approach to performance management on behalf of the Civil Service. We will be helping all our managers to improve their coaching skills, enabling them to support their teams to deliver even better performance and ensuring that we are an inclusive organisation that people want to work for.

We saw an improvement in our People Survey engagement scores in 2015-16, so we know we are on the right track to make the VOA an even better place to work. We will continue to work on the changes our people have said helped them feel more positive about the Agency during the past year.

I would like to thank our people for their impressive work over the past 12 months. I am incredibly proud of everything we have achieved, from delivering day-to-day services, to playing a significant role in business rates reform and our work on the Revaluation. I have no doubt that together we will deliver what our customers and stakeholders expect of us.

We have set out in this plan the key activities we will be undertaking over the coming years to help us achieve our strategic objectives. Annex A sets out the full list of success measures by which our performance can be monitored.

**Penny Ciniewicz**  
**Chief Executive, 15 September 2016**

# Our Core Purpose and Strategic Objectives

We have recently reviewed our core purpose and strategic objectives to take into account the enduring nature of the role the VOA plays in property valuation, the Government's need to reduce public spending, and the changing environment and policy framework that are driving changes in how the VOA operates.

We have identified the strategic objectives that will help us deliver our purpose. Our objectives are to be:

more trusted



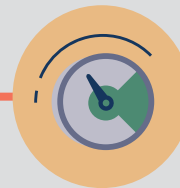
more expert



more digital



more efficient



**Core purpose:**

We are the public sector's property valuation experts and advisers, helping people and businesses to pay the right property taxes and to receive targeted financial support.

# More Trusted



We provide valuations which underpin the payment of local and national taxes, and the payment of housing benefits. Our customers trust us to do this. However, we know there is more we can do to build even greater trust in our work.

We will continue to deliver for our customers. In 2016-17 we will be:

- revaluing 1.9m non-domestic properties for business rates purposes and publishing the proposed values, and in the majority of cases a breakdown of their valuation, at the end of September 2016. Our customers can then check their draft rateable value and property details, and let the VOA know if any information is incorrect, before the local council uses these details to calculate their bill from April 2017;
- clearing at least 153,000 of the non-domestic rates (NDR) appeals from the 2010 lists;
- maintaining the Council Tax (CT) and NDR lists by clearing over 450,000 CT reports and 270,000 NDR reports;
- delivering professional property valuations and advice to customers across the wider public sector through our Property Services team - generating £15.7m in income;
- supporting Fair Rent and housing benefit customers through our Housing Allowances Team - with 95% of Housing Allowances cases meeting quality standards;
- providing property advice to public sector clients, including Her Majesty's Revenue and Customs (HMRC), the Department for Communities and Local Government (DCLG) and the Department for Work and Pensions (DWP), through our Statutory Valuations Team, with 94% of cases meeting quality standards;
- continuing to gather data from a wide range of people about achieved lettings in the Private Rental Sector, for example residential letting agents, landlords and bodies representing property owners;



- supporting many vital public services through the data and information we provide:
  - > bringing the Enterprise Act 2016<sup>1</sup> provisions on data sharing into force;
  - > providing FloodRe with the Council Tax (CT) data which underpins the Flood Reinsurance Scheme; and
  - > providing information to the Office for National Statistics for their House Price Index and the Census Transformation Programme.

We will launch a new NDR appeals system in England known as Check, Challenge, Appeal (CCA) on 1 April 2017. The new system is designed to promote discussion and exchange of information between the VOA and customers earlier in the process, and therefore to reduce the number of appeals that need to be listed for hearing by the Valuation Tribunal. To successfully launch CCA as a digital system, we will undertake activities including:

- supporting the Department for Communities and Local Government (DCLG) in drawing up the regulations required to deliver the system;
- liaising with DCLG and the Valuation Tribunal Service (VTS) to ensure that the VOA delivers its part in CCA policy and legislative requirements; and
- designing and putting in place new ways of working in the Agency, including new processes and job redesign.

We know our customers need to find us easier to communicate with, know what to expect from us, and understand what will happen if we do not get things right.

To this end, during 2016-17 we will:

- redesign our online services for customers to check and suggest amendments to draft 2017 NDR valuations from October 2016, and the service for appealing the 2010 Rating List;
- provide a new online contact form for our customers;

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<sup>1</sup> The Enterprise Act 2016 enables greater information sharing on NDR issues between the VOA and local government. It will improve the efficiency of NDR billing and collection by reducing the need for ratepayers to provide the same information to both the VOA and local authorities.



- continue to improve other online services by looking at what our customers tell us about them; this will include improving the language and tone of our GOV.UK content so our customers can clearly understand what we are saying;
- promote our new customer charter, which sets out what our customers can expect of us, and continuously learn from customer feedback;
- comply with the Royal Institution of Chartered Surveyors (RICS) Professional Standards in all our valuation work; and
- continue to conduct tracking surveys of our NDR and CT customers to identify areas where we can improve the trust they have in our services.

# More Expert



We recognise the importance of our expertise to the public sector and beyond. The Agency is one of the UK's largest employers of qualified chartered surveyors and we are increasing our expertise in other areas such as digital, continuous improvement and operational delivery.

In 2016-17 we will:

- continue to invest in our core surveying and valuation skills, with over 200 people working towards professional qualifications;
- improve our skills in areas that will help us to deliver our Spending Review commitments, for example project and programme management, digital and financial forecasting skills;
- grow our apprenticeships programme. As at 31 March 2016, we had over 40 apprentices and we intend to provide 90 new apprenticeship places during the year to play our part in the Government's ambition to create three million more apprenticeships; and
- invest in our leadership and management skills at all levels in the Agency – in 2016-17, we will train all our line managers to deliver improved performance coaching. This is part of the pilot of a new approach to performance management that we are running on behalf of the Civil Service.

We also recognise the importance of the data we hold and the need to keep it secure. We are committed to having zero incidents that result in enforcement action from the Information Commissioner.



**90 apprenticeships**

We intend to provide 90 new apprenticeship places during the year.

In 2016-17 and beyond we will:

- improve the reliability, availability and accuracy of our data and information;
- use consistent language across our processes and data definitions. This will make it faster and easier for our people and customers to find what they need and provide us with data;
- make our data and information easier to share with other government departments and the public.

In 2015-16, we started work on a new Target Organisational Model (TOM). The TOM is a high level picture of how we will organise ourselves and carry out our business in future. It will help us to meet the main challenges we face and to achieve our transformational plans. In implementing the TOM, we will organise our work by functions (Contact, Operational Delivery, Valuation and Technical Advice, Product and Process Design, Data, and Strategy and Policy) rather than by the current business streams. We will implement this in phases so we can maintain service delivery over the next two to three years. To date, we have completed 'as is' benchmarking and we are progressing the 'to be' design for functions.

The implementation of our TOM will:

- maintain our commitment to valuation professional standards through the creation of a separate Chief Valuer role;
- make us a more flexible and adaptable organisation;
- increase consistency in our work;
- provide a framework through which we implement other changes, for example, digital and process.

# More Digital



We operate in an increasingly digital world. This means our customers expect to be able to access our services online, at a time that suits them. Our delivery partners in the public sector also want to interact with us digitally. We will build simple, intuitive and secure systems and online tools that are so straightforward and convenient that all our customers and delivery partners will want to use them. We will also modernise our internal systems and processes to help us work more flexibly and efficiently.

In 2016-17, the Agency will take further significant steps towards becoming a more digital organisation. We expect 45% of our customers' transactions to become digital by default in 2016-17 and 60% by 2017-18. In order to achieve this we will:

- introduce a new, intuitive online service from October 2016: customers will be able to use this service to view their 2017 draft valuations following the revaluation of 1.9m non-domestic properties in England and Wales and to suggest alterations;
- roll out our new Billing Authority Report service (BARs) so that increasing numbers of local authorities (LAs) can send us more information electronically. This will make it easier and quicker for LAs to provide us with information, and will improve the quality of the data we hold;
- continue to move away from the use of paper forms to online declaration of non-domestic rental information through our new Rental and Lease Details (RALD) service. We aspire to 80% of returns being completed online by September 2016;



## Digital by default

We expect 45% of our customers' transactions to become digital by default in 2016-17 and 60% by 2017-18.



- build on our recent improvements to the Register of Fair Rents digital service by enabling customers to update entries electronically;
- launch Check, Challenge, Appeal (CCA) as a digital system having:
  - > consulted with customers and their representatives to inform the design and build of the system;
  - > built and tested a new CCA digital platform that delivers a secure and easy to use online 'Check' and 'Challenge' facility for our customers to check their valuations and, where necessary, challenge our valuation of their property;
  - > used the government verification system and the HMRC digital platform to provide a consistent, joined-up experience for people when they need to authenticate their identity within the service - avoiding the need for them to do this multiple times.

In 2017-18 and beyond, we will continue to improve the CCA user experience and make adjustments to the system wherever necessary.

We know that not all our customers can access or use a computer, so as we roll out the changes outlined above we will make sure there is appropriate assistance available for them as part of each service.

Internally, we are updating our technology to make it easier to meet our customers' needs, and to give our people the tools they need to keep pace with new opportunities and demands as technologies evolve.

Over the course of 2016-17, we will:

- provide a new back-end system to support the CCA digital service, introducing elements of a new case management system and modernised applications;
- deliver the supporting technology needed for Revaluation 2017 and ongoing maintenance of the 2017 Rating List;
- put the foundations in place for the roll-out of modernised business applications and a modernised case management system across the rest of the Agency in 2017-18;

- deliver a new customer contact system and replace the application we use for managing customers' enquiries across our network;
- provide over 300 existing home-based workers with superfast broadband, and deliver this as standard for people moving to home-based working;
- replace our older desktops with newer, better performing machines;
- build, test and deliver collaboration tools to enable our people to work more flexibly;
- provide corporate Wi-Fi to 25 of our future locations;
- start the roll-out of tablet devices to our people and increase our provision of smart phones to better support mobile working; and
- update our infrastructure and networks to maximise the performance and resilience of our existing technology and applications.

# More Efficient



Alongside other public sector organisations, we are committed to delivering services to our customers as efficiently as possible – playing our part in the long term economic plan for the country. The work we are doing to become more expert and more digital will enable us to be more efficient.

We are in the middle of transforming our organisation. We will continue to improve our efficiency and to lay the groundwork for becoming a smaller Agency, with up to 1,000 fewer people by the end of the Spending Review period.

In 2016-17 and beyond we will:

- systematically review all our processes so they are straightforward, simple to understand and more efficient. We would expect to achieve up to 10% annualised efficiencies in the processes we review during 2016-17;
- roll out Continuous Improvement (CI) to more areas of the organisation. Specifically, we will build capability in CI by training 1,000 people in 2016-17 and a further 1,000 in 2017-18 in order to improve our service to customers;
- have a clear understanding of the data we need for our processes and the most effective way of obtaining it. By improving data systems, we will make the data more accessible so that it can be used;
- achieve annualised cost savings of £1.3m from our 2015-16 office closures, when we reduced the number of our offices from 70 in 2015 to 62 by March 2016. That number will reduce further to 53 offices by March 2017, securing a further estimated £1.2m in annualised cost savings. Further office reductions are planned by March 2018;



## Continuous Improvement

We will roll out Continuous Improvement to more areas of the organisation.

- expect to need fewer people in the Agency as a result of the changes we will make. We will manage this reduction in head count mainly through natural turnover, which is currently 9% per annum on average. As has been the case in the past, redundancy will be the last option we consider;
- work with HMRC to split the elements of our Capgemini and Fujitsu (formerly ASPIRE) contracts into a series of smaller, more flexible contracts;
- agree and deliver shared services options in finance, with improved outcomes as a result, and explore further shared service options for key HR services where these offer better value than our existing solutions.

# Annexes

## Annex A: measuring our successes

No.	Name of measure	Target
1	Revaluation 2017	Publish draft rating lists for England and Wales (including Central Lists) by 30 September 2016 and publish the compiled rating lists on 1 April 2017
2	Valuation Integrity – cases meeting quality standards	<ul style="list-style-type: none"><li>• Housing Allowances quality: 95%</li><li>• Non-Domestic Rating quality: 94%</li><li>• Council Tax quality: 94%</li><li>• Statutory Valuations Team quality: 94%</li><li>• Property Services quality: 94%</li></ul>
3	Digital Transactions	We will become more digital, improving our services to customers and partners and working more efficiently. As a result, the percentage of our transactions that are digital in each financial year will be: <ul style="list-style-type: none"><li>• 2016-17 - 45%</li><li>• 2017-18 - 60%</li></ul>
4	Live within our Funding	2016-17 - £205.6m
5	Timeliness	<ul style="list-style-type: none"><li>• Non-Domestic Rating Reports cleared: 50% in 12, 75% in 25, 99% in 90 working days</li><li>• Council Tax Reports cleared: 50% in 8, 75% in 25, 99% in 90 working days</li><li>• Housing Allowances service: where no inspection is required, 96% of referrals determined in three working days</li><li>• Fair Rent cases: 95% of cases determined within 40 working days</li><li>• Statutory Valuations Team service: 100% of Initial Appraisals reported within an average of five working days</li></ul>
6	Estates Reduction	We will reduce our Estate footprint by 10% to 35,000 m <sup>2</sup>
7	Property Services Income	£15.7m – generated through our Property Services team, delivering professional property valuations and advice to customers across the wider public sector
8	Data Security	We will protect the data we hold (including customer information), ensuring that it is securely handled and kept safe at all times. As a result, we will have zero incidents resulting in enforcement action from the Information Commissioner
9	Professional Development	90% of our people will attain the Civil Service minimum of five days Learning and Development
10	Check, Challenge, Appeal	Go live 1 April 2017
11	NDR Appeal Volumes	We will clear 153,000 appeals in England and Wales



## Annex B: managing our risks

The Agency's executive team regularly reviews the risk landscape and identifies significant risks to current and future performance. These risks have mitigation plans built around them to ensure they are actively managed and owned by accountable executive directors.

Risks are assured by the Audit and Risk Assurance Committee and kept under review by the VOA Board.

At this point the Agency's key risks to the delivery of this Business Plan are:

VOA Risk Landscape	There is a risk to the Agency that...
<b>Managing Resources</b>	we fail to attract and retain the people to deliver our services.
<b>Workforce Planning</b>	we fail to understand the number of people we require, the skills and knowledge they need and where they need to work from in order to deliver our services in the future.
<b>Leadership</b>	our leaders and managers do not have the capability or confidence to move the organisation from where it is now to where it needs to be in the future.
<b>Realising Benefits</b>	we fail to realise the transformational benefits promised to our clients.
<b>IT Systems / Platforms / Business Continuity</b>	we cannot replace/upgrade IT business applications fast enough to give us what we need within an effective Business Continuity framework.
<b>Cyber Threats and Security</b>	we fail to implement and maintain effective cyber security capability and controls.
<b>Meeting Customer Needs</b>	we fail to deliver the Agency's customer service commitments.
<b>Valuations</b>	our customers do not trust our valuations and property advice.
<b>Pace and Scale of Change</b>	we fail to plan for and manage the pace and scale of change required to deliver the Agency's Spending Review commitments.