

Meeting of the Revenue Scotland Board MINUTE

11:00-15:00, 11 October 2017, Conference Room 3E93, Victoria Quay, Edinburgh

Present:

Dr Keith Nicholson
Lynn Bradley
Jane Ryder OBE
John Whiting CBE
Ian Tait

In attendance:

Elaine Lorimer, Chief Executive, Revenue Scotland
Andrew Fleming, Head of Strategy and Corporate Functions, Revenue Scotland
Stephen Crilly, Solicitor, Revenue Scotland
Nigel Furness, SLfT Team Leader, Revenue Scotland (for item 6 only)
Stuart Gardner, ICT Team Leader, Revenue Scotland (for items 12, 14)
Laura Kidd, Service Design Lead, Revenue Scotland (for item 12 only)
Alan Martin, Air Passenger Tax Programme Manager, Revenue Scotland (for items 8, 10)
Steph Criddle, Programme & Transition Manager Lead, Revenue Scotland (for items 8, 10)
Gary Sharp, Governance Team Leader, Revenue Scotland (Observing)
Mary Young, Business Manager, Revenue Scotland (Secretariat)
John Kenny, SEPA
Lindsay Wells, SEPA

1. Meeting opening

1.1 The Chair welcomed the Board members and officials to the meeting and introduced Gary Sharp who was observing as the new Governance Team Leader from Revenue Scotland.

1.2 No apologies received.

1.3 The Board accepted the minute of 13 September 2017 as a true record, subject to some minor amendments.

1.4 In relation to the Actions Log, the Board were content to close actions 007, 012, 017, 027, 031, 032, 033, 035, 036. Action 085 of 2016 still remains open. Actions 002, 009, 013, 020, 025 and 029 are to remain open.

1.5 There were no new Declarations of Interest Recorded.

2. Chair update (Oral)

2.1 The Board wished to thank all involved for the recent successful and enjoyable Parliament event. The quality of the leaflets and the time and engagement of all the staff who attended is also to be commended.

3. ARC Update (Oral)

3.1 The Chair of the Audit & Risk Committee commended staff for the quality of their work on all papers.

3.2 The Board noted the update from the Chair of the Audit and Risk Committee and welcomed the final report. The Board would also like to thank members of the Audit & Risk Committee for their commitment, acknowledging their quality and effectiveness.

Decision (D039/17): The Board approved the Audit & Risk Committee Annual Report for 2016/17.

4. SEC Update (Oral)

4.1 The Chair of the Staffing & Equalities Committee updated the Board on the meeting yesterday and confirmed the formal minutes from this will be circulated at the Board Meeting in February, once cleared by the SEC in January.

Action (A038/17): Minutes from the October SEC to be circulated at the next Board Meeting.

4.2 The Board noted the information available at the meeting was for the quarter to the end of June with the new data being made available ASAP. The People Survey Results will also be available and form the basis of the next SEC Meeting in January.

4.3 The Chair of the SEC advised we have Equalities staff in place, with a A3 and B3 to cover the first report which is due in April 2018.

4.5 The Chair of the Audit and Risk Committee advised the SEC is to be noted in the ARC Report, highlighting absence as a potential risk.

4.6 The Board welcomed the detailed update from the Chair of the SEC, noting the scale and scope of the work. He recognises this is a significant burden on a small team and raises significant points well.

4.7 The Board recognises the importance of staff wellbeing and welcome the good progress being made.

5. Chief Executive Report (Paper RS(05/17)02)

5.1 The Chief Executive introduced her report which the Board welcomed. The Board commended the progress being made on several fronts.

5.2 The Board noted his support for both the Chief Executive's recruitment ambitions and the outcome of recent meetings with the Finance Minister.

6a. Tax Update (RS(05/17)03a)

6.1 The Head of Tax introduced her paper and welcomed the team from SEPA who were in attendance. The Head of Tax gave a verbal update on items within her paper and requested permission from the board to allow [REDACTED] permission to make payment in two instalments.

Decision (D040/17): The Board agreed to allow payment in two instalments, with an agreement from Head of Tax to monitor this closely [REDACTED].

6.2 The Board wished to record his recognition of the good performance of the LBTT Mailbox and the Call Answering time. The Board also thanked Revenue Scotland staff for the data provided in the paper.

Action (A038/17): Revenue Scotland Tax Team to take forward engagement with the Law Society of Scotland regarding returns and penalties.

Action (A039/17): The Chief Executive to arrange between Revenue Scotland and SEPA to consider the wider impact of existing legislation and related policies.

6b. SLfT Decision Paper 1 (RS(05/17)03b)

6b.1 The SLfT Team Leader presented his paper for board approval. Approval is requested to agree closure of 3 enquiries for a settlement of £3,214,18 as set out in paragraph 2.

Decision (D041/17): The Board was content to approve the proposal to close the three enquiries. [REDACTED]

6c. SLfT Decision Paper 2 (RS(05/17)03c)

Decision (D042/17): The Board was content to approve the proposal to close the enquiry. [REDACTED]

7. Penalties Project Update (Paper RS(05/17)04)

7.1 The Tax Team Leader introduced her paper and provided an update on the penalties project. The Chief Executive wished to pay tribute to the multidisciplinary support of Revenue Scotland staff in preparing this report.

7.2 The Tax Team Leader confirmed Points 1 & 2 are for scrutiny and 3 & 4 are for approval.

Decision (D043/17): The Board endorsed those decisions taken by the CEO highlighted at 4.6 and 5.5 of the above paper.

Decision (D044/17): The Board endorsed the recommendations made at 6.6 and 7.7.

7.3 The Board exercised significant scrutiny and agreed with actions taken to date and the decisions as proposed. The Chair thanked Louise Alonzi and Martin Davidson for their diligence.

Action (A040/17): Revenue Scotland to monitor the impact of these decisions over the next twelve months and report back.

8. Data Analysis Strategy Update (Paper RS(05/17)05)

8.1 The Strategy Team Leader introduced his paper and answered questions on the classification of our 'Official Statistics'.

Decision (D045/17): The Board approved the draft Data Analysis Strategy, including the move to publishing statistics as "Official Statistics".

Action (A041/17): Data Analysis Strategy to be finalised by December 2017.

Action (A042/17): The Board to be invited to the External Data Users Event on the 23rd November being held at Victoria Quay.

8.2 The Chair welcomed the progression of our statistics to Official Statistics and recognises that this elevates the authority of data from Revenue Scotland.

09. Corporate Plan (Paper RS(05/17)06)

9.1 The Project Team introduced their paper on the corporate plan and invited discussion from the board. The structure of the document and consideration of external factors in the period of the plan was discussed.

Action (D043/17): The Governance Team to set up an additional Board meeting in November to discuss solely the Corporate Plan.

9.2 The Board are content with the progress, direction of travel and structure of the Corporate Plan and will discuss in November.

10. Air Departure Tax Paper RS(05/17)07

10.1 The Air Passenger Tax Programme Manager introduced the paper and advised plans are progressing and work is underway for the next Gateway on 14th, 15th and 16th November. They noted the Cabinet Secretary's Speech in Parliament and continue to prepare for implementation.

10.2 The Board are content with the progress and proposals and for the Air Departure Team to progress, as instructed. The Board looks forward to a timely decision from the Minister.

11. Comms Update Paper RS(05/17)08

11.1 The Communications Manager introduced his paper. He reported on the Parliamentary Event which was well attended, with 10 MSPs and 5 Finance Committee Members. Future events were also highlighted including the upcoming UK Tax Authorities Forum.

Action (A044/17): Board to be invited to UK Tax Authorities dinner on the evening of 25 October.

12. SETS 2 Update Paper RS(05/17)09

12.1 The SETS 2 Project Lead presented her paper, discussed the planned timeline as it stands and invited questions.

12.2 The Board were invited to review the list of bidders and notify any conflicts of interest; none were confirmed.

12.3 The Board highlighted the importance of a SETS 2 solution which focuses on ease of use, accessibility and compliance with Equalities Act requirements.

12.4 The Board are content with the progress on SETS 2 procurement route and progress made to date. They are content with progress and approach for Contingency Plans.

Decision (D046/17): The Board agreed with the recommended contingency approach.

Action (A045/17): Accessibility requirements to be included as part of the ITT in addition to the principles set out

Decision (D047)17): The Board reviewed the bidders for potential conflicts of Interest. No Conflicts of Interest were raised.

13. Future Meetings

13.1 The Head of Strategy and Corporate Functions introduced the calendar of Future Meetings and asked if the board are content with these dates.

Decision (A048/17): An additional meeting of the Audit and Risk Committee members be scheduled for August 2018 to review the Annual Report and Accounts on a provisional basis.

Decision (D049/17): The Events Calendar has been accepted with amendments.

Action (A046/17): The governance team to issue calendar requests for the agreed meetings.

13.2 The Board are content with the table of meetings and this will be circulated, in diaries, to personal and corporate accounts for visibility.

14. AOB

14.1a The Board agreed the level of information being provided on a monthly basis. It was discussed that Papers should cover the below points:

- Why has this come to the board?
- What is being requested?
- What is the rationale?
- What are the risks/consequences involved?
- Has the process been followed?

Action (A047/17): The Governance team to revise the template for Board papers in order to differentiate between tax and non-tax decision making items.

14.1b The Board can request further information at any time. Feedback will be given on this and a balanced approach adopted.

14.2a The Head of IT provided an oral report on Revenue Scotland's progress towards compliance on upcoming changes to Data Protection regulation.

Action (A048/17): The Head of IT to provide a short update on progress towards GDPR and Cyber Security regulations at each meeting until implementation in April 2018.

End of Meeting

Revenue Scotland

October 2017

To be tabled for approval at Board meeting of 13 December 2018