



Meeting of the Revenue Scotland Board MINUTE

12:20-16:10, 13 September 2017, Conference Room 3E91, Victoria Quay, Edinburgh

Present:

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

Attended:

Elaine Lorimer, Chief Executive, Revenue Scotland
Andrew Fleming, Head of Strategy and Corporate Functions, Revenue Scotland
Stephen Crilly, Solicitor, Revenue Scotland
Louise Carlin, Solicitor, Revenue Scotland (for item 6 only)
Nigel Furness, SLfT Team Leader, Revenue Scotland (for item 6 only)
Stuart Gardner, ICT Team Leader, Revenue Scotland (for item 5 only)
Laura Kidd, Service Design Lead, Revenue Scotland (for item 5 only)
Gareth Hill, the Chief Accountant and the Finance Manager (for item 4 only)
Neil Ferguson, Strategy and Change Team Leader, Revenue Scotland (for items 7 and 8 only)
Alan Martin, Air Passenger Tax Programme Manager, Revenue Scotland (for item 8 only)
Donna Thomson, Policy Officer and Board Secretariat, Revenue Scotland (Secretariat)
Mary Young, Business Manager, Revenue Scotland (Secretariat)
Bronach Hughes, Revenue Scotland Graduate (Observing)

1. Meeting opening

1.1 The Chair welcomed the Board members and officials to the meeting and introduced Bronach Hughes who was observing from Revenue Scotland. Bronach is working in Scottish Government on the graduate scheme.

1.2 Apologies were received from Chris Myerscough, Head of Tax within Revenue Scotland.

1.3 Minutes - The Board accepted the minute of 16 August 2017 as a true record subject to some minor amendments.

1.4 Action Log – Actions 021, 022, 024, 026, 028 and 030 are to be closed. Actions 015 and 016 were propose closed and a new action was recommended to reflect the discussion of the Audit and Risk Committee and will be brought to the 13 December 2017 Board



meeting. Action 085 of 2016 still remains open. Actions 002, 007, 009, 012, 013, 017, 018, 020, 023, 025, 027, 029 and 031 are to remain open.

1.5 The Chairman advised the Board that he has been appointed the position of Joint Chair of the Cyber Resilience Sub Committee.

2. Chair update [Oral]

2.1 The Chair updated Board members that Revenue Scotland have put ourselves forward as a catalyst organisation. The deadline for submitting further evidence is March 2018.

3. CEO Report (Paper RS(04/17)01)

3.1 The CEO introduced her report to the Board which focused on a number of matters not covered elsewhere on the Agenda.

3.2 The Chief Executive asked the Board for approval to make an ex gratia payment in line with recommendations made by the Scottish Public Services Ombudsman regarding a complaint made by a taxpayer about Revenue Scotland. The Chief Executive made the Board aware that the Ombudsman was content with the way in which Revenue Scotland acted on this matter and that we responded correctly and concisely with the taxpayer at all times.

Decision D032/17: The Board approved the ex gratia payment in line with recommendations made by the Ombudsman.

Action A032/17: CEO to inform Permanent Secretary of the Ombudsman recommendations and the decision by the Board to make the ex gratia payment.

3.3 The Chief Executive updated the Board on the Programme for Government which seeks to make a change brought in by the LBTT additional amount in June this year so that anyone who purchased a house from 1 April 2016 will benefit from the changes. There have been no queries on this matter to date.

3.4 The Chief Executive also updated the Board on a failure of the Revenue Scotland website over the weekend and commended the IT staff for the timely manner in which they recovered the system. It was noted that we had to invoke our Incident Management Plan and that the process ran smoothly. This has been recorded as a live incident.

3.5 The Chief Executive gave a brief update to the Board on recruitment within Revenue Scotland in that this was on-going and the Board will be informed of any decisions made.



4. Annual Report and Accounts – including Annual Report of the Audit and Risk Committee

4.1 The Chair of the Audit and Risk Committee updated the Board members on the Audit and Risk meeting held that morning of which the main item was the review and approval of the Annual Reports and Accounts.

4.2 The Chair reported that they were pleased with the quality of the reports.

4.3 The Chair further reported that the accountable officer was required to sign letters of representation which include a statement that “the Board has assessed Revenue Scotland’s ability to carry on as a going concern, as identified in the Statement of Accounting Policies, and have disclosed, in the financial statements, any material uncertainties that have arisen as a result”.

4.4 The Chair asked the Board to confirm this.

Decision D033/17: The Board confirmed Revenue Scotland’s ability to carry on as a going concern.

4.5 The Chair recommended that the Board approve the Annual Reports and Accounts for 2016/17.

Decision D034/17: The Board approved the Annual Report and Accounts - Resource Accounts and the Annual Report and Accounts – Devolved Taxes for 2016/17.

5. SETS2 (Paper RS(04/17)02

5.1 The Head of Strategy and Corporate Functions, the Head of ICT and the Service Design Lead introduced the paper which asked the Board are they content to agree the attached request to the Scottish Government for additional funding.

5.2 The Chairman and the Chief Executive are to meet with the Cabinet Secretary for Finance and the Constitution to lay the ground with regards to budgets.

Decision D035/17: Further clarity will be given to the Board with regards to payment milestones at 11 October 2017 Board meeting.

5.3 The Chair recognised the achievements and thanked the team for the greater assurance on contingency.



Action A033/17: The Head of ICT and the Service Design Lead will update the letter to the Cabinet Secretary to clarify the reasons for funding and that the Chief Executive would send the letter to the Cabinet Secretary week commencing 18 September 2017.

Action A034/17: The Head of Strategy and Corporate Functions and the Service Design Lead to include profiled costs in the event of a contingency scenario as part of the contingency update at the next board meeting.

Action A035/17: Head of ICT and Service Design Lead to provide update on progress at Board meeting on 11 October 2017.

Decision D036/17: The Board approved the request to the Scottish Government for additional funding.

6. SLfT Paper (RS(04/17)03

6.1 The SLfT Team Leader accompanied by one of Revenue Scotland's Solicitors introduced this paper asking for Board approval in accordance with paragraph 4.2.1 of the Revenue Scotland Board – Scheme of Internal Delegation for a change of operational policy on the way in which Revenue Scotland applies the penalty legislation for a failure to pay SLfT timeously.

6.2 The SLfT Team Leader stressed that if the Board approves this change in operational policy, Board approval is sought to reduce the penalties charged in 8 similar cases and repay a total of £24,373 of penalties, plus interest, to 4 other taxpayers.

6.3 The Board commended the SLfT Team Leader on a well written paper and are content to approve the change in operational policy.

Decision D037/17: Board content to approve the decision of a change in operational policy in light of a tribunal decision.

7. ADT Update (RS(04/17)04

7.1 The Strategy and Change Team Leader introduced this paper on ADT to provide the Board with assurance that necessary progress is being made on the Air Departure Tax (ADT) Programme to date for successful implementation of ADT from April 2018.

7.2 The Board noted the ADT update and welcomed the progress that is being made from all staff within that team for an implementation date of April 2018.



8. Corporate Plan (discussion)

8.1 The Board welcomed Neil Ferguson, Strategy and Change Team Leader and Alan Martin, Air Departure Tax Programme Manager to the meeting to discuss the Corporate Plan.

8.2 The Board noted the various activities undertaken by the Strategy and Change team to consult with staff, team leaders and external stakeholders on the development of Revenue Scotland's second Corporate Plan. The Board also discussed the emerging strategic themes and explored proposals for wider roles that Revenue Scotland might undertake during the next Corporate Plan period (2018-21) and beyond and asked to be kept informed of and involved in progress as necessary.

9. Future Calendar of Board Meetings (Paper RS(04/17)05)

9.1 The Head of Strategy and Corporate Functions introduced this paper which provides Board Members with a proposed calendar of Board and Committee meeting dates for 2018/19 financial year.

9.2 The Board discussed the dates and it was agreed that a revised version would be circulated around members to be finalised then tabled at the next Board meeting on 11 October 2017.

Decision D038/17: Secretariat to circulate a revised version.

Action A036/17: Revised paper on Future Calendar dates to be tabled at the next Board meeting on 11 October 2017.

10. AOB

End of Meeting

Revenue Scotland

September 2017

To be tabled for approval at Board meeting of 11 October