Revenue Scotland Board

Meeting of the Revenue Scotland Board

MINUTE

09:00, 4 November 2015, Conference Room 3, VQ, Edinburgh

Present:
Dr Keith Nicholson [Chair]
Lynn Bradley
Jane Ryder OBE
Ian Tait
John Whiting OBE

Attended:
Eleanor Emberson, Chief Executive, Revenue Scotland
Susan MacInnes, Head of Corporate Services and Finance, Revenue Scotland
Gareth Hill, Chief Accountant, Revenue Scotland
Donald Carvel, Head of Tax Policy, Revenue Scotland – Item 5
George Bisset, Tax Specialist, Revenue Scotland – Item 5
Stephen Crilly, Solicitor, Revenue Scotland – Item 5
Alan Martin, Programme Design Manager, Revenue Scotland – Item 6
Andrew Fleming, Change Director, Revenue Scotland – Item 6
Chris Myerscough, New Tax Administration Programme Team Leader, Revenue Scotland – Item 6
Robert Buchan, Senior Tax Specialist, Revenue Scotland – Item 10
Denise McCann, Corporate and Business Services Officer, Revenue Scotland [Secretariat]

1. Meeting opening

1.1 The Chair welcomed the Board members and officials to the meeting.

1.2 No apologies were received.

1.3 The Board accepted the Minute of 30 September as a true record.

1.4 The Board reviewed the Action Log.

1.5 There were no interests declared.

Action (140): Secretariat to publish Minute on the Revenue Scotland website.

2. Chair update

The Chair updated the Board:

2.1   Andrew Fleming has taken up post this week as Revenue Scotland's new Change Director.

2.2   CEO recruitment is progressing well and suitable candidates have been invited to attend the Assessment Centre on 18 November.

2.3   The Chair and CEO met with Edward Troup and Sarah Walker from HMRC on 28 October.

2.4   The Chair met with the Revenue Scotland staff during their All Staff weekly team meeting to update them on CEO recruitment and the forthcoming changes.

3. Chief Executive Report

The Board welcomed the CEO's Report and discussed in detail various items:

3.1   The Rostrvm call handling system successfully went live on 29 October 2015. This replaces the Netcall system that is no longer available through the Scottish Government contract.

3.2   As per the Board's decision at the last meeting, penalties and interest are now being charged from 1 October 2015 on late payments or returns. Work is progressing on putting into place the operational and IT processes to allow this to happen. There is some change management work being undertaken to manage the IT interface between the Scottish Electronic Tax System (SETS) and the Scottish Government Accounting System (SEAS) which the Change Director will lead on; the Board asked to be kept updated on progress made.. The Board also discussed using "nudge" language in correspondence and on the website to aid compliance.

Action (141): CEO to arrange advertising the high percentage of compliance on website.

3.3   Revenue Scotland has now received notification of the new Government Banking Service account number. In due course this will be advertised on the website and the SETS log-in page.

3.4   Board members enquired about trend analysis regarding Water Discount but Revenue Scotland officials believe it is too early to identify trends with the data available.

3.5   A Data Sharing Agreement has been set up with the Scottish Fiscal Commission. This is a temporary solution due to the changing status of the Commission.

3.6   The Board approved the revised version of the Schedule of Delegation.

4. Finance Report

4.1   The Chief Accountant presented a summarised quarterly Finance Report to the Board to provide assurance that management are controlling and reviewing expenditure. The Board welcomed the report and discussed the projected figures for end of year noting that the costs for the Tax Administration Programme (TAP) have now concluded but acknowledging that the New Tax Administration Programme (NTAP) costs will continue to be reflected in future reports.

Action (142): Chief Accountant to include more detail on the projected outturns of each area and estimates for NTAP costs in the next Finance Report.

5. Tax Underpayments and Debt Management processes

The Board discussed for the second time a detailed proposal of the processes involved in dealing with tax underpayments.

The detail of this discussion is considered exempt under section 29 (Formulation of Scottish Administration Policy etc) of the Freedom of Information Act (Scotland) Act 2002.

6. New Tax Administration Programme update

The NTAP Programme Design Manager introduced the update paper.

6.1   The paper set out the key activities of the NTAP team over the previous month which concentrated on: recruitment to the programme; engaging with the development of tax policy and IT scoping work. The Programme team have been working closely with Scottish Government Fiscal Responsibility colleagues and have met with HMRC and Treasury colleagues to understand the background to the UK taxes and how they are implemented. They have also liaised with the Revenue Scotland IT team to look at future enhancements to SETS and are working through a list of priorities to identify what may sit under business as usual and what would be more effectively managed under NTAP.

6.2   The paper included a Timeline based on assumptions of the legislative processes and an early proposal for governance of the Programme. The Board discussed the requirement for a stakeholder steering group within the governance structure.

Action (143): NTAP team to provide the Board with a high level document depicting the Programme's critical path - working back from the scheduled go-live date.

6.3   The Board welcomed the progress made in planning from the previous update. Jane Ryder volunteered to be the Board representative on the Programme Board.

7. Health and Safety and Records Management Policies

The Head of Corporate Services introduced the Health and Safety and Records Management papers:

7.1   The Shared Service Agreement with the Scottish Government HR Directorate does not cover Health and Safety. The Tax Administration Programme provided Revenue Scotland with a suite of Health and Safety policies. As they are based on the Scottish Government Health and Safety policies, some of them are considered to be inappropriate for an organisation the size of Revenue Scotland.   These are now being reviewed to ensure that they are proportionate for Revenue Scotland.

7.2   Whilst reviewing the policies Revenue Scotland has ensured practicalities are in place. One member of staff is fully trained as a Health and Safety Liaison Officer (HSLO) and another is undergoing training.   The first quarterly workplace assessment has been undertaken and shared with the Senior Management Team.   All recommendations documented within the report have been remedied. Additionally the required number of trained Fire Marshalls and First Aiders are now in place.

7.3   In reviewing the policies, priority has been given to the health and safety of staff on site visits. There is regular contact with the staff member on site visits and they are always accompanied by a member of SEPA staff. Revenue Scotland has approached SEPA to make this a formal arrangement. Scottish Government Health and Safety team have offered to assist with reviewing Revenue Scotland's draft policies. The policies will be shared with the Board in due course.

7.4   The Board noted the importance of including mental health and stress management as part of Health and Safety and reiterated that staff should never be alone on site visits, and reaffirmed the policy that Revenue Scotland staff visiting landfill sites would be accompanied by a member of SEPA staff.

7.5   There should be an annual review of Health and Safety activity and a detailed analysis should be taken to the Staffing and Equalities Committee who will make a recommendation to the Board.

Action (144): Ian Tait to share the Water Industry Commission for Scotland (WICS) Health and Safety policy.

7.6   The Records Management policy documents were then discussed. These documents were also provided by the Tax Administration Programme and required review. The Board noted the requirement to produce a Records Management Plan and that discussions between Revenue Scotland and the National Records of Scotland have already taken place.

7.7   The Board were interested to hear about the existing records management steps being taken i.e. using SETS to store taxpayer information and eRDM to store corporate information. The CEO particularly praised a recent eRDM fun day organised by Veronica McAleaney, Corporate Affairs Manager which encouraged staff to use the system and highlighted the existing gaps in knowledge.

7.8   The Board asked for clarification of the definition of a record and for the document to be amended to reflect the latest terminology on security markings. The Board requested that the baseline be set in mid-2016 to enable improvements to be made, with a review frequency of every 6 months.   There should be a combination of decisions and recommendations in the plan and it should include the process of destroying both paper and electronic records (information management lifecycle).

Action (145): Chair to share Information Management lifecycle document.

7.9   The Board noted the progress made in the two policy areas and that they look forward to seeing them in their completed form in 2016.

Action (146): Records Management Policy and Health and Safety Policy to be added to the Board Planner for 2016.

8. Review Internal Audit

8.1   The Board noted that the Corporate Governance review had started and Internal Audit are in discussion with the Chief Accountant regarding the commencement of the review of Debt Management.

Action (147): Secretariat to add Internal Audit Plan to the December Board agenda (to be followed up at the ARC meeting).

9. Review of Corporate Plan Performance Framework

9.1   The CEO introduced the paper which discussed how Revenue Scotland can obtain relevant stakeholder feedback on guidance and compliance with the Charter of Standards and Values as part of its framework of Key Performance Indicators (KPIs); and what targets should be set for the KPIs on call waiting times and response to correspondence.

9.2   The Communications Team propose working with the Business Analyst to create an online survey which can be promoted at the January road shows. The Board suggested investigating the cost of external validation of feedback which would add weight to the results. The Board noted that the intention would be to seek stakeholder feedback in a systematic way at least once a year and to use that to inform the Corporate/Business Plan as well as publishing it in the Annual Report.

Action (148): CEO to investigate external validation of stakeholder feedback.

9.3   The Board agreed that targets should be set by the teams involved and not imposed upon them. The Board proposed that the Operational Management Team (OMT) should set the team targets for the last quarter of 2015-16 and first quarter of 2016-17 and bring these to the December Board meeting for consideration.

Action (149): CEO to arrange for OMT to propose team targets for call waiting times and response to correspondence (and invite representative to the December Board meeting).

Action (150): Secretariat to add OMT KPI target item to the December Board meeting.

10. Audit Scotland Report

10.1   The CEO, as Accountable Officer, is required to make a formal response to the clearance draft of Audit Scotland's Report. The Board highlighted some oversights and errors within the report which should be corrected. The Board noted that Audit Scotland made no recommendations.

10.2   The Board welcomed sight of the draft Audit Scotland report. The Board expressed a view that successes had not been highlighted as well as it could have been, particularly around Programme Management which has been identified as best practice.

11. Risk Register

11.1   The Head of Corporate Services introduced the Risk Register which has been reviewed by the Senior Management Team (SMT) and thereafter updated. There is the Board and Senior Management Team Risk Workshop scheduled for 11 November which will be run by the Business Strategy team leader in SEPA. There will also be a joint SMT and OMT review of the Risk Register on 25 November.

11.2   The Board noted the steady progress being made on developing the Risk Register and Risk Framework. The Board discussed a number of risks in detail and were content with the responses given. The Board noted that the risk around the telephony system has now reduced thanks to the hard work of the Revenue Scotland IT team.

12. AOB

12.1   The Chair requested that the Board planner is a standing item on the agenda. The Board discussed the programme for the January strategy meeting.

Action (151): Secretariat to update the Board Planner and add it as a standing item to the agenda.