

Meeting of the Revenue Scotland Board

MINUTE

24 June 2015, Conference Room 8, 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

Janet Dunsmuir, Corporate Services Manager, Revenue Scotland

Murdoch Macleod, Tax Administration Programme Director, Revenue Scotland

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 Subject to some amendments the Board accepted the Minute as a true record.

Action (102): Secretariat to publish Minute on the Revenue Scotland website.

Action (103): Secretariat to introduce relevant FOI exemption clause to any redacted points within the Minute.

1.4 The Board reviewed the Action Log.

2. Chair update

2.1 The Chair shared Performance Dashboard examples with Board members and officials with a view to Revenue Scotland adopting a similar pictographic approach in future.

2.2 The Chair reported that he has secured agreement from SEPA to help facilitate a risk workshop. The risk workshop will initially be for the Revenue Scotland Board members and will thereafter be cascaded to staff. The Chair also noted that SEPA have agreed to present an Environmental Crime seminar to give Revenue Scotland Board and staff members insight into this subject matter.

2.3 The Chair stated that he will be taking part in the upcoming Tax Administration Programme Gateway Review in early July 2015.

2.4 Ian Tait and Lynn Bradley informed the Board that they attended the Non-Executive Director development seminar. They found this interesting and a useful networking experience with other Non-Executive Directors. The Board indicated that one of the suggestions from the event - shadowing other Boards as a learning and development experience and a means to increase the general pool of board members – would be very beneficial.

3. Chief Executive Report

The Chief Executive talked through her report:

3.1 The successful release on 25 May of version 1C of the IT system and the publication on 21 May of LBTT statistics for the month of April 2015 were particular highlights in the period since the last meeting of the Board. The next monthly statistics are due to be published on 26 June and include an extra column of figures detailing ‘what has been paid’. The CEO also noted that the first payment to the Scottish Consolidated Fund had been made and from now will be paid on the first working day of each month.

3.2 The Board discussed the IT Secure Messaging facility which allows users to attach and send documents electronically.

3.3 Fiscal Responsibility colleagues in the Scottish Government have made clear the policy position around Section 14(1)(c) of the LBTT Act raised by the Law Society of Scotland (LSS) Tax Committee. There may be a requirement to change guidance for clarity but any proposed change of wording will be shared with the Board.

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

3.5 This discussion is considered exempt under section 30 (Prejudice to effective conduct of public affairs) of the Freedom of Information Act (Scotland) Act 2002.

3.6 The Chief Executive updated the Board on preparation for SLfT collection. The online form for SLfT is currently available and the functionality to submit the form will be made available on 1 July 2015. It was noted that the first deadline for returns is mid-August.

3.7 The Board also discussed Revenue Scotland remaining in regular contact with HMRC regarding communications around the implementation of the Scottish Rate of Income Tax (SRIT). Revenue Scotland will possibly receive SRIT enquiries via the Support Desk and will need to direct callers to HMRC.

3.8 The Board reviewed the Revenue Scotland Board Disqualification Criteria and the CEO will seek clarification for future reference on whether Revenue Scotland Board members are disqualified from being members of Boards of non-ministerial departments where the Board of that body is deemed to be a member of the Scottish Administration.

Action (104): CEO to seek clarification on Board Disqualification Criteria and to provide advice to Board members.

3.9 The Board acknowledged the significant progress made by staff in moving from a programme to a fully staffed and fully functioning operation.

4. Tax Administration Programme (TAP) Update

Murdoch Macleod updated the Board:

4.1 The TAP Highlight Report indicates all items are either delivered or on track to be delivered. Section 5C details the packages of work which have been passed over to Revenue Scotland. As TAP has delivered all expected products the Programme is no longer required. The Board therefore indicated that it was content in principle for Eleanor Emberson, the Senior Responsible Owner of TAP, to close the Programme at the last Tax Administration Programme Board meeting on 30 June 2015.

5. Lessons Learned from Tax Admin Programme

Murdoch Macleod described the Tax Administration Programme journey:

5.1 The success of the Programme was attributed to good governance, strong leadership, clearly understood roles and responsibilities and an agile approach. Resource and time constraints were the biggest challenges faced.

5.2 During stage 2 – readiness for delivery - the group split into i) Users and ii) the delivery team (the Programme). The Programme was reorganised into three main projects: Organisational Functions; Tax Processes; and IT which all reported to the TAP Board and were responsible for the delivery of 638 prioritised products.

5.3 Revenue Scotland worked collaboratively with Registers of Scotland, SEPA and HMRC with good working relationships built early in the process. Stakeholder engagement was also key and several external groups, such as the Law Society Scotland, helped shape the website, IT system and Guidance and these relationships allowed the eventual thorough User Testing. Excellent communication through the Joint Communications group with HMRC, RoS and SEPA ensured a joined up message for our externally facing communications.

5.4 In line with best practice TAP will be producing closing documentation, including a Lessons Identified Report. The Board requested that the Lessons Identified and Recommendations report be shared as an example of best practice.

Action (105): CEO to arrange for the Lessons Identified and Recommendations report to be shared as an example of best practice.

5.5 The Board thanked Murdoch Macleod for giving the Board some insight into the challenges faced by the Programme and how they were addressed. They congratulated all of those involved in the Programme delivery.

6. Update from Audit and Risk Committee

The Chair of the Audit and Risk Committee, Lynn Bradley, updated the Board:

6.1 The Audit and Risk committee discussed four main points during the meeting: Internal Audit; External Audit; Risk; and SLfT Intelligence. The Internal Audit team are currently awaiting new senior management recruitment and a subsequent review and restructure of the team. Revenue Scotland will receive a limited service this financial year of 70 days commencing after August. Internal Audit have been asked to come back to the Committee with a three year timeline detailing deadlines for reports and target turnarounds.

6.2 The Audit Scotland team responsible for auditing Revenue Scotland also audits the Scottish Government. They are currently working on financial year 2014-15 – and although Revenue Scotland has existed as a separate legal entity since 1 January 2015, Revenue Scotland's accounts to 31 March 2015 will be consolidated with Scottish Government figures with appropriate notes. Revenue Scotland's first full reporting year will be 2015-16.

6.3 The relevant section of the External Auditor Report and the Certificate of Assurance will be brought to the Board at their September meeting.

6.4 Audit Scotland are developing a rolling programme of Performance Reporting and offered to meet with the Committee or the Board when the plan is available.

6.5 The Committee briefly examined the risk register, this will be looked at in greater detail at the planned risk workshop where a baseline will be established. Eleanor Emberson brought a copy of one of the risk profile cards for the Committee to consider in detail. In future the Committee will concentrate on 1 or 2 risk cards at each meeting.

6.6 The Board had asked the Audit and Risk Committee to look at the SLfT Intelligence Handling process. The Committee were reassured that a process is in place and emphasised the need for staff training to be continually refreshed.

6.7 The Board agreed that the draft annual report should be considered at the March Board meeting and that a working party comprising the three Audit and Risk Committee Members, the CEO, Head of Corporate Services and the Chief Accountant will meet in early June to consider the draft Annual Accounts.

7. Update from Staffing Committee

The Chair of the Staffing Committee, Jane Ryder, updated the Board:

7.1 At the inaugural meeting the CEO agreed that the title of the Committee should be Staffing and Equalities Committee and made recommendations on rewording of the Terms of Reference. The revised draft should be circulated to the Board for approval.

Action (106): CEO to circulate revised Staffing and Equalities Committee TOR document to Board members.

7.2 The Staffing and Equalities Committee discussed the organisation organogram and identified areas which may require extra resource. The Committee looked at the tax training which has already been delivered as well as training planned for the future.

7.3 The Committee discussed the Staff Survey results and noted that on the whole they were positive, acknowledging that Revenue Scotland is at a good starting point but that there is room for improvement in some areas. These reports are useful when trends can be identified and the Board noted that the Civil Service wide Survey will take place in October – with results published early in the new year.

7.4 The Committee also looked at the Staff Charter which details the expected values and behaviours of Revenue Scotland staff (and staff from ROS/SEPA working on behalf of Revenue Scotland). The Board agreed to formally endorse the Staff Charter at the staff session following the Board meeting.

7.5 Jane Ryder noted that the Staffing Committee would consider equalities at the next meeting. The Board agreed that staff wellbeing should be within the remit of the Staffing

Committee but that formal Health and Safety reports would go to the Audit and Risk Committee. The Board discussed writing a Blog as a means of communication with Revenue Scotland staff.

Action (107): Ensure Staffing Committee TOR captures staff well-being within its remit. Ensure Audit and Risk Committee TOR includes formal Health and Safety reporting in its remit.

8. Information Sharing, Data Security and FOI policies

8.1 The Board discussed the Information Sharing Guidance document and agreed it needed to be redrafted in the Revenue Scotland style with some content on pages 9 and 10 revised. The paper should then be passed to Jane Ryder for comment before being resubmitted to the Board.

Action (108): Susan MacInnes to redraft Information Sharing Guidance document and share with Jane Ryder.

8.2 The Board discussed the Subject Access Request Guidance document and endorsed it, noting however, that it should be converted into the Revenue Scotland document style.

8.3 The Board discussed the FOI Policy and Procedures document and endorsed it.

8.4 The Board were informed that all staff had completed e-learning regarding FOIs and Information Security.

8.5 The Board requested that all policies should be reviewed on an annual basis.

9. Risk Register

The Board were content that the revised top ten risks were being monitored and action is taking place to mitigate risk. The Board recognised that this is still a work in progress until the Risk Workshop takes place.

10. Forward Plan

The Board made some suggestions for the Forward Plan including adding the extra pre-ARC meeting in March 2016 and noting that the Risk Workshop will take place within 2015. SRIT discussions should be added to the February and March 2016 Board agendas ahead of go-live on 1 April 2016. The CEO indicated that she would ask a senior Scottish Government colleague to update the Board on the Smith Commission and Scotland Act progress at an autumn Board meeting. The CEO agreed to give the Board insight into the current fiscal framework at an upcoming Board meeting.

Action (109): Secretariat to update the Forward Plan.

11. AOB

There was no other business discussed.