

# Revenue Scotland

## Standing Orders and Annexes

May 2018

## **REVENUE SCOTLAND – STANDING ORDERS**

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## 1. GENERAL

1.1 Revenue Scotland (in Gaelic, Teachd-a-steach Alba) is a body corporate established by section 2(1) of the Revenue Scotland and Tax Powers Act 2014 (“RSTPA”). Revenue Scotland is an office-holder in the Scottish Administration; it is part of the Scottish Administration, but not of the Scottish Government, ensuring an appropriate degree of operational autonomy and independence. In terms of its status as a Scottish public body, it may be referred to as a “non-Ministerial Department”.

1.2 These standing orders, for regulation of the conduct and proceedings of Revenue Scotland, are made under paragraphs 4 - 7 and 9 of Schedule 1 to the RSTPA which makes provision about the membership, procedures and staffing of Revenue Scotland.

1.3 The members of Revenue Scotland, who are appointed by the Scottish Ministers under paragraph 1(1) of Schedule 1, will be known as “the Board of Revenue Scotland” or simply “the Board”. The Chair of Revenue Scotland, appointed by Ministers under paragraph 1(2) of Schedule 1, may be referred to as the “Chair of the Board” or “the Chair”.

1.4 These standing orders should be read in conjunction with:-

(a) The Revenue Scotland Board Code of Conduct, including its provisions on the registration and declaration of interests and on maintaining the confidentiality of protected taxpayer information;

(b) The Revenue Scotland Board’s Scheme of Internal Delegation, which sets out which of its functions the Board has delegated to individual Board members, Committees or senior members of staff under paragraph 7(1) of Schedule 1 to the RSTPA; and

(c) The Revenue Scotland Framework Document, which sets out an agreement between Revenue Scotland and the Scottish Ministers in relation to the governance, financing and operations of the functions of Revenue Scotland.

1.5 No standing order is to be made, read, applied or suspended in such a manner that contravenes any rule of law, legislative provision, or the terms of the Revenue Scotland Framework Document.

1.6 These standing orders are made by and can be altered, suspended or revoked, in whole or in part, by a majority of the members of the Board. They remain in force unless and until so altered, suspended or revoked. Additional standing orders considered necessary to ensure the effective operation of the Board may be adopted, on the proposal of the Chair, the Chief Executive and/or any member(s) of the Board, with the agreement of the majority of the members of the Board.

1.7 These standing orders and associated annexes should be reviewed on an annual basis.

1.8 Where these standing orders do not make specific provision, the Chair, in consultation with the Chief Executive, will have discretion to determine all questions of procedure for the conduct and proceedings of the Board.

## **2. MEMBERSHIP OF THE BOARD**

2.1 Members are appointed to and hold office in Revenue Scotland in accordance with the provisions of Schedule 1 to the RSTPA and the Revenue Scotland Framework Document. The collective membership of Revenue Scotland will be known as, and may be referred to as, “the Board of Revenue Scotland”, as set out in standing order 1.3 above.

2.2 Members are appointed to the Board in their individual capacity and they do not hold office as representatives of any personal or professional group or any professional or corporate body. Members of the Board are expected to subscribe to and comply with the Code of Conduct.

2.3 Members of the Board will require to register their interests as defined by the Code of Conduct, within one month of the date of their appointment to the Board, in a register kept by the Revenue Scotland Secretariat (“the Secretariat”) for that purpose. This register will be available for public inspection.

2.4 Procedures for making declarations of interest are also set out in full by the Code of Conduct. Where a dispute arises as to whether a conflict of interest arises in respect of any Board member (other than the Chair), the following procedure will apply:-

(a) in the event of the potential conflict arising during the course of a meeting, the Chair will determine whether such a conflict exists. If a conflict exists, the Board member concerned will not be permitted to be further involved in that part of the meeting affected by the conflict;

(b) in the event of the potential conflict arising outwith a meeting, the Chair will determine whether such a conflict exists. If a conflict exists, the Board member concerned will not be permitted to be further involved in the business affected by the conflict, whether in discussion, in secure electronic communication or by any other means;

(c) before reaching a conclusion in either of the circumstances set out in (a) or (b) above, the Chair may consult other Board members as he or she considers necessary; and

(d) a record of the area of potential conflict and of the action taken under (a) or (b) above will be retained by the Secretariat.

## **3. CHAIR OF REVENUE SCOTLAND**

3.1 The Chair of Revenue Scotland, or in his or her absence his or her nominated deputy, will preside at meetings of the Board in accordance with these standing orders. Any power or duty assigned to the Chair in relation to the conduct of a Board meeting may be exercised by the nominated deputy presiding at the meeting.

3.2 In the event that the Chair is unable to attend a meeting, and no deputy has been nominated or any nominated deputy is also unable to attend, a temporary deputy will be selected by the Board members present. Any power or duty assigned to the Chair in relation to the conduct of a Board meeting may be exercised by the temporary deputy at the meeting.

3.3 The Chair will regulate discussion and debate at Board meetings and will ensure that all present enjoy equality of opportunity to express their views.

3.4 If in the opinion of the Chair any person present at a meeting is incapacitated, behaving inappropriately or without due consideration for other Board members or persons present, the Chair may require that person to leave the meeting.

3.5 The Chair is bound, in the same way as are all Board members, by the provisions of the Code of Conduct and of standing orders 2.3 and 2.4 in respect of the registration and declaration of interests. Where a conflict of interest arises during the course of a meeting, the Chair will not be further involved in that part of the meeting affected by the conflict, and his or her nominated deputy will preside at that part of the meeting until conclusion of the relevant business. Where a conflict arises outwith a meeting, the Chair will not be involved in the business affected by the conflict, whether in discussion, in secure electronic communication or by any other means. Before reaching a conclusion in either of these circumstances, the Chair may consult other Board members as he or she considers necessary and appropriate. A record of the area of potential conflict and of the action taken will be retained by the Secretariat.

#### **4. ORDINARY MEETINGS OF THE BOARD**

4.1 The Board will meet at least six times in each financial year on dates and at times and places determined by the Board and specified in the notice calling the meeting, provided that the Chair, or in his or her absence a nominated deputy, may order the convening of an additional meeting or meetings. Attendance at these meetings can be via teleconference. No period longer than three months should elapse between ordinary Board meetings.

4.2 Not less than seven calendar days prior to the date of a Board meeting the following documents will be issued electronically by the Secretariat to each Board member:-

- (a) a notice convening the meeting (detailing date, time and location);
- (b) an agenda detailing the business to be transacted (with each item clearly indicating whether the matter is for decision or for scrutiny); and
- (c) reports and other documents referred to in, or to be read with, the agenda (specifying whether documents are for decision, scrutiny or information).

4.3 Late papers will be issued or tabled only in exceptional circumstances and at the discretion of the Chair or his or her nominated deputy.

4.4 Any Board member who wishes to receive notice of all or any meetings and the agenda and papers for those meetings in paper copy must ensure that the Secretariat receives notice to that effect in time for the Secretariat to meet the requirements of standing order 4.2.

4.5 Subject to the agreement of the Board, failure to comply with standing order 4.2 will not affect the validity of a meeting or decisions reached at it.

4.6 In exceptional circumstances, a Board member may raise at the start of a Board meeting a matter not set out in the agenda. Subject to the Board member providing appropriate reasons for the urgency or delay, the matter may be discussed or decided upon, either as a substantive agenda item or under Other Competent Business, if the majority of Board members present agree to the addition of that matter to the agenda.

4.7 Where business to be transacted has not been completed within the time allotted for a Board meeting:-

- those present may resolve to continue the meeting in order to deal with the business; or
- the Board may adjourn any meeting to another date, time and place by majority agreement of Board members present; or
- any business not completed may become part of the agenda for a subsequent Board meeting.

4.8 All decisions must be made by the Board unless it has, under paragraph 7 of Schedule 1 to the RSTPA, authorised an individual Board member, a Board Committee, the Chief Executive or any other member of staff of Revenue Scotland to exercise a function or deal with a specific issue. In so doing, the Board remains responsible for the exercise of the function.

4.9 Decisions of the Board will normally be by consensus of those present at Board meetings. If consensus cannot be reached on a particular issue by Board members attending, the Chair or another Board member may ask for a vote to be taken. Any matter put to the vote is decided by a simple majority of Board members present. In the event of a tie, the Chair, or in his or her absence a nominated deputy has a second or casting vote. Voting will be by a show of hands. Only Board members present at a meeting may vote and proxy voting is not allowed. Board members departing early will be treated as non-attending for the purpose of any decision taken after the time of departure.

4.10 Decisions of the Board are binding on all Board members and staff.

4.11 A Board member may have his or her dissent to a decision of the Board recorded, provided that he or she has attended for the whole of the discussion and decision, and asks to record his or her dissent immediately after the decision is concluded. The recording of any such dissent shall not affect standing order 4.10.

4.12 The quorum for meetings of the Board is three Board members. No business will be transacted at a meeting of the Board unless there are present at least three members.

4.13 Apologies for absence should be tendered to the Secretariat and will be noted.

4.14 Should a Board member fail to attend meetings of the Board for a period of 4 consecutive months without reasonable excuse or miss three consecutive meetings of the Board, the Chair may discuss with the Board member the circumstances surrounding their absence and, if need be, their suitability for remaining a member of the Board. In such circumstances the Chair may raise with the Scottish Ministers the potential removal of that member.

4.15 The Chair, or in his or her absence a nominated deputy, may permit a Board member to attend a Board meeting by way of either audio-or video-conferencing, but bearing in mind that the preference is always for physical presence whenever possible. Where a Board member attends a meeting in this way, he or she will be regarded as being present for the purposes of constituting a quorum and will be entitled to vote.

4.16 The Board (or its Committees) may invite individuals, bodies or organisations to attend its meetings or parts of its meetings, provide information and/or make representations to it about particular issues. The Board (or its Committees) may also invite individuals, bodies or organisations to provide written submissions for consideration in advance of meetings of the Board (or its Committees).

4.17 The Board may from time to time agree upon and publish a process for seeking input and/or information (including the format and timescales for provision of this input or information) from interested and/ or affected parties in advance of it considering particular issues at a meeting.

4.18 The Board may also establish and participate in regular meetings at dates between established meetings. These are informal meetings and therefore are not included in the overall total for meetings and are not minuted.

## **5. AGENDA**

5.1 The agenda for Ordinary meetings of the Board will be prepared by the Secretariat, agreed with the Chair and CEO and issued to Board members not less than seven calendar days prior to the date of the Board meeting. The final decision on the agenda will rest with the Chair.

5.2 The order of business at Ordinary meetings of the Board will normally be:-

- (a) Declarations of interest
- (b) Apologies for absence
- (c) Agreement of agenda and other competent business
- (d) Minutes of the last meeting and matters arising (if not otherwise on the agenda)
- (e) Business in the order in which it is noted on the agenda

(f) Other competent business.

5.3 The order of business may be varied by the Chair with the agreement of a majority of the Board members present at the meeting.

5.4 The following will be standing items on the Agenda for Ordinary meetings:-

- Minutes of the last meeting and matters arising;
- Report by the Chair;
- Report by the Chief Executive;
- Tax Update and Operational Performance;
- Finance Reports (Quarterly);
- Business Plan and KPI Reports (Quarterly);
- Corporate Risk Register (Bi-annually);
- Revenue Scotland Board Action Log; and
- Corporate Communications.

5.5 Following meetings of the Audit and Risk Committee and Staffing and Equalities Committee, the Board will receive and consider oral and/ or written updates from the Committee on the progress being made in the Committees' areas of delegated responsibility. The Board will receive an annual written report from the Committees. Minutes of all Audit and Risk and Staffing and Equalities Committee meetings will also be circulated to the Board.

5.6 Items will be added to the Agenda of Ordinary meetings as the need arises, for example:-

- Planning and horizon scanning;
- Corporate projects and associated risks;
- HR, including Health and Safety;
- Shared services agreements; and
- Board Training.

5.7 Any Board member may propose an item for the Agenda of an ordinary Board meeting by contacting the Secretariat, copying the proposal to the Chair, not less than 14 calendar days before the date of the meeting.

5.8 Any Board member wishing to raise an urgent item at a Board meeting must give notice at the start of the meeting. The Board members present will decide whether any such item will be discussed at the meeting (see section 4.6 above) or held over to a subsequent meeting.

## **6. SPECIAL MEETINGS OF THE BOARD AND BOARD DECISIONS TAKEN OUTWITH MEETINGS**

6.1 The Chair, a Board member or Board members, or the Chief Executive may at any time propose a special meeting of the Board to deal with urgent business. The Chair or Chief Executive will call a special meeting of the Board on receipt of a formal request which specifies



the business to be transacted at the meeting and which has the support of no fewer than 3 members of the Board. Formal requests under this standing order will be sent to the Secretariat.

6.2 Where a formal request is received in accordance with standing order 6.1, the special meeting will usually be held within 14 calendar days of receipt of the request. No business will be transacted at that meeting other than that specified in the request.

6.3 Decisions of the Board and transaction of business at special meetings will be subject to the requirements of standing order 4.12 (quorum) in the same way as at ordinary Board meetings.

6.4 In addition to such action at special meetings of the Board, urgent Board business may be transacted, and/ or Board decisions made, via video- or audio- conference or via secure electronic communication, always subject to the requirements of standing order 4.12.

6.5 On every occasion on which any of standing orders 6.1 to 6.4 is invoked, the circumstances will be reported to all members of the Board and to the Secretariat at the earliest opportunity. All such actions will be reported to the next meeting of the Board.

6.6 The Board or its Committees may organise, as appropriate, business planning meetings and working groups to consider specific tasks or to respond to emerging issues. Such meetings will be discursive and will not be decision-making fora; they may be minuted if appropriate and a decision would be taken on a case by case basis on whether to publish the minutes or, as the case may be, the outcome of the discussion. Recommendations and/or reports from business planning meetings and working groups will be referred to the Board or to the appropriate Committee for consideration or decision.

## **7. MINUTES**

7.1 Minutes will be kept of each Board meeting of Revenue Scotland recording the Board members present, staff in attendance, apologies tendered and accepted for non-attendance, issues considered, decisions reached, resolutions passed and actions agreed.

7.2 The Secretariat will following each Board meeting agree with the CEO and Head of Strategy and Corporate Services and circulate, usually within two working days, to all Board members a short summary of actions agreed and key issues discussed and/ or decided. Usually within seven calendar days of a Board meeting, draft minutes will be sent by the Secretariat to the Chair for approval. The revised draft minutes will be sent to Board members usually within three weeks of the date of the meeting. The draft minutes will be tabled at the next Board meeting for approval.

7.3 Where those present at a meeting of the Board or any of its Committees determine that any part of the business conducted is taxpayer or commercially sensitive, that part of the proceedings will be minuted separately and will not be published under Standing Order 7.4 below.

7.4 Once approved, minutes will be published on the Revenue Scotland website in final form within seven calendar days of the meeting. Minutes will be made available on the Revenue Scotland website for two years following the date of the meeting, after which time they will be removed and placed in an electronic archive by the Secretariat. Where appropriate, published minutes will indicate where conduct of confidential business has been recorded in separate unpublished minutes.

7.5 Decisions on issues of immediate importance to operational staff may be disseminated to them, notwithstanding the minutes of the meeting recording the decision having not been approved or published, but only with the approval of the Chair or, where this applies, the nominated or temporary deputy chairing the meeting.

## **8. COMMITTEES**

8.1 Committees established by the Board under paragraph 5 of Schedule 1 to the RSTPA will operate strictly in accordance with their terms of reference.

8.2 When establishing Committees, the Board will:-

(a) establish the terms of reference, including (in consultation with the Committee) the frequency of meetings and arrangements for reporting to the Board on progress being made in the Committee's areas of delegated responsibility;

(b) determine the chair, membership and period(s) of appointment;

(c) select or confirm the arrangements for chairing meetings of the Committee; and

(d) determine procedures, including the Committee's quorum and which of the standing orders set out in this document will apply to the conduct of the Committee.

8.3 Committees may comprise members of the Board and individuals who are not members of the Board. They must not consist solely of non-Board members and they must contain at least two Board members. No business will be transacted at a meeting of any Committee unless at least two Board member is present (quorum).

8.4 Members of a Board Committee who are not Board members are nevertheless bound by the provisions set out in the Revenue Scotland Board Code of Conduct.

8.5 Members of a Board Committee who are not Board members are not entitled to vote at meetings of the Committee.

8.6 Members of a Board Committee who are not Board members cannot be considered part of quorum.

8.7 The Board may delegate to its Committees such of its functions as it considers appropriate. The Board however remains responsible for the exercise of its functions.

8.8 Committees will, subject to any directions by the Board, meet on such dates and at such times and places as they may determine. The Committee Chair may decide, in discussion with Committee members, that urgent business may be tabled at a given meeting.

8.9 Committees may organise, as appropriate, business planning meetings and working groups to consider specific tasks or to respond to emerging issues – also linked to paragraph 6.6 above.

8.10 The Secretariat will, following each Committee meeting and usually within two working days, agree with the CEO and Head of Strategy and Corporate Services and circulate to all members a short summary of actions agreed and key issues discussed and/ or decided. Within fourteen calendar days of a Committee meeting, draft minutes will be sent by the Secretariat to the Chair of the Committee for approval. The revised draft minutes will be considered by the Board at its next meeting.

8.11 The following will be standing committees of the Board:-

(a) Audit and Risk Committee;

(b) Staffing and Equalities Committee; and

(c) any other Committees to whom the Board decides to delegate any of its functions.

8.12 The Board will review its Committee structure at least annually.

## **9. CORRESPONDENCE**

9.1 All incoming correspondence to the Revenue Scotland body corporate is for the attention of the whole Board, whether addressed to any Board member or to the Revenue Scotland Secretariat.

9.2 The Secretariat will receive and log all correspondence to and from the Revenue Scotland body corporate. Any such correspondence received or sent by an individual Board member in relation to Revenue Scotland will be copied, normally electronically, to the Secretariat for this purpose.

9.3 Unless undue delay would occur or legal requirements would not be met in relation to the giving of due attention to any item of correspondence, the Secretariat will present all significant items of correspondence to the next meeting of the Board.

9.4 Where proceeding as under Standing Order 9.3 would result in undue delay or fail to meet legal requirements, the Secretariat will arrange for the Board to be consulted electronically on the terms of an appropriate response. (See also standing orders 6.4. and 10.)

## **10. URGENT ACTIONS**

10.1 The Chair, or in his or her absence a nominated deputy, has the authority to require or permit the Chief Executive or other senior member of staff to take urgent action (on matters that are permitted to be delegated to an individual) or to reply to correspondence between meetings of the Board where the delay in exercising a function or in responding to correspondence is likely to be seriously detrimental to the interests of Revenue Scotland or to be contrary to legislation.

10.2 If the issue in relation to which the urgent action relates is not one permitted to be delegated to an individual, agreement to take such action should be sought and obtained through secure electronic means of communication from a majority of the members of the Board.

10.3 On every occasion on which standing order 10.1 or 10.2 is invoked, the circumstances will be reported to all members of the Board and to the Board Secretariat at the earliest opportunity. All such actions will be reported to the next meeting of the Board.

## **11. PUBLIC STATEMENTS**

11.1 Public statements concerning Revenue Scotland will normally be made by either the Chair or Chief Executive, or by a member of staff authorised by the Chief Executive or by the Board. Roles and responsibilities in connection with statements relating to novel or contentious matters and matters having potential reputational or legal impact on Revenue Scotland, and other communications functions, are set out in the Scheme of Internal Delegation.

## **12. SIGNING OF DOCUMENTS**

12.1 Where any documents are required to be executed on behalf of Revenue Scotland, they shall be signed:-

- (a) by the Chair and one other member of the Board;
- (b) by the Chief Executive; or
- (c) by any person operating within their remit under the Scheme of Internal Delegation.

## **13. CONFIDENTIALITY**

13.1 All Board members, the Secretariat and any other person present at a meeting of the Board, have a duty not to:-

- (a) discuss items of business agreed under standing order 7.3 to be confidential with any person who was not present at that meeting, unless authorised to do so by the Chair or the Chief Executive; or
- (b) comment on any matter in any way that undermines the principle of collective responsibility for decisions reached at such meetings.

13.2 The duty set out in standing order 13.1 is in addition to the statutory obligation laid under Part 3 of the RSTPA upon all current or former Board members and Board Committee members, current and former staff of Revenue Scotland and individuals who have exercised or are exercising functions on behalf of Revenue Scotland to ensure the confidentiality of protected taxpayer information.

13.3 This standing order is without prejudice to the terms of the Public Interest Disclosure Act 1998.

#### **14. PAPERS AND DOCUMENTS**

14.1 Board members will be held personally responsible for the safe custody of any papers or documents which have been received or entrusted to them in the course of their duties. The loss of any such documents must be reported immediately to the Chief Executive, the Senior Information Risk Owner (SIRO) and, in the absence of either the Chief Executive or the SIRO, the Secretariat.

#### **15. DUTY OF THE BOARD IN RELATION TO THE ACCOUNTABLE OFFICER**

15.1 The Chair and Board members of Revenue Scotland must ensure that they are fully aware of, and have due regard to, the responsibilities and statutory duties placed upon the Chief Executive as the Accountable Officer; these are summarised in Section 4 of the Revenue Scotland Framework Document and set out in full in the *Memorandum to Accountable Officers for Parts of the Scottish Administration*, published in the Scottish Public Finance Manual (SPFM).

15.2 In particular, the Board must at all times bear in mind that it is incumbent on the Chief Executive to combine his or her Accountable Officer responsibilities to the Scottish Parliament with responsibilities to the Board. The Chief Executive may consult the Director General Finance, Scottish Government on any aspects of his or her duties as Accountable Officer. The Accountable Officer must consult the Director General on any action which he/ she considers is inconsistent with his/ her duties on financial, regulatory or propriety grounds, and specifically where he/ she seeks written authority from the Scottish Ministers in terms of section 8 of the SPFM or a direction from the Board.

#### **16. MEMBERS' REMUNERATION AND EXPENSES**

16.1 Revenue Scotland will remunerate Board members, and any other persons appointed to any Committee established by the Board, in accordance with the scales set out at the Board Code of Conduct.

#### **17. INTERPRETATION**

17.1 In these standing orders and their Annexes:-

“Revenue Scotland Secretariat” or “Secretariat” means any officer or officers appointed by the Chief Executive of Revenue Scotland to act in this capacity;

“financial year” means the period beginning with the establishment of Revenue Scotland and ending on 31 March next occurring and each subsequent period of a year ending on 31 March; and

“the Revenue Scotland website” is: [www.revenue.scot](http://www.revenue.scot).

## AUDIT AND RISK COMMITTEE TERMS OF REFERENCE

### 1. ROLE

1.1 The Board of Revenue Scotland has established an Audit and Risk Committee as a Committee of the Board to support it in its responsibilities for issues of risk, control and governance and associated assurance through a process of constructive challenge.

### 2. MEMBERSHIP

2.1 The non-executive Board members of the Audit and Risk Committee are:

- Lynn Bradley; and
- John Whiting CBE.

2.2 The Audit and Risk Committee will be chaired by Lynn Bradley.

2.3 The Committee may also include co-opted members. Nominations for a co-opted member of the Committee would be subject to approval of the Revenue Scotland Board.

2.4 A quorum for any meeting will be two members, not including any co-opted member(s). By exception and with agreement of the Chair, members can attend by telephone conference.

2.5 The Audit and Risk Committee will be attended by the Chief Executive, the Head of Strategy and Corporate Functions and the Head of Finance/Chief Accountant and any such other staff as required.

2.6 The Audit and Risk Committee will be provided with a secretariat function by members of staff of Revenue Scotland appointed by the Chief Executive to act in this capacity.

### 3. REPORTING

3.1 The Audit and Risk Committee will report orally and/ or in writing to the Board and Accountable Officer after each meeting. A copy of the minutes of the meeting may form the basis of the report.

3.2 The Audit and Risk Committee will provide the Board and Accountable Officer with an Annual Report, timed to support finalisation of the Annual Accounts and the Governance Statement, summarising its conclusions from the work it has completed during the year.

3.3 In addition, the committee will:

- Report to the Board any issues which may have emerged since the previous meeting;
- Alert the Board to issues that pose a material risk to the delivery of the organisations aims, strategic objectives and major programmes; and
- Undertake any other specific tasks at the request of the Board or Chief Executive.

#### **4. RESPONSIBILITIES**

4.1 The Audit and Risk Committee will advise the Board and Accountable Officer on:

- The strategic processes for risk, control and governance, and on the Governance Statement;
- The accounting policies, the Accounts and the Annual Report, including the process for review of the Accounts prior to submission for Audit, levels of error identified, and management’s letter of representation to the external Auditors;
- The planned activity and results of both internal and external Audit;
- The adequacy of management response to issues identified by Audit activity, including external Audit’s management letter/ report;
- The effectiveness of the internal control environment;
- Assurances relating to the corporate governance requirements for Revenue Scotland;
- proposals for tendering for internal Audit services or for purchase of non-Audit services from contractors who provide Audit services];
- Anti-fraud policies, whistle-blowing processes and arrangements for special investigations;
- Any issues that should be escalated to the Board; and
- Anything else that is referred by the Board.

4.2 The Audit and Risk Committee will also annually review its own effectiveness and report the results of that review to the Board and Accountable Officer – in line with the Board Self-Assessment cycle and SG Guidance to Public Bodies.

#### **5. RIGHTS**

5.1 The Audit and Risk Committee may:

- Co-opt additional members for a period not exceeding two year to provide specialist skills, knowledge and experience; and
- Procure specialist ad-hoc advice at the expense of Revenue Scotland, subject to budgets agreed by the Board and/ or the Accountable Officer.

#### **6. ACCESS**

6.1 The Head, or representative of Internal Audit, and the representative of External Audit will have free and confidential access to the Chair of the Audit and Risk Committee. This will be a two way process for both parties and the Chair of the Audit and Risk Committee will also have free and confidential access to the Head or representative of Internal Audit and the representative of External Audit.



## **7. MEETINGS**

7.1 The procedures for Audit and Risk Committee meetings are as follows:

- The Committee will meet at least four times a year. The Chair of the Committee may convene additional meetings as she deems necessary;
- At each meeting a minimum of 2 members of the Committee will be present for the meeting to be deemed quorate – not including any co-opted member(s);
- Committee meetings will normally be attended by the Accountable Officer, the Head of Strategy & Corporate Functions, the Head of Finance/Chief Accountant, a representative of Internal Audit and a representative of External Audit;
- The Committee may require any other member of Revenue Scotland Staff to attend to assist it with its discussions on any particular matter;
- The Committee may ask any or all of those who normally attend but who are not members of the Committee to withdraw to facilitate open and frank discussion of particular matters;
- Specifically, the Committee will, at a minimum annually, meet representatives of Internal and External Audit without any members of staff of Revenue Scotland being present; and
- The Board or Accountable Officer may ask the Committee to convene further meetings to discuss particular issues on which they require the Committee's advice.

## **8. INFORMATION REQUIREMENTS**

8.1 For each meeting the Audit and Risk Committee will be provided with:

- A report summarising any significant changes to the Revenue Scotland Corporate Risk Register;
- A progress report from the Head or representative of Internal Audit summarising:
  - work performed (and a comparison with work planned);
  - key issues emerging from Internal Audit work;
  - management response to internal Audit recommendations;
  - significant changes to the internal Audit plan; and
  - any resourcing issues affecting the delivery of Internal Audit objectives;
- A progress report from the External Audit representative summarising work done and emerging findings.

8.2 As and when appropriate the Committee will also be provided with other documents including:

- Proposals for the Terms of Reference of Internal Audit;
- The Internal Audit Strategy;

- The Head of Internal Audit's Annual Opinion and Report;
- Quality assurance reports on the Internal Audit function;
- The draft Accounts of Revenue Scotland;
- The draft Governance Statement;
- An annual report on information governance from the Senior Information Risk Owner;
- A report on any changes to accounting policies;
- External Audit's management letter/ report;
- A report on any proposals to tender for internal Audit functions; and
- a report on co-operation between Internal and External Audit.

## **9. SECRETARIAT**

9.1 Secretariat will arrange Audit and Risk Committee meetings one year in advance.

9.2 Not less than seven calendar days prior to the date of a Committee meeting the following documents will be issued electronically by the Secretariat to each Committee member:

- A notice convening the meeting (detailing date, time and location);
- An agenda detailing the business to be transacted (with each item clearly indicating whether the matter is for decision or for scrutiny); and
- Reports and other documents referred to in, or to be read with, the agenda (specifying whether documents are for decision, scrutiny or information).

9.3 Late papers will be issued or tabled only in exceptional circumstances and at the discretion of the Chair or a nominated deputy.

## STAFFING AND EQUALITIES COMMITTEE TERMS OF REFERENCE

### 1 ROLE

1.1 Revenue Scotland aims to be an employer of choice, maintaining the highest possible standards in the engagement and management of employees and offering internal opportunities, including the development of skills and opportunities which will assist employees' career planning and career development beyond the organisation.

1.2 The Staffing and Equalities Committee of Revenue Scotland is a standing committee of the Board. The role of the Committee is to advise the Board and assist the Chief Executive on matters of staff structure, performance management and other systems and processes relating to staff management and welfare, attraction, retention and development, contributing to the Board's corporate role and responsibilities.

1.3 The Staffing and Equalities Committee will liaise with the Scottish Government and other government departments to ensure accordance to staffing policies and best practice. In addition the committee will advise in relation to Revenue Scotland's Equalities duties, including but not restricted to employees.

### 2 MEMBERSHIP

2.1 The Board will appoint the Committee which will comprise two non-executive Board members and may include up to one other co-opted member. Any co-opted member will not be remunerated but may be paid expenses at the same rate as Board members.

2.1 The members of the Staffing and Equalities Committee, all non-executive Directors of Revenue Scotland, are:

- Jane Ryder OBE; and
- John Whiting CBE.

2.2 The Staffing and Equalities Committee will be chaired by Jane Ryder.

2.3 Nominations for a co-opted member of the Committee would be subject to approval of the Revenue Scotland Board.

2.4 A quorum for any meeting will be two members, not including any co-opted member(s). By exception and with agreement of the Chair, members can attend by telephone conference.

2.5 The Staffing and Equalities Committee will be attended by the Chief Executive and the Head of Organisational Development or the Head of Strategy and Corporate Functions and such other staff as required.

2.6 The Staffing and Equalities Committee will be provided with a secretariat function by members of staff of Revenue Scotland appointed by the Chief Executive to act in this capacity.

### **3 REPORTING**

3.1 The Staffing and Equalities Committee will report orally and/or in writing to the Board and Accountable Officer after each meeting. A copy of the minutes of the meeting may form the basis of the report.

3.2 The Committee will provide the Board and Accountable Officer with an Annual Report, timed to support finalisation of the Annual Accounts and the Governance Statement, summarising its conclusions from the work it has completed during the year.

3.3 In addition, the committee will:

- Report to the Board any issues which may have emerged since the previous meeting;
- Alert the Board to issues that pose a material risk to the delivery of the organisations aims, strategic objectives and major programmes; and
- Undertake any other specific tasks at the request of the Board or Chief Executive.

### **4 RESPONSIBILITIES**

4.1 The primary objective of the Committee is to constructively challenge and support the Chief Executive, and provide assurance to the Revenue Scotland Board on development and implementation of a People Strategy for Revenue Scotland. Including, the maintenance of an effective framework and systems for the remuneration, performance, evaluation and welfare of staff.

4.2 The committee will have a particular focus on the Revenue Scotland's People Strategy, its development and implementation. As part of this, the Committee will scrutinise Revenue Scotland's overall approach and systems with the objective of ensuring these meet best practice:

- In the building of capability and capacity to meet organisational needs;
- For the attraction, retention and development of staff;
- In addressing health and safety, and other issues relating to the general welfare and wellbeing of staff; and
- In addressing the organisation's duties and aspirations in relation to equality and diversity.

4.3 Scrutiny will take account of the People Strategy and include:

- Reviewing the effectiveness of the performance management framework for all staff;
- Reviewing the effectiveness and impact of individual and corporate learning and development programmes;
- Maintaining awareness and advising the Board on any major proposals for changes in staff pay, pensions and benefits; and

- Ensuring that RS has due regard to succession planning.

4.4 The Staffing and Equalities Committee will also annually review its own effectiveness and report the results of that review to the Board and Accountable Officer – in line with the Board Self-Assessment cycle.

## **5. RIGHTS**

5.1 The Staffing and Equalities Committee may:

- Co-opt additional members for a period not exceeding two year to provide specialist skills, knowledge and experience; and
- Procure specialist ad-hoc advice at the expense of Revenue Scotland, subject to budgets agreed by the Board and/ or the Accountable Officer.

## **6. MEETINGS**

6.1 The procedures for Staffing and Equalities Committee meetings are as follows:

- The Committee will meet at least three times a year. The Chair of the Committee may convene additional meetings as she deems necessary;
- At each meeting a minimum of 2 members of the Committee will be present for the meeting to be deemed quorate – not including any co-opted member(s);
- Committee meetings will normally be attended by the Chief Executive and the Head of Organisational Development or the Head of Strategy and Corporate Functions;
- The Committee may require any other member of Revenue Scotland Staff to attend to assist it with its discussions on any particular matter;
- The Committee may ask any or all of those who normally attend but who are not members of the Committee to withdraw to facilitate open and frank discussion of particular matters; and
- The Board or Accountable Officer may ask the Committee to convene further meetings to discuss particular issues on which they require the Committee’s advice.

## **7 SECRETARIAT SERVICES**

7.1 Secretariat will arrange Staffing and Equalities Committee meetings one year in advance.

7.2 Not less than seven calendar days prior to the date of a Committee meeting the following documents will be issued electronically by the Secretariat to each Committee member:

- A notice convening the meeting (detailing date, time and location);
- An agenda detailing the business to be transacted (with each item clearly indicating whether the matter is for decision or for scrutiny); and
- Reports and other documents referred to in, or to be read with, the agenda (specifying whether documents are for decision, scrutiny or information).

7.3 Late papers will be issued or tabled only in exceptional circumstances and at the discretion of the Chair or a nominated deputy.