

**Official Sensitive**  
**Meeting of the Revenue Scotland Board – 23 June 2021**

## **Meeting of the Revenue Scotland Board**

10:00 till 14:00, 23 June 2021

### **Present:**

Dr Keith Nicholson, Chair  
Lynn Bradley  
John Whiting CBE  
Jean Lindsay  
Martin McEwen  
Simon Cunningham

### **In attendance:**

Elaine Lorimer, Chief Executive, Revenue Scotland  
Michael Paterson, Head of Tax, Revenue Scotland  
Neil Ferguson, Head of Corporate Functions, Revenue Scotland  
Mairi Gibson, Head of Legal, Revenue Scotland  
Lorraine Marlow, Revenue Scotland  
Rosey Stewart, Revenue Scotland (Secretariat)  
David Storrie, Ernst and Young (Item 4 Only)  
Sarah Philips, Ernst and Young (Item 4 Only)  
Andrew Macartney, Head Statistician, Revenue Scotland ( Items 6 & 7 Only)  
Pamela Bruce, Organisational Development Manager (Items 6 & 7 Only)

## **1. Meeting Opening**

- 1.1 The Chair welcomed everyone to the meeting. He offered members the opportunity to add items under AOB. No items were added.

### **Apologies**

- 1.2 The Chief Accountant tendered his apologies for the meeting.

### **Minutes of Meetings**

- 1.3 The Board was content to approve the minutes of the 05 May 2021 meeting as an accurate record of proceedings.
- 1.4 The Board noted a need for brevity in relation to Board meeting minutes.

### Action and Decision Log

- 1.5 The Chief Executive took the Board through the action log, noting open actions and providing an update where appropriate.
- 1.6 It was agreed that actions A044/20, A09/21, AO17/21, A020/21, A021/21, A022/21, A023/21, A024/21, A025/21, A026/21, A029/21 and A030/21 should close. All other actions are to remain open.

### New Declarations of Interest

- 1.7 There were no new declarations of interest.

**Decision** – Board minutes to be shorter going forward

**Action** – Secretariat to amend the action log as agreed.

**Action** – Action A031/20 Executive Team to discuss timeline and revise deadline.

**Action** – Action A059/20 agreed to leave as open and will revise date once Head of Strategy and Communications starts in post.

**Action** - Action A066/20 agreed to leave as open and review process in August due to resourcing

**Action** – Action A07/21 agreed to change deadline to August 2021.

## 2. Chair Update (Oral)

- 2.1 The Chair updated members on the recent meeting with the incoming Chair, and the arrangements for the incoming Chair to meet with Board members.
- 2.2 The Chair also updated members on the recent meeting he and the Chief Executive had with the Minister for Public Finance, Planning and Community Wealth.

**Action** – Secretariat to set up one to one meetings with Board members and incoming Chair.

## 3. Audit and Risk Committee (ARC) Update

- 3.1 The Acting Chair of ARC for the meeting of 26 May noted that ARC had included a review of the risk matrix and risk registers. ARC also considered the Internal Audit report for 2020-21, noting their conclusion of ‘substantial assurance’. Discussions with Audit Scotland about the preparation of accounts is ongoing, focusing on the audit work still to be done.
- 3.2 Members of the Board thanked the acting Chair of the ARC for the update provided.

#### **4. Staffing and Equalities Committee (SEC) Update**

4.1 The Chair of SEC highlighted the main areas of discussion at SEC on 5 June:

- The role of SEC and its separate functions of assurance and advice to the Board;
- Progress was ongoing on the People Survey action plan, the Committee has requested more details on actions;
- New draft People Strategy was approved by the Board following SEC endorsement of it;
- The Workforce Plan for 2021-24; SEC previously saw a fuller version of the workforce plan which it endorsed and Board accordingly noted;
- Update provided from the Health and Safety Committee from which SEC was assured that progress was being made, particularly around site visits, excellent progress and work, but not there yet
- Equality and diversity update was provided; SEC were pleased that Head of Legal had taken over the role as progress has been slow, but now there is a clear plan driving progress forward and work ongoing putting resources in place

4.2 Members of the Board thanked the Chair of the SEC for the update provided.

#### **5. CEO Report**

5.1 The Chief Executive highlighted the following issues in her report:

- Executive team approved policy changes;
- Recruitment update;
- EIR Requests.

5.2 The Board asked whether a risk associated with EIRs is reflected in the risk register. The Head of Tax commented he was confident his team had the systems in place to handle EIRs efficiently and professionally.

5.3 Board members welcomed the update and were content with the progress highlighted.

## 6. Strategic Items

### Future Operating Model

- 6.1 The Chief Executive provided an overview of the paper. She highlighted the future operating model options appraisal, the draft Corporate Plan, and revised Target Operating Model and that representatives from Ernst & Young would join the meeting for the discussion on the Future Operating Model.
- 6.2 She also set out the wider context around this work, highlighting the developments to the material presented following the last Board meeting.
- 6.3 The Board discussed a range of issues including:
- The lack of external comparators for hybrid working
  - The methodology used to evaluate the costings of the pilot
  - The timescale for the pilot
  - Information security issues during the pilot, and
  - Governance and assurance arrangements for the pilot.

**Decision** – The Board endorsed the proposal for a pilot of not less than 6 months in duration and agreed that evaluation criteria should be established before the pilot commences.

## 7. Strategic Framework

### Draft Corporate Plan 2021-24

- 7.1 The Head of Corporate Functions provided an overview of the work to develop the draft Corporate Plan for 2021-24, taking external stakeholder feedback into account.
- 7.2 The Chief Executive noted that once the KPIs were finalised, the Corporate Plan will be sent to Ministers to approve before being laid in Parliament.
- 7.3 The Board discussed the inclusion of the Financial Plan and it was agreed that it would be included in the draft to be submitted to the Minister.

### Draft Business Plan 2021-24

- 7.4 The Head of Corporate Functions provided an update on the development of the Business Plan. Much of the work is scheduled for 2021-22 but there is scope to add projects over the three years. It is intended that the incoming Strategy Team will manage the Business Plan as a programme of projects, thus managing the capacity of the organisation to deliver.

### **Draft Target Operating Model**

7.5 The Head of Tax provided an update on the development of the draft Target Operating model. No questions from Board members.

### **Draft Financial Plan 2021-24**

7.6 In the Chief Accountant's absence, the Chief Executive, Head of Tax and Head of Corporate Functions presented an update. The document reflects recent input from Board members.

7.7 The Board discussed the need to ensure that the Financial Plan aligns with other strategic documents such as the Workforce Plan.

7.8 The Board discussed the advantages and disadvantages of having a medium term financial plan that included sensitivity analysis, cost drivers and capital expenditure.

### **Draft People Strategy**

7.9 The Head of People reported that it was the ambition of the People Strategy to align with the Corporate Plan and other strategic documents. An Action Plan, including a measurement framework, is being developed.

### **Workforce Plan**

7.10 The Head of People Services stated that the Workforce Plan links to the Financial Plan with a broad description of future aspirations.

7.11 Assurance was also provided that rigorous processes such as monthly conversations and moderation of end of year results are in place.

**Decision** – The Board approved all of the strategic documents, subject to discussed changes.

**Action** – The alignment of the Financial Plan and Workforce Plan to be considered.

## **8. AOB**

8.1 All members of the Board, SLT and others attending thanked the outgoing Chair, Dr. Keith Nicholson for his wise counsel, leadership and support over the past six years.

8.2 Dr. Nicholson expressed his pleasure in working with all parties on what he considers to be a very productive and effective Board.

**End of Meeting**  
**23 June 2021**