

# Revenue Scotland

## Governance:

Pt 1 - Scheme of Internal Delegation

Pt 2: Role of the Accountable Officer

August 2022

## **1. INTRODUCTION**

1.1 Revenue Scotland is a body corporate established by [section 2 of the Revenue Scotland and Tax Powers Act 2014](#) (“RSTPA”) and is part of the Scottish Administration, but not the Scottish Government. It is a non-Ministerial Office, thus ensuring its operational independence. Revenue Scotland is directly accountable to the Scottish Parliament for the delivery of its functions.

1.2 Revenue Scotland’s members are appointed by Scottish Ministers under [Schedule 1 of the RSTPA](#) and are referred to as the Board of Revenue Scotland (“RS Board”). The RS Board has collective responsibility for the strategic direction of the organisation and for overall performance. It ensures that it carries out its statutory functions and delivers its strategic priorities and objectives as agreed with Scottish Ministers, whilst complying with all the requirements of the RSTPA.

1.3 Similarly, it is incumbent on the Accountable Officer to combine their duties as an Accountable Officer with their duty to serve the body to whom they are responsible and from whom they derive their authority. The body is in turn responsible to the Parliament in respect of its actions and conduct.

1.4 The combination of the responsibilities of the RS Board and Accountable Officer are complementary and are at the heart of the governance arrangements to ensure the smooth running of the organisation.

## **2. The Scheme of Internal Delegation**

2.1 [Part 1](#) of this document provides for a Scheme of Internal Delegation made under [Schedule 1, paragraph 7 of the RSTPA](#) which provides that the RS Board may authorise any of its members, any committees established by it, the Chief Executive or any other member of staff, to perform such of its functions to such extent as it may determine. The giving of authority to perform a function does not affect the RS Board’s responsibility for performance of the function, nor does it prevent the RS Board from performing the function.

2.2 Where this Scheme delegates a function to the Chief Executive, that function may be delivered on behalf of the Chief Executive by, or with the support of, other members of Revenue Scotland’s staff. In all cases the Chief Executive has to comply with the requirements of the Scottish Public Finance Manual and remains accountable to the RS Board for effective delivery of the function. The Scheme also sets out those functions which may be sub-delegated by the Chief Executive.

2.3 The delegations in the Scheme are subject to the general principles set out in section 1.1 of the Scheme of Internal Delegation in Part 1 below. The Schedule to this Scheme gives details of the powers and functions delegated and any limitations on these delegations.

2.4 This Scheme has been developed in line with the Framework Document agreed between the Scottish Ministers and Revenue Scotland.

### 3. Responsibilities of the Accountable Officer

3.1 Under the Public Finance and Accountability (Scotland) Act 2000, the Chief Executive is appointed as Accountable Officer by the Permanent Secretary of the Scottish Government and is personally responsible for the propriety and regularity of the finances under their stewardship and for the economic, efficient and effective use of all related resources. Accountable Officers are personally answerable to Parliament for the exercise of their functions. Further information on the statutory responsibilities of Accountable Officers is set out in [Annex 2 of the Accountability section of the Scottish Public Finance Manual](#) (SPFM).

### 4. Dealing with the two sets of responsibilities in Revenue Scotland

4.1 In Revenue Scotland, the Chief Executive is also the designated Accountable Officer. [Part 2](#) of this document sets out an overview of the Accountable Officer role and the specific duties within Revenue Scotland which are not delegated by the Board to the CEO because they are Accountable Officer duties. The two sets of responsibilities are distinct but complementary and together serve to provide comprehensive governance arrangements for the smooth running of the organisation:

	<b>Accountable Officer responsibilities</b>	<b>Matters delegated by the Board to the CEO</b>
<b>Source of authority</b>	Public Finance and Accountability (Scotland) Act 2000	Schedule 2, paragraph 7 of the RSTPA
<b>Accountability</b>	To Scottish Parliament	To the RS Board
<b>Delegation</b>	Functions may be delegated but personal responsibility remains with Accountable Officer	Scheme of Internal Delegation sets out extent of delegation by the Board to the CEO, with prescribed limits

4.2 Where there is a clear distinction about where responsibility for a matter sits, responsibilities may be considered slightly differently when they are put before the Revenue Scotland Board for consideration:

- Matters relating to Accountable Officer responsibilities may be referred to the Board, where the Accountable Officer is seeking assurance from the Board or making Board members aware of decisions taken in the capacity of an Accountable Officer (either before or after the decision is implemented).
- Matters that are delegated by the Board to the Chief Executive Officer will be referred to the Board where they subsequently exceed the scope of the delegation (i.e. where the matter exceeds the financial limits of the delegation or where the matters are deemed to be high-risk, novel or contentious).

4.3 Where there is a difference in opinion between an Accountable Officer and the Board on a particular matter, the Accountable Officer and Chair will seek to resolve the difference through discussion and reference to this framework. Where such agreement cannot be reached, in line with the provisions of the Scottish Public Finance Manual and the Public Finance and Accountability (Scotland) Act, the process of seeking written authority would be invoked by the Accountable Officer with Auditor General and Public Accounts Committee being notified.

4.4 The responsibilities and the extent to which they are delegated are set out below.

## **PART 1 - SCHEME OF INTERNAL DELEGATION**

### **1. GENERAL PRINCIPLES**

1.1 The delegations set out in this Scheme of Internal Delegation are subject to the following general principles:

- The RS Board retains ultimate responsibility for the exercise of the functions of Revenue Scotland and for ensuring that it meets its statutory obligations;
- All decisions should be made in reference to Revenue Scotland's legal obligations and also support the delivery of the Corporate Plan and annual Business Plan;
- All individual tax case decisions will be taken in accordance with the Tax Governance Framework unless agreed as 'novel and contentious' in which case, these cases will be submitted to the Board for consideration and/or approval (see **Section 5**);
- In the case of financial decisions, appropriate budget should be available to fund approvals;
- Delegated authorities shall be used in a manner commensurate with an individual's professional obligations and in accordance with their terms and conditions of service and the Civil Service Code; and
- Revenue Scotland Corporate Policies should be adhered to in the operation of the delegated powers and functions under this Scheme, and these should be read in conjunction with this Scheme. These include, but are not limited to, policies in relation to travel, gifts and hospitality, conflict of interest, procurement and records management.

1.2 Oversight of the Scheme (and therefore the financial and non-financial controls and compliance arrangements) are within the remit of the RS Audit and Risk Committee (see Section 6 for more details).

1.3 The Tax Assurance Group (TAG) will provide assurance to the Chief Executive and Accountable Officer that the Tax Governance Framework is properly observed in relation to all types of tax case decisions, and that the functions of RS are performed properly and in line with legislation.

### **2. DELEGATION TO THE CHIEF EXECUTIVE**

2.1 The RS Board delegates the exercise of its powers and functions under the RSTPA and all operational matters relating to the running of RS only to the Chief Executive, subject to the Schedule of Internal Delegation at [Part 1](#) below.

### **3. DELEGATION BY THE CHIEF EXECUTIVE**

3.1 The Chief Executive may delegate day to day responsibility for the delivery of the Corporate Plan and financial and non-financial authorities in the relevant areas to members of staff, subject to the approvals in this Scheme and their personal responsibility as Accountable Officer.

3.2 The Chief Executive may also delegate financial responsibility to relevant senior staff through specific letters of delegation. These letters are drafted by the Chief Accountant and issued by the Accountable Officer to heads of service each year. In addition, the Chief Executive may also appoint staff to Delegated Purchase Authority (DPA) status to support the organisation's procurement responsibilities.

3.3 The Chief Executive can nominate a deputy during a period of extended absence. The Chief Executive role as Accountable Officer cannot be delegated. Guidance is available through the Business Continuity Plan, which sets out the arrangements to be followed in the event of prolonged Accountable Officer absence.

### **4. NOVEL AND/OR CONTENTIOUS**

#### **Definition**

4.1 In exceptional cases, a tax decision or activity, operational decision or financial transaction might be regarded as novel or contentious. Identifying a case as being novel or contentious inevitably involves a degree of judgement. As a general guide, the definition provided by the SPFM is:

- **"Novel"** would include proposed decisions, expenditure and/or financial arrangements of a sort not previously made, undertaken, or entered into, or that could not be considered, reasonably, to be standard practice.
- **"Contentious"** would include proposed decisions, expenditure and/or financial arrangements where there was doubt as to regularity (i.e. compliance with relevant legislation and guidance) or propriety (i.e. compliance with the standards expected of public bodies or officials).

4.2 All decisions that are defined as novel and contentious are approved by the RS Board. Approval of novel or contentious decision or transactions should always be obtained before proceeding, even if the amounts in question lie within the delegated limits.

#### **Application**

4.3 In recognition of the nature of tax decisions taken by a tax authority (which can be inherently contentious or novel), this Scheme considers any decision, or activity that meets one or more of the conditions below to be novel and/or contentious.

- Any decisions that have a **far-reaching and significant impact** on Revenue Scotland or any Tax Legislation and interpretation thereof, such as:
  - RS policy interests and our ability to perform our legal functions;
  - SG policy interests and the delivery of National Performance Framework objectives;
  - The Scottish economy or a sector within it.
- Anything that significantly and adversely impacts on RS's ability to work effectively with delivery partners; or
- Any decision where there is no precedent, or established/standard practice and which would set a precedent that may have significant reputational, financial, legal or operational implications for Revenue Scotland and/or the other affected party(ies).

## **5. REVIEW**

5.1 This Scheme will be reviewed every three years (in line with the organisation's Corporate Plan), initially by the Head of Governance in collaboration with the Senior Leadership Team; then by the Audit and Risk Committee who will put forward their recommendation to the RS Board.

5.2 Additional reviews or minor revisions may take place as appropriate, for example, following review of the RS Framework Document with SG.

## **6. IMPACT OF THE SCHEME OF INTERNAL DELEGATION ON REVENUE SCOTLAND GOVERNANCE**

6.1 The Scheme of Internal Delegation set out in the schedule of delegations below relates to tax and other responsibilities conferred upon the Board by the RSTPA. The Scheme of Internal Delegation sets out the extent to which these responsibilities have been delegated by the Board to the CEO.

6.2 The CEO may in turn further sub-delegate matters to members of RS staff e.g. by letters of budgetary delegations or delegations set out in the Tax Governance Framework.

6.3 Revenue Scotland staff therefore have authority to act within the parameters set out in the Scheme of Internal Delegation, with appropriate reporting to the Board on progress. Where any decision or matter sits out with the scope set out in the Scheme of Internal Delegation, the matter must be referred to the Board for approval.

# SCHEME OF INTERNAL DELEGATIONS - SCHEDULE

## Definitions

“RS” Revenue Scotland

“Board” The Board of Revenue Scotland

“CEO” The Chief Executive of Revenue Scotland

“ARC” The Audit and Risk Committee of the RS Board

“SEC” The Staffing and Equalities Committee of the RS Board

“SLT” The Senior Leadership Team of Revenue Scotland

“TAG” The Tax Assurance Group (an Executive Group)

## Non-financial

1. Strategy			
Item	Subject	Reserved to Board OR otherwise delegated to:	Conditions
1.1	Approval and variation of Corporate Plan and Business Plans.	Board	Under Section 11 of the RSTPA the Corporate Plan must be submitted to the Scottish Ministers for approval once approved by the RS Board.
1.2	Approval of annual Team Plans.	CEO	Any material changes to be agreed with the CEO.
1.3	Corporate performance reporting (including financial reports).	CEO	The CEO must alert the Board to any performance, budget or delivery concerns with significant impact.
1.4	Ensure that Revenue Scotland is an effective and trusted partner of the Scottish Government on tax policy, including operational policy.	CEO	Board should be kept informed of policy proposals (including proposed policy amendments to the devolved taxes and further devolution of taxes).

2. Governance			
Item	Subject	Reserved to Board OR otherwise delegated to:	Conditions
2.1	Proposed changes to Framework Document, Standing Orders, and Board Code of Conduct.	Board	
2.2	Establishment of Board Committees and associated Terms of Reference (linked to Standing Orders).	Board	Any material changes to be agreed with the CEO.



<b>2. Governance</b>			
<b>Item</b>	<b>Subject</b>	<b>Reserved to Board OR otherwise delegated to:</b>	<b>Conditions</b>
2.3	Approval of Schemes of Internal Delegation.	Board	
2.4	Approval of risk management strategy and agreement of the organisation's risk appetite.	Board	<p>Recommendations will be made by the ARC.</p> <p><i>ARC will also scrutinise the strategic arrangements for risk control and governance, including accounting policies, and oversight of the annual report and accounts as agreed by the Board and set out in the Terms of Reference.</i></p>
2.5	Approval of Annual Reports and Accounts.	Board	<p>This includes both the Resource Accounts and the Devolved Tax Accounts.</p> <p>Recommendations will be made by the ARC.</p>
2.6	Approval of all organisational strategies and strategic policies.	Board	Proposed changes should be discussed with the Board prior to implementation.
2.7	Ensuring RS has in place policies, systems and controls to deliver its plans, meet legal and other obligations and manage risk.	CEO	Subject to the Accountable Officer role.
2.8	Ensure Revenue Scotland meets all additional statutory obligations including in relation to health and safety, employment, data protection, freedom of information, procurement and equality.	CEO	The Board retains overall responsibility for these matters.
2.9	Approval of operational policies.	CEO	Supported by the Executive Committees, such as TAG, Health, Safety and Wellbeing.
2.10	Maintenance and management of corporate risk register.	CEO	SLT will Maintain and manage operational, programme and/or project risk register and escalate significant issues to Corporate Risk Register – in

2. Governance			
Item	Subject	Reserved to Board OR otherwise delegated to:	Conditions
			line with Risk Management Framework.

3. Personnel			
Item	Subject	Reserved to Board OR otherwise delegated to:	Conditions
3.1	Appointment and performance review of Chief Executive.	Chair	Countersigned by DG Scottish Exchequer.
3.2	Approval of organisational and associated senior leadership structure.	CEO	Recommendations will be made by the SEC (acting on behalf of the Board).  <i>SEC will also oversee the development and operation of a framework for the attraction, development and retention of a skilled and motivated workforce.</i>
3.3	Approve any increase in permanent FTE staff numbers over current agreed baseline.	CEO	Advised by Head of People Services and the Chief Accountant.  Oversight provided by the SEC.

4. Communications			
Item	Subject	Reserved to Board OR otherwise delegated to:	Conditions
4.1	Approve communication plans, including media handling, and proactive announcements.	CEO	The associated strategy will be approved by the Board (see 2.6).

## Financial

5. Tax			
Item	Subject	Reserved to Board OR otherwise delegated to:	Conditions
<b>Collection and Management of Devolved Taxes</b>			
5.1	Exercise any function or power conferred on Revenue Scotland to collect and manage the devolved taxes.	CEO	This does not affect the statutory authority of Designated Officers <sup>1</sup> .  <i>Please refer to the <b>Tax Governance Framework</b> for more details.</i>
5.2	The power to designate “Designated Officers” under section 252 of the RSTPA.	CEO	
5.3	Tax case decisions which are <b>neither novel nor contentious</b> provided these are made in accordance with the internal Revenue Scotland Tax Governance Framework.	CEO	Decisions in these cases will be taken in line with the <b>Tax Governance Framework</b> .
<b>Compliance Activity</b>			
5.4	Deliver robust and proportionate compliance activity in accordance with the Revenue Scotland Tax Compliance Strategy and compliance plans using the powers available to Revenue Scotland.	CEO	<i>Please refer to the <b>Tax Governance Framework</b> for more details.</i>
5.5	All proposed applications of the GAAR.	CEO	<i>Please refer to the <b>Tax Governance Framework</b> for more details.</i>
<b>Dispute Resolution</b>			
5.6	Take and implement decisions on tax case dispute resolution.  This includes but is not limited to all decisions relating to:- a) Litigation, or potential litigation, being, or to be, heard in the Tax Tribunals and Courts; and	CEO	<i>Please refer to the <b>Tax Governance Framework</b> for more details.</i>

<sup>1</sup> Designated Officers have designated functions under the RSTPA.

<b>5. Tax</b>			
<b>Item</b>	<b>Subject</b>	<b>Reserved to Board OR otherwise delegated to:</b>	<b>Conditions</b>
	b) All decisions relating to mediation or potential mediation of any case.		
<b>Handling Criminal Cases</b>			
5.7	Ensure that appropriate arrangements are in place and implemented for handling potential and actual criminal cases; and ensure that information is shared with the Board as necessary and appropriate.	CEO	<i>Please refer to the <b>Tax Governance Framework</b> for more details.</i>

<b>6. Procurement</b>			
<b>Item</b>	<b>Subject</b>	<b>Reserved to Board OR otherwise delegated to:</b>	<b>Conditions</b>
6.1	Creation of a Scheme of Delegated Purchasing Authority for purchases under the upper procurement threshold of £138,760.	CEO	All staff with Delegated Purchasing Authority (DPA) should receive appropriate training.
<b>Non Competitive Awards of Goods or Services</b>			
6.2	Up to £50,000.  £50,000 and over, within budgetary allocations.	CEO  Board	<ol style="list-style-type: none"> <li>1. Team Leaders will lead on the development of appropriate specifications for procurement, but all NCAs must be approved by the CEO - advice is provided through the Governance Team.</li> <li>2. Amounts are for a single contract and will include VAT where it is not recoverable.</li> <li>3. Advice must be sought from Procurement.</li> <li>4. Payments out with budgetary allocations will be the subject of discussion between the</li> </ol>

<b>6. Procurement</b>			
<b>Item</b>	<b>Subject</b>	<b>Reserved to Board OR otherwise delegated to:</b>	<b>Conditions</b>
			Accountable Officer and the Scottish Government.
<b>Consultancy Services</b>			
6.3	Up to £50,000.  £50,000 and over, within budgetary allocations.	CEO  Board	<ol style="list-style-type: none"> <li>1. Team Leaders will lead on the development of appropriate specifications for procurement, but all procurement proposals must be approved by the CEO - advice is provided through the Governance Team.</li> <li>2. Amounts are for a single contract and will include VAT where it is not recoverable.</li> <li>3. Advice must be sought from Procurement.</li> <li>4. Payments out with budgetary allocations will be the subject of discussion between the Accountable Officer and the Scottish Government.</li> </ol>

<b>7. Financial (General)</b>			
<b>Item</b>	<b>Subject</b>	<b>Reserved to Board OR otherwise delegated to:</b>	<b>Comments</b>
7.1	Developing and approving the Capital and Revenue budgets for Revenue Scotland for inclusion in the annual budget bill and capital and resource spending reviews.	CEO	Board kept informed during the process.
7.2	Monitor provision of tax receipts information to the Scottish Government.	CEO	

<b>7. Financial (General)</b>			
<b>Item</b>	<b>Subject</b>	<b>Reserved to Board OR otherwise delegated to:</b>	<b>Comments</b>
7.3	Authorise payments in respect of legal claims or ex-gratia payments up to £100k.  £100k and over, within budgetary allocations.	CEO  Board	Payments out with budgetary allocations will be the subject of discussion between the Accountable Officer and the Scottish Government.
<b>Current Expenditure (single payments – other than where detailed above)</b>			
7.4	Up to and including £500,000  £500,000 and over, within budgetary allocations.	CEO  Board	Payments out with budgetary allocations will be the subject of discussion between the Accountable Officer and the Scottish Government.
<b>Project Expenditure (including capital expenditure)</b>			
7.5	Up to and including £500,000.  Above £500,000 within budgetary allocations.	CEO  Board	Payments out with budgetary allocations will be the subject of discussion between the Accountable Officer and the Scottish Government.

<b>Financial (Specific to RS)</b>			
<b>Item</b>	<b>Subject</b>	<b>Reserved to Board OR otherwise delegated to:</b>	<b>Comments</b>
7.6	Ensure the provision of tax revenue information to the Scottish Government and the Scottish Fiscal Commission.	CEO	
7.7	Management of debt write-off.	CEO	In accordance with established, annually audited write-off procedures, including separation of duties i.e. person authorising the debt write off will not be the one who worked on the debt.  Delegated with prescribed limits and reporting arrangements.

## PART 2 - ACCOUNTABLE OFFICER ROLE

(Derived from Annex 2 of the [Scottish Public Finance Manual](#), Scottish Government website, 10 January 2022)

### 1. Introduction

1.1 Accountable Officers are personally answerable to the Scottish Parliament in accordance with section 15 of the Public Finance and Accountability (Scotland) Act 2000 (PFA). Reference to the Parliament and Ministers should be interpreted as the Scottish Parliament and the Scottish Ministers. References to the Board are to the statutory Board, or other ruling entity, of the body.

### 2. General responsibilities of Accountable Officers

2.1 The essence of the role as Accountable Officer is, subject to section 5 below, a **personal** responsibility for the propriety and regularity of the public finances for the body for which the Accountable Officer is answerable and ensuring that the resources of the body are used economically, efficiently and effectively.

2.2 It is incumbent on the Accountable Officer to combine their duties as an Accountable Officer with their duty to serve the body to whom they are responsible and from whom they derive their authority. The body is in turn responsible to the Parliament in respect of its actions and conduct.

2.3 An Accountable Officer may be called to give evidence before the Public Audit Committee. They will be expected to deal with questions arising from the accounts of the body or, more commonly, from reports made to the Parliament by the Auditor General for Scotland on examinations into the economy, efficiency and effectiveness with which the body has used its resources in discharging its functions.

### 3. Specific responsibilities of Accountable Officers

3.1 The role of the Accountable Officer includes responsibilities for freedom of information, digital assurance, financial management, risk management, procurement, asset management and performance related issues. The Accountable Officer must, in relation to the body for which they are designated:

- i. ensure that appropriate financial systems are in place and applied and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major changes;
- ii. sign the annual accounts - and the associated governance statement - for the body, and in doing so accept personal responsibility for their proper presentation as prescribed in legislation and/or in the relevant Accounts Direction issued by the Scottish Ministers;
- iii. ensure that proper financial procedures are followed and that accounting records are maintained in the form prescribed for published accounts;

- iv. ensure that the public funds for which they are responsible are properly managed and safeguarded, including independent and effective checks of any cash balances in the hands of an official;
- v. ensure that assets for which they are responsible such as land, buildings or other property, including stores and equipment, are controlled and safeguarded with similar care, and with checks as appropriate;
- vi. ensure that, in the consideration of policy proposals relating to the resources for which they have responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account, and where appropriate brought to the attention of the body;
- vii. ensure that delegation of responsibility is accompanied by clear lines of control and accountability together with reporting arrangements;
- viii. ensure that procurement activity is conducted in accordance with the requirements in the Procurement section of the Scottish Public Finance Manual;
- ix. ensure that effective management systems appropriate for the achievement of the body's objectives, including financial monitoring and control systems, have been put in place;
- x. ensure that risks, whether to achievement of business objectives, regularity, propriety or value for money, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all relevant areas to manage them;
- xi. ensure that arrangements have been made to secure Best Value as set out in the Scottish Public Finance Manual;
- xii. ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs, outcomes and performance in relation to those objectives;
- xiii. ensure that managers at all levels are assigned well defined responsibilities for making the best use of resources (both those consumed by their own commands and any made available to third parties) including a critical scrutiny of outputs, outcomes and value for money;
- xiv. ensure that managers at all levels have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively.

#### **4. Regularity and propriety**

4.1 The Accountable Officer must ensure that the body achieves high standards of regularity and propriety in the consumption of resources. Regularity involves compliance with relevant legislation, relevant guidance issued by the Scottish Ministers - in particular the Scottish Public Finance Manual - and the framework document defining the key roles and responsibilities which underpin the relationship between the body and the Scottish Government. Propriety involves respecting the Parliament's intentions and conventions and adhering to values and behaviours appropriate to the public sector.

4.2 Through the stewardship of public funds all actions must be able to stand the test of parliamentary scrutiny, public judgements on propriety and professional codes of conduct. The Accountable Officer must not misuse their official position to further their private interests and care should be taken to avoid actual, potential, or perceived conflicts of interest.



## **5. Advice to the body**

5.1 In accordance with section 15(8) of the PFA Act the Accountable Officer has particular responsibility to ensure that, where they consider that any action that they are required to take is inconsistent with the proper performance of their duties as Accountable Officer, they obtain written authority from the body for which they are designated and send a copy of this as soon as possible to the Auditor General. A copy of such written authority should also be sent to the Clerk to the Public Audit Committee. The Accountable Officer should ensure that appropriate advice is tendered to the body on all matters of financial propriety and regularity and on the economic, efficient and effective use of resources. They will need to determine how and in what terms such advice should be tendered, and whether in a particular case to make specific reference to their own duty as Accountable Officer to seek written authority and notify the Auditor General and the Public Audit Committee.

5.2 The Accountable Officer has particular responsibility to see that appropriate advice is tendered to the body on all matters of financial propriety and regularity and on the economic, efficient and effective use of resources. If they consider that the body is contemplating a course of action which they consider would infringe the requirements of financial regularity or propriety or that they could not defend as representing value for money within a framework of Best Value, they should set out in writing the objection to the proposal and the reasons for this objection. If the body decides to proceed, the Accountable Officer should seek written authority to take the action in question. In the case of a body sponsored by the Scottish Government the sponsor unit should be made aware of any such request in order that, where considered appropriate, it can inform the relevant Portfolio Accountable Officer and Cabinet Secretary / Minister. Having received written authority the Accountable Officer must comply with it, but should then, without undue delay, pass copies of the request for the written authority and the written authority itself to the Auditor General and the Clerk to the Public Audit Committee.

5.3 If because of the extreme urgency of the situation there is no time to submit advice in writing to the body in either of the eventualities referred to in paragraph 5.2 before the body takes a decision, the Accountable Officer must ensure that, if the body overrules the advice, both the Accountable Officer's advice and the body's instructions are recorded in writing immediately afterwards.

5.4 If the Accountable Officer is also a member of the Management Board of the body, they should ensure that their responsibilities as Accountable Officer do not conflict with those as a Board member. For example, if the body proposes action which the Accountable Officer could not endorse, and would therefore advise against, the Accountable Officer should, as a Board member, vote against such action, or ensure that their opposition as a Board member as well as Accountable Officer is clearly recorded if no formal vote is taken. It will not be sufficient to protect their position as a Board member merely by abstaining from a decision which cannot be supported.

## **6. Appearance before the Public Audit Committee**

6.1 Under section 23 of the PFA Act, the Auditor General may initiate examinations into the economy, efficiency and effectiveness with which relevant bodies have used their resources in discharging their functions. The Accountable Officer may expect to be called upon to appear

before the Public Audit Committee to give evidence on reports arising from any such examinations involving their body. They will also be expected to answer the questions of the Committee concerning resources and accounts for which they are Accountable Officer and on related activities. They may be supported by other officials who may, if necessary, join in giving evidence or the Committee may agree to hear evidence from other officials in the absence of the Accountable Officer.

6.2 The Accountable Officer will be expected to furnish the Committee with explanations of any indications of weakness in the matters covered by paragraphs 3 above, to which their attention has been drawn by the Auditor General or about which they may wish to question them.

6.3 In practice, the Accountable Officer will have delegated authority widely, but cannot on that account disclaim responsibility. Nor, by convention, should they decline to answer questions where the events took place before their designation.

6.4 The Accountable Officer must make sure that any written evidence or evidence given when called as a witness before the Public Audit Committee is accurate. They should also ensure that they are adequately and accurately briefed on matters that are likely to arise at the hearing. The Accountable Officer may ask the Committee for leave to supply information not within the immediate knowledge of the Accountable Officer by means of a later note. Should it be discovered subsequently that the evidence provided to the Committee has contained errors, the Accountable Officer should let this be made known to the Committee at the earliest possible moment.

6.5 In a case where the Accountable Officer was overruled by the body on a matter of propriety or regularity, their advice would be disclosed to the Committee. In a case where they were overruled by the body on the economic, efficient and effective use of resources they should be ready to discuss the costs, benefits and risks of options considered and explain the reasoning for the decision taken. The Accountable Officer may also be called upon to satisfy the Committee that all relevant financial considerations were brought to the body's attention before the decision was taken.

## **7. Absence of Accountable Officer**

7.1 The Accountable Officer should ensure that they are generally available for consultation, and that in any temporary period of unavailability due to illness or other cause, or during the normal period of annual leave, there will be a senior officer in the body who can act on their behalf if required.

7.2 If it becomes clear to the body that the Accountable Officer is so incapacitated that they will not be able to discharge these responsibilities over a period of four weeks or more, the Principal Accountable Officer should be notified so that they can appoint a substitute Accountable Officer, pending the return of the Accountable Officer. The same applies if, exceptionally, the Accountable Officer plan an absence of more than four weeks during which they cannot be contacted.

7.3 Where the Accountable Officer is unable by reason of incapacity or absence to sign the accounts in time for them to be submitted to the Auditor General the body may submit unsigned copies pending their return.

## **8. Impact of the Accountable Officer role on Revenue Scotland governance**

8.1 The duties of an Accountable Officer are conferred on Revenue Scotland's Accountable Officer by section 15 of the Public Finance and Accountability (Scotland) Act 2000 (not the RSTPA). These duties are not therefore delegated by the Board to the Accountable Officer. The Accountable Officer as noted above is personally accountable to Parliament for the discharge of these duties. The Board may wish to seek reassurance from the Accountable Officer on the actions they take in their capacity as Accountable Officer.