

Revenue Scotland

Standing Orders and Annexes

May 2023

REVENUE SCOTLAND – STANDING ORDERS

TABLE OF CONTENTS

- 1. General**
- 2. Membership of The Board**
- 3. Chair of Revenue Scotland**
- 4. Ordinary Meetings of The Board**
- 5. Agenda**
- 6. Special Meetings of the Board and Board Decisions taken out with Meetings**
- 7. Minutes**
- 8. Committees**
- 9. Correspondence**
- 10. Urgent Actions**
- 11. Public Statements**
- 12. Signing of Documents**
- 13. Confidentiality**
- 14. Papers and Documents**
- 15. Duty of the Board in relation to the Accountable Officer**
- 16. Members' Remuneration and Expenses**
- 17. Interpretation**

ANNEX A - Audit And Risk Committee Terms Of Reference

ANNEX B – Staffing And Equalities Committee Terms Of Reference

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 Office”.

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 Board [Code of Conduct for members of Revenue Scotland](#), 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 at least every three years.

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 these standing orders, the Board Code of Conduct for Members of Revenue Scotland and their terms and conditions of appointment.

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 Governance Team (“Governance Team”) 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 within the [Code of Conduct for Members of Revenue Scotland](#). 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, in consultation with the Accountable Officer or their nominee, 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 out with a meeting the Chair, in consultation with the Accountable Officer or their nominee, will determine whether such

- c) 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;
- d) before reaching a conclusion in either of the circumstances set out in a) or b) above, the Chair may consult officers and/or other Board members as they consider necessary; and
- e) a record of the area of potential conflict and of the action taken under a) or b) above will be retained by the Governance Team.

3. CHAIR OF REVENUE SCOTLAND

3.1 The Chair of Revenue Scotland, or in their absence their nominated deputy, will preside at meetings of the Board. In the event that the Chair is unable to attend a meeting and there is no nominated deputy in attendance, 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 nominated/temporary deputy presiding 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 their nominated deputy will preside at that part of the meeting until conclusion of the relevant business. Where a conflict arises out with 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 will consult the Accountable Officer and may consult other officers and/or Board members as they consider necessary and appropriate. A record of the area of potential conflict and of the action taken will be retained by the Governance Team.

4. ORDINARY MEETINGS OF THE BOARD

4.1 The Board will meet at least four times in each financial year on dates and at times and places determined by the Board and specified in the notice calling the meeting. The Chair, or in their absence a nominated deputy, may order the convening of an additional meeting or meetings as required. No period longer than three months should elapse between ordinary Board meetings.

4.2 The Governance Team will inform Board members in advance whether a Board meeting is to be held in person, virtually using telephone or secure electronic means or as a hybrid meeting. It is expected that, unless otherwise agreed in advance of the meeting, Board members will usually attend ordinary Board meetings in person. Where meetings are designated as in person, the Chair, or in their absence a nominated deputy, may permit a Board member to attend a Board meeting by way of either telephone or secure electronic means; bearing in mind that the preference is always for physical presence whenever possible at such meetings. Where a Board member attends a meeting in this way, they will be regarded as being present for the purposes of constituting a quorum and will be entitled to vote.

4.3 Not less than seven calendar days prior to the date of a Board meeting the following documents will be issued electronically by the Governance Team 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).

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

4.5 In exceptional circumstances notice of all or any meetings and the agenda and papers for those meetings can be provided in paper copy. Board members making such a request must ensure that the Governance Team receives notice to that effect in time for the Governance Team to meet the requirements of standing order 4.2.

4.6 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.

4.7 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.

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

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

4.9 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 or other appropriate body to exercise a function or deal with a specific issue. In so doing, the Board remains responsible for the exercise of the function. The Board retains the right to rescind any delegations that it has made and take back responsibility for any particular decision should it so wish.

4.10 The Board operates on the basis of collective responsibility for decision-making. 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 their 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.

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

4.12 A Board member may have their dissent to a decision of the Board recorded, provided that they have attended for the whole of the discussion and decision, and asks to record their dissent immediately after the decision is concluded. The recording of any such dissent shall not affect standing orders 4.10 or 13.1.

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

4.14 Apologies for absence should be tendered to the Governance Team and will be noted.

4.15 Should a Board member fail to attend meetings of the Board for a period of three consecutive months without reasonable excuse or miss two 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.

4.16 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. Any agreed actions or decisions made at such meetings will be recorded within the Board's action log.

5. AGENDA

5.1 The agenda for Ordinary meetings of the Board will be prepared by the Governance Team, 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
- 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:

- a) Minutes of the last meeting and matters arising;
- b) Report by the Chair;
- c) Report by the Chief Executive;
- d) Health and Safety Update;
- e) Tax Update (Quarterly);
- f) Performance Report (Quarterly);
- g) Finance Reports (Quarterly);
- h) Corporate Risk Register (Bi-annually);
- i) Revenue Scotland Board Action Log; and
- j) Strategic Updates.

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 Committees 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 The Board may add to or amend the Agenda of Ordinary meetings as the need arises, for example:

- a) Planning and horizon scanning;
- b) Corporate projects and associated risks;
- c) HR, including Health and Safety;
- d) Shared services agreements; and
- e) Board Training.

5.7 Any Board member may propose an item for the Agenda of an ordinary Board meeting by contacting the Governance Team, 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 three members of the Board. Formal requests under this standing order will be sent to the Governance Team.

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 telephone or secure electronic means, are 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 Governance Team at the earliest opportunity. All such actions will be reported to the next meeting of the Board and included within the minutes of that meeting.

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 Usually within seven calendar days of a Board meeting, draft minutes will be sent by the Governance Team 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 Governance Team. 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 be chaired by a member of the Board, not consist solely of non-Board members and they must contain at least two Board members. Each Committee Chair will appoint a deputy chair who will preside over meetings in their absence. In the event that the Chair is unable to attend a meeting and there is no nominated deputy in attendance, a temporary deputy will be selected from the Board members present. No business will be transacted at a meeting of any Committee unless at least two Boards member are present (quorum). Any power or duty assigned to the Committee Chair in relation to the conduct of a Committee meeting may be exercised by the nominated/temporary deputy presiding at the meeting.

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

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 Governance Team will inform Committee members in advance whether a meeting is to be held in person, virtually using telephone or secure electronic means or as a hybrid meeting. It is expected that, unless otherwise agreed in advance of the meeting, Committee meetings will usually be held virtually. Where a meeting is designated as in person, the Committee Chair, or in their absence their nominated deputy, may permit a Committee member to attend the meeting by way of either telephone or secure electronic means; bearing in mind that the preference is for physical presence whenever possible at such meetings. Where a Committee member attends a meeting in this way, they will be regarded as being present for the purposes of constituting a quorum and will be entitled to vote.

8.8 Should a Committee member fail to attend meetings of the Committee for a period of six consecutive months without reasonable excuse, or miss two consecutive committee meetings, the Committee Chair may discuss with the member the circumstances surrounding their absence and, if need be, their suitability for remaining a member of the Committee. In such circumstances the Chair may raise the potential removal of that member with the Revenue Scotland Chair and the Board.

8.9 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.

8.10 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.

8.11 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.

8.12 Within fourteen calendar days of a Committee meeting, draft minutes will be sent by the Governance Team to the Chair of the Committee for approval. The revised draft minutes will be considered by the Board at its next meeting.

8.13 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.

8.14 The Board will review its committee structure at least every three years.

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 Governance Team.

9.2 The Governance Team will receive and log all correspondence to and from the Revenue Scotland body corporate. Any such correspondence received by or sent to an individual Board member in relation to Revenue Scotland will be copied, normally electronically, to the Governance Team 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 Governance Team will present all significant items of correspondence to the next meeting of the Board.

9.4 Where proceeding as understanding order 9.3 would result in undue delay or fail to meet legal requirements, the Governance Team 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 their 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 Governance Team 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.

11.2 Board and Committee members must be mindful that, even when acting in a non-Revenue Scotland capacity, comments they make may be related back to the organisation by stakeholders or the media. This includes social medial activity such as 'likes', 'retweets' and comments. Members should always be clear to stakeholders and the media when they are not writing or speaking in a Revenue Scotland capacity and ensure that their actions do not compromise or conflict with their role as a Board or Committee member. The Strategy and Communications Team is always available to provide advice or guidance on such matters.

12. SIGNING OF DOCUMENTS

12.1 Electronic signatures will be used by default, other than instances where a hard copy signature is specifically required. 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 Governance Team 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. INFORMATION AND DEVICES

14.1 Board and Committee members are responsible for the safe custody of any information, both electronic or hard copy, and/or devices which have been received or entrusted to them in the course of their duties and must abide by Revenue Scotland's [Information Security Policy](#). The loss of any such information or devices 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 Governance Team.

14.2 Members may use personal devices and email accounts to transact Revenue Scotland business. Members are expected to take steps to ensure that any Revenue Scotland data held on any such devices is stored, shared and disposed of securely and appropriately as specified within the Revenue Scotland 'Bring Your Own Device' policy for Board members.

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 their Accountable Officer responsibilities to the Scottish Parliament with responsibilities to the Board. The Chief Executive may consult the Scottish Government's Director General Scottish Exchequer on any aspects of their duties as Accountable Officer. The Accountable Officer must consult the Director General on any action which they consider is inconsistent with their duties on financial, regulatory or propriety grounds, and specifically where they seek 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 agreed scales set in accordance with Scottish Government Guidance.

17. INTERPRETATION

17.1 In these standing orders and their Annexes:-

“Revenue Scotland Governance Team ” or “Governance Team” 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.

ANNEX A

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 Committee is appointed by the Board of Revenue Scotland from amongst the non-executive Board members and consists of no less than three members.

2.2 The Chair of the Audit and Risk Committee will be a non-executive Board member appointed by the Board. In the absence of the committee chair, the meeting may be chaired by another non-executive Board member of the committee nominated by those present.

2.3 The Committee may also include co-opted members. Nominations for a co-opted member of the Committee would be subject to consultation with the Chief Executive/Accountable Officer and the approval of the Revenue Scotland Board.

2.4 A quorum for any meeting will be two members, not including any co-opted member(s), attending in person, via telephone or via secure electronic communications.

2.5 The Audit and Risk Committee will normally be attended by the Chief Executive/Accountable Officer, the Head of Corporate Functions and the Chief Accountant, a representative of Internal Audit and a representative of External Audit, 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 draft minutes of each Audit and Risk Committee meeting will be circulated to the Board for information. In addition, the Chair of the Audit and Risk Committee will provide a written or oral report to the Board and Chief Executive/Accountable Officer following each Audit and Risk Committee meeting.

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:

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

4. RESPONSIBILITIES

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

- a) The strategic processes for risk, control and governance, and on the Governance Statement;
- b) 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;
- c) The planned activity and results of both internal and external Audit;
- d) The adequacy of management response to issues identified by Audit activity, including external Audit's management letter/ report;
- e) The effectiveness of the internal control environment;
- f) Assurances relating to the corporate governance requirements for Revenue Scotland;
- g) The relationships with Audit Scotland and Internal Audit, including, if required, any proposals for tendering for internal Audit services or for purchase of non-Audit services from contractors who provide Audit services;
- h) Anti-fraud policies, whistle-blowing processes and arrangements for special investigations;
- i) Any issues that should be escalated to the Board; and
- j) 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 Chief Executive/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:

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

6.2 The Audit and Risk Committee, in agreement with the Chief Executive/Accountable Officer, will have access to such staff and information as it requires in order to discharge its responsibilities as set out in these Terms of Reference and any functions delegated to it by the Board.

7. MEETINGS

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

- a) The Committee will meet at least four times a year. The Chair of the Committee may convene additional meetings as they deem necessary;
- b) At each meeting a minimum of two members of the Committee will be present for the meeting to be deemed quorate – not including any co-opted member(s);
- c) The Committee may require any member of Revenue Scotland Staff to attend to assist it with its discussions on any particular matter;
- d) 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;

- e) 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
- f) The Board or Chief Executive/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) A report summarising any significant changes to the Revenue Scotland Corporate Risk Register;
- b) A progress report from the Head or representative of Internal Audit summarising:
 - i. work performed (and a comparison with work planned);
 - ii. key issues emerging from Internal Audit work;
 - iii. management response to internal Audit recommendations;
 - iv. significant changes to the internal Audit plan; and
 - v. any resourcing issues affecting the delivery of Internal Audit objectives;
- c) 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:

- a) Proposals for the Terms of Reference of Internal Audit;
- b) The Internal Audit Strategy;
- c) The Head of Internal Audit's Annual Opinion and Report;
- d) Quality assurance reports on the Internal Audit function;
- e) The draft Accounts of Revenue Scotland;
- f) The draft Governance Statement;
- g) An annual report on information governance from the Senior Information Risk Owner;
- h) A report on any changes to accounting policies;
- i) External Audit's management letter/ report;
- j) Relevant third party reports relating to the activities of Revenue Scotland;
- k) A report on any proposals to tender for internal Audit functions; and
- l) A report on co-operation between Internal and External Audit.

9. SECRETARIAT

9.1 Secretariat will arrange Audit and Risk Committee meetings for each calendar year.

9.2 Not less than five 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.

9.4 The draft minutes of each Audit and Risk Committee meeting will be circulated to Board members for information following each meeting.

ANNEX B

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.

1.2 The Staffing and Equalities Committee of Revenue Scotland is a standing committee of the Board. The role of the Committee is to discuss and provide advice and assurance to the Board and Accountable Officer on strategic issues relating to: people; equality, diversity and inclusion (both in relation to staff and as they relate to tax payers and others with whom Revenue Scotland engages in conducting its business); and health, safety and wellbeing.

2. MEMBERSHIP

2.1 The Committee is appointed by the Board of Revenue Scotland from among the non-executive Board members and consists of no less than three members.

2.2 The Chair of the Committee will be a non-executive Board member appointed by the Board. In the absence of the committee chair, the meeting may be chaired by another Board member of the committee nominated by those present.

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

2.4 A quorum for any meeting will be two members, not including any co-opted member(s), attending in person, via telephone or via secure electronic means

2.5 The Committee will normally be attended by the Chief Executive, the Head of Corporate Functions, the Head of Legal Services, the Head of Tax, the Head of People Services and other staff as required.

2.6 The 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 minutes of each Committee meeting will be circulated to the Board for information. In addition, the Chair of the Committee will provide a written or verbal report to the Board at the Board meeting following each Committee meeting.

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 Chair will:

- a) Report to the Board any issues which may have emerged since the previous meeting;
- b) Alert the Board to any issues that pose a material risk to the delivery of the organisation's aims, strategic objectives and major programmes; and the Committee will:
- c) Undertake any other specific tasks at the request of the Board or Chief Executive/Accountable Officer.

4. RESPONSIBILITIES

4.1 The Committee is responsible for providing support and guidance to the Board and Chief Executive in regards to their respective responsibilities on strategic issues relating to people, equality, diversity and inclusion and health, safety and wellbeing.

1.1 The Committee will provide assurance to the Revenue Scotland Board and Accountable Officer on the development of the people, equality, diversity and inclusion and health, safety and wellbeing strategies and the delivery of their associated action plans.

1.2 The Committee will consider issues remitted to it by the Board and ARC including, but not limited to, internal audit reports and the consideration of corporate risks related to the Committee's remit.

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

5. RIGHTS

5.1 The Committee may:

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

6. MEETINGS

6.1 The procedures for Committee meetings are as follows:

- a) The Committee will meet at least three times a year. The Chair of the Committee may convene additional meetings as they deem necessary;
- b) At each meeting a minimum of two members of the Committee will be present for the meeting to be deemed quorate – not including any co-opted member(s);
- c) 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
- d) The Board or Chief Executive/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 The Governance Team will arrange Committee meetings for each calendar year.

7.2 Not less than five calendar days prior to the date of a Committee meeting, the following documents will be issued electronically by the Governance Team to each Committee 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).

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

7.4 The draft minutes of each meeting will be circulated to Board members for information following each meeting and tabled for approval at the following meeting.