

## Meeting of the Revenue Scotland Board – 14 February 2024

10:00 – 13:00, 14 February 2024

### **Present:**

Martin McEwen (Acting Chair)  
Aidan O’Carroll (via MS Teams)  
Simon Cunningham  
Jean Lindsay (via MS Teams, from item 5)  
Robert MacIntosh  
Ken Macintosh  
Idong Usoro

### **In attendance:**

Elaine Lorimer, Chief Executive  
Pamela Bruce, Head of People Services, (Items 8 and 9)  
Douglas Gordon-Blyth, Executive Support (Observer)  
Neil Ferguson, Head of Corporate Functions  
Mairi Gibson, Head of Legal  
Allan MacDonald, Strategy, Planning and Performance Manager, (Item 9)  
Callum MacInnes, Head of Governance  
Nick Manton, Head of Data and Digital (Item 6)  
John McVey, Programme Lead (Aggregates Levy) (Item 7)  
Michael Paterson, Head of Tax  
Stuart Vivers, IT Operations Manager, (IT Support)  
Nicola Walkinshaw, Business Manager (Secretariat)  
Naomi Pal, Head of Strategy and Communications (Item 5)

## **1. Meeting Opening**

Martin McEwen opened the meeting, explaining that it had been agreed that he would chair the meeting as Aidan O’Carroll was unable to attend in person and would be attending remotely.

Martin welcomed attendees to the meeting, particularly Douglas Gordon-Blyth who was attending as an observer.

### **Apologies**

1.1 No apologies were received.

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### New Declarations of Interest

1.2 The Revenue Scotland Chair's interest in respect of Scottish Aggregates tax was noted. The Board agreed that they were content for him to take part in the planned discussion regarding the Scottish Aggregates Tax Business Plan.

1.3 Simon Cunningham informed the Board that he no longer held the position of Captain at Gullane Golf Club.

**Action** – Secretariat to update the Board Register of Interests for Simon Cunningham and remove reference to his captaincy of Gullane Golf Club.

### Draft Minutes

1.4 The Board approved the draft minutes of the 22 November 2023 Board meeting, subject to a minor amendment to the date of the Board Strategy Day.

**Action** – Date of Board strategy day to be changed to 14 February 2024 within the draft minute of 22 November 2023.

**Decision** – The Board approved the draft minutes of 22 November 2023 Board meeting subject to the one minor change as discussed.

### Action and Decision Log

1.5 The Head of Governance introduced the action log, noting open actions and providing an update where appropriate.

1.6 It was agreed that actions A19/23, A28/23, A32/23, A33/23, A34/23, A35/23, A37/23, A38/23, A39/23, A43/23, A44/23, A45/23, A46/23, A48/23, A29/23, A50/23 and A51/23 were to be closed. All other actions remain open.

1.7 The Chief Executive sought the Board's views on options for engagement with the Scottish Parliament's Local Government Committee. Board Members offered to discuss this with the Chief Executive outside of the meeting.

1.8 Board Members requested that clear deadlines were provided for all actions and that the two longest standing items regarding the Framework Document were closed and a new action opened reflecting the current position.

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

**Action** – CEO, Ken Macintosh and Aidan O'Carroll to discuss options for progressing items in relation to the Local Government Committee.

**Action** – Head of Strategy and Communications to ensure clear delivery dates are set for actions A115/22, A24/23, A30/23, A31/23 within the action log.

**Action** – Actions A071/21 and A031/21 (in relation to the Framework Document) to be closed and new action to be opened.

**Decision** – The Board approved all actions that were proposed for closure.

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### 2. Chair Update (Oral)

- 2.1 The Revenue Scotland Chair informed Board Members that he had recently attended the latest meeting of the Deputy First Minister’s Tax Advisory Group. The discussions had been useful and had considered opportunities for tax reform. There would be more to report in due course.

### 3. ARC Update (Oral)

- 3.1 The Chair of ARC updated the Board following the Committee’s meeting of the 24 January 2024. He confirmed that the Committee had reviewed the proposed timetable for the production of the 2023-24 Annual Report and Accounts. This had reduced the process by a month compared to the previous year and would allow the Accounts to be signed in September 2024. ARC Members had sought and received assurances that the work could be delivered within the reduced timescales. Members also requested that a live tracker be produced, which would capture any issues and lessons learnt from the process and allow these to inform the development of the next year’s process and timetable.
- 3.2 The Board were made aware that Audit Scotland would be sharing their audit plan at the next ARC meeting and had confirmed that they were not expecting any new areas of focus to be introduced into this year’s audit process.
- 3.3 A review of the corporate risk register had also taken place and a new risk agreed focusing on the Scottish Government’s Corporate Transformation Programme. There had been discussion on whether to amend the score for cyber risk. However, Members had requested that the risk score remains as it is until they had been able to review the outcome of the planned cyber benchmarking exercise. Risks were also considered around the Scottish Building Safety Levy and Budget Settlements. These will be kept under close review.
- 3.4 ARC Members also received an internal audit update and received assurance that all planned reviews were on track to be completed within the agreed timescales. The review of assurance mapping had been completed and a ‘Substantial Assurance’ rating awarded. Work was ongoing in respect of the internal audit plan for 2024-25 and this would be presented at the March ARC meeting.
- 3.5 The ARC forward plan for the year ahead was also discussed at the meeting. As part of this, consideration had been given to the Committee’s approach to reviewing risk in the context of the new strategic plan. The ARC Chair proposed that the outputs of the Board strategy day would be used to inform an ARC strategy session reviewing the Corporate Risk Register in detail. The amended register would then be presented to the Board.

**Decision** – The Board agreed to the proposed approach to reviewing the risk register to reflect

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the new corporate plan.

### 4. CEO Report

- 4.1 The Chief Executive updated the Board on work to prepare for the new taxes, the recent meeting with the Finance and Public Administration Committee, the Spring Budget revision, health and safety and work around Revenue Scotland's hybrid working principles.
- 4.2 Board Members thanked the Chief Executive for the update. The Revenue Scotland Chair commended staff on the recent All Staff Gathering, which he had attended.
- 4.3 The Board considered the hybrid principles and emphasised the importance of monitoring how these become embedded across the organisation. It was agreed that a report would be produced for the Board updating them on progress.

**Action** – Head of People Services to present a report on hybrid working arrangements to the August Board as part of the performance report.

- 4.4 Board Members welcomed the external engagement activities that had been taking place and discussed how to grow this work across the organisation and share the burden across a wider number of staff members. The need to systematise the approach was agreed and it was noted that this would be taken forward as part of the forthcoming Corporate Plan.

**Decision** – The Board was satisfied that the Chief Executive's report provided sufficient information not covered elsewhere on the agenda.

### 5. Corporate Plan 2024-2027

- 5.1 The Board thanked the team for the work to date in producing the 2024-27 Corporate Plan. Members welcomed the clear messaging within the document and the accessible tone. Thanks were also extended to Robert MacIntosh, who had acted as a 'board buddy' in respect of this work.
- 5.2 It was noted that some further minor changes and design work were required. The need for an EQIA screening exercise to be undertaken, if one had not already been conducted, was raised by the Board.
- 5.3 Board Members asked about the process for setting KPIs. It was confirmed that these would be set out within the supporting business plans. The Corporate Plan itself had used the approach of setting out measures of success focused on the key areas in which the organisation was seeking to drive progress over the next three years.
- 5.4 The Board agreed the Corporate Plan and agreed to delegate the final approval to the Chief Executive once the final changes had been made and the design work taken place. The Head of Corporate Functions outlined the next steps, which included the

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development of supporting business plans and action plans, a review of risks and workforce planning.

**Action** – Head of Strategy and Communications, with input from others in the organisation, to undertake a screening of the corporate plan from an EQIA perspective ahead of the Corporate Plan being submitted to the Minister.

**Decision** – The Board was content with the draft Corporate Plan.

**Action** – The Board agreed delegation to the CEO to approve any final changes.

### 6. Data and Digital Strategy and Delivery Plan

6.1 The Head of Data and Digital presented the Data and Digital Strategy and Delivery Plan. He outlined that these were still in development and that the paper sought to outline the activities required and the gaps and inefficiencies identified. He emphasised that the current system was operating well, with no immediate concerns, and that the objective was to ensure that the organisation had the right digital systems and architecture in place to meet its future needs.

6.2 The Board discussed the role of NEC as a strategic partner and the role they could play in assisting Revenue Scotland in realising its digital ambitions. There was also discussion around the need for Revenue Scotland to develop its in-house capability.

6.3 Board Members raised the need to: be consistent in our digital vision; to develop the narrative around that vision; be clearer around timescales; define the audience for the document and tailor it appropriately; and consider how the approach fits with Revenue Scotland's partners and the opportunities presented by new technologies.

**Action** – Head of Data and Digital to meet with Idong Usoro for input and support in the further development of the draft strategy and plan including engagement with others to inform a section on the strategic context from a public service and industry perspective; financial constraints, timelines etc and present at a future Board meeting.

**Action** – Head of Data and Digital together with SLT to develop an approach to moving the relationship with key digital delivery partners to a more strategic basis, including exploring opportunities for NEC to further support Revenue Scotland in achieving its digital ambitions.

### 7. Scottish Aggregates Tax Business Case

7.1 The Programme Lead for Aggregates Tax presented the Business case for Scottish Aggregates Tax. He confirmed that they were on track to deliver the tax for 1 April 2026 and that a project team is in place to take this forward with project managers trained in project management principles. Stakeholder engagement was highlighted as a key element and the key risks highlighted as IT requirements and ensuring these were in place.

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7.2 The Board discussed referencing the new Corporate Plan and its ambitions within the business case and also the consideration of presenting a third option which could be the possibility of the delegation of functions or a non-SETS option. The Programme Lead informed the Board that the team will be undertaking a non-IT requirement gathering exercise and that can be added to the business case to demonstrate the suite of options that had been considered.

7.3 Additional changes discussed included: highlighting that there are adequate resources to deliver within the risks and dependencies identified; including access to expertise, recruitment; and emphasising that this is not business as usual and the organisation is taking a programme approach to delivery. It was agreed that more detailed consideration of the risks be remitted to ARC for further discussion.

**Action** – Programme risks for Scottish Aggregates Tax to be remitted to ARC for a deep dive.

**Decision** – The Board approved the recommended option and programme of activity required to implement SAT for introduction on 1 April 2026 as presented within the business case and submission to the Minister, subject to the changes discussed.

### 8. People Survey Results

8.1 Board Members welcomed the positive results received in respect of the People Survey. It was agreed that Members would provide feedback on the People Survey results out with the meeting and that further, more detailed, consideration would be remitted to the SEC.

**Action** - Board Members to provide feedback any comments on the People Survey results to the Head of People Services by correspondence before 22 February 2024.

**Action** - Consideration of the People Survey results to be remitted to SEC.

### 9. Q3 Performance Report

9.1 Board Members welcomed the report. The Strategy, Planning and Performance Manager confirmed that the organisation had performed well in Q3, highlighting that KPI 7 had moved from red in Q2 to green/amber this quarter.

9.2 On Tax compliance, the Head of Tax confirmed the yield figures for KPI 3 had not been available for this quarter's report but will be included for the Q4 report, increasing the compliance yield figure significantly.

**Decision** - The Board was satisfied with Revenue Scotland's performance during Q3 for 2023-24.

### 10. AOB

10.1 The Revenue Scotland Chair thanked Board members for their input around the co-

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opting of additional members and informed them that he would be in contact with them about this.

10.2 The Acting Chair thanked everyone for their input and closed the meeting.

**End of Meeting**

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