

Meeting of the Revenue Scotland Board - 1 May 2019 - Minute

**Meeting of the Revenue Scotland Board
MINUTE**

09:00-12:30, 1 May 2019, Conference Room 3E-91, Victoria Quay, Edinburgh

Present:

Dr Keith Nicholson
Lynn Bradley
John Whiting CBE
Ian Tait

In attendance:

Elaine Lorimer, Chief Executive, Revenue Scotland
Andrew Fleming, Head of Strategy and Corporate Functions, Revenue Scotland
Stephen Crilly, Head of Legal, Revenue Scotland
Mike Paterson, Head of Tax, Revenue Scotland
Gary Sharp, Head of Governance, Revenue Scotland
Donna Thomson, Board Secretariat, Revenue Scotland
Jennie Marshall, Head of Planning, Performance and Risk, Revenue Scotland (for item 7 only)
Tom Kelly, Performance and Reporting Manager, Revenue Scotland (for items 6 and 7 only)
Neil Ferguson, Strategy and Change Team Leader, Revenue Scotland (for items 3 and 4 only)
Alan Martin, LEAP Programme Manager, Revenue Scotland (for items 9 and 10 only)
Anthony Slack, LEAP Project Delivery Lead, Revenue Scotland (for item 9 and 10 only)
Peter Tucker, Northgate (for item 10 only)
Jo Bramley, Northgate (for item 10 only)

Welsh Revenue Authority:

Dyfed Alsop – Chief Executive Officer
Tensi Addison – Head of Human Resources
Llinos Henry – Chief Executive Office Support
Tomas Dillon – Executive Assistant to CEO

Apologies:

Jane Ryder OBE

1. Meeting opening

1.1 The Chair welcomed Board members and officials to the meeting and opened proceedings.

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1.2 The Chair, recognising the time constraints with the meeting, proposed that two planned agenda items should be managed in correspondence, namely the Three Year Lease Review paper (RS(01/19)06) and the draft Response to Consultation on Devolved Taxes Policy Framework (RS(01/19)09). Members agreed with the proposal. A final version of the consultation response would then be shared for sign-off by the end of May.

Decision D001/19: The Board decided to take the two items in correspondence, namely the Draft Response to Consultation on Devolved Taxes Policy Framework RS(01/19)09 and the Three Year Lease Review RS(01/19)06. It was agreed that the Board should share comments on the Consultation and a final version should be shared for sign-off by the end of May.

Action A001/19: A final version of the consultation response to be shared for sign-off by the end of May.

1.3 The Board accepted the draft minute of 13 March 2019 as a true record of the meeting, subject to some minor amendments.

1.4 In relation to the Action Log, the Board were content to close the following actions: A068/18, A087/18, A089/18, A093/18, A095/18, A096/18, A097/18, A099/18, A100/18 and A101/18. The actions that remain open are: A090/18 and A098/18.

1.5 There were no new declarations of interest.

2. Chair update (Oral)

2.1 The Chair opened the items by providing an update on the matters since the last Board meeting.

2.2 He commented on the recent meeting with the minister, supported by the Elaine Lorimer, and discussion around Revenue Scotland's appetite to pursue greater involvement in the wider SG portfolio interests and engaging with other committees.

2.3 He continued by updating members on the Board Recruitment Process, highlighting that the field of candidates had been strong and that two people had been successfully selected; now pending decision from the minister. Appointment was still planned for early July.

3. Compliance Strategy and Plans (Paper RS(01/19)10 and annexes)

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3.1 The Strategy and Change Team Leader provided an overview to the Board of the work taken forward since the last meeting.

3.2 The Board recognised the significant piece of work and how much it had progressed from earlier additions. There is still some work to be done on the consistent application of risk assessment practices and the cross referencing/mapping within draft plans.

3.3 The Board agreed that, given the relationship to the risk management framework the assessment and associated plans should be reviewed by the ARC in 6 months at the November meeting and any matters arising should be brought to the Board in January 2020.

Action A002/19: Head of Tax to work with Tax team leaders to improve the mapping of risk assessment to Compliance Plans.

Action A003/19: The risk assessment process will be reviewed by the ARC at its November 2019 meeting.

Decision D002/19: The Board agreed to publish the Strategy but with a clear disclaimer being added as an additional qualifying rider to make clear that the strategy is subordinate to legislation.

4. Meeting with the Welsh Revenue Authority (WRA)

4.1 The Board and officials welcomed officials from the Welsh Revenue Authority (WRA) to the meeting. A discussion took place covering a range of issues of mutual interest.

Action A004/19: Share draft WRA Corporate Plan with Board members.

5. CEO report (Paper RS(01/19)03)

5.1 The Chief Executive provided an overview of the update provided. She updated Board members on Air Departure Tax. The Minister, Kate Forbes reaffirmed the position set out in her letter of 18 April 2019, that there is no intention of devolving this tax before 2021.

5.2 She also updated members on the on-going SPSO complaint, indicating that a response has been sent to the SPSO following receipt of their draft findings. The Chief Executive intends to meet with the ombudsman once this matter is closed.

5.3 Members welcomed the update provided.

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6. Finance and Business Performance Report (Paper RS(01/19)04 and 05)

Business Performance Report

6.1 The Head of Governance introduced this reports to Board members.

6.2 Members had a detailed discussion on the provisional outturn position of KPI 8 and KPI 9 and were content that the issues highlighted that impacted on performance had been sufficiently addressed – citing that consideration should now be given to the relevant narrative for the Annual Report and Accounts.

6.3 Discussion followed around the rest of the performance report provided where Board members welcomed the progress made to date.

Action A005/19: A more robust rationale is to be provided as part of the Annual Report and Accounts exercise for the performance against KPI 8.

Decision D003/19: The Board agreed not to promote a change to the KPI targets for 2019/20.

Provisional Outturn Report

6.4 The Head of Finance provided members with an overview of performance against budget for 2018-19.

Action A006/19: Head of Finance agreed that future reports would provide additional explanation of the organisational impacts associated with variances.

7. Annual Business Plan (Paper RS(01/19)08)

7.1 The Head of Planning, Performance and Risk introduced this paper to Board members.

7.2 The Board discussed the strategic priorities detailed at Annex A as part of the Annual Business Plan and the delegated budgets set out at Annex B of the paper.

7.3 The Board welcomed the detail provided and approved the Plan and delegated budgets as shown.

Decision D004/19: The Board agreed the Annual Business Plan for 2019/20 and to the delegation of budgets presented at annex B to the CEO for 2019/20.

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8. Q4 Tax Update (Paper RS(01/19)07)

8.1 The new Head of Tax introduced this update to Board members.

8.2 Discussion centred around the significant upturn in SLfT activity. The Board were content with the procedures in place.

9. LEAP – Pre Item 12 Discussion

9.1 The Board discussed progress around the LEAP programme with officials prior to Northgate staff joining the meeting.

10. LEAP Progress (Paper RS(01/19)11)

10.1 The Leap Programme Manager introduced an update paper on LEAP , supported by NPS colleagues. This provided an update against the programme readiness dashboard and a draft “go-live timetable”.

10.2 The Board noted progress on the programme, explored the risks around the “go-live” dates and sought reassurance from the NPS and the RS team that the programme was on course to deliver against the planned timeline.

10.3 Discussion also took place around the training in place for Revenue Scotland staff on the new system. It was highlighted that this would start in May with Northgate. Staff will be provided with knowledge and documentation of the system as it stands. Any external training will also be provided principally via webinar.

10.4 The Board asked what aftercare is in place. Northgate said there is a “Hyper Care” (after care support) in place for a 6 week period following go-live.

10.5 The Board thanked Northgate for attending the meeting and welcomed the update.

11. AOB

11.1 The Board discussed the two Tax papers that were discussed in correspondence.

11.2 The Board agreed to homologate the decisions made on the repayment cases.

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Decision D005/19: The Board agreed to homologate the two LBTT repayment decisions taken in correspondence. CMS 62807 and CMS 64461.

End of Meeting

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