

## Meeting of the Revenue Scotland Board - 13 March 2019 - Minute

### Meeting of the Revenue Scotland Board

#### MINUTE

11:00-15:20, 13 March 2019, Conference Room 3E-95, Victoria Quay, Edinburgh

#### **Present:**

Dr Keith Nicholson  
Lynn Bradley  
Jane Ryder OBE  
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  
Chris Myerscough, Head of Tax, Revenue Scotland  
Gary Sharp, Head of Governance, Revenue Scotland  
Donna Thomson, Board Secretariat, Revenue Scotland  
Neil Ferguson, Strategy and Change Team Leader, Revenue Scotland (for items 4 and 5 only)  
Alan Martin, LEAP Programme Manager, Revenue Scotland (for item 6 only)  
Erlend Barclay, Communications Manager, Revenue Scotland (for item 8 only)

#### **Observing:**

Mike Paterson, new Head of Tax  
Paul Gilhooley, Head of LBTT  
Shamyla Afzal, Strategy and Change Manager

### **1. Meeting opening**

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

1.2 The Board accepted the draft minute of 23 January 2019 as a true record of the meeting, subject to some minor amendments.

1.3 In relation to the Action Log, the Board were content to close the actions proposed for closure by the Secretariat.

1.4 All proposed closed actions were closed along with 089 and 094. It was agreed to collapse actions 079, 094 and 096 into one action. Action 095 and 097 – updates to be circulated in correspondence to all Board members. Action 068 was reallocated to the Chief

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Executive with an action of escalating to SFC Chief Executive and given a revised target date of the summer; 090 was revised to include involving the Board in their induction; 099 and 100 were updated to reference the next tax update with a revised deadline.

1.5 There were no new declarations of interest.

### 2. Chair update (Oral)

2.1 The Chair opened the meeting with updates on the following:

2.2 He commended all involved in the Statistics day that was held at The Dome at New Register House on 30 January 2019. It was a well organised event and a credit to Revenue Scotland.

2.3 He updated Board members on the recruitment process highlighting the recent event at the Women in Business conference in Edinburgh and the evening event to the held after the Board meeting at the Institute of Directors.

2.4 The Chair mentioned that the Scottish Government are to send the draft Cyber Essentials framework to other public bodies in April and suggested that Revenue Scotland should continue with supply chain work, but on a risk basis, and further work should wait until we have sight of the framework.

### 3. ARC update (Oral)

3.1 The Chair of the Audit and Risk Committee gave an update from the meeting which was held on 20 February 2019.

3.2 Internal Audit and Audit Scotland plans were discussed. No new accounting policies are anticipated and as with last year there will be two sets of accounts in 2018/19.

3.3 The Committee noted that the Internal Audit plan has scope for more work.

### 4. SEC update (Oral)

4.1 The Chair of the Staffing and Equalities Committee gave an update from the meeting which was held on 20 February 2019.

4.2 The focus was on Equalities and the implementation of the equalities plan.

4.3 It was highlighted that resourcing is now less of an issue and the focus should be on how roles will evolve with the introduction of LEAP and other systems.

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4.4 The Chair recorded how pleased she was with the progress around induction.

### 5. CEO Report (Paper RS(10/18)03)

5.1 The Chief Executive introduced her paper providing Board members with an update on Revenue Scotland's activities since the last meeting.

5.2 In particular, she highlighted the recent data breach, which although properly contained and managed, resulted in the release of PTI. It was noted that this was not an ICO reportable event but would form part of the SIRO report to the Audit and Risk Committee and therefore would feature in the 2018/19 Annual Report and Accounts. The Board noted the remedial action in place.

5.3 The CEO informed the Board that the Scottish Government are holding a consultation on Tax and shared views about the approach taken.

**Action A102/18: A response to the Scottish Government Consultation on Tax to be provided to the Board for sign off before the closing date of 6 June.**

5.4 She explained that a successful BCP simulation exercise had taken place. This was the first full test of the plan. Also endorsed by the Board after thanking the current Head of Tax.

5.5 The CEO thanked the current Head of Tax for her contributions to the Senior Leadership Team over the past two years recognising her achievements, noting that this would be her final Board Meeting.

### 6. Compliance Strategy and Plans (Paper RS(10/18)04 and annexes A-D)

#### Strategy

6.1 The Strategy and Change Team Leader introduced this item providing an overview of the paper, the strategy and the compliance plans.

6.2 There was broad approval of the strategy by the Board, subject to some redrafting. The Board would like to review the revised document at the Strategy Session on 12 June 2019.

**Action A103/18: Following consideration by RS Legal Team, a revised version of the compliance strategy will come to the 1 May Board Meeting for approval.**

#### Compliance Plans

6.4 The Board welcomed the draft plans and endorsed the approach taken and asked that the next iteration look at improving on the application of the risk approach, aligning with the

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corporate approach. This is to include target, risk treatment, tolerance etc and the PESTLE grid to highlight the criteria against which risk is assessed and considered.

**Action A104/18: Revised version of the compliance plans to come to the 1 May Board Meeting and considered in the wider context of the 2019/20 Business Plan.**

**Decision D067/18: The Compliance Plans will be considered annually to align with the RS Risk Framework as part of the Business Planning process.**

### 7. Future for Scottish Landfill Tax (Paper RS(10/18)05 and annex A

7.1 The Strategy and Change Team Leader introduced this paper to the Board providing an overview of the paper and its content.

7.2 The Board noted the emerging outlook for SLfT and requested that scenario planning should be undertaken around this change, linking with the Long Term Financial Strategy and also exploring the likely outcome of unlawful disposal work.

7.3 The Board asked for further considerations to be made and to bring a revised paper to the Strategy Session on 12 June 2019, along with the Long Term Financial Strategy.

**Action A105/18 Head of Strategy and Change to continue the strategic engagement with partner organisations on the future of the devolved taxes. Update to come to the Board Strategy session on 12 June 2019.**

**Action A106/18: Head of Change and Corporate Functions to include the emerging financial scenarios on SLfT in the work to develop a Long Term Financial Strategy. This will be considered at the Board Strategy session in June.**

### 8. LEAP Update (Paper RS(10/18)06

8.1 The LEAP Programme Manager introduced the update to Board members outlining progress since the last report.

8.2 The Board welcomed the clarity of the update and noted the progress of the programme. They commended the hard work of the Programme Team, recognising the risks and endorsed the approach that will see cheques come in-house.

**Action A107/18: LEAP Programme Manager to share the Comms Plan at the 1 May Board Meeting.**

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**Action A108/18: A paper to come to the Board meeting on 1 May 2019 seeking a decision on the SETS2 go-live date.**

#### 9. KPI Recovery Q3 Tax Update (Paper RS(09/18)06

9.1 The Head of Tax introduced this item and provided an assessment of performance against the established recovery plan.

9.2 The Board noted progress, recognising that Revenue Scotland will not meet several of the Corporate Plan targets and that appropriate commentary will be provided through the Annual Report and Accounts.

**Action A109/18: Head Statistician to change YTD in the recovery plan to Estimated Year End.**

#### 10. MSP Annual Survey Results (Paper RS(10/18)07

10.1 The Communications Manager introduced this item to the Board.

10.2 The Board noted the Annual Survey of MSP results and the increase in positive views and scores. They agreed that the future Comms Strategy will focus on reaching out to previously uncontacted MSPs.

**Action A110/18: Future Comms Strategy to focus on wider engagement with MSPs through future events.**

#### 11. AOB

##### Tax Decision Paper

11.1 The new LBTT Team Leader introduced this Tax Decision paper to the Board.

11.2 The Board discussed the paper presented and agreed that some additional assurance to the background of this case is required and asked that they have a further chance to consider the request by correspondence.

11.3 The Board asked that the revised paper be circulated for discussion at the next teleconference on 9 April 2018.

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**Action A111/18: LBTT Team Leader to give additional assurance on this case and provide an update in correspondence for the next Board teleconference on 9 April 2019.**

End of Meeting

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March 2019