

Official Sensitive
Meeting of the Revenue Scotland Board - 29 April 2020 - Minute

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MINUTE

13:00 till 15:00, 29 April 2020

Present:

Dr Keith Nicholson, Chair
Jane Ryder OBE
Jean Lindsay
Ian Tait
Martin McEwen
Lynn Bradley
John Whiting CBE

In attendance:

Elaine Lorimer, Chief Executive, Revenue Scotland
Michael Paterson, Head of Tax, Revenue Scotland
Neil Ferguson, Head of Strategy and Corporate Functions, Revenue Scotland
Mairi Gibson, Head of Legal, Revenue Scotland
Gary Sharp, Head of Governance, Revenue Scotland
Veronica McAleaney, Governance and Policy Manager, Revenue Scotland
Gareth Hill, Chief Accountant, Revenue Scotland
Alan Martin, LEAP Project Manager, Revenue Scotland
Jake Macdonald, Secretariat, Revenue Scotland

1. Meeting Opening

- 1.1 The Chair opened the meeting by welcoming members and officials to the first meeting facilitated through a video conferencing platform.
- 1.2 There were no apologies received.
- 1.3 The Chair asked members of the Board and the Senior Leadership Team (SLT) if they had anything to add to the meeting under AOB. The following items were added:
 - (a) Update on the 29 April Informal Meeting of the SEC (Jane Ryder)
 - (b) June Strategy Meeting of the Board (Jean Lindsay)
- 1.4 The Board were content to approve the draft minute of the 11 March 2020 meeting as an accurate record of proceedings, subject to some minor amendments.

Action – the Secretariat to amend the 11 March 2020 minute as agreed.

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- 1.5 In relation to the Action Log, actions A015/20, A002/20, A010/20, and A011/20 should remain open. All other actions marked as proposed closed will be closed.

Action – Action A014/20 to be re-worded by the Secretariat to incorporate more fully the three H&S actions set out at point 8.3 of the 11 March 2020 minute.

Action – Action A012/20 to be re-worded by the Secretariat to ask for a more general reflection on the future of the SLCF.

Action – The outcomes of action A015/20 to be further investigated by the Head of Tax and the action is to remain open.

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

2. Chair Update

- 2.1 The Chair thanked the SLT for the extraordinary efforts they have put in over recent weeks to ensure the organisation could continue to operate effectively.
- 2.2 The speed of the transformation of the business and operating model highlights just how digital Revenue Scotland is as an organisation and should therefore be commended.
- 2.3 The Chair provided an update on the development of the Board succession planning, outlining the proposals being put to Ministers around the appointment and recruitment of members during 2020-21. He also highlighted the special efforts made to adjust these plans to address the challenges faced by the organisation in light of the COVID-19 pandemic.
- 2.4 The Chair asked the Board to endorse this approach.

Decision – the Board are content to endorse the Board succession planning proposal as outlined by the Chair.

Action – Head of Governance to share the Board Succession Planning paper with the wider Board membership for their reference.

3. Chief Executive Report

- 3.1 The Chair asked the Chief Executive to present her report.
- 3.2 The Chief Executive stated that this report focused particularly on the organisational response to COVID-19 and offered an opportunity to record the key operational decisions taken in recent weeks.
- 3.3 Jean Lindsay commended the excellent work undertaken by the organisation to

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- support staff health and wellbeing during this difficult time. She also welcomed the approach taken by the organisation to identify and operationalise any required changes to policy and practice and sought assurance that as part of any review of the operational practice there would be dialogue and consultation with key stakeholders and Equality Impact Assessments (EQIA's) would be undertaken against each.
- 3.4 The Chief Executive welcomed those comments and confirmed that EQIA's would be taken forward as part of any future policy change exercise and consultation.
- 3.5 John Whiting reiterated Jean Lindsay's thoughts on the operational decisions taken and asked the Executive Team whether the decision to no longer accept paper returns and cheques had attracted any adverse feedback.
- 3.6 The Chief Executive noted that, in discussions with stakeholders, there had been near universal support for the decision. A small team have been working in St Andrews House (SAH) to ensure agents are notified of the decision via telephone, offering support, guidance and feedback. It is nevertheless too early to tell whether this decision could become a permanent operational policy.
- 3.7 Lynn Bradley thanked the Chief Executive for the update and asked about the impact the pandemic could have on Scottish Landfill Tax (SLfT), for example through an increase in fly tipping.
- 3.8 The Head of Tax suggested that so far there had been no significant impact on SLfT although evidence was coming forward to suggest household waste was increasing as a direct consequence to the current restrictions, with a noticeable fall in commercial waste.
- 3.9 Ian Tait asked the Executive Team if they had a plan to deal with the pandemic lockdown exit strategy, highlighting the importance of thinking about this new operating model in terms of both risks and opportunities.
- 3.10 The Chief Executive confirmed that discussion is underway around the organisation's exit strategy. A key factor in any decision must be access to Victoria Quay (VQ) and any practicalities involved in a return to office working. The organisation must be able to function within the parameters of physical distancing so we should assess what the organisation needs to use the office for and move from there.
- 3.11 Martin McEwen noted the above comments and asked for further detail about the Revenue Scotland presence at SAH.
- 3.12 The Chief Executive stated that there were a small number of staff working from SAH two days a week to fulfil our statutory duties, but that the necessity for this operation is likely to diminish as the need for cheque processing and white mail drops off.

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4. 2020-2024 Equality Outcomes and Action Plan

- 4.1 The Chair asked the Head of Governance to provide an update on progress around the Equality Mainstreaming Report and Equality Outcomes and Action Plan.
- 4.2 The Head of Governance highlighted that the comments made to the report were still under consideration and that the SEC had endorsed the changes to be made. He stated that the report and outcomes would be shared with the Board in the next week or so for approval, prior to publishing the report and outcomes to the RS website and with the Commission as required. The Board were content to approve this via email.

Action – The Head of Governance is to put forward the revised Equality Mainstreaming Report and Outcomes for approval to the Board by 8 May.

5. Q4/Annual Finance and Business Performance Reports

Finance Report

- 5.1 The Chair asked the Chief Accountant to present the Finance Report.
- 5.2 The Chief Accountant highlighted some key points from the report and opened the floor to questions.
- 5.3 The Board scrutinised the paper asking for clarification on a number of issues, such as:
- Reconciliation of year-end figures
 - Operational non-staff costs
 - Debt
 - Workforce Planning
- 5.4 The Board were content with the summary statements presented in the paper along with the actions taken by the organisation to manage finances.

Business Performance Report

- 5.5 The Chair asked the Head of Governance to provide an update on the Business Performance Report.
- 5.6 The Head of Governance suggested that the organisation's business performance had been an overall successful year but has allowed for lessons to be learned which will be taken forward into the next business planning year. The report will be used to inform the performance report in the Annual Report and Accounts.

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5.7 The Board scrutinised the paper asking for clarification on a number of issues, such as:

- Key Performance Indicators (KPIs)
- People Strategy
- Target Operating Model
- Long Term Financial Strategy

5.8 The Chief Executive noted the comments and emphasised that the paper reports against KPIs and strategic priorities, but does not necessarily cover other Business As Usual (BAU) activities undertaken over the course of the year.

5.9 The Board commended the progress made over the last year.

Action – Head of Governance to amend the status of the People Strategy project from GREEN to AMBER.

6. LEAP Update

6.1 The Chair asked the LEAP Project Manager to present their paper.

6.2 The Project Manager noted that the main intention of the paper is to provide the Board with assurance that the programme closure and handover to business as usual is being managed well.

6.3 The Board scrutinised the paper and asked for clarification on some issues such as the final phase of the project and the audit facilities of the new system in the context of remote working.

6.4 The Board were confident that the programme had undertaken the necessary steps to move towards programme closure.

Decision – the Board were content to approve that the LEAP programme should be brought to a close.

7. Q4 Tax Report

7.1 The Chair asked the Head of Tax to provide an update on the Tax Report.

7.2 The Head of Tax presented the paper and highlighted a number of issues where good progress had been made, for example, the progress made on the Designated Officer project.

7.3 The Board scrutinised the paper and appreciated the detail and format of the paper.

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7.4 Board members were content that tax operations are being carried out in accordance with the Scheme of Internal Delegation.

8. AOB

8.1 The Chair asked Jane Ryder to provide an update on the Informal Meeting of the SEC.

8.2 Jane Ryder highlighted the decisions taken at the meeting, notably that the People Strategy will be postponed to 2021 and developed in conjunction with the Target Operating Model (TOM) and Corporate Plan.

8.3 Members were content to approve this proposal, with Lynn Bradley and Jean Lindsay caveating this support with the need to ensure the LTFS and costing of any new TOM be taken into account.

8.4 The Chair proposed that given the organisation is now operating within a 'new normal', it is sufficient to move the teleconference call from weekly back to fortnightly.

Decision – the Board were content to approve the decision on the alignment of the People Strategy, Corporate Plan, and TOM.

Decision – the Board were content to move the teleconference call from weekly back to fortnightly.

Action – the Governance team to amend the frequency of the teleconference call.

End of Meeting

29 April 2020