

## Minutes of OTS Board meeting 24 July 2018

### Present

Angela Knight (Chair)  
Paul Morton (Tax Director)  
John Cullinane  
Beth Russell (HMT)  
Narmada De Silva (HMRC) (on behalf of Jim Harra)

### Apologies

Teresa Graham (SID)  
Paul Johnson  
Kathleen Russ

### In attendance

David Halsey (OTS Head of Office), Daphna Jowell (OTS), Andrew Parrock (OTS), Sue Youngman (OTS), Ruth Hopkinson (HMT)

#### 1. Minutes of previous meeting (17 March 2018)

These had been circulated prior to the meeting. The minutes were confirmed as a correct record.

All outstanding actions had been completed.

#### 2. Register of interests and potential conflicts

The current register of Board members' interests was circulated. A potential conflict was noted, in relation to John Cullinane's role with the Low Incomes Tax Reform Group (LITRG) and the OTS Life Events Review.

#### 3. Tax Director's Report

The Tax Director presented his report, which was discussed by the Board.

### *Annual Report*

The Board congratulated the OTS Team on the quality of the Annual Report, which had been published the previous day, 23 July.

### *Future work*

There was a discussion about the potential for the OTS to become more involved in contributing to work on the 'flow' of new policy making, alongside its work on the 'stock' of existing policy. HMT and OTS staff will work on ways of identifying an area, or areas, where this would be most fruitful.

### *Role of Technology*

Building on previous discussion, work continues on a paper which would raise a range of issues about the role of technology, including questions in respect of responsibilities when issues arise. On this, and on matters of trust more generally, it was proposed that a potential event in the Autumn should be considered.

In this connection, one possibility raised was to take as an example the 'regulatory sandbox' currently used to provide a safe space in which FinTech propositions can test new offerings in live running and closely controlled conditions. The Board agreed that this should be further explored in respect of the applicability of such a route, to tax and technological developments and the HMRC.

### *Business lifecycle further review*

The Board welcomed the Chancellor's request that the OTS carry out this further review, in the letter published on 18 July. The draft scoping document was discussed and agreed and would be published shortly.

There was a discussion about potential Consultative Committee members for the review and suggestions by members of the Board will be pursued.

### *Platforms*

The OTS paper on platforms and on tax options for the self/GIG employed, had been published on 20 July and received a good level of coverage in the mainstream media, particularly over the weekend. It was decided that the OTS would continue to engage in discussions about the issues raised, both with HMRC and more widely.

### *Life Events review*

The Tax Director reported on a recent meeting with officials from DWP about this work (previously referred to as Low/Middle income) and presented an updated document setting out the potential scope of the work and outlined how the work might be resourced. The Board agreed that the work, which would be directed towards the tax issues involved, should progress, carefully focused on clear targets. The Board requested that they be kept informed as the next stage of scoping proceeded and thereafter.

## **4. Inheritance Tax Review**

The Board considered the draft Executive Summary for this review.

The draft had been prepared on the assumption that the OTS would be publishing its findings in two parts. The first part would be in advance of the Autumn Budget, providing an update on the consultation as a whole and making recommendations on the administrative aspects of the tax. The second part would be published in early 2019 and would make recommendations in other areas. The Board agreed this approach.

A number of comments were made on particular issues and their presentation. It was agreed that these would be included as part of the OTS's ongoing work on the report.

## **5. Guidance Review**

The Board considered a draft Executive Summary for the Guidance Review.

There was a discussion about a number of aspects of the draft, in particular regarding the purpose and role of guidance in the future and the strategic and technological changes that warranted further consideration in the report. The Board agreed that the review should be published ahead of the Autumn Budget if possible.

## **6. Administrative matters**

The Board received a report on meetings recently held by the OTS.

The Head of Office updated the Board on staffing and finances.

The Board gave preliminary consideration to its meeting dates for 2019.