

HMRC Tax Transparency Sector Board Special Session

**Venue: 100 Parliament Street, London
Room 2/39 Chancellors Room**

Date / Time: Friday 4th October 2013 - 10:30 to 12:30pm

Attendees:	Apologies:
<p>HMRC Jonathan Athow - HMRC - Knowledge, Analysis and Intelligence (KAI) Chair Bill Elmore – HMRC - KAI Data Policy & Co-ordination Bruce Stewart – HMRC – Customs Directorate Cindy Bell – HMRC - Central Policy Daniele Bega – HMRC - KAI Data Policy & Co-ordination James Templeton – HMRC Business Customer and Strategy John Fegan - HMRC - Security and Information Kevin Sams – HMRC – Customs Trade Statistics Ian Parfitt – HMRC - KAI Data Policy & Co-ordination Mike Hawkins – HMRC - KAI Data Policy & Co-ordination Sandra Tudor – HMRC – Customs Trade Statistics</p> <p>Executive agencies Adrian Ball - Valuation Office Agency (VOA)</p> <p>Other Government Departments Ed Parkes - Cabinet Office (CO)</p> <p>External representatives Andrew Sheffield - Experian Chris Taggart – OpenCorporates (OC) Dominique Lazanski – Open Data User Group/Taxpayers Alliance (TPA) Fiona Armstrong - Economic & Social Research Council (ESRC) Jonathan Shaw - Institute for Fiscal Studies (IFS) Judith Jones – Information Commissioners Office (ICO) Keith Dugmore - Demographics User Group (DUG) Melanie Hosker – Equifax Peter Fanning - Chartered Institute of Taxation (CIOT) Rory Meakin - Taxpayers Alliance (TPA) Richard Wild - Chartered Institute of Taxation (CIOT) / BDO Stephen Herring - Institute of Directors (IOD)</p>	<p>Chris Franklin Colin Yeend Dyfed Alsop Johanna Edwards Paul Boyle Paul Maltby Simon Woodside</p>

- 1. Welcome and introductions (Jonathan Athow - HMRC - Knowledge, Analysis and Intelligence)**
 - Jonathan Athow (Chair) welcomed everyone to the HMRC Tax Transparency Sector Board.
- 2. Update on the VAT register public consultation: (James Templeton – HMRC Business Customer and Strategy)**
 - HMRC provided an update on the public consultation on the VAT Register that closed on 24 September 2013.
 - So far, about 50 responses have been received, providing views that can be clustered around three strands:
 - One group of respondents agreed that HMRC should be able to share this information with specific third parties with a view to secure wider public benefits

- A second group felt that a release should be open, and that privacy implications were important and needed to be reflected in shaping the disclosure.
- A third group was opposed to any form of data release, either on principle or because of skepticism about potential benefits.
- HMRC said they intended to publish a response to the public consultation in the autumn

Discussion

- The Chartered Institute of Taxation suggested dialog with organisations that will be mostly affected by the release of the VAT Register. CIOT also recommended involving the banking sector in any initiative, as key players in the credit lending environment.
- HMRC confirmed that they will take into account the views of various credit providers.
- OpenCorporates suggested a staged release for the VAT Register, starting with publishing information on incorporated businesses, where privacy issues are less of a concern and moving gradually to include the rest of the population.
- HMRC agreed to look into this.
- Cabinet Office asked how the consultation would shape advice for ministers and if there would be an opportunity to see the content of the response to the consultation before release.
- HMRC stated they would share findings from the consultation with the group and take account of views from the Tax Transparency Sector Board when preparing advice to Ministers and senior officials.
- CIOT advised to use HMRC's online systems to engage with people affected by the release.

3. Trade Statistics overview by HMRC (Kevin Sams – HMRC – Customs Trade Statistics)

- HMRC collects trade in goods declarations from businesses through:
 - Intrastat – EU transactions
 - CHIEF – Non EU transactions
- Trade statistics are published on a monthly basis on www.uktradeinfo.com. The newly designed website won the Royal Statistical Society's 2013 Excellence in Official Statistics Award.
- The site provides a facility to customise analyses of the data and allows downloading versions of the Overseas Trade Statistics datasets and importers details, as open data.
- Aggregated information on imports and export is also delivered to:
 - Eurostat
 - The ONS for the production of Balance of Payments and National Accounts.
- Legislation for publishing data:
 - Commissioners for Revenue and Customs Act (CRCA) 2005. Section 18 Confidentiality :
 - (1) Revenue and Customs officials may not disclose information which is held by Revenue and Customs in connection with a function of the Revenue and Customs.
 - (3) Subsection (1) is subject to any other enactment permitting disclosure.
 - European Regulation (EC) no 223/2009. Article 18 allows the dissemination of European trade statistics. Article 20, allows dissemination applying the 'passive confidentiality' principle
 - European Regulation (EC) No 1982/2004 (IP). Article 13a allows dissemination of annual statistics on trade by business characteristics.
 - Finance Act 1988 Section 8 (3) allows the release of names and addresses of persons of Non EU imported goods by classification. This does not cover Exporters.

4. HMRC led discussion on [CHIEF](#) (Customs Handling of Import and Export Freight - Bruce Stewart & Sandra Tudor - HMRC - Customs Directorate)

- HMRC clarified that CHIEF was not a database but a processing system. The major function of CHIEF is to manage the data behind import and export movements and calculate revenues due on those movements

- The system records the movement of goods by land, air and sea. It allows importers, exporters and freight forwarders to complete customs formalities electronically and automatically checks for entry errors.
- Businesses are required to submit a declaration if they import or export from Non EU countries. Over 50 boxes are requested on the customs declaration (using the Single Administrative Document form - SAD).
- Not all boxes are completed depending on the import/export customs regime. Some information is only for customs administration or Statistical purposes, feeding into the Trade Stats described above.
- Traders have the option to go onto? the Trusted Trader database, allowing for customs simplified procedures.
- CHIEF will be replaced in 2017. There are a number of developments which will come into force, which are currently being discussed, with the aim to de-regulate/streamline the process.

AP11 04.10.13

- The Chair suggested to have more detailed discussions on data requirements on CHIEF with Cabinet Office at a later date

Discussion

- In response to a question from the Institute of Directors on the drivers for publishing this information, HMRC highlighted EU legal requirements and UK Government/BIS commitment to increase the number of UK business exporting.
- Cabinet Office requested a follow-up discussion to understand whether data from CHIEF can be used to develop a system similar to Panjiva. This is a U.S. based database relying on customs data made public by the U.S. government on global suppliers – “A Google for Finding Suppliers”.
- OpenCorporates asked whether CHIEF and Intrastat overlapped and whether there had been any plans of merging the systems.
- HMRC responded that for analytical purposes the two datasets were combined for companies trading in both systems. Anonymised information has also been made available in the [Datalab](#). However, it was pointed out that Intrastat only included information on large exporters.

5. Access to Valuation Office data (Adrian Ball - Valuation Office Agency (VOA))

- The VOA opened by pointing out that their business model for sharing information with the general public is quite recent. In the last three years, VOA had progressed from 1 analyst to 25, responsible for the publication of a wide range of National Statistics tables including:
 - Business Rates
 - Council Tax Challenges, Changes, Property Attributes, Summary tables for England and Wales
 - Non Domestic Rates summary
 - Private rental market for England
 - Generation of Housing Price Elements for ONS
- VOA also regularly releases online individual data on :
 - Non domestic rating
 - Council Tax
 - Rent Register and Rent Officers
- Upon payment of fees (£1,000-£2,000), they also release national datasets on Non domestic rates under an Open Government Licence.
- The VOA operates under the same legislation as HMRC’s, the Commissioners for Revenue and Customs Act 2005.
- Going forward, the VOA is planning to develop an Open Data Strategy, promoting a culture to release information where possible, reducing costs and looking for efficiencies. Longer

term, the VOA will conduct a systematic review of what datasets can be published – aiming to release more information.

Discussion

- The Demographics Users Group enquired whether the VOA were taking steps towards standardising address files to have common properties.
- The VOA stated that key part of their strategy involves being able to make the system more efficient, looking into changing keying systems and working with the National Address Gazetteer to create a national unique property number.
- The Taxpayers Alliance asked whether there was any difference between Business Rates and Non Domestic Rates information.
- The VOA clarified that the systems were the same and the term Non Domestic Rates formed part of old VOA legacy and should not be used.
- OpenCorporates asked how much money the VOA cost recovery model brought in. They mentioned some discussions they had with representatives from the Belgian Government, highlighting that the money generated through their cost recovery was the same as their cost for supplying the information.
- The VOA stated that they did not hold information on their cost recovery, but that they highlighted that these costs had been significantly reduced in the last few years and they were looking to get these down to zero.
- Cabinet Office pointed out that price paid on sale or transfer of property datasets was already provided by Land Registry for free in open format.
- VOA mentioned that some of their information came from the Land Registry and that the two organisations were working closely to ensure sensible data structures.
- Cabinet Office were also concerned that data, at present, only allowed individual searches but not bulk downloads.
- VOA said they were looking at future developments to their IT platform to make it more data driven and currently scoping to develop new systems.
- The Institute of Directors asked whether there were any opportunities to fast track the release of data on non domestic properties and number of small organisations?
- VOA confirmed that they were currently involved in meetings to understand the best way to release this information.

AP12 04.10.13

- HMRC suggested that Cabinet Office and VOA held discussions to develop options on the release of VOA data going forward

6. National Information Infrastructure ([Guidance](#))/ [NII](#) (Ed Parkes - Cabinet Office (CO))

- In the Government Response to the Shakespeare Review of June 2013, the Government set out its aim to create a National Information Infrastructure (NII).
- Since then Cabinet Office have been developing a collaborative process for identifying Government data that could be potentially released as open data.
- The first step of the NII has included identifying and maintaining an inventory of data held by Government: prioritising data to be included in the NII; and supporting organisations to release data.
- This exercise resulted in the release of an inventory of over 3,200 datasets on data.gov.uk.
- At the end of October 2013, 60 Governments will be meeting as part of the Open Government Partnership. As part of this initiative the UK will review the commitments made in the Action Plan that was released in September 2011 and highlight further datasets being considered for release under transparency.

Discussion

- HMRC highlighted that there are some barriers to making the information available, which should be communicated to the general public

- OpenCorporates remarked that www.data.gov.uk would be good platform to inform the general public/Other Government Departments about the information that is available.
- Chartered Institute of Taxation stressed the importance that any policy changes introduced by HMT took into considerations practical implications, underlining that, as tax evolves, more demands arise on HMRC's data collection and administration.
- The Institute of Directors asked whether there was any plan to make information on the calculations surrounding the Budget book available to the general public.
- HMRC said that information surrounding Budget calculations was released on the Tax Information and Impact Note (TIIN), however, there were some constraints on some of the information that can be released publicly.

7. AOB and Summary

- OpenCorporates asked about the practical, political and philosophical restrictions to publishing the Gift Aid paid to charities. In particular, they highlighted that Gift Aid required matching grant to charities and that the transfer of money to a charity did not contain any personal data.
- HMRC agreed to discuss this topic as an agenda item for future tax transparency sector board meetings, while noting that the Commissioners for Revenue and Customs Act does not distinguish between data relating to identifiable individuals and data relating to identifiable charities.
- The Chair thanked the participants for their contributions.

Next meeting: **Monday 3rd February 2014 - 14:00 to 16:00**
(Room 2/39 Chancellors Room - 100 Parliament Street London SW1A 2BQ)