

MINUTES OF PREVIOUS MEETING**Purpose: HMRC Tax Transparency Sector Board****Venue : Open Data Institute 3rd Floor, 65 Clifton Street, London EC2A 4JE****Date / Time: Friday 10th May 2013 – 9:30 to 11:30am**

Attendees:	Apologies:
<p>HMRC Jonathan Athow - HMRC - Knowledge, Analysis and Intelligence (KAI) Mike Hawkins - HMRC - Knowledge, Analysis and Intelligence (KAI) Cindy Bell – HMRC - Central Policy Bill Elmore – HMRC - KAI Data Policy & Co-ordination Daniele Bega – HMRC - KAI Data Policy & Co-ordination Ian Parfitt – HMRC - KAI Data Policy & Co-ordination</p> <p>Executive agencies Colin Yeend - Valuation Office Agency (VOA)</p> <p>Other Government Departments Paul Maltby - Cabinet Office (CO)</p> <p>External representatives Fiona Armstrong - Economic & Social Research Council (ESRC) Chris Taggart – Opencorporates (OC) Dominique Lazanski - Taxpayers Alliance (TPA) Rory Meakin - Taxpayers Alliance (TPA) Judith Jones - Information Commissioners Office (ICO) Peter Cummings – Experian (EXP) Peter Fanning - Chartered Institute of Taxation (CIOT)</p>	<p>Edward Troup Dyfed Alsop Paul Boyle John Fegan Melanie Bond Ed Parkes Johanna Edwards Jonathan Shaw Keith Dugmore Richard Baron John Cridland</p>

1. **Welcome and introductions** (Jonathan Athow - HMRC - Knowledge, Analysis and Intelligence)
 - Jonathan welcomed everyone to the third meeting of the HMRC Tax Transparency Sector Board.
 - He thanked the Open Data Institute for hosting the meeting.
2. **Action Points from** (Jonathan Athow - HMRC - Knowledge, Analysis and Intelligence)
 - **AP5 - 25.02.13 HMRC to provide more information on the legal gateway used to publish importers data and on the Customs Handling of Import and Export Freight (CHIEF) system**
HMRC has produced a note with a description of the Customs Handling of Import and Export Freight (CHIEF) system. It was agreed that the Tax Transparency Sector Board would invite a representative from HMRC to give a presentation on CHIEF at one of the next meetings.
 - **AP6 - 25.02.13 Cabinet Office to talk to the Open Data User Group (ODUG) on how to process requests coming from external organisations**
This item covered by the presentation from Paul Maltby - Cabinet Office (agenda item 5).

- **AP7 - 25.02.13 Everyone to review the list of requests for HMRC data and clarify requirements**
Item now closed. Jonathan thanked the group for their responses.
- **AP8 - 25.02.13 HMRC to provide a one page overview on the legal issues around HMRC Data**
A one page overview circulated ahead of the meeting. Paper presented at item 4 on the agenda.
- **AP9 - 25.02.13 HMRC to consult Companies House on the information published on XBRL and timing for publication**
HMRC made enquiries to Companies House on date of publication for XBRL but this information is not available. Analysis undertaken by HMRC highlights that tax charge figures in accounts from Companies House would not always be a reasonable proxy for tax actually paid, due to the complexity of some financial accounts.
- **AP4 - 17.12.13 The Tax Transparency Sector Board would also benefit from International expertise. The Chartered Institute of Taxation expressed their willingness to make their International network available to the group.**
Tax Transparency Sector Board to discuss with CIOT the best way to make use of their International network at one of the next meetings.

3. 'Disclosure of Information by HM Revenue and Customs (HMRC): HMRC's Policy and Legal Framework' by Cindy Bell – Head of Information Policy and Disclosure team in HMRC

- HMRC was created by a statute, the Commissioners for Revenue and Customs Act 2005 (CRCA) and therefore is subject to different legislation compared to Ministerial Government Departments.
- HMRC adheres to a strict duty of confidentiality and is only allowed to share data in controlled, limited circumstances. In particular, the prohibition on disclosure does not apply in the case of the exceptions ('gateways') set out in CRCA.
- The main gateways are:
 - where there is UK and EU legislation that permits disclosure ('legislative gateway');
 - with the consent of the subject(s) of the information; or
 - where the disclosure is made for the purpose of an HMRC function ('functions gateway')
- HMRC has also a duty to publish under the Freedom of Information (FOI) Act but only unidentifiable information.
- Any sharing has to be proportionate to the benefits derived.

Discussions

- Experian highlighted that there would be benefits from information sharing between Government and the private sector.
- HMRC clarified that there are currently around 250 Gateways, mostly with other Government Departments and Public Bodies. However, there are also a few instances where HMRC has shared information with Credit Rating Agencies (CRAs). Information is generally shared with CRAs on the basis that they are working under contract to, and on behalf of, HMRC and are subject to the provisions of HMRC legislation.
- Legislative gateways are enacted through primary legislation. There are only a few cases (mostly where relevant EU legislation is in place) where the gateway is created using secondary legislation.
- Cabinet Office suggested that a discussion about functions gateway might be a topic for one of the next meetings.
- CIOT asked how HMRC manages the threat of cyber attacks. HMRC clarified the Department has put in place a number of measures to minimise the likelihood of deliberate or accidental disclosure.

4. 'Open Data Institute' by Gavin Starks - CEO Open Data Institute:

- The ODI presentation is available from this link: <http://www.slideshare.net/theODI/odi-overview-with-audio-narration>

- The Open Data Institute has been operating for 6 months and has acted as a Hub for various organisations from the private and public sector and representative bodies, providing support and training on open data related issues.
- Open data is defined as being :
 - (1) Structured - Machine readable and logical
 - (2) Addressable - URL's are key and shareable
 - (3) Licensed & Traceable- Open Licence with full provenance details
 - (4) Continuous - Maintained & Accessible
- The ODI's mission is to catalyse the evolution of open data culture, to create economic, environmental and social value, by way of training and services to startups.
- Some examples on use of open data include the analysis that the ODI has completed for the NHS on the cost of prescribed/non prescribed drugs, which could potentially save £200m.

Discussion

- Experian initiated a discussion about the commercial benefit for companies to release open data.
 - According to the ODI, there are several business models currently being adopted. Examples include: charging for the data usage, development of software to interrogate the information and services provided to analyse the information. The ODI gave the example of the NHS providing a service to interrogate information on dentists' and doctors' practices and pharmacies using an Internet browser or mobile device, for which a subscription is charged.
 - OpenCorporates added that some companies sell cleansed data or allocate licenses for data use. Some IT companies charge for renting out fast computers available to interrogate the information, which, some situation could be too large for normal computers to process.
 - It was pointed out that the Open Source model, where the general public uses and modifies information released into the public domain, could create a competitive environment to improve the information held within Government.
 - The Economic and Social Research Council mentioned the Small Business Research Initiative (SBRI): <https://www.innovateuk.org/-/sbri>. This initiative provides opportunities for innovative companies to engage with the public sector to solve specific problems to drive innovation. Open data (possibly business transaction data, social media and existing survey data) is an area that SBRI is interested in exploring for social science research.
 - CIOT expressed concerns with the unintended consequences of releasing personal data into open environments, from a data protection point of view. The ODI explained that different cultures have different attitudes to privacy and some effort should be dedicated to inform the public on how much information is collected via alternative channels such as mobile phone devices.
- 5. Criteria to be used when assessing requests for information**
- Following AP6 - 25.02.13, Paul Maltby, the Director of Open Data and Transparency Unit in Cabinet Office gave a presentation on a process for handling requests for open data requests.
 - Since May 2010, www.data.gov.uk has published over 9,000 datasets and has become one of the largest portals for transparency data in the world. The Open Data and Transparency Unit in the Cabinet Office aims to release Government data and spread access to open data, with the aim to foster social and economic growth.
 - The Open Data User Group (ODUG) working with the Transparency Team in Cabinet Office has developed a process for managing requests for open data:
 - Step 1: Cabinet Office filters out and responds to requesters where the data is not held by a publicly funded body or the request does not relate to data
 - Step 2: For requests where data is already released as open data but there are issues with accessing it, Cabinet Office will raise this with the data publisher.
 - Step 3: If the information is not currently available as open data Cabinet Office will work with Government Departments and ODUG to understand if it can be released

- Step 4: ODUG have developed a visualisation of the requests received, published on Data.gov.uk
- Jonathan Athow opened the discussion around the criteria that HMRC should use to assess requests for information from external organizations.
- The model suggested to the board to make decisions on information requests would look into the following criteria:
 - Legislation
 - Availability and feasibility
 - Benefits
 - Costs
 - Synergies with other planned HMRC work

Discussions

- The Taxpayers Alliance (TPA) pointed out that quick wins should be dealt with speedily even if the benefits case behind the request was limited.
- OpenCorporates felt that the requests going to ODUG could potentially narrow down the number of stakeholders involved. In particular, they pointed out that other data from other organisations could potentially be useful, such as information from Companies House and the potential for data use could be opened up.
- Experian stressed that all requests for information should be made public and transparent. There was general agreement on the statement, although Cabinet Office argued that the name of the requestor should be kept anonymous if a person does not wish to disclose their personal details.
- The Information Commissioner's Office (ICO) emphasised that the benefit case for releasing information should be worked out in partnership with the data user community. The data should be released in linkable and re-usable format; however there are challenges in doing this whilst keeping data anonymous. Relating to this, the ICO have produced a Code of Practice for anonymisation.
- CIOT highlighted that, when assessing information requests, HMRC should balance benefit and potential harm to the taxpayer. HMRC agreed that this is an issue that should be taken into consideration and that the risk of unintended consequences should be included as one of the criteria.
- CIOT also pointed out that privacy has made the UK an attractive country for overseas investors. The Board agreed with this statement, but also highlighted that a lot of information is already available from alternative sources.
- OpenCorporates referred to the Prime Minister's Davos speech and the emphasis given to transparency on shining a light on company and land ownership and where money flows from and to. In particular, OpenCorporates suggested the idea of a sub group to discuss whether individuals and companies should be treated differently from an open data perspective.
- HMRC agreed that before releasing information, a risk assessment should always be carried out on the potential for identification using alternative sources.

6. 'Sub UK Geography and Geodemography' by Bill Elmore – Head of Data Production in HMRC Knowledge, Analysis and Intelligence

- At the last Tax Transparency Sector Board in February, it was suggested that it would be useful if HMRC published statistics for sub-UK geographical areas that used "Common Output Areas".
- HMRC has already been in contact with a commercial organisation (CACI), University College London (UCL) and the Demographics User Group (DUG) about the prospect of publishing personal incomes statistics using geodemographic categories.
- Geodemographic categories are not available directly from HMRC's datasets and need to be created by linking postcode data to lookup tables provided by the ONS. HMRC currently uses the National Statistics Postcode Look-up (SPL).

- HMRC provided some examples of sub-UK statistical outputs currently released by the Department. They use a range of political and administrative boundaries. In general, the larger the sample size available, the lower the geographical level the information is published at.
- The Department has been testing the feasibility of attaching geodemographic classifications from NSPL to the Survey of Personal Incomes and provided some tables for discussion using 2001 Census based categories. UCL are currently working with ONS to develop new categories for 2011.

Discussion

- HMRC pointed out that in some cases, such as PAYE, statisticians still only have access to samples of data from the transactional systems, which explains the less detailed geography available in those cases due to low cell counts.
- Nevertheless HMRC aims to produce statistics at the lowest level of geography that the data will support, in line with Census outputs, and will review its published statistics to identify where it can go further with current data extracts or will be able to go further once data coverage improves.
- The VOA explained that that issues they faced were similar to those for HMRC, namely striking a balance between the level of geographical detail and the disclosiveness of the data.
- Experian pointed out that, given the delays in releasing and long intervals between Census analyses, it would be helpful if some proxies could be created based on HMRC incomes data before official statistics were released.
- Cabinet Office mentioned that the Data Strategy Board has made available financial resource to support Departments and Local Authorities to release open data – the Breakthrough Fund – and encouraged HMRC to consider bidding for funding to facilitate this or other open data releases.

Next meeting: Monday 15th July 2013 (14:00 to 16:00pm)

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