

HMRC Tax Transparency Sector Board (TTSB)

Venue: 100 Parliament Street, London

Room 2/39 Chancellors Room

Date / Time: Monday 2nd June 2014 – 14:00 to 16:00

Attendees:	Apologies:
<p>HMRC Jonathan Athow - Knowledge, Analysis and Intelligence (KAI) Chair Daniele Bega – KAI Data Policy & Co-ordination Cindy Bell – Central Policy Bill Elmore – KAI Data Policy & Co-ordination Mike Hawkins – KAI Data Policy & Co-ordination John McManus – Customs Directorate Ian Parfitt – KAI Data Policy & Co-ordination James Templeton – Business Customer and Strategy Paul Turton - Security and Information</p> <p>Executive agencies Colin Yeend - Valuation Office Agency (VOA)</p> <p>Other Government Departments Krisztina Katona - Cabinet Office (CO)</p> <p>External representatives Steven Bond - Demographics User Group (DUG) Vanessa Cuthill- Economic & Social Research Council (ESRC) Peter Fanning - Chartered Institute of Taxation (CIOT) Stephen Herring - Institute of Directors (IOD) Judith Jones – Information Commissioner’s Office (ICO) Rory Meakin - Taxpayers Alliance (TPA) Mark Nicholson – Equifax(EQ) Jonathan Shaw (IFS) Andrew Sheffield (Experian) Chris Taggart – OpenCorporates (OC)</p>	<p>Dominique Lazanski (Open Data User Group) Keith Dugmore - Demographics User Group (DUG) Adrian Ball (VOA) Paul Boyle - Economic & Social Research Council (ESRC)</p>

1. Welcome and introductions (Chair - HMRC Knowledge, Analysis and Intelligence)

- Jonathan Athow (Chair) welcomed everyone to the HMRC Tax Transparency Sector Board.

2. Action Points/minutes from the previous meeting (Chair)

- AP15 03.02.14 required HMRC to gather more information on recent developments on the policy around charities.
- HMRC had some internal discussions around charities. From an administrative point of view, there are complexities in identifying the unit to which gift aid is applied at the different levels. Following recommendations from the Public Accounts Committee, HMRC is working to improve transparency of the system.

AP15 03.02.14

- HMRC will invite the Head of Policy for Charities Policy to the next Tax Transparency Sector Board meeting.

3. Cabinet Office and HMRC's position on Data Sharing (Cabinet Office/HMRC Central Policy)

Cabinet Office

- Cabinet Office (CO) are currently undertaking an open policy making initiative on data sharing. As part of this project, they have organised some working groups to engage practitioners, privacy groups and Civil Society.
- This process is being coordinated by Involve - a civil society organisation working to open up decision making in government - and the Cabinet Office data sharing policy team.
- The working groups are currently considering the following strands:
 - De-identified data sharing for research and statistics purposes
 - Sharing information to tackle fraud, debt and error that creates inefficiencies
 - Sharing of identifiable data to deliver tailored public services and facilitate data matching
- The timescales of the Data Sharing working groups are:
 - June to September: Policy proposals developed
 - Mid September: Paper agreed
 - December: Publication of a White Paper followed by consultation\scrutiny
- More information on this initiative can be found on the website:
<http://datasharing.org.uk/>

HMRC Central Policy

- Recently, there has been interest from the media on HMRC's plans for data sharing.
- HMRC aims to be as open and transparent as possible on its data sharing plans. Last summer, HMRC undertook an open public consultation ([Sharing and Publishing Data for the Public Benefit](#)) looking at proposals to:
 - Remove HMRC's legal constraints on sharing general and aggregate information; and
 - Relax HMRC's legal constraints on sharing anonymised individual level information with accredited third parties for the purposes of research and policy development.
- As part of the consultation, HMRC also considered options for the release of some VAT registration data (excluding disclosure of any financial or tax payment data):
 - Publicly, as open data;
 - To qualifying parties for specific purposes in a controlled way
- During the public consultation, HMRC engaged with a wide range of stakeholders, including professional and representative bodies, privacy and open data groups, public bodies, research organisations and the Information Commissioner's Office (ICO).
- Some of the press coverage speculated that HMRC would be selling taxpayers' data. HMRC has no plans to sell data to anyone. As part of the consultation, HMRC asked for views on whether to charge to cover the costs of processing and providing data. Charging would only cover the costs of providing data – subject to strict government rules. No decisions have been made about whether HMRC would seek to recover the cost of providing the information.
- HMRC reiterated the importance of taxpayers' confidentiality as a core principle of the organisation.

Discussion points

- The Demographics Users Group (DUG) pointed out that organisations in the private sector also have to deal with public concern over data loss or misuse. It is very difficult to control publicity around sharing data.
- HMRC explained that their data sharing proposals aimed to expand the use of data to for the public benefit, allowing the use of data beyond HMRC's own functions. HMRC would only consider sharing data where this will generate clear public benefits and subject to robust safeguards being in place, including a criminal sanction for unlawful disclosure of information that could be linked with a specific taxpayer.
- The Chartered Institute of Taxation (CIOT) suggested that as the timing for providing answers to media questions is very short it would be helpful for official lines or common messages which have been discussed and agreed to be made available to the people who

are regularly approached by journalists on tax issues, for them to use or not as they see fit. This does not constrain what press offices or commentators say but it does mean they are better informed when they comment.

- OpenCorporates (OC) felt that what lay behind the media attention was the concern that a chosen group of organisations would have privileged access to HMRC's information. The Open Data Institute (ODI) response to the consultation would be worth re-reading. The media has managed to create a story around HMRC data sharing, with a very wide resonance and it is difficult to change public perception.
- HMRC noted that a range of concerns appear to be driving the media attention. HMRC and the Information Commissioner's Office (ICO) have received a number of requests for information from individuals and policy groups. Providing appropriate responses to these requests has highlighted that this is a nuanced story, and hence can be difficult to interpret by the general public.

AP16 02.06.14

- HMRC will share their lines to take on the Department's position on data sharing with members of the Tax Transparency Sector Board.
- CIOT offered to help organise a conference to discuss about HMRC's data sharing proposals, as it would be easier for stakeholders to meet and talk around these issues.

AP17 02.06.14

- HMRC will consider CIOT's offer to organise a conference about data sharing early in the autumn.

4. Update on the publication of non-financial VAT registration data (HMRC – Business Customer and Strategy)

- Steps to take forward a controlled data release of VAT registration data were announced at Budget. Work is continuing to develop a proposition for a more limited open data release.
- The potential for an open data release relates to a smaller subset of VAT registration data than will be possible with a controlled release. Responses to the consultation highlighted concerns around publication of personal data, for example on sole traders who use their home address for business purposes.
- A proposition for open data release will need to take such concerns into account. HMRC are keen to work with TTSB members and other stakeholders to determine how much data can be released on an open basis, without compromising personal data.

AP18 02.06.14

- HMRC to continue updating the group on further developments and seek input as appropriate. TTSB members to advise if they are interested in attending a seminar to consider the extent of an open data release.

5. HMRC update on non-EU exporter data consultation (Customs Handling of Import and Export Freight - HMRC Customs Directorate)

- HMRC Customs Directorate (CD) are considering the release of a list of traders exporting goods outside the EU as open data. This would be similar to the information that HMRC is already releasing for importers (traders names, addresses, commodity traded and month of export) under the Finance Act 1988.
- The release would fulfil the Government objectives to create more visibility for UK companies and attract overseas buyers and others providing services to UK exporters.
- HMRC's consultation would include seeking views on the risks of releasing information about private individuals acting as exporters.

- HMRC reassured the group that in over 24 years of publication of importers' information there have been minimal complaints/issues with the data and they were expecting a similar outcome with exporters' data.

Discussion

- The Institute of Directors (IOD) enquired whether HMRC was aware of similar initiatives undertaken by other International partners.
- HMRC has had some discussions with [Panjiva](#), a similar initiative releasing information for US importers and exporters.
- OC suggested that Panjiva releases more detail than what is proposed by HMRC.
- HMRC thought that was the case in some dimensions, but also highlighted that the US database has some limitations as it excludes air shipments and allows companies to opt-out.

AP19 02.06.14

- HMRC to find out whether EU counterparts release registers of importers and exporters.

AP20 02.06.14

- HMRC to continue updating the group on the plans for the release of exporters' details.

6. Membership and future meetings (Open discussion)

Membership

- HMRC asked the group whether the Tax Transparency membership should be extended to other organisations to incorporate other perspectives around the debate on open data.
- The ICO agreed that it would be beneficial to invite some of the privacy groups that have been involved in Cabinet Office Open Policy making initiative.
- CO suggested inviting [Involve](#), who have co-ordinated the discussions on the data sharing open policy initiative. CO suggested that it might be practical to have a rotating member from privacy groups. Involve could perhaps help identify which groups should attend.
- The Taxpayers Alliance (TPA) suggested inviting Big Brother Watch.
- OC stated that different groups should be invited depending on the discussion topics of the Tax Transparency Sector Board. Possible candidates might include Privacy International, the Open Rights group, Big Brother Watch, Global Witness, the Tax Justice Network and the National Council for Voluntary Organisations (NCVO).
- The Economic and Social Research Council (ESRC) suggested considering lay members, following the model used for various ethics committees. A communications expert could also provide support on how to engage in the public debate.
- IOD emphasised the need to set out some criteria about the scale of reach of the organisations, to ensure they represent the views of a large number of people.
- CIOT commented that engaging the wider community could be separated from the decision-making process, especially given the practical limits on the size of the Board. Wider engagement and consultation could be facilitated by events such as a conference.

AP21 02.06.14

- The group will let HMRC have suggestions on organisations to invite to the next TTSB meeting.

Remit of the group

- OC pointed out that the TTSB has not achieved the release of any open data yet.
- HMRC reiterated the legal constraints and the fact that the legislative vehicles are limited at this stage of the Parliament.

- HMRC invited members of the TTSB to provide ideas on future agendas for the Board over the next year.
- IOD and OC highlighted that the case for Open Data is going to be still valid after the election and it is important that this should not stall.

AP22 02.06.14

- HMRC to provide a short note on the current position of the board and plans for year ahead.

Use of open data

- DUG queried whether there is enough understanding on how open data can be used by the private sector and about the economic benefit for open data.
- HMRC agreed that the Department is aware of the information it holds, but the real challenge is to understand how the information can be exploited.
- OC highlighted that one of the ideas of open data is to make information available even if the purpose is unclear to allow people to come up with new ideas on potential use.
- CO stated that they have undertaken a number of initiatives to improve the feedback process and discussions with relevant organisations.

7. AOB

- The Open Data Institute has contacted HMRC to explore the feasibility of a project on small business finance, using open data.
- HMRC has carried out an internal workshop to kick off an update of our open data strategy.
- In relation to the National Information Infrastructure (NII), Cabinet Office are currently working on an official response to the Public Accounts Select Committee.

Next meeting: **Friday 19th September 2014 - 14:30 to 16:30**
(Room 2/39 Chancellors Room - 100 Parliament Street London SW1A 2BQ)