

Minutes of OTS Board meeting 27 September 2018

Present

Angela Knight (Chair)
Paul Morton (Tax Director)
Teresa Graham (SID)
John Cullinane
Kathleen Russ
Beth Russell (HMT)
Tom Smith (HMRC) (on behalf of Jim Harra)

Apologies

Paul Johnson

In attendance

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

1. Board changes

The Chair reported, with sadness, that for personal reasons, unrelated to the OTS, both she and Paul Morton would be resigning from their roles at the OTS, once successors had been appointed.

Board members expressed their great regret, commenting on the huge difference which their joint leadership had made to the work and reputation of the OTS.

It was expected that an announcement would be made shortly; arrangements for this were in hand.

2. Minutes of previous meeting (24 July 2018)

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

Matters arising included discussion of opportunities to ensure the OTS's annual report was seen by as wide an audience as possible, and of the significance of keeping up with the potential of the new and innovative ways in which Artificial Intelligence (AI) is being trialled. The Chair requested that consideration of a tax version of the regulatory sandbox, should be kept on the table.

3. Register of interests and potential conflicts

The current register of Board members' interests was circulated. One potential conflict was noted, in relation to John Cullinane's role with the Chartered Institute of Taxation in relation to an event that was being considered.

4. Tax Director's Report

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

Role of Technology

Consideration is being given to how best to follow up the focus paper on Platforms and the potential for self-employed people using them to have a PAYE-like experience, possibly by giving consideration to the use of withholding arrangements.

Work is also continuing on the high-level questions posed by technology more generally, such as who is responsible when things go wrong, and a potential event in which these could be explored. The Law Society will be asked for a view.

Business lifecycle further review

The Board offered a number of comments on a draft of a Call for Evidence in relation to this review, which was due to be published in October, in conjunction with an on-line survey.

Life Events review

An update was provided on this work, and its scoping. The emphasis would be on exploring areas where potential changes were more likely to be feasible in the short to medium term.

Future work

It was envisaged that the potential range of future projects would be considered and updated later in 2018. In particular a possible area of work in relation to appeals and disputes was considered.

Communications

The Tax Director reported on potential events being considered.

He also initiated a discussion about work the OTS had been doing to create some background information about the UK tax system with a view to this being published on its website, of which the Board was in principle supportive.

5. Inheritance Tax Review

The Board considered a draft of the first of the two reports that it was intended to publish under the auspices of this review. As agreed at the previous Board this first report would provide an update on the consultation as a whole and make recommendations on administrative issues.

The Board discussed the best way to present the report, and made a number of suggestions plus some specific points, all of which would be taken into account as the report was finalised.

6. Guidance Review

The Board considered a draft of report and was informed that not all the levers necessary to effect the proposed changes were held by HMRC. The Board made a number of suggestions about ways in which the report could be improved and which would be taken into account as it was finalised, and proposed some options whereby improvements to guidance could be embedded for the long term.

7. 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 consideration to proposed meeting dates in 2019.