

Minutes of OTS Board meeting 21 May 2020

(held on Video conference)

Present

Kathryn Cearns (Chair)

John Cullinane

Kathleen Russ

Ruth Stanier

Bill Dodwell (Tax Director)

Teresa Graham (SID)

Beth Russell

In attendance

Judith Freedman (future Board member), David Halsey (OTS Head of Office), Mark Pickard (OTS), Bethan Kay (OTS), Sue Youngman (OTS), Chloe Evenson (HMT), Caroline Eele (HMRC)

1. New Board member

The Chair welcomed Professor Judith Freedman CBE who was attending the meeting ahead of her formal appointment as the new member of the Board, following the recent appointment process.

2. Minutes of previous meeting (19 March 2020)

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

There were no matters arising.

3. Register of interests and potential conflicts

No updates to the register of Board members' interests were reported.

There were no potential conflicts to declare.

4. Tax Director's Report

Bill Dodwell spoke to his report, noting

- that the OTS team had adapted well to working at home since 17 March, including inducting a new member of staff since then, and that some members of the team were assisting other areas of HM Treasury with Covid-19-related pressures
- continuing external engagement through on-line meetings
- the government response to the House of Lords report on off-payrolling changes

All areas of work had inevitably impacted by the Covid-19 to some extent:

- on Claims and Elections, a good number and range of consultation responses had been received; the team were analysing these and after discussion with HMRC and HM Treasury colleagues would be bringing initial outputs to the Board in July
- work on Capital Gains Tax had needed to pause, following some very valuable discussions with HMRC colleagues; it was hoped this could proceed in due course
- the team continue to explore opportunities to carry out work on Clearances and Rulings and on Statutory Reviews, subject to the availability of HMRC teams' to engage with this.

The team has also been undertaking some research on other aspects of the current tax system.

In the ensuing discussion it was noted that

- the Covid-19 situation was prompting fresh thinking about the future of the tax system, and its administrative flexibility; it was hoped this would soon lead to fresh OTS work being commissioned
- there would be merit in exploring ways to foster greater wider public involvement in OTS work
- there may be potential to harness some of the thinking that HMRC have done to create short-term digital easements (such as in relation to Stamp Duty).

5. Corporation Tax and smaller companies update

David Halsey introduced a revised draft of this evaluation and update note on the 2017 Corporation Tax review and the 2018 Depreciation or Capital Allowances review, which had been discussed at the previous meeting.

The Board welcomed the way this had developed and made a number of further suggestions.

After taking these, and further comments that were being sought from HMRC and HM Treasury, a further draft would be recirculated to the Board before publication, potentially in June.

6. Annual Report

There was a discussion about when to publish the OTS Annual Report this year, and it was agreed to aim to do so in July as usual. An initial draft would be circulated to Board members in the next few weeks.

7. OTS Conference

David Halsey spoke to a revised proposal in relation to the conference which had been planned for September 2020. It was agreed that the OTS would not proceed with a physical event but would look to develop a shorter 10-year anniversary online event at that time, and to further consider the style and variety of future online events would be most fruitful.

There was then a related discussion about when it might be best to refresh the 'reputation survey' which had been discussed previously.

8. 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.

9. Any other business

The Board noted the meeting dates for the period up to November 2020.