

Minutes of OTS Board meeting 26 November 2020

(held on Video conference)

Present

Kathryn Cearns (Chair)

John Cullinane

Judith Freedman

Kerrie Spendiff (for Ruth Stanier)

Bill Dodwell (Tax Director)

Kathleen Russ

Beth Russell

Apologies – Teresa Graham (SID)

In attendance

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

In addition, for item 7, Rich Hayward (HMT) and Alison Robinson (HMT)

1. Minutes of previous meeting (16 September 2020)

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

There were no matters arising.

2. Register of interests and potential conflicts

An updated register of Board members' interests had been circulated.

There were no potential conflicts to declare.

3. Tax Director's Report

Bill Dodwell spoke to his report, noting

- the range of continuing external engagement, including interest from the OECD and his giving evidence to the Treasury Select Committee
- the publication of the Claims and Elections report and the first Capital Gains Tax report, and the coverage these had received, set out in the accompanying media summary
- potential areas of future work, including a review in relation to third party data and an evaluation paper relating to the OTS review on Guidance
- the 240 or so people who were now following the official OTS Twitter account.

4. Claims and Elections review

The Board congratulated the team, led by Bethan Kay, on the publication of this review, which had been accompanied by a post-publication webinar.

The discussion which followed included consideration of

- the value of developing the personal tax account
- the role of high volume agents.

It was noted that the OTS team would continue to liaise with HMRC about how recommendations could be taken forward, and that they had already met with HMRC's guidance team in this regard.

5. Capital gains tax review

The Board congratulated the team, led by Mark Pickard, on the publication of the first Capital Gains Report, and noted the extensive media coverage and debate it had prompted.

In discussion it was noted that alongside the very considerable efforts of the team, there had been valuable contributions from Board members and the Consultative Committee.

Mark Pickard reported on the work and likely timetable for the second stage of the review. Over 80 responses had been received and 20 meetings held, including with the Consultative Committee. The team were currently considering a range of possible areas to focus on relating to businesses, individuals and administration. It was anticipated that an initial summary of thinking on those areas considered most promising would be brought to the next meeting. The timing of the publication of the second report remains under review.

6. Index of OTS publications

Following a suggestion from a Board member, a draft index of previous OTS publications had been prepared and was discussed. It was expected that this would be published shortly. The Board considered this would be a very useful resource both internally and externally.

7. 2021 review

The legislation about the OTS in Finance Act 2016 provides that every 5 years the HM Treasury should conduct a review of the effectiveness of the OTS in performing its functions.

A paper setting out some initial HM Treasury thinking about the scope of the review and ways it might be approached was presented and discussed.

8. Third party data review

A draft scoping document for a potential 'third party data' review was presented, updating a previous draft which had been circulated since the last board meeting.

The review envisaged would look at a range of possible sources of third-party data that it could be helpful to individuals for HMRC to receive and include within the new single online account or pre-populate in tax returns, and principles that should apply across the provision of third party data in relation to taxpayers generally.

This proposed work was welcomed and considered to fit well with HMRC's Tax Admin Framework strategy. In discussion it was noted that it would be important to take full account of issues relating to public trust, data accuracy and the potential administration costs for information providers.

Work on a call for evidence would be progressed, with a view to the review starting fairly soon.

9. Future work

The Board had a wider discussion about potential areas of future work for the Spring.

10. 2020 Conference and webinars

A paper reflecting on the 2020 conference, the Claims and elections webinar, and the OTS's future approach to webinars was presented and discussed.

At the 2020 conference, one particular point raised had been whether there could be advantage in considering a change to the date of the end of the tax year, not least as making tax digital proceeds. The Board encouraged the team to consider the potential to prepare a high-level summary and evaluation of the issues that would be involved to inform this debate.

In relation to future webinars, it was felt that different approaches would work best in different situations, depending on the target audience. In particular, the Board encouraged the team to consider the potential for using webinars when planning the work on particular reviews.

11. 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.

12. Any other business

The Board noted the meeting dates which had now been fixed up to the end of 2021.