

Minutes of OTS Board meeting 19 January 2021

(held on Video conference)

Present

Kathryn Cearns (Chair)

John Cullinane

Judith Freedman

Cerys MacDonald (for Ruth Stanier)

Bill Dodwell (Tax Director)

Kathleen Russ

Beth Russell

Teresa Graham (SID)

In attendance

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

1. Minutes of previous meeting (26 November 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.

There continued to be a range of external engagement, including some events with advisory firms and attendance at HMRC's recent guidance forum meeting.

Members of the team continue to work to sustain staff wellbeing; OTS results from the recent annual civil service staff survey were generally positive.

Work was continuing on preparing an evaluation report on the Guidance review, which would include material about that forum and HMRC's ongoing work in this area.

The team had passed to HM Treasury and HMRC, at their request, a list of selected less controversial technical recommendations drawn from previous reports for potential consideration. This would be circulated to the Board.

The team had held an initial discussion with HM Treasury and HMRC about the work the OTS could do to explore and set out the benefits and issues involved with change in the date of the tax year, and anticipated being encouraged to take this forward. Board members reflected on aspects it would be helpful to bring out.

Various areas of potential future work remained under consideration.

Following the online conference in September 2020, there was a discussion about when future events might be best arranged, in the context of the upcoming 5-yearly review.

4. Capital gains tax review

Mark Pickard presented a draft skeleton version of the Part 2 report, which had already been considered by the Consultative Committee and discussed with HM Treasury and HMRC. A fuller draft would be brought to the next meeting.

The Board discussed and offered a range of comments and advice on the different areas covered in the draft, which covered all the main areas raised with the OTS during the consultation process, including in relation to awareness, administration, main homes, chattels, divorce, business, investors, agriculture and land generally.

The discussion included consideration of the data available to indicate the relative impact or significance of changes different areas, links with the Third Party Data review, and consideration of the overarching themes or narratives to be drawn out.

5. Third party data review

Following the last board meeting, the scoping document for this review had been published.

The Board discussed a draft call for evidence document for the review, which updated a previously circulated draft on which a range of useful comments had been received.

The Board offered suggestions in support of the team's plans to reach out to members of the public directly, including through media, and by way of a short online survey.

6. 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.

Beth Russell provided a report on how the preparations for the review were proceeding.

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.

8. Any other business

The Board noted the meeting dates for the remainder of 2021.