

# The Information ARC



## November 2017

Welcome to the November edition of *The Information ARC* with me (Vicky) as guest editor. Paula is enjoying a well-earned break in Sri Lanka chasing elephants and such like.

Centre meetings continue and so far I have visited Newcastle, Bristol, Birmingham, Manchester and Liverpool. I have Belfast and Sheffield in my calendar and an invitation from Edinburgh but no date yet.

If you want me to come to your Spring AGM can you book me in soon please, my calendar is beginning to look very busy.

I hope you enjoy this edition. As ever all comments and suggestions are welcome and can be made to [paula@fda.org.uk](mailto:paula@fda.org.uk) or to me.

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### President's Update

This month we have had our quarterly meeting with Jon Thompson, without Jon Thompson because his schedule overtook him. The meeting was chaired by Esther Wallington, the dynamic was different but it was still productive. A separate note has been prepared and is with Esther for agreement.

The BOF programme continues to march forwards with a number of colleagues about to leave HMRC on 30 November as their office becomes one of the latest closures. There have been numerous issues with notice periods and with late additions to those unable to travel but so far we have managed to find a way through them. It is, however, an incredibly resource intensive process and has dominated a lot of the last eighteen months with no sign of any let up.

I have also met with the new Director General of CDIO who has now been in HMRC for a few weeks and has blogged about joining the civil service. The meeting was to discuss issues around working in CDIO and is usually dominated by PCS. If you are a member in CDIO and want me to raise an issue on your behalf can you contact me please? Jackie did not say much in this first meeting, but what she did say was to the point and impressed me. I am looking forward to working with her.

We have had another meeting with HR Policy and have some work to do on the proposals for a new grievance system. I have pulled John Parkhouse into that work as our casework lead. We also have some work to do around the Attendance Management policy - is it clear that manager's discretion is part of the policy and could it be highlighted better. I have a number of examples to pass, anonymised, to HR policy that show some of the flaws in the system, not the least being the appeals process.

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The department continues to engage in most areas but as ever there is room for improvement and we continue meeting with the ER team to discuss this. But I am

also aware that there is room to improve the information we give you about what we are working on, so you are aware that we are in there working hard to improve matters where we can. At November's committee a discussion was held about what meetings people had attended and what was in the pipeline. I have asked that a brief summary of meetings is provided for The Information ARC and we are working to find a way to track what meetings are scheduled.

Vicky Johnson

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### TOIL

Last call for TOIL stories to go to [paula@fda.org.uk](mailto:paula@fda.org.uk) please - our next meeting is scheduled for 12 December 2017.

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### Finance quarterly meeting

This was a regular meeting on matters relevant to staff in Corporate Finance. The agenda is mostly set by PCS. If there are ARC members who work in Finance and who want me to raise issues on their behalf please get in touch.

The meeting covered a lot of ground, touching on issues that I suspect reverberate across the department, and across the civil service:

- Stress concerns due to pressure of work - clear that we need to work together to clarify priorities for everyone rather than just adding to the hopper all the time
- Sick absence - no particular continuing spike in any one office but within some offices there are building issues that are causing sickness absence e.g. inconsistent thermal comfort. Accepted that before work changes are implemented there should be a good level of consultation
- Trust statement (department's annual accounts) - between 70 and 80% of the staff involved this year will be new to post - having to recruit experience to help hold hands and build capability
- Recruitment and vacancy filling - having to work hard to demonstrate that posts are business critical
- Alternative working patterns - are there minimum hours in place e.g. 20 hours or not fewer than 3 days? If so where have they come from and are they applied consistently, either within a business area, a line of business or HMRC as a whole? Areas with a 3 day working pattern of Monday, Tuesday and Wednesday, and Wednesday, Thursday and Friday - with 8 for 10 working what happens of everyone turns up on the Wednesday?

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- Induction arrangements for new staff - should involve TUs. Official Side are happy to provide access to new joiners to the TUs.
- Accommodation moves - where these are generated within the line of business there is a requirement on the relevant vacancy holder to consult
- People Survey - fixing up a specific discussion to talk about the results for Finance.

Whether you are in Finance or not, if any of these issues affect you, please get in touch with me with your stories.

Eugene Mitchell

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## External Relations

This month part of this work has involved attending the All Party Parliamentary Group on Responsible Taxation, where they tackled some quite technical areas -so forgive any tax geekery below.

The APPG held three relevant meetings:

- On responsible tax as practiced by L & G and Lloyds Banking Group
- With some of the journalists who published the Paradise Papers
- On the gig economy and its implications for workers' rights and protection and on tax & NIC receipts

Each of these directly involves the work done by ARC members and revealed there are still big gaps in the public understanding of some of our work. For example, it was said that when HMRC had been notified under DOTAS then the lack of any immediate challenge meant the scheme had been approved. This misunderstanding was cleared up but it illustrates how easily misconceptions can occur.

The discussion on the gig economy was very interesting and there was a consensus that the present rules were a mess: employees/workers/self-employed, with the complications of IR 35, personal service companies, zero hours contracts, cumulative versus non-cumulative bases of calculation, etc all interacting with each other to deepen the problems. But again there were misunderstandings on the role of HMRC and ARC members. It was said that by not being seen to assess Uber to VAT HMRC was helping to create a "sense that the Establishment not interested in going after tech companies".

This was despite the recent comments to the PAC from Jon Thompson that

*"The systemic question is about who the agent is and who the principal is in the transaction between a customer and two other parties."*

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*We tested this back in 2014 in a case against a website called Secret Hotels. We actually lost that case, because we argued that the website was indeed the principal, and was therefore responsible for VAT. It won the case and came out as the agent.*

*Since 2014, we have tested that five times in the courts [once in the Supreme Court], to try to establish that what appears to be the organisation that the customer is dealing*

*with is actually the principal. On all five occasions since 2014, we have lost. We have tried six times to establish that the agent is actually the principal, and is therefore responsible for VAT.*

*We continue to monitor at least two further developments: one is the one you mentioned, the other is that there have been some EU cases in this field. They may change the situation and the advice to us. We are in conversation with counsel about this issue.”*

### Women in Tax

On a more positive note Vicky and I attended the Women In Tax meeting on taxing multinationals. ARC and HMRC people have played a key role in establishing the regional groups and there will soon be a WiT Scotland group.

It began well when I found out that Hayley Moran (an active ARC member also attending) had been re-elected to the Committee. But the evening got better as it went on. There was a good set of presentations with genuine debate afterward about issues and no sign of egos pushing their way forward (unlike some of the APPG conversations). But my personal highlight was winning the prize draw for the Fortnum and Mason hamper!

ARC has tried to support WiT and it was good to read the positive reactions to that photo going out on Twitter. One in particular said we had been one of their strongest supporters from the beginning and actively sought to get other HMRC people involved. So, if you have not checked out the WiT activity just look up on Twitter

<https://twitter.com/WomenInTax>, or go to <http://womenin.tax>,

Events (which are usually free) vary across the country and are dependent on what members ask for. Hayley is also happy for anyone interested to get in touch with her directly.

Ian Campbell

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## Estates

I have been in extensive consultation about the possible outsourcing of Access Control functions (Security to you and me) for the future estate. I have made the point that the department does not have a great track record of outsourcing things. If the department decide to outsource and there are failures, the safety of our members could be compromised. The consultation process has been very productive and we await the outcomes in due course.

## PMR

I attended another PMR design workshop that did a stock take on lessons learned from the various trials and we tried to capture some more nuanced design features of the new system of PMR. There was some genuinely bold thinking. It is again an excellent example of the department's genuine desire to meaningfully consult.

## KAI

I met with KAI who are wrangling about what they do with the KAI analyst brand after they split into two directorates.

Jim Rogers

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## WMBC

A call with the WMBC leadership team discussed the following topics:

### Intervention Model

This is about the circumstances when HMRC will visit customers and when technology will be used to replace visits. It is to address the fact that tax risk is disproportionately in London, SE and the Thames Valley. Pilots are on-going, including splitting a visit from the working of the remainder of the case to enable cross country working.

WMBC hope the pilot will be reviewed at Transformation Program Board with a proposed operating model available around December, for possible roll out in 2018/19.

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## Smarter/Flexible Working

This has two possible streams - working from home and working outside routine office hours. WMBC has a general rule that most staff should be able to work from

home one day per week. Working outside office hours is at a very early stage and is a response to the business environment. WMBC have commissioned work with HMRC's customers on how they would like HMRC to respond. WMBC have promised to engage with TUS on contractual and H&S issues if the need arises.

Kenny Mitchell

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STOP PRESS - As I have put this together I have been sent this link

<http://civilserviceworld.com/articles/news/budget-2017-union-fumes-lack-recognition-hmrc-staff>

Civil Service World picked up on my press release from Wednesday. If you receive Civil Service World emails you may also note I have been accused of blasting the Chancellor '*HMRC union blasts Budget pay inaction*' and quite right too - he deserves it!

Vicky Johnson

