

Implementation of new HMRC Powers Oversight Forum**18 May 2011****Paper: 16 /2011****Title: Revised Terms of Reference for the Implementation Oversight Forum****Purpose**

To revise TOR as it was agreed at the 18 May Forum meeting to schedule two meetings rather than four meeting a year. This is because relatively few issues had emerged to date.

The remit of the forum is to provide assurance to the Exchequer Secretary to the Treasury and the HMRC Chairman and Commissioners that the policy outcomes of the review of powers, deterrents and safeguards are being delivered in line with the undertakings given to Parliament, and that:

- taxpayers have sufficient and accessible safeguards, and these rights are being clearly explained to them;
- HMRC is using the powers provided to it reasonably and in a proportionate and fair manner;
- deterrents are having the intended positive effect on taxpayer behaviour;
- the powers provided to HMRC are effective in helping it to reduce the tax gap and to operate efficiently;
- Taxpayers, agents and HMRC officers are provided with sufficient training, guidance and support to be able to understand and administer changes to powers, deterrents and safeguards and to make any consequent behavioural changes that are required.

And in particular that:

- compliance checks are proportionate to risk and administered within the bounds of HMRC's technical and operational guidance;
- penalties are applied consistently and are effective in encouraging taxpayers to meet their obligations;
- taxpayers are appropriately supported to meet their payment obligations and HMRC uses its new powers to pursue debts effectively, efficiently and proportionately;

Role

The forum will

- determine the information required to understand how the new powers are being implemented;

- consider the best ways in which to facilitate a positive collective change in behaviour, where needed, amongst HMRC staff, taxpayers and their representatives and HMRC.
- commission, individually and as a Committee, and receive, both qualitative and quantitative reports relevant to implementation;
- provide reports annually to the Exchequer Secretary to the Treasury on progress including examples of best practice and recommendations for areas for improvement;
- publish those reports; and
- meet up to twice a year.

The forum would be expected to oversee the period of initial implementation including the post-implementation review and benefits realisation work. Few issues have emerged since the inception of the forum so it is expected that the forum will meet twice a year for the next two to three years.

The forum will be supported by a secretariat from HMRC who will be responsible for marshalling information required for the forum and for ensuring that recommendations are taken forward and reports provided to the Financial Secretary.

Members will be asked to provide fully empowered deputies if they cannot make a particular meeting.

The forum may appoint sub-groups, as it sees fit, to consider specific issues. Any such groups will be subject to these terms of reference.