



Awdurdod Cyllid Cymru
Welsh Revenue Authority

CORPORATE PLAN

2018-2019

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

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Chair's Foreword

2018 is a significant milestone on the devolution journey for Wales as the nation begins, for the first time in 800 years, to raise some of its own funding through Welsh taxes. The money raised by these taxes will go towards funding public services in Wales.

The Welsh Revenue Authority (WRA) has been established as a Welsh bilingual public body to collect two devolved taxes: Land Transaction Tax and Landfill Disposals Tax, which replace Stamp Duty Land Tax and Landfill Tax, respectively in Wales. The WRA is the first non-ministerial government department created by the Welsh Government, staffed by civil servants but supported and overseen by an independent Board, which is accountable to the National Assembly for Wales.

We are doing things that have not been done before and we plan to seize this unique opportunity to create Wales' own tax body. We will work with taxpayers, representatives and our wider stakeholders to develop a new, modern approach to the administration and collection of taxes – an approach which works for Wales.

We have already travelled throughout Wales to meet our stakeholders and learn what they need from us, and this important work will continue.

Our Charter, which was launched in March 2018, also expresses the partnership that we have already established and plan to continue.

Our Charter is the basis for everything that we do and I believe that both the document and the way we have developed it embody the principles of the Well-being of Future Generations (Wales) Act 2015.

This first Corporate Plan sets out our approach and our plans for the first operational year of the WRA. It has been developed as part of our preparations for our launch in April 2018, drawing on expertise in our new organisation and in our partner organisations, but without any data from live operations, of course. We expect to learn a great deal from our first year and this will inform the work on our second Corporate Plan, which will start over the summer.

Many talented people have given their effort, expertise and experience to build an organisation which is ready to do what we have been established to do. I would like to thank them for all that they have done: it is a privilege to work with them at this historic moment for Wales.

A handwritten signature in black ink that reads "Kathryn Bishop". The signature is written in a cursive, flowing style.

Kathryn Bishop, Chair



Chief Executive's Introduction

It has been a great privilege to have been involved in the work so far to set up the Welsh Revenue Authority (WRA). It has been a long time in the making and as we begin our first operating year and collecting Landfill Disposals Tax and Land Transaction Tax, I'm now relishing the opportunity, as the WRA's first Chief Executive, to lead this new institution of historical significance.

I'm proud of what we have achieved to date, especially in attracting such a talented, motivated and diverse set of professionals. We have sought to seize the opportunity of starting from scratch by harnessing the potential of technology. We set off as one of the few public-sector organisations in the UK to be fully cloud-based and we've worked hard to automate as many of our processes as possible from the get-go. We want to continue to put digital at the heart of how we work.

We have benefited from the work of countless colleagues in other public-sector bodies in everything from building our IT platform, sharing experience and expertise, to helping recruit the people we need. We look forward to continuing to work in partnership with our delivery partners across Welsh Government, Natural Resources Wales, HM Land Registry, HM Revenue & Customs and Revenue Scotland, amongst others.

In getting to where we are today, we appreciate the generous support of our stakeholders in, for example, refining guidance and getting the message out that new Welsh taxes are on their way; in particular the Law Society and Chartered Institute of Taxation. We are delighted by the engagement we've had to date, which has helped shape how our services will work and we want to continue to learn and enhance our services as we progress.

Alongside the excitement of starting something new, I'm aware of the serious job we have; to ensure we collect the public money required to fund the public services we all rely on in Wales. I want to make sure that we start as we mean to go on, by living up to the values set out in **Our Charter**.

To bring **Our Charter** to life, we have defined three principles which we are calling collectively, **Our Approach**. We have used three Welsh words to set out what we mean; Cydweithio, Cadarnhau and Cywiro. As part of our first-year focus, we want to work in partnership with taxpayers, their representatives and our wider stakeholders to develop further what **Our Approach** means. We want to develop these principles and embed them in the way we work to underpin a new Welsh way of doing tax.

I look forward to grasping this opportunity and working together to develop a new approach to tax – one which works for the people of Wales, and build an organisation with the capability to deliver it.

A handwritten signature in black ink that reads "Dyfed Alsop". The signature is written in a cursive, slightly stylized font.

Dyfed Alsop, Chief Executive

First-Year Focus

The WRA's first Corporate Plan will cover our first operating year. In our first year, our focus will be on establishing the WRA as a new Welsh tax authority, raising important revenue to support Welsh public services and delivering the three priorities set out in our first remit letter.

The Cabinet Secretary for Finance sets out the annual priorities for the WRA in a remit letter and agrees our budget. He also meets with the Chair of the WRA Board to agree strategic objectives that ensure the WRA develops in a sustainable way to meet the ongoing needs of Wales.

Remit Letter Priorities (2018–19)

1. Devolved tax collection – enabling people to pay the right amount of tax at the right time.
2. Managing the devolved tax system to help deter and tackle tax evasion and tax avoidance.
3. Public service delivery – leading improvements to the administration of devolved taxation across Wales.

These priorities set out **what** we will be doing. You can find more detail on specific activities we will undertake to meet these priorities at the end of this document, including some commitments we have made to support the Welsh Government's tax policy work plan (see **Annex 1**). More generally in the first year, we will:

- Build a comprehensive picture and benchmark across a range of areas, such as unauthorised disposals, so that we can test the impact of our work over time.
- Build capability in data analysis– for example, analysing land transaction data in relation to the higher rate surcharge on a local authority basis.
- Gather a wide range of views and feedback to allow us to improve our digital services.
- Work closely with other tax bodies to identify areas of the tax system we can improve.

Our Approach to Tax

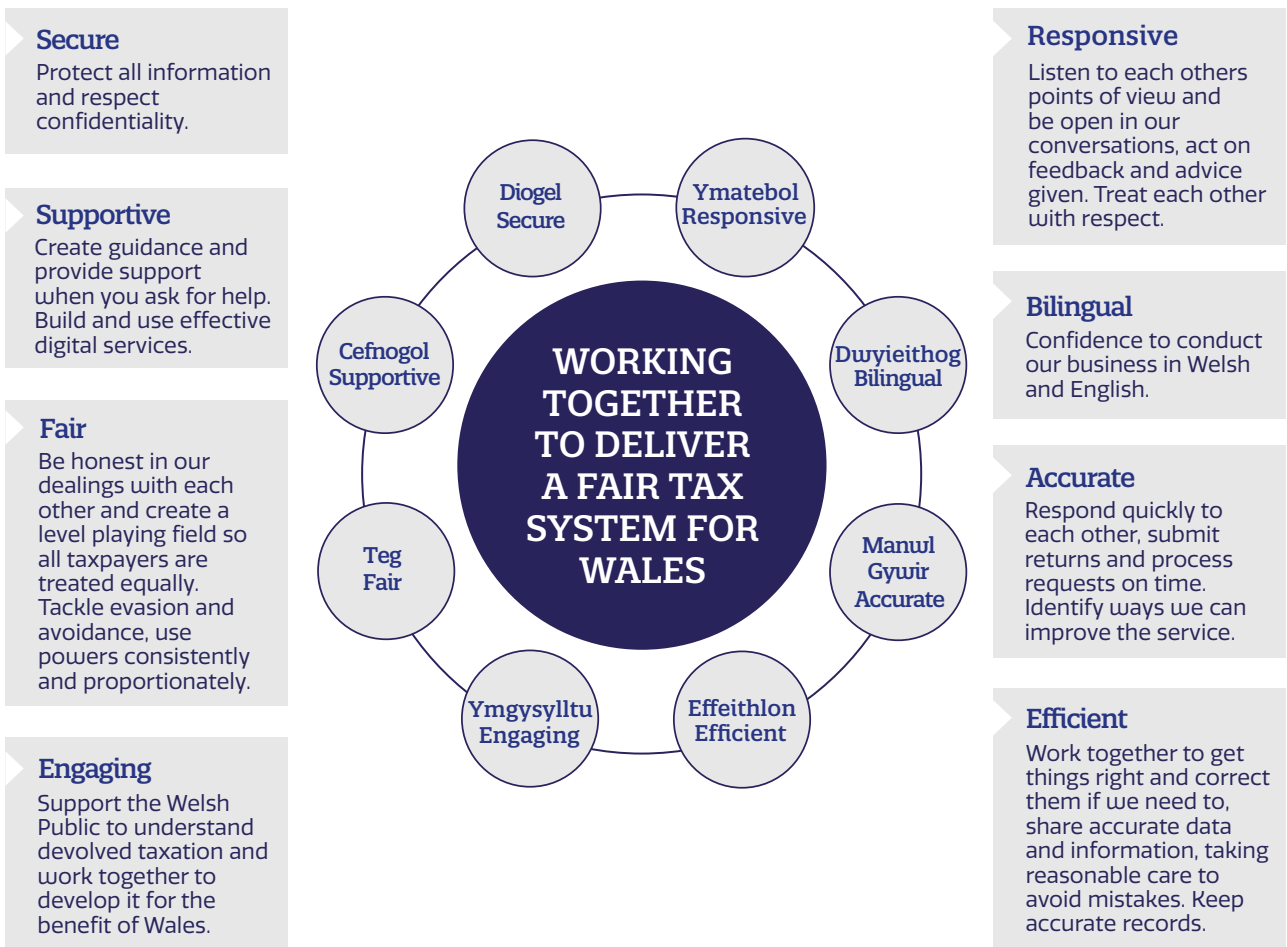
To deliver our year one priorities, we have spent time considering **how** we work and our approach. During conversations with various stakeholder groups and interested parties across Wales, we have started to develop what we view as a Welsh way of doing tax – an approach that fits the needs and priorities of Wales and its people. To represent and explain our partnership approach, we refer to 'you' (taxpayers and representatives) and to 'us' (the WRA).

Our Charter

The first piece of work we completed was **Our Charter**, which we launched for consultation in November 2017. **Our Charter** sets out how we want to work in partnership with everyone to deliver a fair tax system for Wales.

The draft version of **Our Charter** set out joint responsibilities between the WRA and its partners, taxpayers, representatives and the Welsh public which describe how we could work together.

We were delighted to receive more than 120 responses to our consultation as well as feedback from engagement events we hosted across Wales. You told us that our approach to shared values was welcome and that you were excited about the opportunities that this might bring. We published the revised charter, reflecting your feedback, in March 2018.



During the year ahead, we will work to embed the charter values in how we work together; how we measure our success and how we engage everyone in the work that we do. At the end of the year, we will publish our findings in our first Annual Report.

During the charter consultation, some of the feedback called on us to be clearer on what **Our Charter** values mean in practice. Again, working alongside stakeholders, we have started to develop some guiding principles which we term **Our Approach** to describe the way we will operate.

Our Approach

Our Approach explains how we envisage the WRA, taxpayers and their representatives will collectively work together to deliver the values of **Our Charter**. It defines tax administration as a collective endeavour for the benefit of all, prioritising working together to ensure the right amount of tax is paid at the right time. It also recognises that different approaches will be necessary depending on the circumstances.

We have described **Our Approach** using three Welsh terms, as they best describe what we are seeking to create in Wales.

<p>Cydweithio (keed-way-three-o)</p>	<p>this literally means 'to work together' and carries a sense of working towards a common goal. In practice, this is us enabling you, as taxpayers and representatives, to get it right first time through a simple and supported process. For you, this includes making use of digital services, using published guidance and checking with us when you are unsure.</p>
<p>Cadarnhau (kad-arn-high)</p>	<p>this suggests a solid, robust quality that can be relied on. This is about providing certainty, being accurate and reinforcing trust. For us, this is about responding promptly to queries, providing reliable guidance and advice as well as explaining clearly where we have concerns. For you, this is about making every effort to get things right, providing us with all the information we require and coming to us as soon as you think something might be wrong.</p>
<p>Cywiro (kuh-wir-o)</p>	<p>this literally means 'returning to the truth' and is about the way we work with you to resolve errors or concerns. Where you feel we have not acted correctly, we will respond to complaints in an open and transparent manner. If you make mistakes, we will help you put things right and advise how you can prevent errors in future. In cases of tax avoidance or evasion, we have a wide range of tools, from the General Anti-Avoidance Rule (GAAR) to penalties and criminal powers to help ensure the right amount of tax is paid.</p>

We use the word **"Our"** to reinforce how these charter values and guiding principles belong equally to both of us. Over the next year, we would like to work with you to develop this thinking further, including how we wish to define our respective roles as partners in creating a Welsh way of doing tax.

Our Partnerships

We will look to take the spirit of **Our Approach** into the wider relationships we develop. We understand that our ability to make the most of these opportunities relies upon us working effectively with our partners across Wales and beyond, and so we will take the time to work with others in an open and collaborative way.

Delivering the Welsh Government's devolved tax policy will involve us maintaining a close partnership with other departments of Welsh Government, in particular Welsh Treasury. We will work together to provide high-quality and expert advice to Welsh Ministers in support of the future development of tax policy.

In line with international best practice, the WRA was established by Welsh Government to be operationally independent to ensure the confidentiality of individual taxpayer information. However, we remain accountable to the National Assembly for Wales and Welsh Ministers for the proper expenditure of public money.

We have an operational partnership with Natural Resources Wales, who will be supporting us with the collection of Landfill Disposals Tax. This partnership maximises the benefits of Natural Resources Wales' experience and expertise in the waste sector and their existing relationships with landfill site operators across Wales.

We value the working relationships we have developed within the private sector to date and we will continue to work with partners outside the public sector to help further build new systems and services as a tax authority for Wales.

Performance and Measures

Our first operating year marks the start of working in partnership with you (taxpayers and representatives) to deliver a fair tax system for Wales. Measuring our impact will be fundamental to this.

It is important that we develop the right measures. **Our Approach** is different and therefore our measures need to be different too. We want to test which measures matter so we can ensure we are achieving the desired outcomes from our new approach.

As representatives registered to use the new digital system to file for Land Transaction Tax, the WRA helpdesk team was available to support them if needed. During registration, more than 80% of queries were resolved first time. To do this, occasionally it meant spending longer on calls to ensure queries were fully resolved first time. We are proud that our approach gave staff the autonomy and confidence to spend time helping representatives in this way and the feedback we have received to date suggests to us that you welcome this approach.

This different approach gives us an opportunity to include measures which not only hold the WRA to account, but look at how the tax system in Wales and our partnership is working. For example, additional tax collected through tax enquiries further along in the process means that the original tax return was incorrect. We do not want to see increasing amounts of money being collected in this way.

Our Approach is about supporting you to get it right first time so that more of the tax due is collected when it should be. This means moving our efforts and resource into helping you get it right, rather than placing our resources into queries and enquires after the fact.

This will only work if we work together: we need you to contact us when you need help. To see if this is working, we will review a random sample of tax returns. In this instance, a measure of success for **Our Approach** would be reflected in most tax returns being right first time. We want to engage with you over the year ahead to develop the right measures. The measures we have been thinking about to start this conversation are:

Potential WRA measures	How this is different
<p>Resolving queries upfront, and at first contact with the WRA</p> <p>Satisfaction survey</p>	<p>Measures can focus on call waiting times and call length, but we feel it is more important that you get the help you need when you call. Research has shown that this approach can produce more satisfied customers and increase trust.¹ Our helpdesk staff will work to resolve your query first time so you don't have to call us back. We are also keen to think about how we can measure if you are asking for help when you need it.</p>
<p>The proportion of you who could speak to us and transact with us in your chosen language (Welsh, English) or a combination, if you so wish</p>	<p>We will count the proportion of transactions or correspondence undertaken in Welsh/English, but this will only tell us part of the story. What matters most to us is that you can use whichever language you want and we will support you in doing that.</p>
<p>Number of tax returns that need no action from the WRA following submission and the number of enquiry cases worked by the WRA</p>	<p>We want to focus on supporting you up front to get it right first time and we want to focus our efforts on that initial support rather than working to correct matters after the fact.</p>
<p>Complaints, feedback and WRA responses</p> <p>Number and nature of engagement events and participation</p>	<p>We will count the number of complaints. But we will also listen carefully to feedback directed to us through complaints and other channels, including engagement events. Most importantly, we want to make sure we are held to account for taking action in response to your feedback.</p>

During our first operating year, we will gather data across the performance framework which will be used to baseline and provide a benchmark from which to develop future measures. We will include a full set of performance measures in our next Corporate Plan.

As part of measuring what is happening during our first operating year, we will publish regular statistics about taxes in Wales. In short, we will publish:

- Monthly Land Transaction Tax data
- Quarterly operational statistics (see **Annex 2**)
- Quarterly statistical releases on Land Transaction Tax and Landfill Disposals Tax
- Annual statistical release for Landfill Disposals Tax and Landfill Transaction Tax

People

As a small and specialised organisation, we recognise that our people are key to our success and we value the huge contribution so many have already made in helping to establish the WRA. We have invested time in bringing new people, as they join the journey, together to feel part of one team; both our Board members and our employees.

Our Board

The WRA Board was appointed in summer 2017 and consists of our Non-Executive Chair, five Non-Executive Members, our Chief Executive and two Executive Members who are also WRA employees. In autumn 2018, we will also appoint a Staff Board Member through an employee ballot.



Front to back: Sean Bradley, Jocelyn Davies, Lakshmi Nahrain, Dyfed Alsop. David Jones, Rebecca Godfrey, Martin Warren, Kathryn Bishop and Dyfed Edwards,

Our Employees

The WRA is a small and specialist employer. We currently employ around 50 people representing 14 civil service professions, and expect to grow to more than 70 people by the end of 2018. All our employees are civil servants and subject to the Civil Service Code, which sets out our key expectations as an employer. Find more details on our structure in **Annex 3**.

We will embrace the opportunities presented by being a small organisation during our first operating year, as follows:

We aim to:	We will do this by:
<p>Ensure that our Board and Senior Leadership Team are approachable</p>	<p>Minimising hierarchies.</p> <p>Putting in place processes to support anyone with an idea for innovation or a cause for concern.</p>
<p>Ensure our employees have what they need to deliver, improve and progress</p>	<p>Developing our Performance and Talent Management processes.</p> <p>Identifying our skills gains and gaps.</p> <p>Creating bespoke in-house training.</p> <p>Bringing in experts to provide external training.</p>
<p>Attract and retain talented individuals with specialist skills</p>	<p>Assessing strengths as well as competencies during recruitment, to give individuals the chance to show what they can do, not just what they have already done.</p> <p>Advertising roles externally to ensure we get the right person for the role.</p> <p>Bringing in experts from other employers by offering opportunities for loans.</p> <p>Offering good quality, interesting jobs.</p>
<p>Create a WRA workforce which reflects the public that we serve</p>	<p>Appointing staff to at least four locations across south, mid and north Wales.</p> <p>Seeking to maintain a good gender balance at all levels of the organisation.</p> <p>Employing apprentices, offer paid placements to graduates and others to encourage social mobility.</p> <p>Reviewing our recruitment, progression and training information to ensure equal opportunity for those with protected characteristics and those without them.</p>

We aim to:	We will do this by:
<p>Encourage and build Welsh language skills amongst our workforce</p>	<p>Continuing our success at having Welsh speakers at all levels of the organisation.</p> <p>Advertising all roles as 'Welsh language skills desirable' as a minimum.</p> <p>Encouraging employees to learn some Welsh each year.</p> <p>Supporting fluent Welsh speaking employees to gain specialist tax vocabulary.</p> <p>Supporting non-fluent employees by providing free Welsh language training.</p>
<p>Review our people policies</p>	<p>Beginning to review all our people policies.</p> <p>Creating policies which reflect our strategy, size and needs as a business.</p> <p>Placing trust in our employees at the heart of our policies.</p>

Budget

From the start of our first-year operations, the WRA will be responsible for collecting public money; the tax revenue we raise will directly fund public services in Wales.

As a tax authority, we understand how important it is for us to do this effectively, and adhere to the Managing Welsh Public Money framework and principles. To help us achieve this, we have built financial capability in the WRA through the people we have recruited and the processes and systems we have developed, and have built new finance systems to manage both our corporate finances and our tax accounts.

Our tax finance system will be kept separate to our corporate finance system to ensure transparency and sound governance. The Chief Executive is our Accounting Officer and will be personally accountable both for the corporate finances and the tax revenue receipts.

In terms of the taxes we collect, we will publish information quarterly and pay cleared funds to the Welsh Consolidated Fund on a regular basis. Every year, we will report and publish a Tax Statement of tax income and deductions; this will be audited by the Auditor General for Wales (AGW). At the end of the year, we will also publish our annual accounts for the corporate finances; these will also be audited by the AGW.

The Cabinet Secretary for Finance and Local Government has provided a revenue budget of £6 million for our first financial year (2018-19) to run our organisation and we expect to spend this budget in broadly three ways:

1. People to deliver the WRA's services
2. Investment in improvements to the WRA's systems
3. General operational costs

To ensure we use the budget as effectively and efficiently as possible, we will also develop good contract management capability along with clear financial accountability and internal governance.

We do not have any historic spend data and will learn a lot in our first year about what it takes to run our services. We will use feedback we receive to work together to improve the services we provide.

Chief Executive's Summary

Bringing together this first year's Corporate Plan has helped us as a new organisation; both to recognise the extensive amount of work that has already been undertaken and to shape our thinking about the longer-term future.

You can see from this Corporate Plan that there is a lot of work to carry out over the next 12 months, but I believe we have already established positive ways of working which we can now build upon. Something I am especially proud of, and a good example of how we are trying to work differently, is our use of the Welsh language to spur innovation, using it to describe more accurately the way we will work together in **Our Approach**.

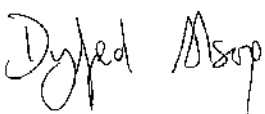
We have already been developing and testing our guidance and digital services in Welsh. This has proved to be extremely popular and is something we want to continue doing. Our digital services are designed so that you can toggle easily between Welsh and English online services. This means people who might lack confidence in Welsh can switch to English and back throughout the form as needed. We want to support people to give Welsh a go.

We look forward to working with the Welsh Language Commissioner and Future Generations Commissioner over the next few months to share these sorts of experiences and to consider how we work in the future. As a new public body, we take our statutory obligations seriously and are embedding positive practices, but there is, of course, more to be done. We are subject to the general Public Sector Equality Duty and we will be preparing our equality objectives and measures with the aim of publishing both along with an equality statement by April 2019.

Establishing this new organisation has given us the opportunity to develop a digital approach to the way we work. We are entirely cloud based and have integrated external and internal systems and a 'single customer account', providing you with a seamless service whilst also increasing our efficiency. Over the coming year, we will work with you to move more processes online and support those who, for whatever reason, can't use our digital service. This will help us become clearer on the developments we need to make to our digital systems over the next 12 months.

In summary, this year is a year of collaboration; working together with colleagues in the WRA, our various delivery partners, taxpayers, representatives and more generally, the people of Wales. Together, I believe we can create a tax authority that delivers a fair tax system we can all be proud of.

As a closing thought, the word that best captures the spirit of the WRA and how we want to deliver our services is 'uchelgeisiol', which literally means to aspire high. You can already feel this spirit across the organisation. We'll be working hard to ensure we retain this aspirational approach as we continue through our first operating year.



Dyfed Alsop, Chief Executive

Annex 1: Key activities

Priority	Key Activities
<p>Devolved tax collection – enabling people to pay the right amount of tax at the right time.</p>	<p>Successful establishment of the WRA to collect and manage the two newly-devolved taxes. (D1)²</p> <p>Maintain transparent and effective guidance, developed jointly with customers, including the LTT tax calculator and technical guidance.</p> <p>Provide a helpdesk with the key aim of first time resolution.</p> <p>Provide support to help people use digital systems.</p> <p>Provide tailored, personal support to customers with a Customer Relationship Manager for every landfill site operator, and an ambition to recruit Land Transaction Tax specialists who will engage regionally with their customers.</p> <p>Help those who have made mistakes to put their tax affairs in order.</p> <p>Encourage and provide simple opportunities for feedback and complaints so we can continuously improve.</p> <p>Ensure that customers can do the things they need to do in English, in Welsh or in a combination of both.</p>

Priority	Key Activities
<p>Managing the devolved tax system to help deter and tackle tax evasion and tax avoidance.</p>	<p>Monitor the new legislation to ensure it operates as intended and doesn't create opportunities for avoidance. (D2b)</p> <p>Gather and analyse data to establish the scale of avoidance, evasion and non-compliance in the devolved taxes. (D2c)</p> <p>Use our data analysis to develop a risk-based approach to identifying and tackling tax risks.</p> <p>In cases of tax avoidance or evasion, we will use a range of tools as appropriate, including our civil and criminal investigative powers, the imposition of penalties, the application the General Anti-Avoidance Rule ('GAAR') and criminal sanctions, to tackle those who bend or break the rules so that no-one gains an unfair financial advantage. (D2d)</p> <p>Explore opportunities for data sharing and collaborative working across the range of Welsh taxes with organisations in the tax management landscape to support compliance, enforcement and customer experience. (D3)</p>
<p>Public service delivery – leading improvements to the administration of devolved taxation across Wales.</p>	<p>Establish and embed our partnership with Natural Resources Wales on Landfill Disposals Tax compliance activity.</p> <p>Analyse land transaction data in relation to the higher rate surcharge on a local authority basis.</p> <p>Develop partnerships with other tax collection organisations and work to identify areas we can improve the tax administration system.</p> <p>Work with others to build a comprehensive picture of unauthorised disposals in Wales, which we will use to collaborate in addressing this problem.</p>

Annex 2: Quarterly operational statistics (including a monthly profile)

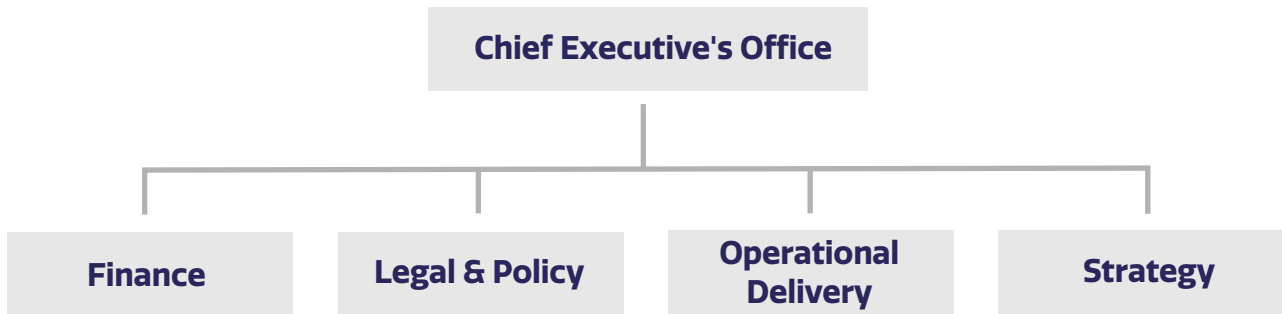
At first, we will include the information listed below, but we will build on this as we move through the operational year and have more data. We will also work with taxpayers, representatives and our wider stakeholders to understand what information you'd like to see in these releases.

- Volume of contact broken down by channel (e.g. phone, post, etc)
- Response times
- Number of tax returns filed (paper/digital split)
- Total tax receipts (cheque/BACS split)
- Proportion of late returns and late payments
- Number of complaints received

Some of these may form part of our official statistics as well as part of the operational context and therefore may also be shown in other publications. We will review this to ensure we are not overly duplicating and to ensure information is coherent and easy to find.

Annex 3: Our Structure

The WRA is organised into five departments:



Chief Executive's Office	includes our executive support, central coordination and HR colleagues.
Finance	includes our procurement, tax finance, corporate finance, debt, audit and risk colleagues.
Legal & Policy	includes both our legal and policy colleagues.
Operational Delivery	includes our taxpayer and representative support, regional engagement, and frontline tax collection and management functions.
Strategy	includes our digital, data, business process, change, customer and communications colleagues.

Beyond the above in-house functions, as a small organisation, we also work with other organisations to provide our services. We utilise shared services for our audit, translation, vetting, payroll and facilities services.

References

- 1 The UK Customer Satisfaction Index is the Institute of Customer Service's national measure of customer satisfaction based on 10,000 consumer responses:
<https://www.instituteofcustomerservice.com/media-centre/press-releases/article/customer-satisfaction-in-the-services-sector-is-on-the-up-but-businesses-urged-to-get-it-right-first-time>
- 2 Reference in brackets link directly to our tax policy work plan 2018 commitments, which can be found in full here:
<http://gov.wales/docs/caecd/publications/180213-welsh-tax-policy-work-plan-en.pdf>