



T: 0300 244 4000
E: scottish.ministers@gov.scot

Councillor Jim Logue
Civic Centre
Windmillhill Street
MOTHERWELL
Lanarkshire
ML1 1AB

Email: loguej@northlan.gov.uk

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Dear Jim

Thank you for your letter of 1 November 2017 regarding the closure of HM Revenue and Customs Cumbernauld office and the transfer of their staff to the proposed Glasgow Regional centre.

You mention you are committed to working with the PCS union to oppose this closure I commend that initiative. As you will be aware PCS published a report on the HMRC closures and I assure you I agree in principle with the recommendations published. The report suggests that the Scottish Government make urgent representation to the UK Government for an immediate halt to the HMRC Building Our Future program. It also recommends that the Scottish Government should create a taskforce to look at tax administration and collection in Scotland: specifically, whether Scottish HMRC should continue to be under the control of the UK Parliament or whether its powers should transfer to Holyrood.

When Parliament debated the motion (S5M-06672), 'Fighting for Tax Jobs, Fighting for Tax Justice' the Scottish Government stated that the First Minister had spoken personally to the Second Permanent Secretary at HMRC to relay her grave concerns over these job losses in Scotland.

Following that I wrote to the then Financial Secretary to HM Treasury to ask for a meeting to discuss these plans in more detail and establish what we can do to mitigate the impact of this situation. Unfortunately, the response from the UK Government, for a halt to the program has been entirely negative. In a reply dated 20 December 2016, Jane Ellison MP, Financial Secretary to the Treasury outlined the reasons behind the decision and the scrutiny and discussions it had been subject to. In her letter, she concluded that HMRC's decision as to the locations and plans for Scotland were final.



The Scottish Government remains deeply concerned about HMRC's transformation programme and the impact it will have on the approximately 8000 HMRC staff based in Scotland. It remains the Scottish Government's position that the powers to collect and manage all tax collected in Scotland should be devolved to Scotland. This would allow the Scottish Parliament to create a tax administration and collection service specifically tailored to Scotland's needs.

I hope this provides a clear explanation of our current view on the HMRC programme.



Keith Brown