

SCRUTINY REVIEW INITIATION DOCUMENT (SID)

Review: Tax Avoidance

Scrutiny Review Committee:

Director leading the Review: Steve Key, Assistant Director - Service Finance and Procurement

Lead Officer:

Overall aim:

To only contract with companies and bodies that do not avoid paying UK Tax.

Objectives of the review:

1. To understand how companies avoid paying UK tax including parent companies and subsidiaries.
2. To understand our existing legislative requirements around procurement and contract management.
3. To investigate how we can identify businesses that we contract with who avoid paying UK tax.
4. To review and update our procurement processes, within the law, to exclude those businesses that do not pay appropriate tax.
5. To review and update, as necessary, our appointment process for consultants and agency staff.
6. To explore whether we can use other powers we have (e.g. licencing) to influence companies to pay their appropriate tax.

How is the review to be carried out: (Use separate sheets as necessary for 1-4 below)

Scope of the Review

To review the current situation within Islington and examine how others deal with this issue

Types of evidence will be assessed by the review: (add additional categories as needed)

1. Documentary submissions:
 - a. HMRC information
 - b. Tax advisers information
 - c. Public Contract regulations 2015
2. It is proposed that witness evidence be taken from:
 - a. Representative from Procurement
 - b. Representative from HR
 - c. PWC or another tax expert

- d. HMRC
- e. Large companies that we contract with who have been accused of tax avoidance

3. Visits

- a. To be identified

Additional Information:

Programme

Key output:	To be submitted to Committee on:
1. Scrutiny Initiation Document	29/6/15
2. Timetable	
3. Interim Report	7/12/15
4. Final Report	21/1/15