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CEP

The Right Hon Nigel Lawson MP
Chancellor of the Exchequer
Treasury Chambers
Parliament Street
LONDON
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NBSM

26 April 1985

Dear Nigel,

VAT TRIBUNALS: TRANSFER OF RESPONSIBILITIES

Kenny Cameron has kindly shown me a copy of your letter of 1 April to Quintin Hailsham about the transfer of administrative responsibility for VAT Tribunals. I have also seen Quintin Hailsham's letter of 12 April and am grateful to him for keeping me in the picture.

I have an interest in this matter as I also have had in the earlier transfer affecting the Office of Social Security Commissioners. There are Tribunal staff based in Scotland and for various reasons I do not think it would be appropriate for them to be transferred to the Lord Chancellor's Department.

Kenny Cameron and I have had an opportunity to consider our respective responsibilities and we have reached agreement on what these should be, if a transfer of responsibility takes place in England and Wales. The position can be summarised as follows:-

- (1) the Secretary of State for Scotland should assume responsibility for the Office of VAT Tribunals in Scotland;
- (2) the Lord Advocate should be consulted about the appointment of the President;
- (3) the Lord President of the Court of Session should continue to be responsible for the appointment of the panel of Chairmen in Scotland; and
- (4) procedural rules should be made by the Lord Chancellor with the consent of the Lord Advocate.

My agreement on (1) above is conditional on agreement about a suitable transfer of resources, an issue on which your letter is completely silent. My officials in the Scottish Courts Administration (SCA) are pursuing this with LCD and Customs and Excise officials. It is to SCA that the resources would be transferred, although after any transitional arrangements had expired the staff in practice would come from the Scottish

office on loan to SCA. I should also want my officials to be involved closely in the preparation of the New Clause for the Finance Bill. I have no objection to the date of 1 April 1986 for the actual transfer of responsibility, provided the necessary administrative and financial arrangements can be made satisfactorily.

I am copying this letter to the Prime Minister, Quintin Hailsham and Kenny Cameron with whose agreement I am writing.

Yours truly,

George

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VAT TRIBUNALS

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