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The Rt Hon Mel Stride MP
Financial Secretary to the Treasury and Paymaster General
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31 October 2018

Thank you for your letter dated 25 October.

Having considered it further, we would like to reiterate our invitation to meet the Finance Bill Sub-Committee on 5 November.

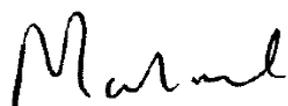
You cite that no Treasury minister has given evidence to the Finance Bill Sub-Committee previously. The Sub-Committee has not invited a Minister before because it has not had to, not because of any convention. It is not intended that future Finance Bill Sub-Committees will always invite a Minister to give evidence to their inquiries, and the Sub-Committee has not entertained this invitation lightly. However, it believes the evidence we have received warrants a Minister having the opportunity to discuss the issues at hand in a public session, before the publication of our report.

Reflecting on the transcript from the session with the officials from your department and from HMRC, it is clear that there were questions that they were not in a position to address, and to which it would have been inappropriate to ask them. The Cabinet Office's "Osmotherly Rules" guidance sets out restrictions on officials giving evidence to Committees at paragraph 33, stating "officials should as far as possible confine their evidence to questions of fact and explanation relating to government policies and actions" and that "Select Committees should respect this position and it is then for the Committee to decide whether to request the Minister to provide the evidence." In accordance with these rules, we restrained our questions to those of fact and explanation, and those holding HMRC to account on their performance. Bearing in mind these Rules, the Sub-Committee requires further evidence, the political nature of which means officials would be unable to provide.

We see this an opportunity for the Government to present its case to the inquiry, perhaps explaining any political rationale for government policy, given the evidence we have heard against the policies in place. We think your perspective would be valuable. Without it, the

Sub-Committee must rely on the evidence which has been submitted to the inquiry by other parties interpreting the policy.

We look forward to a response by 3pm on Thursday 1 November.

A handwritten signature in black ink, appearing to read 'Yvonne' followed by a flourish.A handwritten signature in black ink, appearing to read 'Marshall'.

The Rt Hon. the Lord Forsyth of Drumlean
Chairman, Finance Bill Sub-Committee