

# Editorial

## Revenue Adjudicator

One of the latest episodes in the burgeoning, though rather low-key, saga of the Citizen's Charter is the announcement by the Inland Revenue that, as from 1 May, a new Revenue Adjudicator will be appointed to investigate taxpayers' complaints. This follows upon publication of the Taxpayer's Charter, launched in 1991. The announcement of the Adjudicator's appointment coincided with the publication of a set of three new codes of practice, setting out standards of performance, and promising compensation for delays or mistakes on the part of the Revenue.

The Adjudicator will consider problems concerning "excessive delays, errors discourtesy or the way in which the Revenue has exercised discretion." Dispute about matters of legal interpretation and tax liability will continue to be dealt with by the tax commissioners and the courts. Before a taxpayer can turn to the

Adjudicator, the complaint must have been considered internally, by the controller of the relevant executive office.

Last year, the Inland Revenue received some 14,000 complaints about the way in which taxpayers' affairs were handled. It paid out a total of £350,000 in compensation. It is anticipated that the Adjudicator, heading a team of twelve people, will receive between 20 and 60 cases a month. The new procedure is intended to complement rather than to supersede existing machinery for redress of grievances. The Inland Revenue has over the years been one of the biggest sources of customers for the Parliamentary Commissioner for Administration, accounting on average for around one-sixth of his annual caseload. It will still be open to complainants to go (via their MP) to the PCA, but it is hoped that the introduction of an independent element into the internal machinery for the investigation and redress of grievances will result in fewer

dissatisfied taxpayers – and a reduction in the number of cases referred to the PCA.

This development is a product of the Government's concern, as signalled two years ago in the Citizen's Charter, to make public services more responsive to the needs of their customers. However, the Revenue Adjudicator's main potential weakness, shared with most ombudsman-type systems (including the PCA himself), is the absence of machinery to enforce his/her recommendations. An Inland Revenue spokeswoman was quoted in *The Times* (20 February 1993) as saying that there was a need to balance the needs of the individual and the danger of setting precedents when deciding whether to abide by the Adjudicator's decision – adding that she did not "perceive very many circumstances in which this will happen." We will have to wait and see.