**Meeting Note: Funder Roundtable on UK Tax Reform**2nd June 2020

**1. Introduction**

On 29th May 2020, the Joffe Charitable Trust and the John Ellerman Foundation convened a roundtable for funders on UK tax reform. 14 funders participated (see Annex 1). The objectives of the roundtable were:

1. To explore the case for tax reform in the UK in the current context.
2. To identify common ground with funders’ strategic priorities.

A short [briefing note](https://joffetrust.org/tax-reform-briefing-note-may20/) was circulated in advance, setting out a strategic analysis of current priorities. Participants were particularly interested in the links between tax justice and wider work on economic, climate and social justice.

At the meeting, participants recognised the key role of tax reform in tackling inequality and supporting the just transition. They discussed the extraordinary opportunities and risks created by the current crisis. They started to identify practical steps to seize the opportunities and strengthen alliances with other movements.

**2. Presentations**

*2.1. George Turner, Director, TaxWatch: The case for tax reform*

* Due to the current crisis, the UK will have a serious debate about its tax system for the first time in 30 years. It is vital that civil society can engage with this, bringing independent views in the public interest.
* On an international level, it is widely accepted that reform is necessary to stop companies banking profits in tax havens. The UK has a central role to play.
* Currently, accepted business practice includes many tax practices that could be seen as financial crime. It is due to HMRC’s discretion that they are not.
* There is a great opportunity to accelerate progress now, more rapidly than after the 2008 crash.

*2.2. Robert Palmer, Executive Director, Tax Justice UK: Strategic priorities*

* The UK is facing a critically important moment. On the one hand, there is opportunity for substantial tax reform as we start to ‘build back better’. On the other hand, a hard Brexit threatens new cuts to regulations and taxes.
* The tax justice movement aims to reform the tax system so it raises revenue in a fair way that tackles inequality and supports a green transition. Specific policy proposals (e.g. in the briefing note) have cross party support.
* There is potential to influence the current government and help shape its ‘levelling up’ agenda. It can be enhanced by building alliances. Next year’s COP presents an opportunity. The UK also has an outsize international influence.
* So there is all to play for.

*2.3. Paul Monaghan, Chief Executive, Fair Tax Mark: Engaging business & investors*

* The business & investor community is split between those who still see tax only as a cost to be minimised, and those who recognise that their success depends on meeting wider responsibilities to society.
* Many business leaders are as angry as the general public about unethical practice. Investors increasingly recognise the financial and reputational risks of aggressive tax avoidance.
* This split can be seen in the different approaches of listed companies and highly leveraged privately owned businesses.
* Companies could be encouraged to play a more vocal and joined up role in support of responsible business practice and tax justice. The next six months present a huge opportunity.

**3. Discussion**

* Participants had a strong desire to seize the current opportunity for tax reform. They recognised the central links between tax justice and economic, social and climate justice.
* Further austerity is politically untenable. The government is expected to live with historically high levels of debt for the coming years. The debate about tax and spending is already taking shape within the Conservative party with different arguments being presented from different wings.
* Debates about tax and a new social contract are increasingly mainstream, e.g. in the Mail, Times and Financial Times as well as the Guardian.
* Over the last year, the investor community has taken tax reform more seriously. But this is still ad hoc. There is great potential to bring investors and companies together more systematically. It may be possible to use shareholder activism to build pressure on companies, e.g. as ShareAction does.
* The tax justice field is aware that it needs to become more diverse and has started to take action. The field also lacks a popular movement now, unlike 2008 when Occupy, UK Uncut and others played this role.
* Behind the scenes influence will also be important, to engage with government.

**4. Emerging themes**

*4.1. Seizing the current political opportunity*

* Could we build pressure rapidly by strengthening links with other civil society organisations / movements? E.g. make the case to them about the role of tax reform in achieving their objectives, such as funding public services and the green transition. If other movements could lend their support to the tax justice movement now, that could make a decisive difference.
* Could we amplify messages like tax avoidance often being illegal or criminal, to strengthen resolve in the Conservative party?
* Could we make the most of the influence government currently has on business, e.g. on tax transparency & practices?

*4.2. The role of funders*

* Could funders proactively strengthen common narrative and connections between the tax movement and other movements / civil society organisations?
* Could funders continue to stay in touch with each other to exchange experiences and build common analysis?
* Could we learn from tax justice work in other countries, or other similar fields?

**Annex 1: Participants**

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| 1. Alex Jacobs
 | Joffe Charitable Trust |
| 1. Alison Paton
 | Generation Foundation |
| 1. Andrew Clarke
 | Luminate |
| 1. Anna Watt
 | Laudes Foundation |
| 1. Anne Robbins
 | Network for Social Change |
| 1. Helen Kersley
 | Roddick Foundation |
| 1. Ieva Kajokaite
 | Funders Initiative for Civil Society |
| 1. Jon Cracknell
 | JMG philanthropy |
| 1. Manny Hothi
 | Trust for London |
| 1. Michael Jarvis
 | Transparency & Accountability Initiative |
| 1. Mubin Haq
 | Standard Life Foundation |
| 1. Savior Mwambwa
 | Open Society Foundation |
| 1. Sufina Ahmad
 | John Ellerman Foundation |
| 1. Tom Schuller
 | Network for Social Change |

The roundtable was expertly facilitated by Rachael Clay and Jane Thurlow from Ethicore.