

Backgrounder CRA Strategic Directions Appeals

Purpose:

The purpose of this document is to provide you with an understanding of the strategic direction of the Appeals Branch to be used as part of the consultative process on the development of a new organizational model in the Greater Toronto Area (GTA).

Organizational Context:

The Appeals Branch is responsible for the delivery of the Agency's redress programs to resolve disputes, service complaints and requests for relief from penalties and interest arising from decisions made under the legislation and programs administered, and services provided by the Agency. The CRA is committed to conducting a fair, impartial, and independent review of any dispute.

Each year, the Appeals Branch services thousands of taxpayers across the country. Much of the work involved is non face-to-face work and therefore can be done from a variety of locations. In most cases, Appeals workloads are regarded as either a national or regional inventory of work. In some situations, however, there is a need to meet with representatives in the resolution of files, usually in respect of high-complexity objections or litigation files.

It has been a long-standing practice in the Appeals Branch to establish Centres of Excellence (CoE) and centralize similar work. In recent years, changes have been made to the delivery points and structure for Litigation and CPP/EI Appeals to the Minister and high-complexity objections have been centralized for a number of years based on business sectors such as financial, oil and gas and pharmaceuticals. In 2017, the Appeals Branch and Ontario region announced the finalization of the consolidation of income tax objections activities in three end-state sites, which include the GTA.

Drivers for Change:

The Appeals Branch has begun to undertake a significant transformation agenda to improve the delivery and efficiency of its programs and to resolve long-standing inventories. This agenda is driven in part by the recent Office of the Auditor General recommendations on the Objections program which notably highlighted the need for a comprehensive review of its processes and the need to strengthen the sharing of objections and appeals results with other parts of the Agency.

The success of the Appeals programs lies in its workforce. Given the nature of the work, one of the key natural feeder group are the audit functions. The co-location with audit programs yields greater opportunity for developmental assignments, long-term career opportunities and knowledge sharing. Although these groups have been co-located before in some fashion or another, a closer proximity could be a catalyst in sharing of information between the two areas that would ultimately help resolve issues sooner in the compliance process. In addition, the physical co-location or close-proximity of Appeals staff with other programs and third parties such as the Department of Justice would also help support stronger communications and operations.

Centres of Excellence are increasingly becoming a preferred model for Appeals operations, as this allows employees and management to focus on specific areas of work, develop expertise, facilitate training and

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succession planning and ultimately provide more consistent and efficient service to Canadians. Given the relatively small size of the programs in Appeals, it is also important for the Branch to have a critical mass of staff in any given location to ensure efficient operations, as well as developmental and career opportunities within the programs themselves for staff.

People Considerations:

Depending on the taxpayer work can be performed from CRA offices, the taxpayer's location, or remotely via telework. Therefore, flexibility is critical to the effective delivery of the program.

Employee commutes and hours of work have significant impacts: on costs, on people, on morale and productivity, and entire families.

Employee development is enhanced when more senior employees work in the same area, facilitating peer-learning and professional development.

Performance and retirement plans are relevant factors, but not the only factor, in making decisions about work location for workloads and people.

Implications for the GTA:

In light of the drivers of changes and the recent consolidation of income tax objections activities within the Ontario region, appeals operations within the GTA should continue to strive to develop CoEs and to be co-located with functions with similar workforce to provide opportunities for staff to develop and progress, as well as to support the ongoing feedback activities to share objections and court outcomes with assessing and compliance sectors to enhance processes and decisions making across the Agency.