HM Revenue & Customs

Agents and HMRC
Future Engagement

Minutes

Date	2 October 2013
Group	Joint Tax Agent Strategy Steering Group
Location	Room G/57, 100 Parliament Street, London
Timing	Agent representatives' pre-meeting 10:00 to 11:00
	Main meeting 11:00 to 13:00
Agent Representatives	Rebecca Benneyworth (ICAEW), Frank Haskew (ICAEW), Jason Piper (ACCA), Brian Palmer (AAT), Patrick Stevens (CIOT), Tina Riches (CIOT) Andrew Pickering (ATT), Stuart McKinnon (ATT), Brian Keegan (CAI), Anthony Thomas (LITRG), Charlotte Barbour (ICAS)(**via tc**).
HMRC attendees	Theresa Middleton (chair), Connie Kirk (minutes), Jenny Cowles, Jo Penny, Ian Heron, Martin Stevens, Michael Cornford, Janet Abeysundera, Paul Harrison, Andrew Gordon, Jo Hegarty, Justin Savage (observer), Sam Shaikh (observer).
Apologies	Jim Harra, Lin Homer

1.Introductions

Theresa Middleton (TM) advised the group that this was Anthony Thomas' last JTASSG meeting. She thanked him for his participation in the group where he had brought expertise, experience, challenge and support. He has been the voice of the agents in business and was kind enough to allow HMRC to visit his offices.

Focus of this and future meetings

Professional bodies raised their over-arching concerns up front, in order to help speakers focus the meeting to most effect. Their main concerns are:

1. registering for a Unique Agent Reference to access Agent Online Self Serve – they sought more interaction between HMRC and the professional bodies plus larger agent firms around the various complex IT systems
2. Cabinet Office's work on Identity Assurance (known as IDA) is mission critical and we all need to ensure this will meet their needs
3. timings around building agent capability to adopt new digital services.

2. Identity Assurance (IDA)

Michael Cornford (MC) explained that there are 3 distinct elements which will be required for agents under IDA:

1. verifying a person – which will be tested in a limited live environment later this year
2. authority management – this is needed by businesses. Agents are businesses with differing levels of structural complexity. HMRC is working with Cabinet Office to recognise this and will be continuing their conversations started last year with agent firms to establish what they require
3. 3rd party software – HMRC recognises that large organisations already have systems in place and will work with firms and with software developers to ensure what is introduced will meet their needs.

The group agreed that there should be a standing agenda on 'How agents will register and have access to online services.

AP1: Connie Kirk (CK) to include this on future agendas.

3.Open actions from previous meeting

All open actions from the previous meeting have been closed and there were no comments from the group.

4.Agent & Client Statistics update on pilot

The Agent representatives had previously been told that HMRC were planning a pilot into High Volume Repayment Agents – this was redefined to Construction Industry Scheme (CIS) repayments because of difficulties identifying appropriate cases. A pilot involving Construction Industry Scheme (CIS) repayments was planned to start on Monday 7th October . [Post meeting note: the pilot started on 21 October.] HMRC is contacting around 860+ agents who deal with CIS repayments and whose repayment claims are higher than the market average. Of these agents , 160+ have a slightly higher risk and they will be invited to have an educational visit from HMRC's Agent Support Officers. The remaining 700+ agents will receive a letter inviting them to use a checklist aimed at helping them get things right. These have been developed with the professional bodies.

Where risks associated with the claims are considerably higher, the agents are the subject of compliance interventions in a separate HMRC initiative unrelated to Agent Strategy work.

Future pilots are planned but HMRC will test their feasibility before bringing them to this group for agreement and to commission development work from the Agent Engagement Group.

The professional bodies were concerned that the CIS repayment pilot was starting on Monday and they did not have enough time to prepare the publicity and to understand what 'good' looks like. HMRC has planned to issue briefing on the 3 October to the professional bodies but agreed to defer them and the start of the pilot for a few days.[Post meeting note: the pilot started on 21 October following AP2.]

AP2: Communications will be developed with the professional body representatives and shared so they can publicise and explain the pilot to their members.

5.Programme update

Ian Heron (IH) reported the Outline Business Case has been approved by the Investment Committee which means the programme can continue to develop new digital services for agents and to pilot support interventions with agents.

IH noted that customer benefits (such as time saved) had been significantly increased in this version of the business case. Previous documents had not fully recognised all the reasons why HMRC is introducing digital services for agents. He thanked all the agent representatives who helped to validate the benefits case by completing the questionnaire covering time spent on existing registration and authorisation processes.

IH reported that user testing of the new registration service screens started at the end of August using volunteer agents drawn from small and medium sized practices. More testing is planned to include the more difficult to reach agents such as those not belonging to professional bodies and individuals acting on behalf of friends and family members.

Professional bodies stressed the importance of user testing across a wide range of agent businesses including larger agents in order to get balanced and fully representative input to the design.

IH agreed that the dependency on the IDA project was important and confirmed that the programme has been working with Cabinet Office to accelerate the delivery of IDA solutions that will work for businesses and agents. He confirmed that an initial private service will be delivered to a small number of customers to test so that problems can be identified and addressed before the service is opened to a wider population.

Professional bodies were concerned that 'agile'* delivery may not work, citing the experience of DWP last year. HMRC have learnt lessons from the DWP project and have a better understanding of how to use 'agile' and what services agents require in order for this to work.

* 'Agile' is a term used to describe a new way of developing technological tools and processes. Instead of building a large and complex system to go live at one date, HMRC is developing quick, simple first versions and then testing and using them with customers (for purposes of Agent Online Self Serve the agents are the customers) and gradually adding in the refinements and complexities.

Professional bodies wanted to be more involved with the process. Paul Harrison (PH) suggested a volunteer from the professional bodies to go along to the 'show and tell' sessions which are held every 2 weeks. It would be advisable for a different volunteer to attend each time. The professional bodies were also advised that an online blog will start shortly in respect of the Tax Agent Strategy, which will make it easier to provide more frequent updates on the work.

AP3: CK will advise the professional bodies of the 'show and tell' dates and they can let her know which ones they would like to attend.

6.Transition to Agent Online Self Serve (AOSS)

Delivery of Identity Assurance (IDA) is a key dependency in deciding how to verify an agent's membership of an MLR* supervisory professional body at the point of AOSS enrolment. There needs to be clarity on how links are made with IDA before this can be taken forward. *Money Laundering Regulation

For transition onto the new AOSS, HMRC is working closely with government digital services and IDA, looking for potential ways to transfer HMRC data across. Security needs to be looked at before the migration takes place. It will be easier to transfer across the Corporation Tax and Self Assessment data as the data is clean but this may prove to be more difficult for VAT and PAYE data. Professional bodies suggested it may be an idea if they started to look at their current data and try to bring this as up to date as possible.

Having focused on addressing professional bodies' concerns at the start, the meeting ran out of time for PH to deliver his full verbal update on progress and user testing.

AP4: PH will provide a written update to JTASS members.

There are over 70 presentations being delivered by the Agent Account Managers eg to local Working Together groups, warming agents up for the introduction of Agent Online Self Serve.

AP5: CK will send out a copy of the presentation currently being used by the Agent Account Managers.

6. AOB
Date of next meeting is 6 December.