

Annex 2: Research Materials

Topic guide for HRR customers

This topic guide was used by interviewers for the 40 interviews exploring customers' experiences of and responses to the HRR intervention.

This document is a guide to the principal themes and issues to be covered. Questions can be modified and followed up in more detail as appropriate.

Some modules are to be asked of all respondents while others depend on responses to previous questions. Where questions need only to be asked of certain groups this is clearly indicated.

The research team must give the participant an information leaflet and ensure that the participant has signed a consent form prior to interview commencing.

INTRODUCTION

- Introduce yourself and thank participant for agreeing to talk to us.
- Provide them with the leaflet about the research
- Explain that *Inclusion* is carrying out the research on behalf of HMRC to understand experiences and impact of interactions with HMRC in response to an issue with your tax credit claim
- Explain that as researchers we are again interested in finding out about their experiences of receiving communications from HMRC regarding an issue with their claim, what happened as a result of this, and how this has affected their views and actions
- The interview should last 1 hour 15 mins (approx).
- It's OK if they do not wish to answer some of the questions and they can stop the interview at any time should they wish.
- Explain that we prefer to tape record interviews to ensure we accurately reflect their responses and confirm whether they are happy for the interview to be recorded.
- They will receive £30 as a thank you for taking part. If a couple £50 in total (not each)

Confidentiality and Consent

Explain that:

- They will not be identified in the report.
- Any views and quotes used in the report will be combined with views and quotes from other people and their name will not be used.
- We are undertaking this work on behalf of HMRC but no information that could identify you will be shared with other organisations.
- We would prefer to record the interview as this helps us to capture exactly what you have said. Ask if they are comfortable with that.
- **They need to sign the consent form - leave information leaflet so they can contact to withdraw consent if they wish.**
- Ask if they have any questions.

Guide questions	Interviewer notes
<p>Background</p> <p>Can you start by telling me a bit about yourself:</p> <ul style="list-style-type: none"> ○ Do you live with anyone? e.g. a partner or children ○ What age bracket you fall into? <ul style="list-style-type: none"> ○ Under 30 ○ 30-40 ○ 40-50 ○ Over 50 ○ A bit about your daily activities (e.g. work, family responsibilities etc.) ○ (if in work) are you or your partner (if partnered) self employed? 	<p>2mins</p> <p>If there are any quota questions outstanding from recruitment, check these here (these will be with your fieldwork pack).</p>
<p>Experience</p> <p><i>Interviewer: I'm going to ask you a bit about your experience of claiming tax credits and communications from HMRC.</i></p> <p>Can you start by telling me:</p> <ul style="list-style-type: none"> • How long you have been claiming tax credits? (<i>prompt: over/under 2 years; probe: month of first claim</i>) • How do you feel about the process of claiming tax credits? (Prompt: for example, do you find it easy or complicated? Why? Ever had any issues with claim?) • Tax credits are renewed annually. Can you tell me what do you have to do to renew tax credits each year? • What communications have you received from HMRC since you began claiming? • When we phoned you to arrange this interview, we asked you about letters you receive from HMRC. <ul style="list-style-type: none"> ○ We asked you about the renewals pack – do you remember receiving that? ○ And we also asked if HMRC had written to you to say they are checking your claim, to see if the information they have is correct, or to ask you to send more information about your claim. These 	<p>10mins</p> <p><i>Research questions covered</i></p> <ul style="list-style-type: none"> • <i>How claimant understands the HRR process</i> • <i>Experience of whole Annual Review and HRR process</i> <p>Probe on understanding of why additional information is required, clarity of what was required,</p>

<p>letters are sent in April-June. Do you remember receiving that? (Prompt – it might have included a penalty letter)</p> <ul style="list-style-type: none"> ○ If yes, why do you think you received a letter like this? ○ (<i>If no, see interviewer notes</i>) 	<p>positive/negative feelings about it.</p> <p>Customer may not be able to recall the letter they received. If not probe around details the letter may have contained for example asking for:</p> <ul style="list-style-type: none"> ○ Evidence of the childcare you have paid for ○ Confirmation of the children you are responsible for ○ Evidence that your child was still in full-time education ○ Your contracts of employment ○ Your Payslips, P60 or other evidence of your earnings ○ Evidence of the hours you have worked <p>Note: childcare and child related queries are the most common, so can always be mentioned first.</p> <p>If customer still fails to recall letter, move to HMRC communications section of the guide, then follow with the timeline exercise and continue through guide.</p>
<p><i>Timeline exercise:</i></p> <p><i>Interviewer: Now we are going to talk about your experiences of HMRC sending you this letter checking the information they held about your tax credits claim was correct.</i></p> <p>Do not repeat probes if they have been used in the previous section.</p> <p><i>The letter you received might have asked for:</i></p> <ul style="list-style-type: none"> ○ <i>Evidence of the childcare you have paid for</i> ○ <i>Confirmation of the children you are responsible for</i> ○ <i>Evidence that your child was still in full-time education</i> ○ <i>Your contracts of employment</i> ○ <i>Your Payslips, P60 or other evidence of your earnings</i> 	<p>20mins</p> <p><i>Research questions covered:</i></p> <ul style="list-style-type: none"> – <i>Experience of HRR – letter</i> – <i>Experience of HRR – inbound telephone call</i> – <i>Experience of HRR – claim adjustment/ termination</i> – <i>Motivation for behaviour during HRR process</i> – <i>Satisfaction with HMRC</i> – <i>Impact of HRR process on</i>

<ul style="list-style-type: none"> ○ <i>Evidence of the hours you have worked</i> ○ <i>You to contact HMRC if you disagreed with the information they held about your situation</i> <p>Do you remember what it asked for or what it told you to do?</p> <p><i>At each stage I'd like you to tell me what happened and how you felt about it.</i></p> <ul style="list-style-type: none"> ● Receiving a letter from HMRC with a query about your tax credit claim ● First action after receiving the letter (if any) ● Contact with HMRC regarding the letter - (if any – possibly a number of these) ● Telephone call <i>(if so, why)</i> ● Letter ● Sending information to HMRC ● No contact (did not respond) <i>(did participant feel they needed to contact HMRC?)</i> <p>Note: probes finish here</p> <ul style="list-style-type: none"> ○ Receiving finalisation letter: (adjustment/ termination/ no action taken) ○ <i>Ask all: So, in the end was your tax credit award changed?</i> ○ If yes: <ul style="list-style-type: none"> ○ Do you know what was wrong with your claim? ○ How do you feel about the decision to change or end your claim? Do you think it was fair? ○ Do you think HMRC communicated their decision well? What was good/poor about the way the decision was communicated? What could be improved? ○ Did you feel that you could appeal or change the decision? ○ Did you seek any advice or guidance on the 	<p style="text-align: right;"><i>attitudes to HMRC</i></p> <p>Only use timeline with customer where they struggle to recall events.</p> <p>Otherwise, allow customer to talk through their own experience and recall key milestones. For each milestone, where relevant ask:</p> <ul style="list-style-type: none"> ● When did this happen? (if not already answered) ● What happened exactly? (probe for details) <ul style="list-style-type: none"> ○ What did you do? And why/why not? ○ Did you understand what you were asked to do? ● What were your thoughts/feelings at the time? ● What impact did this have on you? ● What impact did it have on others (family)? ● How did this make you feel about HMRC? <p>Please note that the process will differ for customers receiving a discrepancy letter and those receiving an information request letter. Take customer through stages that are applicable to them only.</p> <p>For discrepancy letter – probe around:</p> <ul style="list-style-type: none"> ● Understanding of query ● Did you understand what the
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<p>decision? If yes, what was this?</p> <ul style="list-style-type: none"> ○ If no: <ul style="list-style-type: none"> ○ Do you know why HMRC selected your claim for review? ○ How do you feel about the decision not to change your claim? ○ Do you think HMRC communicated their decision well? What was good/poor about the way the decision was communicated? What could be improved? ○ Following the action of the process (if applicable) ○ Any further claims - post HRR (if applicable) <ul style="list-style-type: none"> ○ What was the process? ○ How was it different to previous claims 	<p>letter was asking you to do?</p> <ul style="list-style-type: none"> • Accuracy of HMRC's evidence (level of agreement/ disagreement with the issue raised) • Reason for discrepancy (accidental/ deliberate) • Did you contact HMRC when you received the letter? • <i>If yes, contacted HMRC: Why did you contact HMRC (prompt: for clarification / because they disagreed with letter / because they thought they were supposed to?) (probe to understand if they knew they only needed to contact HMRC if they disagreed.</i> • <i>If no, didn't contact HMRC, probe around why not (did they understand they didn't need to? Or they didn't understand the letter in the first place?)</i> • Whether participant had sent their annual declaration. If not, probe for reasons why not. <p>For information request letter probe around:</p> <ul style="list-style-type: none"> • Extent to which participant felt they were specifically targeted/ randomly selected and why • Did you contact HMRC to give them the information they asked for? Why/why not? • Did you understand what the letter was asking you to do? • <i>If they phoned the helpline: Can you tell me why you decided to</i>
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	<p>phone the tax credits helpline? (prompt – e.g. why you phoned the helpline rather than writing to HMRC with the information immediately)</p> <ul style="list-style-type: none"> • Whether participant had sent their annual declaration • Reasons for not sending declaration/ requested information (accidental/ deliberate) <p><i>Use mood monitor where customer has difficulties expressing how they felt.</i></p>
<p>Claim management</p> <p>Since HMRC did this information check on your claim [or] since your tax credit award was changed, have you changed anything about how you deal with your tax credits claim / how you communicate with HMRC? (Prompt):</p> <ul style="list-style-type: none"> • Frequency of contact with HMRC • Reasons for contacting HMRC (<i>probe: updating claim, renewing claim, informing HMRC of status change etc.</i>) • Management of annual renewal • Why have you changed/ not changed the way you manage your claim? (<i>Probe: impact of HRR</i>) <ul style="list-style-type: none"> ○ What impact has this had on your experience of claiming tax credits (if any)? ○ Has it changed how you feel about claiming tax credits? <p>If necessary, prompt further:</p> <ul style="list-style-type: none"> • Has this check (or change) on your tax credits made you change anything about the way you look after your claim? (<i>Probe: will you take more care to ensure HMRC has the correct information? In what way?</i>) <ul style="list-style-type: none"> ○ Why, or why not? <p>When claiming tax credits in the future, what, if anything, will</p>	<p>5mins</p> <p><i>Research questions covered:</i></p> <ul style="list-style-type: none"> • <i>Impact of HRR on claim behaviour</i> • <i>Impact HRR on future claim management behaviour</i> • <i>Impact of HRR process on attitudes to tax credits</i> <p>Note: changes to claim management behaviour may also have been discussed in earlier sections. Use this section to check/clarify changes discussed earlier.</p>

<p>you do differently?</p> <ul style="list-style-type: none"> • How have your experiences made you feel about claiming tax credits in the future? <p>If necessary, prompt further:</p> <ul style="list-style-type: none"> • Will this check (or change) to your tax credits make you do anything differently in the future to check your award is correct? <ul style="list-style-type: none"> – Why/ why not? – If yes, what will you do in future? 	
<p>HMRC communications</p> <p><i>Interviewer: we are now going to look at the letter/s you would have received from HMRC checking the information they hold about your claim. Please read through the letters and tell me:</i></p> <ul style="list-style-type: none"> • How familiar is this? • What is the first thing you see/ notice and why? • What is easiest/most difficult to understand and why? • How clear are the instructions on what you should do next (<i>information request/ discrepancy and penalty letter only?</i>) • How clear is the letter about what HMRC is going to do? • Do you think anything should be changed about the letter e.g. to make it clearer? If so, what? • <i>Following questions to be asked only AFTER timeline exercise</i> • How do you feel about the tone of what is written? • How do you feel seeing the letter/s again now? • Do you recall anything that you didn't mention earlier having seen this? <p>Repeat questions for finalisation letter</p> <p>Repeat questions as above using the telephone script and IVR for those who received a phone call/ spoke to CCAO. Add:</p> <ul style="list-style-type: none"> • How closely does this reflect the tone of the 	<p>10mins</p> <p><i>Research questions covered:</i></p> <ul style="list-style-type: none"> • Experience of HRR – letter • Experience of HRR – inbound telephone call <p>If it is clear which letter(s) have been received, place the information request or discrepancy AND penalty letters / script face down in front of participant. Ask them to turn it over a look over it for a minute. Make a note of:</p> <ul style="list-style-type: none"> • What they look at first • What they spend most time looking at • Any changes in facial expression when reading <p>Ask customer to highlight sections and talk through their responses.</p> <p>If it is not clear which letter(s) have been received show them the letters (but with childcare and child ones on top as these are most</p>

<p>conversation you had with HMRC? (<i>telephone script only</i>)</p>	<p>common) and ask if they recognise any of the letters. Make notes as above.</p>
<p>Prevention - Network effect</p> <ul style="list-style-type: none"> • Did you tell anyone else about the process you went through with HMRC? <ul style="list-style-type: none"> ○ If no, why not? ○ If yes, move to network mapping exercise <p>Mapping exercise</p> <p>For each person they spoke to about the HRR</p> <ul style="list-style-type: none"> • Can you tell me a bit more about this? (<i>Prompt as necessary</i>) <ul style="list-style-type: none"> ○ Who did you speak to (<i>Prompt: friend, family member, another tax credits customer, an expert</i>) ○ When in the process did you speak to this person? ○ How did you communicate (phone, face to face, text, online) ○ What was the context of the conversation? <ul style="list-style-type: none"> ▪ Did you contact them specifically to talk about the issue with your tax credits? ▪ Did it come up while you were talking about something else? If so, what? • What did you tell them about what had happened? (<i>Probe: the letter, the process, the outcome</i>) • How did the person you told react? • Did your discussion with this person have any impact on your own view of your experience? <p><i>Interviewer: we would be interested in talking to the person/ people you spoke to about the process as part of the research. I'd like to explain a bit more and give you some information to pass on to them at the end of the interview if it's ok with you. If you don't think this would be of interest to them you don't have to pass on this</i></p>	<p>10mins</p> <p><i>Research questions covered</i></p> <ul style="list-style-type: none"> • <i>Who claimant communicated HRR to</i> • <i>How communicated HRR process to others</i> • <i>How described HRR process to others</i> • <i>Perceptions of HRR process</i> • <i>Impact HRR on how describe TCs to others</i> <p>Using A3 paper and post-it notes. Post-it note for each person they spoke to about the HRR. Explanation of how they are connected to each person. Draw arrows between any individuals who are connected to each other and how.</p> <p>Confirm whether participant is happy to receive information about network interviews. Discuss at the conclusion of the interview.</p>

<p><i>information.</i></p>	
<p>Detection and correction</p> <p><i>HMRC recognises claiming tax credits is a complex process and is committed to helping people get their claim right. HMRC is interested in finding out its customers views on this subject, and the next few questions are about this.</i></p> <ul style="list-style-type: none"> • Overall how do you feel about the way HMRC deals with people who may have wrong information or problems with their tax credit claims? (<i>probe: types of communication used, clarity of communications, how you are required to respond</i>) • Has the letter we have been discussing that checked the information on your tax credit claim changed how you think HMRC tackle problems with tax credit claims? (<i>probe: any changes in attitudes and reasons for this</i>) • Why do you think people might have problems with their tax credit claims? • Do you think people make mistakes on their tax credit claims? Why/why not? <ul style="list-style-type: none"> ○ Do you think people deliberately over claim tax credits? Why/why not? • Some people claim too much in tax credits – some because of mistakes in their claim, and others may do this deliberately. Do you think HMRC is stopping people from claiming too much in tax credits and/or finding those people? Why/why not? • What advice would you give to HMRC to help them find and stop people from claiming too much in tax credits? 	<p>5mins</p> <p><i>Research questions covered</i></p> <ul style="list-style-type: none"> • <i>Impact HRR on perception of administration</i> • <i>Impact HRR on perceptions of compliance regime</i> • <i>Impact HRR on perceptions of social norm/ acceptability</i> <p><i>Stickers/card sort exercise for each (eg 'It is important that HMRC take firm action to ensure that people don't claim more tax credits than they are entitled to', 'Everyone bends the rules when claiming tax credits', 'people evading income tax often get caught', HMRC are putting the right amount of effort into reducing tax evasion)</i></p>
<p>Thank you and close</p>	<p>Ask if there is anything else they would like to add.</p> <p>Reiterate confidentiality.</p> <p>Thank them for their time.</p> <p>Ask if participant is happy to pass on opt-in information to networks identified earlier. Talk participant through the information and explain</p>

Annex 2 for HM Revenue & Customs Research Report 257:
Tax credits customers' experiences of and responses to the High Risk Renewals intervention

	how to opt in. Pay incentive and obtain receipt.
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Topic guide for HRR conversation interviews

This topic guide was used by interviewers for the 17 interviews exploring whether customers spoke to others about the intervention they had undergone, in order to explore any wider effects of the HRR intervention in more depth.

This document is a guide to the principal themes and issues to be covered. Questions can be modified and followed up in more detail as appropriate.

Some modules are to be asked of all respondents while others depend on responses to previous questions. Where questions need only to be asked of certain groups this is clearly indicated.

The research team must give the participant an information leaflet and ensure that the participant has signed a consent form prior to interview commencing.

INTRODUCTION

- Introduce yourself and thank participant for agreeing to talk to us.
- Explain that *Inclusion* is carrying out the research on behalf of HMRC to understand experiences and impact of interactions with HMRC in response to an issue with your tax credit claim
- Explain that as researchers we are again interested in finding out about their experiences of receiving communications from HMRC regarding an issue with their claim, what happened as a result of this, and how this has affected their views and actions
- The interview should last half an hour (approx).
- It's OK if they do not wish to answer some of the questions and they can stop the interview at any time should they wish.
- Explain that we prefer to tape record interviews to ensure we accurately reflect their responses and confirm whether they are happy for the interview to be recorded.
- They will receive £30 as a thank you for taking part.

Confidentiality and Consent

Explain that:

- They will not be identified in the report.
- Any views and quotes used in the report will be combined with views and quotes from other people and their name will not be used.
- We are undertaking this work on behalf of HMRC but no information that could identify you will be shared with other organisations.
- We would prefer to record the interview as this helps us to capture exactly what you have said. Ask if they are comfortable with that.
- **Obtain verbal consent on the recording and provide a number they can phone to withdraw from the research after the interview.**
- Ask if they have any questions.

Guide questions	Interviewer notes
<p>Background</p> <p>Can you start by telling me a bit about yourself:</p> <ul style="list-style-type: none"> ○ Do you live with anyone? e.g. a partner or children ○ What age bracket you fall into? <ul style="list-style-type: none"> ○ Under 30 ○ 30-39 ○ 40-49 ○ 50 or over ○ A bit about your daily activities (e.g. work, family responsibilities etc.) ○ (if in work) are you or your partner (if partnered) self employed? 	<p>2mins</p> <p>If there are any quota questions outstanding from recruitment, check these here (these will be with your fieldwork pack).</p>
<p>Experience of tax credits</p> <p><i>Interviewer: I'm going to ask you a bit about your experience of claiming tax credits and communications from HMRC.</i></p> <p>Can you start by telling me:</p> <ul style="list-style-type: none"> • How long you have been claiming tax credits? (<i>prompt: over/under 2 years; probe: month of first claim</i>) • How do you feel about the process of claiming tax credits? (Prompt: for example, do you find it easy or complicated? Why? Ever had any issues with claim?) • Tax credits are renewed annually. Can you tell me what do you have to do to renew tax credits each year? • What communications have you received from HMRC since you began claiming? • When we phoned you to arrange this interview, we asked you about letters you receive from HMRC. <ul style="list-style-type: none"> ○ We asked you about the renewals pack – do you remember receiving that? ○ And we also asked if HMRC had written to you to say they are checking your claim, to see if the information they have is correct, or to ask you to send more information about your claim. These 	<p>10mins</p> <p><i>Research questions covered</i></p> <ul style="list-style-type: none"> • <i>How claimant understands the HRR process</i> • <i>Experience of whole Annual Review and HRR process</i> <p>Probe on understanding of why additional information is required, clarity of what was required,</p>

<p>letters are sent in April-June. Do you remember receiving that? (Prompt – it might have included a penalty letter)</p> <ul style="list-style-type: none"> ○ If yes, why do you think you received a letter like this? ○ <i>(If no, see interviewer notes)</i> 	<p>positive/negative feelings about it.</p> <p>Customer may not be able to recall the letter they received. If not probe around details the letter may have contained for example asking for:</p> <ul style="list-style-type: none"> ○ Evidence of the childcare you have paid for ○ Confirmation of the children you are responsible for ○ Evidence that your child was still in full-time education ○ Your contracts of employment ○ Your Payslips, P60 or other evidence of your earnings ○ Evidence of the hours you have worked <p>Note: childcare and child related queries are the most common, so can always be mentioned first.</p> <p>[In face to face interviews]: If customer still fails to recall letter, show them the letters at this point and ask if they recall receiving any of them.</p>
<p>Experience of HRR</p> <p>Do you remember what the letter asked for or what it told you to do?</p> <p>Did you do anything about the letter? What did you do? Why? <i>(prompt – for example did you ring HMRC for further information, did you collect information to send in)</i></p> <p>What happened in the end – did HMRC change anything in</p>	

<p>your claim? How did you feel about your claim being checked (<i>if applicable</i>: and changed) in this way?</p>	
<p>Prevention - Network effect</p> <p><i>We're interested in hearing more about if people talk about tax credits, for example when they are contacted by HMRC, or about how to renew (or report changes of circumstances), or if they need help or advice about their claim.</i></p> <ul style="list-style-type: none"> • Do you ever speak with your friends or family about tax credits • If yes, what sort of things do you talk about? (<i>probe: renewing tax credits, filling in claim form, letters received from HMRC, overpayments – can probe using specific examples on the right</i>) • Can you tell me more about this? (<i>Probe: when, where, who brings it up, why brought up, what is said</i>) <p>HRR Network questions</p> <ul style="list-style-type: none"> • Did you tell anyone else about the process of checking or changing your claim that you went through with HMRC? <ul style="list-style-type: none"> ○ If no, why not? ○ If yes, move to network mapping exercise <p>Mapping exercise</p> <p>For each person they spoke to about the HRR</p> <ul style="list-style-type: none"> ○ Can you tell me a bit more about this? (<i>Prompt as necessary</i>) <ul style="list-style-type: none"> ○ Who did you speak to (<i>Prompt: friend, family member, another tax credits customer, an expert</i>) ○ When in the process did you speak to this person? ○ How did you communicate (phone, face to face, text, online) ○ What was the context of the conversation? 	<p>15mins</p> <p>Probe for specific examples. What discussed & context i.e. location, general/specific conversation etc. Probe for feelings about conversation. Probe on impact on people having the conversation.</p> <p>SPECIFIC EXAMPLES</p> <p><u>Renewals</u></p> <p>Have your friends or family ever talked to you about renewing their claim – around April/May each year? (deadline July 31st)</p> <p>What do they say about renewals? (conversation topics could have included: when they get the letter, if they are confused or not sure what to do; how to go about renewing; experience on the tax credits phone line (e.g. about waiting times, about the advisor they spoke with etc); comparing when to renew; reminding each other to renew etc.)</p> <p><u>Change of circumstances</u></p> <p>Have friends/family spoken about reporting changes of circumstances if something in their situation changes (e.g. income, childcare cost, household change e.g. have a child or move in with partner), (conversation topics could have included:</p>

<ul style="list-style-type: none">▪ Did you contact them specifically to talk about the issue with your tax credits?▪ Did it come up while you were talking about something else? If so, what?○ What did you tell them about what had happened? <i>(Probe: the letter, the process, the outcome)</i>• How did the person you told react? Prompt: How did they feel about what you told them and why? <i>(Probe: upset, angry, worried, anxious, nervous, confused, ambivalent, etc?)</i>• Do you think they felt that this applied to them in any way? Why/why not?• Do you know if they did anything after you told them about this?• Did they do anything about their own claim?• Did they contact HMRC to ask them about it?• <i>(if possible, probe around how sure they are, how they know this etc)</i>• Do you know if they've changed anything about how they manage their tax credits claim as a result of your conversation?• Have you talked about it with them again since your first conversation? If so, what was said?1) Did you ever show them any of the letters you had received (if not already discussed) <i>(probe: discrepancy/ info request letter, penalty letter, finalisation letter)</i>• What did they think about the letter(s)?• Do you know if they then spoke to anyone else about this? Do you know what they said, and if that person did anything as a result?• <i>(if possible, probe around how sure they are, how they know this etc)</i>• Did your discussion with this person have any impact on	<p>discussing whether to report it / how to report it / when to report it. If they have ever received a letter from HMRC reminding them to report change of circumstances?)</p> <p><u>Overpayments</u></p> <p>Ever spoken with friends/family about overpayments/ having to pay money back to HMRC? Ever heard about it happening to someone else (e.g. friends/family)</p>
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<p>your own view of your experience?</p> <p><i>Interviewer: we would be interested in talking to the person/ people you spoke to about the process as part of the research. I'd like to explain a bit more and give you some information to pass on to them at the end of the interview if it's ok with you. If you don't think this would be of interest to them you don't have to pass on this information.</i></p>	
<p>Thank you and close</p>	<p>Ask if there is anything else they would like to add.</p> <p>Reiterate confidentiality.</p> <p>Thank them for their time.</p> <p>Confirm address to send incentive.</p>

Statements on cards for card sort exercise

- Cheating on tax credits is easy to get away with
- The consequences of getting caught for making an error on your tax credits are not too bad
- I definitely would report a change in my circumstances to HMRC straight away
- Not correcting an error in your tax credit claim is wrong, no matter what your circumstances are
- People who claim too much on their tax credits usually get caught
- It is sometimes acceptable to claim more tax credits than you are entitled to receive
- People who claim too much in tax credits should get a fine

Sample discrepancy letter



**Tax Credit Office
Benefits & Credits**

Mr Joe Bloggs
123 The Street
LIVERPOOL
L1 1LL

Phone 0123 456 7891

Fax 0123 456 7891

Web hmrc.gov.uk

Date 2 July 2012
Our ref HRR/GRP22/FL2IMP/TM2/AA
NI number AA111111A

Dear Mr Bloggs

Your tax credits award to 5 April 2012

Thank you for sending your annual declaration for the period ending 5 April 2012.

Your claim has been selected for review.

What I need to check

Childcare

Childcare charges

The average weekly childcare costs you have told us about are detailed below. This is different to the amount the childcare provider has told us.

Childcare provider(s) name	Average weekly costs claimed	From	To
ABC	£100.00	6 April 2011	

Information provided by childcare provider.

Childcare provider(s) name	Average weekly costs confirmed by childcare provider	From	To
ABC	£50.00	6 April 2011	

What you need to do now

If you disagree with the information we hold please contact us by 30 June 2012 to give us the correct information.

Information is available in large print, audio and Braille formats.
Text Relay service prefix number – 18001



Annex 2 for HM Revenue & Customs Research Report 257:
Tax credits customers' experiences of and responses to the High Risk Renewals intervention

If you need any help or want to discuss your award please phone us on the number shown at the top of this letter.

If we believe that any documents you send to us are not genuine or you are not the holder, we may keep them.

If we do not hear from you by 30 June 2012 we will amend your award with the information we hold.

Please remember that it is important that you report accurate information when you claim tax credits and tell us about changes in your circumstances. If you do not you may be charged a penalty.

We would welcome your co-operation with our review and in establishing the correct amount of tax credits due. The extent to which you co-operate with us and provide us with information is entirely a matter for you. In making your decision, you may wish to get help from a professional adviser. Our review may show that you have made an error and you may be asked to pay a penalty as described in the attached leaflet *Tax Credits penalty decision*

At the end of our review if we are unable to agree with you, the information or documents you provided during our review may be used in any appeal proceedings to decide your entitlement to tax credits and your liability to repay any tax credits overpaid and penalties.

If there is anything you wish me to take into account when I consider whether a penalty should be charged, please let me know as soon as possible.

If we suspect you may have committed a criminal offence, we may carry out a criminal investigation, which could lead to prosecution.

If you have an adviser acting for you, please show them this letter.

If you contact us, please quote your National Insurance number and provide a daytime phone number.

Yours sincerely

AN Other
Processing Officer

To learn more about your rights and obligations go to hmrc.gov.uk/charter

**Sample information
request letter**



**Tax Credit Office
Benefits & Credits**

Mr Joe Bloggs
123 The Street
TOWN
C0 DE

Phone 0123 456 7899

Fax 0123 456 7899

Web hmrc.gov.uk

Date July 2012
Our ref XXXXXXXXXXX
NI number XXXXXXXXXXX

Dear Mr Bloggs

Your tax credits award to 5 April 2012

Every year we check thousands of tax credit claims to make sure that we are:

- paying the right amount of tax credits, based on customer's income and circumstances
- running the tax credits system fairly and efficiently

You will have already received your annual declaration which asks for information to finalise your 2011-12 tax credits claim.

We have selected your claim for review and will help you to renew your 2012-13 tax credits award. In order to check your award is correct we need to confirm that the information you have given us is right.

Because we check thousands of claims every year, it is quite possible that customers are selected for review in successive years. So, if we selected you for a review in 2010-11, it would not be unusual for us to select you again in 2011-12.

Before we can complete our check we need you to send us:

- the information we have asked for below, and
- your completed annual declaration

It is very important that you complete and return your annual declaration if you have not already done so. If you do not complete and return your annual declaration your payments will stop.

What you need to do

Please let us have the information asked for below for the period 6 April 2011 to 15 May 2012 by 30 June 2012, unless we state otherwise.

Information is available in large print, audio and Braille formats.
Text Relay service prefix number – 18001



Annex 2 for HM Revenue & Customs Research Report 257:
Tax credits customers' experiences of and responses to the High Risk Renewals intervention

- All invoices or receipts showing actual Childcare payments you made or a letter from the Childcare Provider showing these details.

Please send the original documents, we cannot accept photocopies. Any original documents sent will be returned to you securely. If we believe that any documents you send to us are not genuine or you are not the holder, we may keep them. We will be unable to discuss any decisions on your award until we have received the information we have asked for.

If I do not receive this information by 30 June 2012 I will use the information we have to decide your entitlement. I will amend your Childcare. If you have any problems getting the documents or obtaining the information, please phone me on 0123 456 7899 between 09:00 and 17:00.

Please note we will help you to make your declaration and get the correct award but we won't be able to deal with your award until we receive the information. Therefore please contact us 10 working days after you have sent us the documents to allow us time to receive them.

We welcome your co-operation with our enquiry and in establishing the correct amount of tax credits due. The extent to which you co-operate with us and provide us with information is entirely a matter for you. In making your decision you may wish to get help from a professional adviser. Our enquiry may show that you have made an error and you may be asked to pay a penalty as described in the enclosed leaflet *Tax Credits Penalties*.

At the end of our enquiry if we are unable to agree with you, the information you provided during our enquiry may be used in any appeal proceedings to decide your entitlement to tax credits and your liability to repay any tax credits overpaid as well as any interest and penalties.

If there is anything you wish me to take into account when I consider whether a penalty should be charged, please let me know as soon as possible.

If you have an adviser acting for you please show them this letter.

If you contact us, please quote your National Insurance number and provide a daytime phone number.

Yours sincerely

AN Other
Processing Officer

To learn more about your rights and obligations go to hmrc.gov.uk/charter

Sample penalty letter



Tax Credit – Penalty Decisions

What happens at the end of a check

This leaflet tells you about the penalties you may get if your claim for tax credits is not correct. It also explains how to appeal against those penalties.

Introduction

When you claim Child Tax Credit or Working Tax Credit you are responsible for making sure that the information on your claim is correct.

This leaflet is for anyone who may be charged a penalty after we have carried out a check on their tax credits claim. It does not tell you everything about penalties, but it does tell you what is likely to happen and what you can do if we charge you a penalty.

Information about how and why we carry out tax credits checks is in the factsheet. We normally give these to customers when we start a check.

Why do we charge penalties

We charge penalties to:

- encourage people to be careful and make sure their claims are correct in future
- stop customers from giving us incorrect information in the future and
- penalise people who try to defraud the system

Your Penalty

We can charge you a penalty of up to £3,000 if you deliberately gave the wrong information

This includes the information you give:

- in your claim
- on any notification of a change in circumstances
- in response to a particular request for information during our checks

We calculate penalties as a percentage of the tax credits when you over-claimed as a result of the incorrect award if you made a deliberate error.

We will explain why we believe that you have deliberately given us incorrect information. If you do not accept our explanation you can ask an independent tribunal to decide.

We will not charge you a penalty if you have taken reasonable care to give us the correct information, even if you make a mistake which results in you claiming too much tax credits.

If we believe you may have committed a criminal offence, we may carry out an investigation and prosecute you. If this happens, we will not charge you a penalty.

What is deliberate error

Deliberate Error is where a claimant has deliberately given the wrong information to claim for an element of tax credits they are not entitled to or to increase an element by making a false statement about their circumstances. This can include:

- Claiming for a fictitious child or children, or the wrong number of children.
- Claiming (on a new claim or renewal) that a child is under 1 year old when they are not.
- Claiming for child care costs when no childcare is paid for.
- Claiming for child care costs in excess of what is actually paid where there is clearly no basis for the amount claimed

- Claiming (on a new claim or renewal) that a child is in full-time education when they are already working.
- Claiming to be working when the claimant is not working; or claiming to be working over 16 or 30 hours, or for couples with children working a combined total of 24 hours when the claimant does not work those hours, has not done so in the recent past and has no intention of doing so.
- Claiming for the disability element with no basis to support such a claim.
- Understatement of income where there was no basis for the amount of income declared.
- Omission of a source of income.
- Claiming as a single person when a partner is present and a joint claim should have been submitted.
- Any other wrong declarations where the information concerns the claimant's own circumstances which they can be reasonably expected to know.

Couples

If you have made a joint claim with your partner, you are both responsible for the information you provide in your claim.

We may charge you a penalty as a couple where:

- either of you could have told us about any change in circumstances, or
- you were both responsible for giving us incorrect information

If the incorrect information relates to one partner and the other person could not have reasonably known that it was not correct, we will only charge the penalty on that partner.

The maximum penalty for a joint claim is no more than the maximum penalty for an individual claim.

The amount of your penalty

When working out the amount of your penalty, we will take into account:

- the amount of tax credits over-claimed
- whether it is your first, second or third or subsequent offence
- the behaviour that led to the over-claim

The level of the penalty depends on the behaviour that led to you claiming too much tax credits – such as how careful you were in making your claim or whether it was a deliberate attempt to get money you were not entitled to. The penalty levels are:

For Deliberate over claims:

- First offence a penalty of 30% of the over claimed tax credits
- Second offence a penalty of 50% of the over claimed tax credits
- Third or subsequent offence a penalty of 100% of the over claimed tax credits up to a maximum of £3000

If you do not understand our explanation of the penalty, you can ask us to put in writing so that you can seek independent advice.

Interest

We may charge you interest if:

- we overpaid you tax credits because you negligently gave us incorrect information about your claim, that is you did not take reasonable care to give us correct information
- you pay a penalty late

We will contact you if we think that you have become liable to a penalty. We can do this:

- by phone

- in a meeting
- in writing

We will explain why we are charging you a penalty and tell you both the maximum amount we can charge and the amount of the penalty we propose to charge. We are always willing to discuss with you the amount of the penalty and the reasons for it.

Paying your penalty

We will discuss the arrangements for payment covering:

- any overpaid tax credits
- the penalty
- any interest due

It is quick and easy to pay by phone. You can pay by debit card, credit card or direct debit. You can also pay using the internet and telephone banking. For more information on how to pay go to www.hmrc.gov.uk/payinghmrc

Co-operation

The extent to which you co-operate and give us information is entirely up to you. If you are not sure whether to give us the information or if you are reluctant to co-operate, we suggest you get independent advice before deciding what to do. We may decide to reduce or stop your current tax credits payments based on the information we hold.

A number of independent organisations offer help with tax credits, such as the Citizens Advice. You will find them in *The Phone Book*.

Your rights

You have the right to appeal if we:

- ask you to pay penalties or interest, or
- change your award

Our leaflet WTC/AP *What to do if you think our decision is wrong* gives more information about how to appeal. If we charge you a penalty you will get a copy of this leaflet with our decision notice.

We will not treat your right of appeal as non co-operation.

Independent tribunals

If we can't change our decision, we will send your appeal to an independent tribunal. They will listen to both of us and decide whether you will have to pay the penalty and how much you will have to pay.

Customer Service

Your rights and obligations

Your Charter explains what you can expect from us and what we expect from you. For more information go to www.hmrc.gov.uk/charter

Putting things right

If you are not satisfied with our service, please let us know what is wrong. We will work as quickly as possible to put things right and settle your complaint.

If you are still unhappy, ask for your complaint to be referred to the Complaints Manager.

Customers with particular needs

We offer a range of facilities for customers with particular needs including:

- wheelchair access to nearly all Enquiry Centres

Annex 2 for HM Revenue & Customs Research Report 257:
Tax credits customers' experiences of and responses to the High Risk Renewals intervention

- help with filling in forms
- for people with hearing difficulties
 - Text Relay
 - Induction loops

We can also arrange additional support, such as:

- home visits, if you have limited mobility or caring responsibilities and cannot get to one of our Enquiry Centres
- services of an interpreter
- sign language interpretation
- leaflet in large print, Braille and audio

For complete details please;

- go online at **www.hmrc.gov.uk/enq**
- contact us. You will find us in *the Phone Book* under HM Revenue & Customs

These notes are for guidance only and reflect the position at the time of writing. They do not affect any right of appeal.



Sample closing letter

**Tax Credit Office
Benefits & Credits**

Mr Joe Bloggs
123 The Street
LIVERPOOL
L1 1LL

Phone 0123 456 7890

Fax 0123 456 7890

Web hmrc.gov.uk

Date 2 July 2012
Our ref HRR/GRP3/FL1IMP/TM4/AA
NI number AA111111A

Dear Mr Bloggs

Your tax credits for 2011-12

I have made a decision that I do not accept your childcare costs. I have adjusted your claim as a result.

You will soon receive an award notice detailing your tax credits for 2012-13.

If you have an adviser acting for you, please show them this letter.

Yours sincerely

AN Other
Processing Officer

To learn more about your rights and obligations go to hmrc.gov.uk/charter

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Text Relay service prefix number – 18001

