# ADMINISTRATIVE BURDENS ADVISORY BOARD

Tell ABAB report - 2016/17

Better Tax for Better Business

December 2017

## Introduction

Thank you for giving us feedback, via our 'TELL ABAB' facility, about **HMRC's GOV.UK pages**. For our 2016 survey, we focused on your experience of using Gov.UK. We were pleased to receive almost 2,000 responses. This is a great continuation from previous years and enhances the robustness of our engagement with HMRC.

The agent and employer communities also have an interest in this subject. We will work closely with representatives from these groups to ensure a better service.

We have been encouraged by HMRC's desire to consider your feedback in their plans. Some initiatives are already in place to address your concerns and we have urged HMRC to take action on others.

We produced this report in conjunction with HMRC, working with them to explore the specifics of your feedback and offer our views on these. This report:

- gives you a summary of the feedback received
- shows how we have challenged HMRC on the issues currently causing small businesses problems
- identifies relevant HMRC initiatives and gives our views on these
- · explores HMRC of the future; and
- identifies next steps.

## Tell ABAB GOV.UK Survey Results (December 2016)

Key fact and insights:

**Total Responses = 1963** 

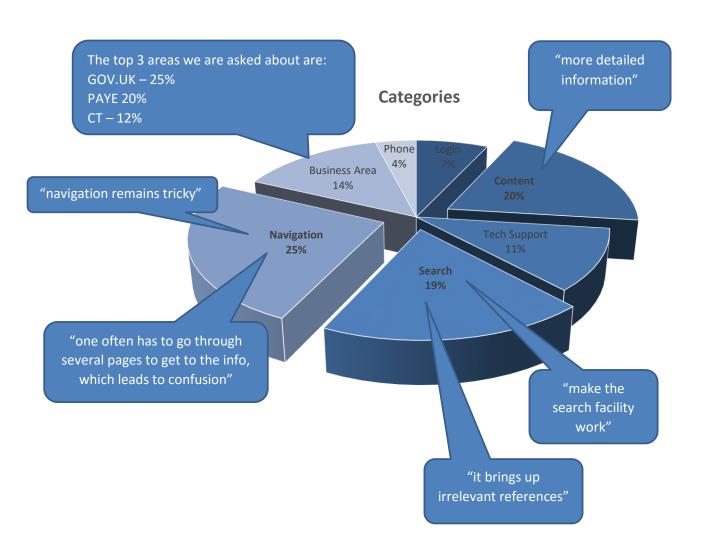
(Agent responses 201)

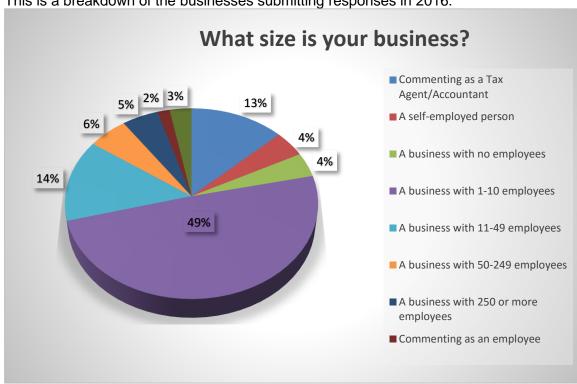
### Feedback:

Positive 10% Negative 90%

## **Top 3 categories:**

Navigation Content Search





This is a breakdown of the businesses submitting responses in 2016:

Almost 50% of responses came from businesses with 1-10 employees.

The responses showed many common themes, which are consistent with feedback HMRC has received through other channels. You said you use Gov.UK:

- to keep up to date
- to complete a transaction
- for guidance and support
- for information about a specific tax e.g. PAYE/Corporation Tax/VAT/CI
- to ensure they are doing things correctly
- or information about how to complete a return

If you could not find the required information on Gov.UK you

- called HMRC,
- contacted your agent (accountant, book keeper etc.),
- contacted a representative group,
- gave up, or
- used another website mainly professional media assistance and if an agent, your **Professional Body**

This report focuses on areas you considered most important, which were:

- Navigation 25%
- Content 20%
- Search 19%
- Other 36%

You said the site is difficult to navigate and you are frustrated with the lack of search functionality. Many of you said the links did not take you to the required page or information.

You suggested improvements, such as adding indices on front pages of topics e.g. specific tax with links to those pages; followed by links to HMRC manuals.

You told us the technical content isn't detailed enough to answer specific queries. Tax agents highlighted this and said they cannot find answers to more complex and technical queries.

HMRC are working hard to influence those responsible for GOV.UK to address these issues. ABAB recognise that some of the proposed initiatives are longer term solutions and will take time to bed in. Some short-term fixes are needed to solve more immediate problems.

### Categories

In this section we offer our opinion on the initiatives HMRC have identified to address some of your ideas and comments. Where we feel there is more to be done, we will work closely with HMRC to ensure this happens.

#### **Navigation, Content & Search**

The Government Digital Service (GDS) are responsible for the GOV.UK website. They are currently undertaking a review to improve GOV.UK navigation, content and search functionality.

 Navigation: GDS have identified that one of the reasons GOV.UK is difficult to navigate because many pages have similar titles; in some cases only the last few words are different. They are developing an improved system for navigation.

#### • Content:

In June 2017 GDS asked Permanent Secretaries (across government) to support a programme of work, called 'Content Transformation', to address your concerns about GOV.UK content.

HMRC committed support to this programme and has already started some of the HMRC audit and improvement work. HMRC expect to start work on the bulk of its content (around 7000 items of content) in 2018.

This work will continue across government with incremental updates continuing until 2020.

• **Search:** GDS agree the search function currently "isn't working in the way users expect". The search results often include items unrelated to the search term and could be "narrower and more specific".

#### ABAB's view

■ ABAB remains concerned that HMRC cannot influence changes to GOV.UK as much as we would like and it has no direct levers to create the changes small businesses require. ABAB support a review of GOV.UK, which includes and seeks the participation of independent non-GOV.UK representatives to address concerns that

the current review is not independent. ABAB will continue to monitor improvements to GOV.UK guidance and will ensure any initiatives resulting from the review fully address your SME concerns.

#### **HMRC** of the Future

On 14 December 2015 the government published the Making Tax Digital (MTD) roadmap. This set out the requirement for businesses to keep track of their tax affairs digitally and update HMRC (at least) quarterly by 2020.

In August 2016 HMRC <u>published 6 Making Tax Digital consultations</u>. They set out HMRC's thinking on some of the key design and development of Making Tax Digital.

Following these consultations the government announced they will amend the roll out for Making Tax Digital for Business so that businesses have more time to adapt to the changes.

From April 2019, only businesses with a turnover above the VAT threshold (currently £85,000) will have to keep digital records, using commercial MTDfB compatible software, and then only for VAT purposes. They will continue to update HMRC but will need to do this direct from their digital records. Businesses will not be asked to keep digital records, or to update HMRC, for other taxes until at least April 2020. ABAB are working with HMRC to support SME's looking for assistance in selecting MTD-compliant software.

You can find more information on MTD, including the roadmap on gov.uk https://www.gov.uk/government/publications/making-tax-digital

### **ABAB's view**

ABAB is supportive of the move to digital services, seeing this as the way to deliver improvements in many of the areas you've told us you find difficult, in particular more personalised support, greater certainty and convenience, and more streamlined, efficient communications. However this will not, in ABAB's view, be achieved at a lower cost to business unless HMRC and HM Treasury grasp the opportunity to create a radically simpler and easier tax system by, in parallel, simplifying the associated policies and processes. We recognise benefits for some businesses of being able to 'pay as you go', helping them to manage their cash flow.

We remain apprehensive about the admin burden impact of businesses providing HMRC with information on a quarterly basis. It is difficult for us to see how more frequent reporting can reduce burden.

ABAB will work closely with HMRC in the coming months, bringing the voice of the small business to the table and influencing decision making. We would also encourage you to give your views on MTD, whether through the <u>Tell ABAB facility</u> or direct to HMRC.

# **Final Word - Next Steps**

Thank you for providing this feedback. ABAB recognises the difficulties you face. We are grateful to you for telling us about how HMRC can improve things for you. We are equally encouraged by the commitment shown by HMRC to engage with us and act on the feedback provided.

ABAB published our latest annual report to the Financial Secretary to the Treasury where we reviewed HMRC's performance and progress against our 16/17 priorities. We will use your feedback to inform our priorities for 17/18.

We will continue to work with and challenge HMRC to improve your experience and ensure tax truly does become easier, quicker and simpler.

Please continue to provide us with your ideas, <u>via Tell ABAB</u>, on how HMRC can improve the administration of tax for you.

Please let us know what you think of this report via this <u>short survey</u> which should take about 5 minutes to complete.