

ADMINISTRATIVE BURDENS ADVISORY BOARD

Minutes of Advisory Board Meeting

20 November 2019, 13.00 – 16.30

Location: Room 2.39, 100 Parliament Street, London

Advisory Board attendees: Teresa Graham (Chair) Roger Southam, John Whiting, Karen Thomson, Bill Dodwell, Paul Aplin, Violetta Parylo, Malcolm Bacchus

HMRC & HMT attendees: Madeline McGrillen (Secretariat), Barbara Matus, Lucy Pink, Jan Owens, Toni Clarke, Dawn Hewson, Tina Gallagher, Clare Sheehan, Anna Thomas, Paula Jarnecki, Benjamin Jones

Guests: Mervyn Walker, Ade Pedro

Apologies: Ruth Stanier, Paul Morton, Graham Rogers, Grainne Warner

1, Welcome, apologies and review action log

- Welcome Mervyn Walker (Chair of Customer Experience Committee), Anna Thomas, Barbara Matus, Ade Petro (attending their first ABAB Meeting)
- Apologise: Ruth Stanier, Grainne Warner, Graham Rogers
- Special mention to Paul Morton who was appointment as a HMRC non-Executive Director in September 2019
- Action Log: All items closed

Pre – election Guidelines

On 6 November 2019, Parliament was dissolved ahead of the General Election on 12 December 2019. Under Cabinet Office rules, during this pre-election period the responses from civil servants can only describe current policy and cannot provide further commentary or commit to any future policy changes. This is to ensure the impartiality of the civil service during the election campaign. HMRC staff are bound by pre-election guidelines and the Civil Service Code and not allow to attend or discuss issues relating to government policy.

The Board meeting is being held in accordance with these guidelines.

2. Mervyn Walker – An Introduction from the Chair of the Customer Experience Committee (CEC)



Mervyn thanked ABAB for extending an invitation for him to join this Board meeting and to share the work of the CEC and his hope for a closer working relationship between CEC and ABAB Board.

2.1 Background information on CEC:

- first CEC meeting was Dec 2018, it replaces the Charter Committee and reports annually on the extent to which HMRC has demonstrated the standards of behaviour and values included in 'Your Charter' and how HMRC relates to their customers.
- comprised of four new Independent Advisers (IA's) from the Private sector along with five existing non-executive directors with links into HMRC Board.
- members bring a wealth of external experience from Data analytics, Human Resources, Service Industry, IT, Accountancy and the Tax profession.
- meet four times a year (2020 dates are in March, June, Sept & Dec), reporting to the HMRC Board, providing advice on the major customer experience-related issues facing HMRC

2.2. Current position:

- aim is to create an environment where CEC can challenge and input into HMRC ongoing work.
- are supporting the current review of the HMRC Charter and exploring issues around fostering a customer focussed culture and what that really means in different parts of HMRC
- are looking at how to measure customer experience, complexities, appropriate measures, Insight, and data needed to really understand, drawing heavily on expertise of IA's
- how HMRC communicate with customers e.g. guidance and correspondence, how these can be improved to enable customers to understand and improve their experience

3. Multiple Jobs Customer Journey

ABAB members were particularly impressed with the 'I am a small business struggling to pay my tax liabilities' journey present to the Board previously. The Board is keen to work together on the multiple jobs Customer journey.

The Customer Journey team set out the background to this customer journey, why it has been prioritised due to the complexities involved with customer with multiple journeys. They walked the Board through the 'as is' journey inviting questions and comments.

AP1: Add Customer journey to Forward Look to return in February 2020 to share the concepts being developed which couldn't be shared due to purdah.

AP2 Use Annual Report to highlight Customer Journey work

4. Making Tax Digital for Small Businesses (MTDfB) Programme

Teresa extended ABAB Board thanks and best wishes to Clare Sheehan, this will be her final ABAB Board meeting in this role and welcomed Anna Thomas the new Lead for policy and strategy team.

This is Anna's first ABAB Board meeting, she will ensure continuity until Clare's replacement is announced

[**Post meeting note:** Lee Farrington has been appointed - Deputy Director, Making Tax Digital for Business, Customer Readiness & External Stakeholder Team]

4.1 Clare provided a verbal update on progress:

- Filing figures better than expected, exceeding target and regionally London is largest by volume



- Pausing Compliance letters to take stock
- Creating iform when writing to people who don't need to sign up

4.2 ABAB comments

- Vat Number e.g. GB5/4/2, can only submit 9-digit number which HMRC gateway won't accept

5. Off-payroll Reform, Check Employment Status for Tax (CEST) Tool.

JP thanked ABAB for their valuable input into the CEST Tool and Guidance and outlined following:

- The enhanced CEST Tool and guidance has been released
- Additional guidance has been developed based on customer feedback, isn't necessary to use it, but there for those who need it
- Disclaimer – strengthen language and page tested well
- HMRC will stand behind CEST Tool results

ABAB comments:

- CEST Tool is an easy tool to use, HMRC should take real credit for that
- Board member has gone through the tool with clients and now keen to re-try with enhancements and new guidance
- Still some niche areas to consider e.g. Insurance on-site especially regarding nuclear/forestry industry and corporate insurance

AP3: Add to Forward Look for February 2020 for post Purdah update

6. OTS Director's Report

BD provided a summary of various reports and areas OTS currently working on or interested in pursuing:

- two reports published; Taxation and Life Events
- Pension – flagged three problems which have been acknowledged but unclear if anything will happen



- Tax education is a large topic, many people don't understand tax, require just in time knowledge/5guidance, focusing on events with tailored guidance and landing at a time that matters
- short study, 30, 000 words reporting on paying tax and landlords – HMRC needs to invest in Individual Tax Account, [different from Personal Tax Account/Business Tax Account] to provide information and empower those earning middle/lower income, who hate yearly tax bills and don't have money to pay
- scoping Claims and Elections- too many incidents when relief granted only as Claims. Looked at Reliefs, some are worthwhile, some not used, small amounts of relief go to lots of people, but the cost and deliverer doesn't work so well e.g. could use tick box to claim uniforms – would impact HVRA's
- Capital Gain Tax – discussion on aspects that could be looked at – only if Government wants to commission that work
- response to Business Life cycle – not bad, nothing rejected, reviewing past reports starting with VAT – keeping a watching brief

7. ABAB Working Group (WG) Reports

- EU Exit – Briefing provided by EU Exit Team, (who couldn't attend due to Purdah) setting out current position.
- ABAB EU Exit Working Group -Teleconference scheduled for 30 January 2020 re-convening the Working Group
- Tell ABAB – Working Group meeting later in December to progress Tell ABAB survey

8.AOB

- 2020 Meeting Dates agreed: 03/02, 18/05, 05/08, 30/11