

*Research report*

# Needs Enhanced Support (NES) customers

Understanding NES customers who call  
HM Revenue & Customs Contact Centres

**February 2014**

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**Understanding NES customers who call HMRC Contact Centres**

This work was commissioned by the Personal Tax Customer, Product & Process Directorate.

***About Personal Tax Customer, Product & Process (PT CP&P)***

Personal Tax Customer, Product & Process works with colleagues in Personal Tax and across HMRC to design, deliver and operate services for individual customers which:

- improve customer experience
- maximise tax yield
- ensure that those who need help get the support they need, when they need it

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Unclassified 3/E04, 100 Parliament St. London, SW1A 2BQ

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## Understanding NES customers who call HMRC Contact Centres

### *Research requirement (background to the project)*

In 2011, HMRC carried out in-depth research<sup>1</sup> to understand the needs of customers who need extra help getting their tax right and claiming their entitlements. HMRC refers to these customers as customers who 'need enhanced support' (NES).

The research identified six drivers of need for enhanced support that customers had when dealing with their tax or benefit & credit affairs. Five of these arose from the characteristics of the customer, including their health, their abilities and their life context: Access, Personal Confidence, Mental / Emotional State, Capability and Intricacy. A sixth also recognised that a need for enhanced support can also be driven by HMRC's actions and systems.

The results of that research have helped to inform the design of a new service for those customers, so HMRC can better target support at people who need help the most. This new service was piloted in the North East of England between 3rd June and 31st December 2013.

Prior to the pilot, HMRC needed an understanding of what NES customers need from HMRC and their experience of and satisfaction with the customer service they received under the existing model.

This research aimed to provide that understanding both to help develop the new service model and to act as a 'baseline' against which performance could be assessed in the future.

Note: Information on how this piece of work, together with other research findings, public consultation exercises etc have fed into the development of the new service model and overall evaluation of the pilot will be published in due course.

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<sup>1</sup> Research report: An exploration of the 'Always Needs Help' population.  
<http://www.hmrc.gov.uk/research/report224.pdf>.

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**Understanding NES customers who call HMRC Contact Centres*****When the research took place***

14<sup>th</sup> February – 30<sup>th</sup> August 2013.

All qualitative interviews were conducted by TNS BMRB<sup>2</sup> researchers between 6th March and 7th June 2013 - prior to the start of the pilot of the new service in the North East of England.

***Who did the work (research agency)***

The work was carried out by TNS-BMRB.

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<sup>2</sup> Who, in conjunction with The Futures Company, also conducted the 2011 research referenced at footnote 1 (previous page)

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## Understanding NES customers who call HMRC Contact Centres

### *Method, Data and Tools used, Sample*

Fifty two, hour long, individual customer interviews were held. These were a combination of face-to-face and telephone-depths, with the sample drawn from three sources as follows:

- **Type 1: Contact Centre sample** 22 customers: a small group of Contact Centre advisers were trained<sup>3</sup> in identifying NES customers who called an HMRC Contact Centre; these customers' details were captured and used to form this sample (details captured were from customers identified at various stages between October 2012 and May 2013).
- **Type 2: Enquiry Centre (EC) sample** 20 customers: EC advisers captured the details of customers who requested face to face appointments; and these were used to form this sample (details were captured during two different time periods:<sup>4</sup> 19/03/13 – 09/04/13 and 22/05/13 – 31/05/13).
- **Type 3: Voluntary and Community Sector (VCS) sample** 10 customers: advisers in two tax specialist charities -Tax Aid and Tax Help for Older People - captured the details of customers who had used their services (and whom they judged as needing enhanced support) and these were used to form this sample.

All customers interviewed were assessed by the agency as to whether they had an NES driver of need, as outlined on page 4. Customers from the Contact Centre sample had previously been identified as NES by HMRC Contact Centre advisers. Customers from the Enquiry Centre and VCS sample were assessed by TNS BMRB staff on recruitment.

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<sup>3</sup> Advisers were trained to listen for indicators of the 'drivers of need' during the initial telephone conversation and to ask additional questions to determine if the customer needed a more enhanced level of support. Since the pilot had not yet started, this was an identification exercise only - there was no new service to refer them into.

<sup>4</sup> No customer details were captured between 19/04/13 and 22/05/13 as no research is permitted during the pre election period and local elections were taking place at the time.

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## Understanding NES customers who call HMRC Contact Centres

### *Main Findings*

These 52 customers represented a good spread of NES drivers, demographics and reasons for contacting HMRC – i.e. whether their query related to benefits and credits or tax issues.

As the following descriptions indicate, there were commonalities within each ‘group’ of customers, but also considerable diversity.

**Access** customers ranged in age from 25 to 61. The challenges they faced in communicating with HMRC varied, including difficulties speaking and understanding English as a foreign language, speech impairments and restricted mobility (due to heart attack and arthritis). The queries they had for HMRC were split evenly between benefits and credits and tax issues.

**Personal Confidence** customers ranged in age from 25 to 70. They tended to feel daunted by what they perceived to be complex issues and, in some cases, the risk of making mistakes. Some expressed general unwillingness to use ‘modern channels’ such as the internet. Their reasons for contacting HMRC were mainly to do with tax.

**Mental / Emotional State** customers tended to be older, with ages ranging from 38 to 73. There was an even split between those suffering from mental health difficulties, long-term conditions and harmful behaviour (anxiety, depression, Alzheimer's, alcoholism), and those with emotional issues (recently widowed, serious illness e.g. breast cancer). Most had contacted HMRC to address tax issues that they could not understand or cope with by themselves.

**Capability** customers included the oldest in the sample, although ages ranged from 33 to 85. The challenges they faced were mainly due to lower levels of literacy and education; some had learning difficulties (dyslexia, ADHD), and a minority had low IT skills. Nearly all these customers had contacted HMRC about tax issues.

**Intricacy** customers occupied the narrowest age band of all NES groups, ranging in age from 37 to 65. The issues they faced varied considerably, with some a result of receiving multiple sources of income, some involving numerous parties, and situations that had developed over long periods of time. Nearly all involved tax issues but benefits and credits problems were often mixed in.

**HMRC Driven Need** customers (only three in the sample had this as their most prominent driver) ranged in age from 28 to 77. Their needs were triggered by receiving ‘confusing letters’ or encountering ‘coding issues’.

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## Understanding NES customers who call HMRC Contact Centres

**From the interviews it was clear that there is no ‘typical’ NES customer:** even those with the same drivers of need varied greatly in age, the issues they had to address, and the specific challenges they faced in doing so. To understand what NES customers need from HMRC, and their experience of and satisfaction with the services they have received, it is equally instructive to consider how and why they have made contact.

NES drivers were spread relatively evenly across each of the three service channels (HMRC Contact Centre, Face to Face appointment in an Enquiry Centre and VCS). The great majority of customers did exhibit one (or more) NES driver.

All service channels were used by customers with a range of NES drivers, although customers with multiple drivers were much more common in the EC and VCS samples.

The issues about which customers had contacted HMRC were either benefits and credits related or tax related.

Examples of **benefits and credits issues** included:

- child benefit/tax credit applications
- reporting a change of circumstances for tax credits
- organising repayment of overpaid tax credits
- querying cuts to any benefits and credits

Examples of **tax issues** included:

- Self Assessment, including:
  - Support completing self assessment forms
  - Queries to aid self assessment
  - Activating online self assessment accounts
  - Repayment of self assessment fines
- Inheritance tax queries
- PAYE tax code queries

All customers with benefits and credits issues had used Contact Centres, whereas most with tax issues went to Enquiry Centres and the VCS – many of these customers had already attempted to resolve their query via the Contact Centre, but without success.

All NES drivers except HMRC-driven need were represented among those presenting with benefits and credits issues; the same was true of customers using Contact Centres for tax issues.

As a further way of characterising this sample, customers’ queries about their benefits and credits and tax issues fell into one of three broad types of query:



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## Understanding NES customers who call HMRC Contact Centres

- Procedural queries
- Clarity/dispute queries
- Complex queries

### Procedural Queries

Procedural queries are process driven, clear and relatively uncomplicated – such as:

- Tax credit applications and renewals
- Changes in circumstance
- Self assessment completion
- Online self assessment account activation
- Repayment of tax/ benefits and fines

### Contact Centre customers with procedural queries

These displayed a range of NES drivers; few of them had multiple drivers.

Almost all of these customers had one-off queries relating to benefits and credits issues, including tax credit applications and renewals, and reporting changes in circumstances.

Customer situations included a mix of working and unemployed or on maternity leave.

Typically, these customers were prompted by receipt of a letter or form from HMRC with the Contact Centre number clearly presented as a reference point for further information.

Within this group there was low awareness of, and interest in, the HMRC website – although some were aware of Directgov for support with their tax queries.

**Expectations of this service** were: a quick resolution by telephone, a single transaction with HMRC where help with forms could be provided.

Positive experiences typically stemmed from good ‘customer service’ in response to simple queries, where staff were described as polite, patient, and speedy.

Negative experiences stemmed from perceptions of ‘poor’ service – long waiting times, advisers making mistakes, not understanding them and generally not being clear – in response to what seemed like simple queries.

Customers with an Access driver were particularly likely to be frustrated by negative experiences, given the communications and comprehension challenges they faced.

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## Understanding NES customers who call HMRC Contact Centres

**Enquiry Centre (face-to-face appointment) customers with procedural queries** were almost all displaying Confidence and Capability drivers and there was a higher proportion of multiple drivers. These were a mixture of ad-hoc and repeat users who were either self-employed or retired and in receipt of pensions.

Queries typically related to self assessment: a number of customers needed support completing self assessment forms or wanted reassurance that these been completed appropriately. Those who were new to self assessment, and in need of assistance, had requested or been offered an appointment while on the telephone to the Contact Centre.

Repeat users had used the EC service for help with completing their self assessment form successfully in previous years, and were returning for a similar experience, in many cases without going via the Contact Centre first.

Customers using a face-to-face appointment had expected to be taken through, and generally 'taught' about, the process relating to their query.

Many of these customers needed to resolve frustrations after using the Contact Centre; others wanted the same service as last time (help completing and checking forms).

Positive experiences stemmed from receiving one-to-one support when completing forms, and/or reassurance that everything had been completed correctly.

All customers who used an Enquiry Centre to resolve a procedural query, regardless of their NES driver, had been satisfied with the service they received.

### Clarity/dispute queries

Clarity/dispute queries arise when customers are unclear what has happened or what is being asked of them – these are typically when an error has occurred, contact from HMRC and/or situations that have been made more complicated by the involvement of a third organisation (another Government department, employer etc.). They included:

- Querying cuts to tax credits
- Querying underpaid tax
- Querying tax rebates
- Querying tax code errors
- Needing to sort out self-assessment mistakes

**Contact Centre customers in the clarity/dispute category** displayed a range of NES drivers and had encountered queries on a mix of benefits and credits and tax issues. Contact was usually made to query or seek clarity on something initially believed to be an HMRC error – e.g. questioning underpayment notices, or needing clarity around reasons for cuts to benefits and credits.

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## Understanding NES customers who call HMRC Contact Centres

Most of these customers had been prompted by receipt of a letter or form from HMRC giving the Contact Centre number.

Overall, there was low awareness of and interest in the HMRC website – although some were aware of Directgov for support with their tax queries.

Some expected the Contact Centre service to offer a route to quick answers to their questions and resolving their query. For other, more complicated, queries it was expected to be as the start of a process – some customers anticipated a long haul before resolution.

Positive experiences of the Contact Centre service for these customers stemmed from the availability of a clear, concise explanation of the query in question, and often achieving the desired outcome within a short period of time.

As contact was generally thought to be prompted by HMRC (few recognised at the outset if they had made an error which prompted the need for contact), being inconvenienced by any delay in reaching an adviser or in getting appropriate advice or service resulted in high levels of dissatisfaction.

**Enquiry Centre (face-to-face appointment) customers** also displayed a range of NES drivers and queries typically related to tax and self assessment issues.

This group included customers who were querying fines or underpayment notices, and taking these queries ‘to the next level’. The group also included individuals with queries relating to tax rebates.

Most had attempted to use the Contact Centre first and were dissatisfied with this for the ‘customer service’ reasons outlined above.

Appointments were requested or customers were offered an EC appointment during that call, or they were advised to call back to arrange the appointment.

Many customers had already spent some time trying to resolve their query, and were frustrated with their journey up to this point. In these cases, the Enquiry Centre was expected to be ‘the answer’ – and most were very pleased to get a meeting and anticipated helpful service and some expected resolution there and then.

Those with Mental/Emotional State and Capability drivers felt they needed empathy and attention, and this was received – all of these customers were satisfied with service, even if their query was not fully resolved.

Customers with ‘issue-driven’ needs (Intricacy, HMRC driven) wanted on the spot resolution (and often a positive outcome), and were dissatisfied if this was not achieved – especially if they got the same result from the Contact Centre.

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## Understanding NES customers who call HMRC Contact Centres

### Complex queries

Complex queries include situations which are particularly complicated, with complexity which has either developed suddenly or built up over time, such as:

- Inheritance tax/life insurance queries
- Multiple self assessment queries
- Entitlements during illness
- 'Combined' or 'parallel' queries

**Enquiry Centre (face-to-face appointment) customers with complex queries** typically displayed Mental/Emotional State and Intricacy NES drivers.

Queries often related to tax issues which had become complicated suddenly (e.g. death of a spouse or bankruptcy), or over time (e.g. individuals who had been to prison or "out of touch" due to mental health).

Most of these customers had attempted to use the Contact Centre (sometimes a number of times) before being given a face-to-face appointment.

Customers either requested a face-to-face appointment from the Contact Centre adviser, or had been referred if it was clear that the adviser could not deal with their case.

Similarly to clarity/dispute queries, some expected to obtain a resolution to their issue there and then. Others perceived it as the start of a process – more likely a long haul experience to fully resolve the complexities of the issue.

**All expected a contrast to the service** they had had from the Contact Centre.

Overall, experiences were comparable to those encountered by customers with clarity/dispute queries.

Empathy, time and support from staff were especially valued by Mental/Emotional State customers, as was staff making complex issues seem less complicated, reducing the burden on them and making them feel at ease.

Negative experiences stemmed from a lack of clarity remaining after the appointment, especially for Intricacy and Access customers; some customers also expressed frustration where resolutions could not be achieved immediately.

**VCS customers with complex queries** typically exhibited Mental/Emotional State, Intricacy and Capability NES drivers.

Most queries involved especially intricate tax issues (e.g. death of spouse, business failure, entitlements during illness), and/or were made at a time when the customer was in significant distress or disarray.

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## Understanding NES customers who call HMRC Contact Centres

Some were about tax issues which were relatively straightforward, but occurred at a time when customers were unable to deal with them independently or via a Contact Centre.

Most of these customers had tried to use HMRC Contact Centres with little success and then decided they could not deal with HMRC anymore.

A minority of elderly customers reached the VCS sooner, with little prior exposure to HMRC.

Some elderly customers were unable to differentiate between VCS and HMRC services, but had been directed to the VCS by friends or family.

VCS services were generally found through the internet, advice from friends, or referral from the Citizen's Advice Bureau. Few customers sought Enquiry Centre support before reaching VCS services.

Most customers were unsure what to expect of the VCS before accessing it, but generally anticipated and felt 'desperate' for some form of help.

Experiences of VCS services were wholly positive due to the level of personal, on-going support and customers' feeling that they had an advocate working on their behalf to relieve them of the burden and stress.