

Survey of Agents of High Net Worth Individuals

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Foreword

HM Revenue and Customs' High Net Worth Unit (HNWU) was set up in 2009. Its aim is to ensure the very wealthy pay the tax that is properly due by applying a tailored relationship management approach, as set out in the HMRC customer-centric business strategy for these individual customers with complex tax affairs.

Improving our customers' experiences is at the heart of both the Department's and HNWU's plans. We want to:

- improve the extent to which customers (and their tax agents) find us straightforward to deal with and increase the certainty of their tax positions;
- develop our Customer Relationship Management (CRM) team capability to improve voluntary and cooperative compliance; and
- develop and maintain our channels of consultation with external stakeholders and agents, to improve the service we provide.

In order to measure the extent to which we are achieving these aspirations, HMRC commissioned Ipsos MORI, an independent research agency, to conduct a survey of agents acting for the High Net Worth Individuals who are dealt with by the Unit. The confidential survey was undertaken in Autumn 2011 and this report presents the findings.

The results of this research show where HNWU is delivering good levels of service and also identify a number of areas where there is potential for us to improve agents' experience even further. These findings will shape HNWU's work in the coming years and help us achieve our aim to provide a tailored management approach in order to ensure the very wealthy pay the tax which is due.

I would like to thank members of the HMRC High Net Worth External Stakeholder Forum for supporting this work and to all of the agents who participated in the survey for taking the time to do so.

Martin Randall

**High Net Worth Unit
HM Revenue and Customs**

Disclaimer

The views in this report are the authors' own and do not necessarily reflect those of HM Revenue & Customs.

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Glossary

CRM	Customer Relationship Manager – a single point of contact for agents of customers of the High Net Worth Unit and some of HM Revenue & Customs' large business customers. The CRM manages the relationship between the customer and HMRC across all taxes and duties.
HNWI	High Net Worth Individual – defined by HM Revenue & Customs as an individual with assets of £20 million or over.
HNWU	High Net Worth Unit – the tax unit established in April 2009 to deal exclusively with the tax affairs of HNWIs, currently servicing c.5,000 customers.
LBPS	Large Business Panel Survey – a survey of HM Revenue & Customs' three groups of large business customers, most recently conducted in 2011. ¹
LBS	Large Business Service – the LBS is responsible for working with the UK's largest businesses on a range of taxes, duties and regimes. Around 770 businesses are serviced by the LBS, and all have a dedicated CRM.
LC CC	Large and Complex customer with a Customer Coordinator – large business customers managed by the HM Revenue & Customs Local Compliance Large and Complex group. Large and Complex customers that did not already have CRMs were offered a Customer Coordinator in the summer of 2010. The Customer Coordinator acts as a first point of contact for businesses but has a narrower remit than a CRM.
LC CRM	Large and Complex customer with a Customer Relationship Manager – large business customers managed by the HM Revenue & Customs Local Compliance Large and Complex group. From 2007, the c.1,200 largest LC customers were appointed a CRM.

¹ See <http://www.hmrc.gov.uk/research/lbps-report142.pdf> for the LBPS 2010.

Summary

The HM Revenue & Customs (HMRC) Knowledge, Analysis and Intelligence Directorate commissioned Ipsos MORI to develop and conduct a survey of agents of High Net Worth Individuals (HNWIs) who are dealt with by the High Net Worth Unit (HNWU), with the intention of measuring agents' experiences and opinions of the Unit. Ipsos MORI carried out a telephone survey of 804 such agents from 6 September to 31 October 2011.

Below, we summarise the findings from the survey, and how these compare with findings from other HMRC surveys.

Key findings

- Agents' overall opinions of the HNWU were overwhelmingly positive. Of those who had dealt with the Unit in the 12 months before the survey, four-fifths or more rated their overall experience and relationship with the Unit as good.
- Almost all agents had heard of the HNWU before taking part in the survey, with less than one per cent saying they had not heard of it. However, around half said they knew little or almost nothing about what the Unit does.
- Of agents who had dealt with the HNWU, under four in ten recalled personally having dealt with a Customer Relationship Manager (CRM) or their team. Around four-fifths rated this relationship as good, with around a third saying it was very good.
- The majority of agents agreed that the approach the HNWU takes makes their jobs easier and contributes towards cooperative compliance. Of those who had dealt with the Unit, around two-thirds thought it makes compliance easier.
- In terms of possible improvements, agents were generally happy with the approach the HNWU is taking. However, there was an appetite for more dealings taking place by email – over two-fifths wanted to use this channel when dealing with the HNWU, but currently did not.

Overall opinions of the HNWU

Agents' overall opinions of the HNWU were overwhelmingly positive. Of those who had dealt with the Unit in the 12 months before the survey, four-fifths or more rated their overall experience (84%) and relationship (78%) with the Unit as good. Similarly, among all who had heard of the HNWU, four-fifths (80%) had a favourable impression of it.

These scores are particularly impressive given that agents had high expectations of the HNWU. Around two-thirds (64%) of those who had dealings said that their overall experience was in line with their expectations, while around a third (32%) said that it was better than they expected. Just three per cent said it was worse than expected.

However, this does not necessarily mean that agents would recommend the Unit to their High Net Worth clients. Around half (52%) of those who had heard of the HNWU said they would be likely to recommend it to a client with over £20 million in assets, while around one in five (22%) said they would be neither likely nor unlikely and around one in five (19%) said they would be unlikely to recommend the Unit. It is agents who had very good relationships with the HNWU that tended to be its main advocates.

Awareness of the HNWU

Almost all agents had heard of the HNWU before taking part in the survey, with less than one per cent saying they had not heard of it. However, agents had a relatively low level of understanding about what the Unit actually does. Among those who had heard of it, around half (48%) said they knew little or almost nothing about what the Unit does. Only one in nine (11%) said they knew a lot, while four in ten (40%) said they knew a fair amount.

Nonetheless, most agents perceived the HNWU to be distinct from other parts of HMRC. Around three-quarters (74%) of those who had heard of the HNWU felt that the service they received from it was distinct from other parts of HMRC, and around four in ten (39%) said it was very distinct.

Dealings with the HNWU

Over four-fifths (86%) of agents who had heard of the HNWU had also dealt with it in the 12 months before the survey. Of these, over half (56%) had had dealings between two and six times a year. It is worth noting that around half (52%) last dealt with the Unit in the month before they were interviewed, so were commenting on very recent experiences.

By and large, agents' dealings with the HNWU involved revenue enquiries (78%) or the submission of tax returns (64%), which are mandatory, rather than other specific dealings. Just under a fifth (17%) had dealt with the HNWU exclusively for the submission of tax returns, and nothing else.

Agents had most commonly corresponded with the HNWU by letter (93%) or over the telephone (89%). Far fewer (20%) had used email in their dealings with the Unit and, as discussed later in this summary, there was an appetite for more email contact.

Dealings with the Customer Relationship Manager network

Of agents who had dealt with the HNWU, under four in ten (37%) recalled personally having dealt with a Customer Relationship Manager (CRM) or their team. Five in ten (52%) thought they had definitely not and a further one in ten did not know (11%). Given that all agents who deal with the HNWU itself are very likely to deal with someone from the CRM network, this suggests that six in ten agents potentially did have dealings with a CRM or their team, but were unaware of this.

Even among those who did recall dealing with a CRM or their team, understanding of the CRM network was relatively low. Around two-thirds (64%) did not feel they knew their CRM or their team well, including one in five (20%) who said they did not know them well at all.

Nonetheless, agents were positive about the work of CRMs and their teams. Of those who recalled dealing with their CRM or their team, around four-fifths (79%) rated this relationship as good, with around a third (34%) saying it was very good.

Aspects of good experiences

In key drivers analysis of what made a good experience with the HNWU, three broad factors emerge as important: staff training, taking what agents judged to be a reasonable approach and keeping agents informed.

Agents had highly favourable opinions of HNWU staff. Around nine in ten or more of those who had dealt with the Unit thought staff were professional (94%) and willing to help (87%). Around eight in ten said staff provided a reliable response (81%), had the required technical

knowledge (80%) and have a good understanding of HNWI's tax affairs (78%), while around seven in ten thought staff had sufficient authority to make decisions (72%).

Agents were also broadly in favour of the approach the HNWI takes. Around nine in ten (88%) of those who had had dealings thought the Unit dealt with their clients' tax affairs fairly, while around eight in ten agreed it takes a reasonable approach (80%), is consistent in its dealings (81%) and actively seeks a cooperative relationship with agents (79%).

Ratings on keeping agents informed and engaged with the HNWI tended to be somewhat lower, though the majority of those who had dealt with the Unit still agreed that it kept them well informed of their clients' tax affairs (69%), that they understand the way the HNWI works (72%) and that the Unit appropriately consults agents (54%).

Impact on compliance

The majority of agents agreed that the approach the HNWI takes makes their jobs easier and contributes towards cooperative compliance. Of those who had dealt with the HNWI, around two-thirds (67%) thought it makes compliance easier, just under three-fifths (57%) thought it is designed with agents' needs in mind and around half (51%) agreed it reduces uncertainty. Among agents who had experienced a HNWI revenue enquiry, four-fifths (78%) also agreed that the Unit takes a cooperative approach when it comes to enquiries.

Agents also welcomed the Unit's more informal initial approach. Where agents had been able to discuss tax issues and transactions with the HNWI before they needed to be reported in tax returns, seven in ten (70%) felt this opportunity had helped them in their work, at least to some extent.

In addition, many agents thought the HNWI approach makes dealings more efficient. Among the subgroup of agents who had experienced enquiries and thought the Unit takes a cooperative approach to such enquiries, seven in ten (70%) said that this approach helps to a large extent to resolve enquiries more efficiently.

Dealings with other parts of HMRC

In the 12 months before the survey, around half (49%) of all agents said they dealt with other parts of HMRC specifically with regards to HNWI's. In around six in ten cases (58%), these dealings involved the submission of their High Net Worth clients' tax returns. In around a third of cases (32%), these dealings involved an enquiry or investigation, so could potentially have been handled by the HNWI.

Agents' opinions of HMRC as a whole tended to be less positive than their opinions of the HNWI in particular. Of those who had dealt with other parts of HMRC with regards to HNWI's, just around two in ten (22%) rated their experience of dealing with HMRC as good, while around half (51%) said it was poor.²

Many agents also did not think that the HNWI is joined up with other parts of HMRC. Of those who had dealt with the HNWI, around four in ten (39%) agreed it is joined up with the rest of HMRC. Just 16% disagreed that it is joined up, but a further quarter (25%) did not know, or said it depends, while two in ten (20%) remained neutral.

² This question did not ask specifically about dealings with regards to HNWI's, but the questions immediately before this in the survey were asked with regards to HNWI's. Therefore, agents may have answered just with regards to dealings on behalf of their High Net Worth clients, or more broadly, incorporating dealings on behalf of other clients as well.

Improving the HNWU

Agents were generally happy with the approach the HNWU is taking. When asked, unprompted, how the HNWU could help agents in their dealings with HNWIs, around a fifth (19%) of agents did not think there is anything in particular that needs improving, while around a further two-fifths (42%) could not think of anything specific.

Most agents did not want more contact per se with the HNWU. Around two-thirds (67%) were happy with the amount of contact they had with the Unit. Only around two in ten (18%) wanted less contact than they currently had, while 14% wanted more contact.

There was an appetite for more dealings taking place by email. Telephone (67%), letters (63%) and email (57%) were the most preferred channels of contact. However, just 12% preferred and already used email, meaning that the remaining 45% would have preferred to use this channel when dealing with the HNWU, but currently did not.

Comparisons to other HMRC customer surveys

The experiences of agents of HNWIs, as measured in this survey, tended to be better than those of all agents who deal with HMRC, as recorded in the *HMRC Customer Survey 2009/10*³. Agents of HNWIs were more likely to have had a better-than-expected experience with the HNWU and tended to have a better impression of the Unit than agents generally did of HMRC as a whole.

It is also useful to compare results to the *Large Business Panel Survey (LBPS) 2010*⁴, given that the operational approach of the HNWU is similar to that taken with Large Business Service (LBS) customers, Large and Complex customers with Customer Relationship Managers (LC CRM customers), and Large and Complex customers with Customer Coordinators (LC CC customers). Agents' ratings of the HNWU were generally in line with LBS customers, who tended to be the most positive of the three large business customer groups. This was the case for agents' overall experience of dealings, as well as their more specific opinions on HNWU staff, on consistency in dealings, on whether the HNWU makes clear what agents need to do during revenue enquiries and on whether the HNWU is joined up with the rest of HMRC.

Agents of HNWIs did tend to be less aware of, and somewhat less positive towards their respective CRM network than both LBS customers and LC CRM customers. However, this is likely to reflect both that the CRM networks among LBS and LC CRM customers have existed for longer, and that many agents would deal with various other HMRC staff for non-High Net Worth clients; they do not work as exclusively with CRMs as large business customers do with their respective CRMs. As the HNWU becomes more established, we might expect agents' recall of dealings with CRMs and their teams, and their ratings of these dealings, to improve.

³ See <http://www.hmrc.gov.uk/research/report108.pdf>.

⁴ See <http://www.hmrc.gov.uk/research/lbps-report142.pdf>.

1. Introduction

This report presents the findings from a survey of agents of High Net Worth Individuals (HNWIs) dealing with the HM Revenue & Customs (HMRC) High Net Worth Unit (HNWU). Development of the survey, and the survey itself, were carried out by Ipsos MORI on behalf of HMRC.

1.2. Background

HMRC established the HNWU in April 2009 to focus solely on about 5,000 of the wealthiest HMRC customers who have assets of £20 million or over.

The HNWU aims to take an overall view of the complex tax affairs of this group of customers, and improve HMRC's understanding of their commercial and financial arrangements. In May 2011, HMRC published an e-magazine aimed at agents of HNWIs which explained these aims as well as outlining the Unit's way of working.⁵ As the magazine highlights, one of the HNWU's main objectives is to improve voluntary compliance from HNWIs through cooperation. Cooperative compliance is also intended to address HMRC's strategic objectives of "improving customer experience" and "maximising revenue flows".⁶

To achieve these objectives, the HNWU approach focuses on enhanced relationship management, with a Customer Relationship Manager (CRM) and associated team, who are specialists in the tax affairs of HNWIs, being assigned to work with the agents of each HNWI. This approach follows the best practice laid out in the Organisation for Economic Cooperation and Development (OECD) 2009 report, *Engaging with High Net Worth Individuals on Tax Compliance*, which recommended that tax authorities like HMRC should set up a dedicated tax unit to work with agents of HNWIs, with "the concentration of skills, targeted training, [and] the retention of knowledge".⁷ It is also similar to the approach HMRC takes with large corporate customers – in particular, it builds on the success of existing CRM networks operating within the Large Business Service (LBS) and among some Large and Complex customers. The recent *Delivering our Vision – Business Plan 2012/15* restates HMRC's commitment to "increase voluntary compliance among High Net Worth Individuals and those with very complex tax affairs by ensuring they have an accurate picture of their overall tax affairs and a clear point of contact".⁸

With the HNWU being a relatively recent creation, this survey is the first of its kind. As such, it is intended to provide baseline measures, which will help the Unit to better understand its current relationship with its customers. This will in turn inform the development of the Unit over the current Spending Review period, enabling it to better target its resources where they will have most impact among customers, thereby improving customer service and compliance.

⁵ See <http://www.hmrc.gov.uk/menus/hnwu-magazine.pdf>.

⁶ See <http://www.hmrc.gov.uk/about/business-plan-2012.pdf> for the Department's objectives.

⁷ OECD (2009) *Engaging with High Net Worth Individuals on Tax Compliance*, pp.53-54

⁸ See <http://www.hmrc.gov.uk/about/business-plan-2012.pdf>.

1.3. Research objectives

The vast majority of the HNWI's customers are represented by professional agents, who deal directly with the Unit. On this basis, the overall aim of the research was to conduct a survey of agents acting for HNWIs, rather than a survey of HNWIs themselves. Within this aim, the specific research objectives were to:

- generate baseline measures against which to track agents' experiences and opinions of the HNWI over time; and
- generate data from which to devise HNWI key performance indicators and contribute to an HMRC-wide customer satisfaction measure.

1.4. Methodology

As the survey approach and questionnaire were being designed for the first time, the entire research programme included extensive development and pilot stages⁹, as well as the main stage survey. This section gives an overview of the methodology for each stage.

1.3.1. Development stage

The development research intended to examine the advantages and disadvantages of potential sampling, data collection and weighting approaches, as well as to develop the questionnaire content. It consisted of:

- a rapid evidence assessment, to review the existing literature on tax issues relating to HNWIs, and on how to research HNWIs and tax agents;
- a half-day workshop with 10 stakeholders from within HMRC;
- a 90-minute workshop with two breakout groups of Lead CRMs, responsible for running HNWI offices;
- five telephone depth interviews with CRMs; and
- 10 telephone depth interviews with agents of HNWIs who were dealt with by the HNWI.

The HNWI External Stakeholder Forum¹⁰ also contributed to the development of the survey during this stage, by providing feedback on how agents' organisations might facilitate the survey.

1.3.2. Pilot stage

The pilot stage aimed to test the chosen sample design, data collection method and questionnaire, as well as agents' willingness to participate in the research. It consisted of:

- 10 telephone interviews with agents to cognitively test the questionnaire; and

⁹ Ipsos MORI produced a separate report for HMRC detailing the findings of the development and pilot stages.

¹⁰ See <http://www.hmrc.gov.uk/consultations/hnwi-agenda.htm> for minutes of the HNWI External Stakeholder Forum meetings.

- a pilot survey involving 30 telephone interviews with agents of HNWI's who were dealt with by the HNWI.

1.3.3. Main stage

The main stage survey consisted of 804 telephone interviews with agents of HNWI's dealt with by the HNWI. Fieldwork took place from 6 September to 31 October 2011. The questionnaire is provided in Appendix A.

Sampling approach and response rate

The survey adopted a random sampling approach whereby Ipsos MORI selected up to two agents at random from each office site where agents of HNWI's were based. The decision to select a maximum of two agents from an office site was taken to minimise the burden of taking part on any one agent's office site.

The sampling frame from which agents were selected was constructed specifically for the survey using HMRC's paper records. These list the names of all 5,136 HNWI's whose personal taxes are managed by HNWI. The sampling approach required the names, telephone numbers and postcodes of the individual agents of these HNWI's (rather than just the names of the firms), which was only available in 40% of cases. Therefore, HMRC undertook a sample building exercise, which involved HNWI staff calling agents' organisations in the cases where agent contact details were incomplete, and asking them for full contact details. If agents asked questions, HNWI staff told them that they were collecting contact details in order for Ipsos MORI to carry out a survey of agents who represent HNWI's.

Ipsos MORI first selected 2,013 customers from an anonymised sampling frame, and then sent selected customer reference numbers to HMRC, in order for HMRC to seek selected agents' consent to take part in the survey. Of the selected 2,013 customers, 1,537 had a unique named agent according to HMRC's records. The consent process used with these agents differed depending on the size of agent organisations. For smaller organisations with fewer than five office sites, HMRC sent out advance letters to sampled agents informing them that an Ipsos MORI interviewer might telephone them to take part in the survey, and offering the chance to opt out. For larger organisations with five or more office sites, HMRC sent an advance letter to head offices asking them to opt in to the survey – this was done to minimise the burden placed on the individual agents sampled from these organisations.

Following the opt-out period, Ipsos MORI attempted to contact 1,337 agents. Of these, 804 agents agreed to be interviewed, representing an unadjusted response rate of 60%. A further 119 leads were ineligible¹¹, while 403 were of unknown eligibility. Therefore, the adjusted response rate with estimated eligibility was 69%.¹²

Weighting approach

The survey is intended to be representative of the population of agents of HNWI's dealt with by the HNWI. However, data are unweighted, so do not correct for the disproportionate sampling of fewer agents from large office sites (due to only being able to select a maximum of two agents from each office site). The rationale for not applying weights is laid out in detail in Appendix B. Nevertheless, it is worth noting that the differences between weighted and

¹¹ Ineligible leads either no longer worked for the organisation, no longer dealt with HNWI's, did not recognise the customer reference numbers or were not the main point of contact for a HNWI.

¹² The adjusted response rate with estimated eligibility has been calculated as: completed interviews / (completed interviews + partial interviews + any refusals and unknowns expected to be eligible). It adjusts for the ineligible proportion of the total sample used.

unweighted data are small, so unweighted figures still provide a good indication of the true score were the whole population of agents to be interviewed.

1.5. Interpretation of the data

1.4.1. Interpretation of quantitative data

It should be remembered that final data from the quantitative survey are based on a sample of agents of HNWI's dealt with by the HNWI, rather than the entire population. Therefore, results are subject to sampling tolerances, and not all differences are statistically significant. Throughout this report, we report only on differences that are statistically significant at the 95% level of confidence (although calculations of statistical significance should be considered indicative, given that data are unweighted). Appendix C provides a guide to the statistical reliability of the data.

Where percentages do not sum to 100%, or to aggregated scores (e.g. "strongly agree" plus "tend to agree"), this may be due to computer rounding, or when questions allow multiple answers. An asterisk (*) denotes any value less than half a per cent but greater than zero.

Throughout the report, we make reference to subgroups of agents who had "more complex" and "less complex" dealings with the HNWI, relative to other agents. In the survey, agents were asked to rate the complexity of their dealings on a scale of 1 to 10, with 10 being the most complex. The "more complex" subgroup represents agents who answered 8 or higher (20% of all agents), while the "less complex" subgroup answered 3 or lower (27% of all agents).

1.4.2. Interpretation of qualitative data

Where relevant, we refer to the findings from the qualitative research carried out with agents as part of the development stage. These findings are intended to add further insight into the survey results, rather than be statistically representative. In addition, it is important to bear in mind that we are dealing with agents' perceptions, rather than facts.

1.4.3. Comparisons to other HMRC customer surveys

In addition, where appropriate, we compare results from the HNWI survey to other HMRC surveys, including the HMRC *Customer Survey 2009/10*¹³ and the *Large Business Panel Survey (LBPS) 2010*¹⁴. The Customer Survey 2009/10 comprised 7,211 telephone interviews with agents (though not necessarily agents of HNWI's) who had dealings with HMRC in the three months before the survey, with fieldwork taking place over four quarters from April 2009 to March 2010. The LBPS 2010 was a telephone survey that comprised interviews with 426 LBS customers, 474 Large and Complex customers that had been allocated a CRM (LC CRM customers) and 870 Large and Complex customers who were assigned a Customer Coordinator (LC CC customers). Fieldwork for the LBPS took place from 20 September to 10 December 2010.

¹³ See <http://www.hmrc.gov.uk/research/report108.pdf>.

¹⁴ See <http://www.hmrc.gov.uk/research/lbps-report142.pdf>.

2. Profile of agents and of High Net Worth Unit customers

This chapter outlines the characteristics of the agents who took part in the survey, their organisations and their High Net Worth clients. It is intended to provide context for the findings reported in subsequent chapters. However, it does not necessarily represent the exact profile of the entire population of agents of HNWIs, which is not known.

Key findings

- Most agents tended to work as tax advisors or accountants, with very few working in other roles. Agents had generally been dealing with HNWIs for 10 years or more, so tended to be highly experienced. Many agents were also likely to have had dealings with HMRC teams outside of the HNWU, since HNWIs were only a small proportion of their client base.
- Of the agents who had dealt with the HNWU in the 12 months before the survey, around half had last dealt with the Unit in the month before they were interviewed, so they were commenting on very recent dealings.
- Agents' organisations tended not to be specialist tax companies but accountancy firms. The size of agents' organisations varied considerably, though the size of the teams at agents' office sites dealing specifically with HNWIs tended to be small.
- Few organisations had guidelines for agents to follow when dealing with the HNWU. Around one in ten had formal guidelines, and one in nine had informal guidelines.
- HNWIs' often had various sources of wealth, though their main source tended to be from their own businesses. Around two-thirds of agents said the HNWIs they work for were involved in their own tax affairs, while around a quarter said they were very involved.

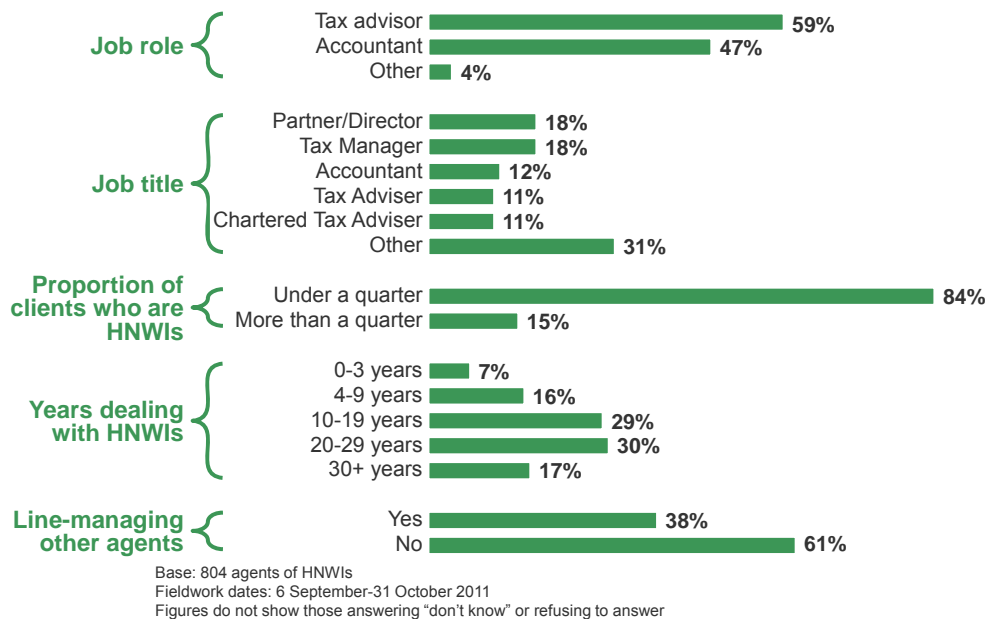
2.1. Profile of agents

As can be seen in Figure 2.1, most agents tended to work as tax advisors (59%) or accountants (47%), while very few (4%) worked in other roles.¹⁵ Agents' job titles also reflect that most were tax specialists or accountants, with a mix of senior and less senior positions. Around four in ten (38%) supervised or line-managed other agents.

Agents had generally been dealing with HNWIs for 10 years or more (77%), so tended to be highly experienced, and were likely to have had dealings with HMRC prior to the creation of the HNWU. Moreover, they were also likely to have had dealings with HMRC teams outside of the HNWU, since HNWIs – within the HNWU definition – tended to make up a small proportion of their client base. This reflects the finding in the development research that agents often worked for other wealthy individuals who do not meet the £20 million asset threshold, so were not dealt with by the HNWU.

¹⁵ Respondents could give more than one answer at this question, for example describing themselves as both tax advisors and accountants.

Figure 2.1: characteristics of agents of HNWI



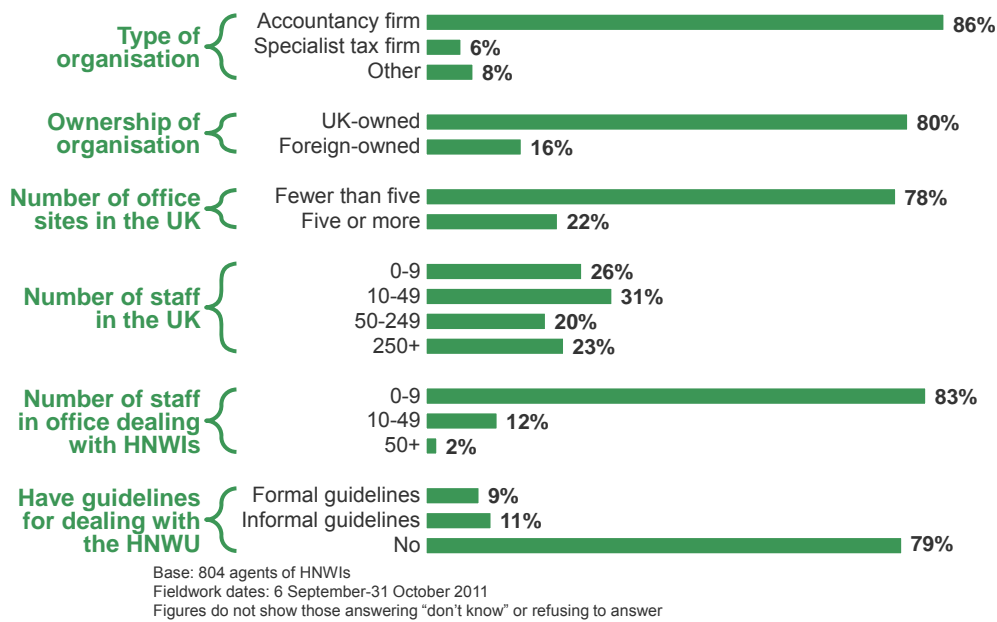
It is also worth noting that, of the agents who had dealt with the HNWI in the 12 months before the survey, around half (52%) had last dealt with the Unit in the month before they were interviewed, so were commenting on very recent experiences. For 36%, their last dealing was over a month before the survey, but within three to six months of it. For the remaining 11%, their last dealing was over six months before taking part in the survey.

2.2. Profile of agents' organisations

In contrast to agents themselves, who were by and large tax specialists, agents' organisations tended not to be specialist tax companies (6%) but accountancy firms (86%), as Figure 2.2 shows. The size of agents' organisations measured by number of employees varied considerably, while the size of the teams at agents' office sites dealing specifically with HNWI tended to be small, with 83% of agents working in a team of fewer than 10 people.

Few organisations had guidelines for agents to follow when dealing with the HNWI. Around one in ten (9%) had formal guidelines, and one in nine (11%) had informal guidelines. Agents from large organisations, with 250 or more employees, were more likely to have formal guidelines (28%).

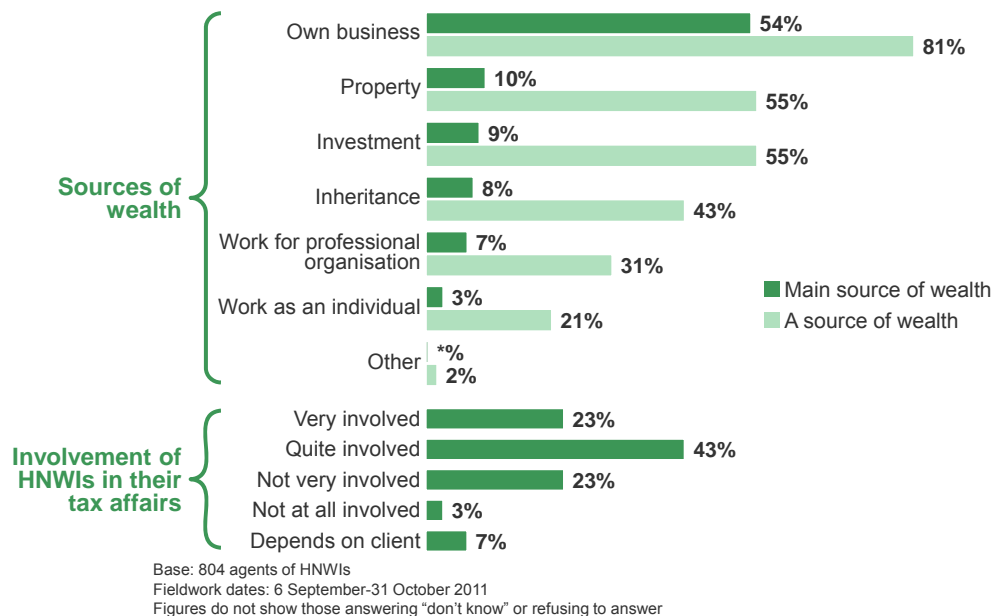
Figure 2.2: characteristics of agents' organisations



2.3. Profile of High Net Worth Individuals

As Figure 2.3 illustrates, HNWI's often had various sources of wealth, though of these, their main source of wealth tended to be derived from their own businesses (54%). Around two-thirds (65%) of agents said the HNWI's they work for were involved in their own tax affairs, while around a quarter (23%) said they were very involved.

Figure 2.3: characteristics of HNWI's



As noted later in the report, when HNWI's were more involved in their own tax affairs, their agents tended to have less positive views of the HNWI (see Sections 3.4 and 6.4). The HNWI may therefore need to tailor its approach more when HNWI's themselves get involved in dealing with the Unit.

3. Overall opinions of the High Net Worth Unit

This chapter outlines agents' overall experience and relationship with the HNWI, and their overall impressions of the Unit, before looking at how these fared compared with their expectations of the Unit. Finally, it looks at how these scores translated into advocacy of the Unit.

Key findings

- Of those who had dealings with the HNWI, around four-fifths or more rated their overall experience and relationship with the Unit as good. Among all agents who had heard of the Unit, four-fifths had a favourable impression of it. Agents who felt the HNWI kept them informed of their clients' tax affairs, and those who recalled having dealt with CRMs or their teams tended to be more positive on all of these measures.
- On potential measures of HMRC's objective to improve the customer experience, the HNWI performed strongly, although more agents *tended to* agree across these measures, than *strongly* agreed.
- The HNWI was satisfying high expectations, with around two-thirds of agents who had had dealings saying these were in line with their expectations.
- Having a good overall relationship with or impression of the HNWI did not necessarily mean that agents would recommend it to their High Net Worth clients. Just around half who had heard of the HNWI said they would be likely to recommend it, while around one in five said they would be unlikely.
- It is those who had a *very* good relationship with the HNWI, rather than a *fairly* good one, who were its main advocates.

3.1. Overall experience of dealings with the Unit

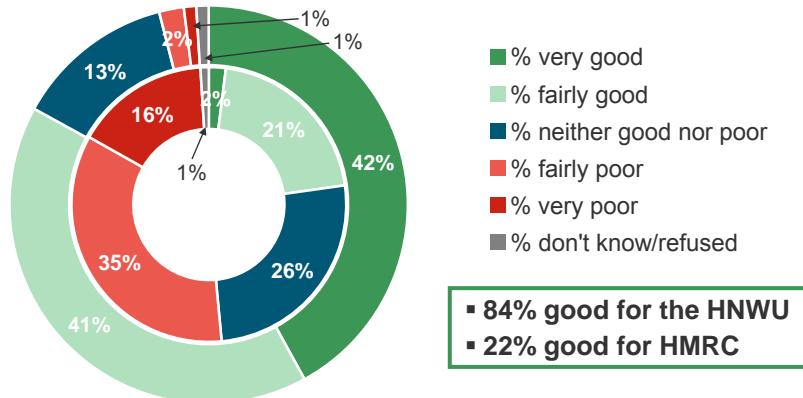
Of agents who had dealt with the HNWI in the 12 months before the survey, over four-fifths (84%) had had a good experience overall, while just two per cent had had a poor experience, as Figure 3.1 shows. Agents' dealings with the HNWI were considerably more positive than their dealings with HMRC as a whole, with just 22% of those who had dealt with other parts of HMRC with regards to HNWIs rating these as good.

Figure 3.1: rating of overall experience with the HNWI versus HMRC as a whole

Q Thinking about your dealings with ... in the last 12 months, how would you rate your overall experience of dealing with them?

Outer pie: the HNWI*

Inner pie: HMRC as a whole**



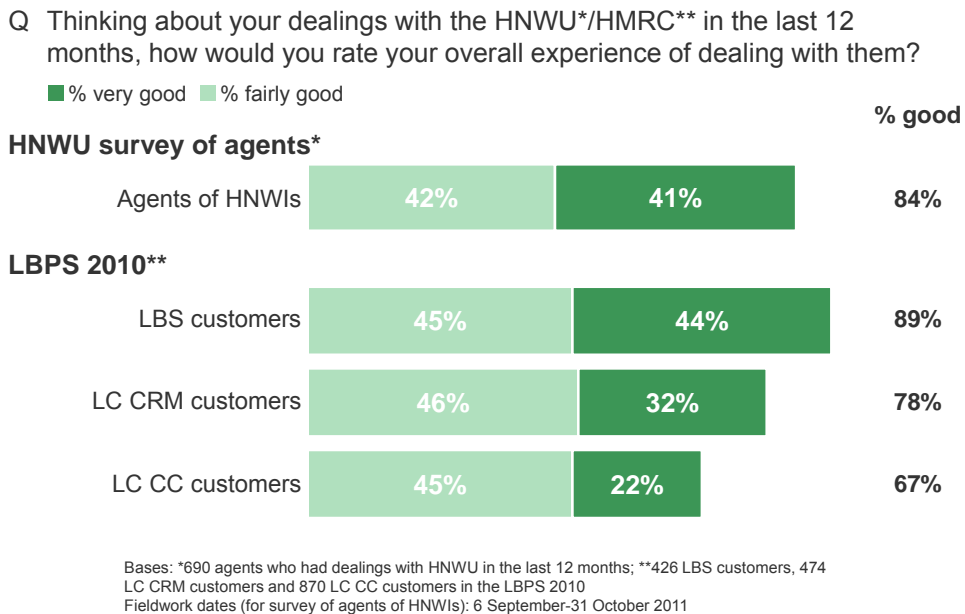
Bases: *690 agents who had dealings with HNWI in the last 12 months; **395 agents who had dealings with other parts of HMRC in the last 12 months with regards to HNWI
Fieldwork dates: 6 September-31 October 2011

As very few agents rated their dealings with the HNWI as poor, the main subgroup differences were between those who had *very good* dealings, and those who had *fairly good* dealings. Those who felt the HNWI kept them informed of their clients' tax affairs in the 12 months before the survey were more likely to rate their experiences as very good (52%, compared with 42% on average), as were those who had personally had dealings with a CRM or their team (50%) – these were two important factors of positive scores that feature throughout this report. In terms of characteristics, agents who had 30 or more years of experience of dealing with HNWI were more likely to have had very good experiences (52%), as were agents from the smallest organisations with fewer than 10 employees (50%).

Section 7.2 further explores the key drivers of good experiences with the HNWI.

In Figure 3.2, the experiences of agents of HNWI are compared with the experiences of large business customers, taken from the LBPS 2010. This shows that agents of HNWI rated their overall experience better than businesses with LC CRMs (84% versus 78% good) and LC CCs (67% good). The difference in scores between these audiences tends to be accounted for by the difference in the proportions saying their experiences were *very good*, highlighting the importance of this category in particular.

Figure 3.2: overall experience of agents of HNWI's versus large business customers



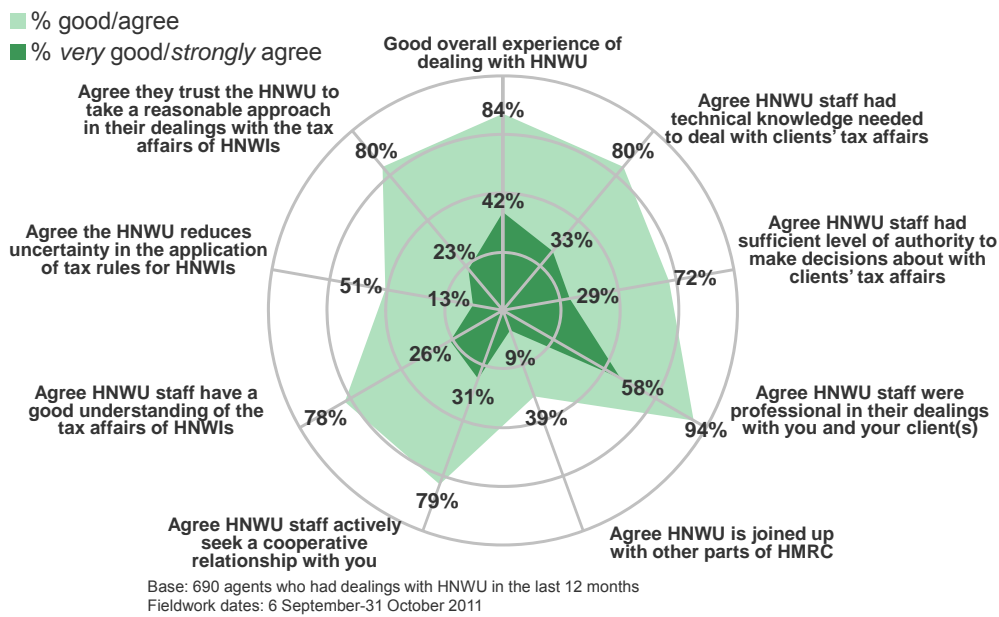
3.2. Potential performance measures

One of the objectives of the survey was to provide data on different aspects of customer satisfaction, which HMRC could then combine into an overall measure of the HNWI's performance with regards to its objective to improve the customer experience. As potential performance measures, HMRC chose nine questions from the survey which most closely related to their customer strategy, and which they considered to be areas where the HNWI could effect a change in attitudes over time. Figure 3.3 shows scores on these nine indicators, with the light green area indicating the proportions that answered "good" or "agree", and the dark green area showing the proportions saying "very good" or "strongly agree".

From this, we can see that agents' ratings of HNWI staff and of the Unit's approach tended to be high, with over seven in ten agreeing with most statements. Fewer (51%) agreed that the HNWI reduces uncertainty in the application of tax rules for HNWI's. The only area where the majority of agents did not agree is whether the HNWI is joined up with other parts of HMRC – just around four in ten (39%) thought it is. Taking all of these measures together, the average proportion of agents answering "good" or "agree" was 73%.

However, across all these measures, with the exception of staff professionalism, fewer *strongly* agreed than *tended to* agree, suggesting that there is still potential to move many agents to the more positive of these two categories.

Figure 3.3: agents' ratings of potential performance measures



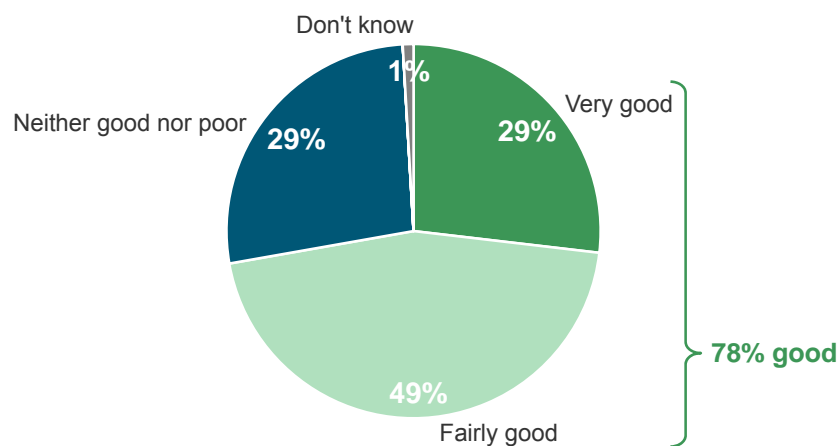
We discuss each of these measures in more detail in Chapters 7 to 9, including how scores compare to findings among large business customers, as taken from the LBPS 2010.

3.3. Overall relationship with and impression of the Unit

Around four-fifths (78%) of those who had dealt with the HNWI rated their overall relationship with the Unit as good, with none of the agents we interviewed saying it was poor, as Figure 3.4 indicates.

Figure 3.4: rating of overall relationship with the HNWI

Q Thinking generally about the HNWI, how would you rate your overall relationship with them?



Base: 690 agents who had dealings with HNWI in the last 12 months
Fieldwork dates: 6 September-31 October 2011

Similarly, among all who have heard of the HNWI, four-fifths (80%) had a favourable impression of it, with just two per cent having an unfavourable impression, as Figure 3.5 illustrates. Agents of HNWIs tended to have a better impression of the HNWI than agents

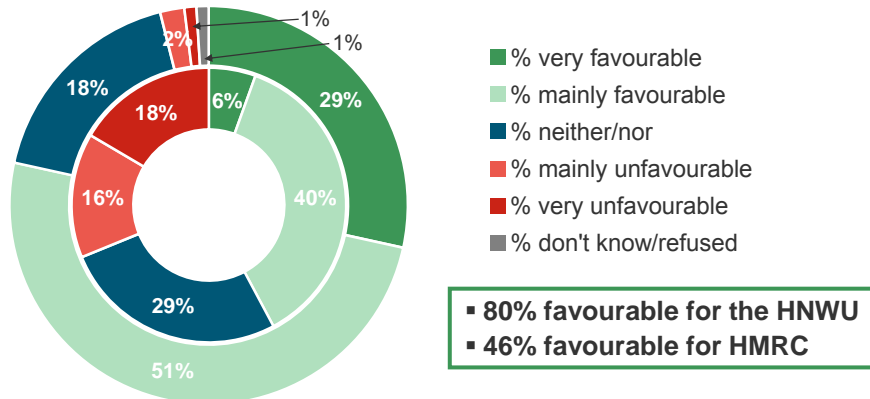
generally did of HMRC as a whole, as found in the Customer Survey 2009/10 (80% versus 46% favourable).

Figure 3.5: overall impressions of the HNWI versus HMRC as a whole

Q Taking into account everything you think is important, how favourable or unfavourable is your overall opinion and impression of ... ?

Outer pie: the HNWI*

Inner pie: HMRC as a whole (from the *Customer Survey 2009/10*)**



Bases: *690 agents who had dealings with HNWI in the last 12 months; **1,779 agents who had heard of HMRC in the *Customer Survey 2009/10*
Fieldwork dates (for survey of agents of HNWIs): 6 September-31 October 2011

Once again, agents who felt the HNWI kept them informed of their clients' tax affairs and those who had personally dealt with CRMs or their teams tended to be more positive than average, in terms of both their overall relationship with and impression of the HNWI. In addition, agents who dealt with the Unit at least once a month, and agents with relatively more complex dealings also tended to rate their relationships with and impressions of the Unit higher than average.

Agents were more likely to have a very favourable impression of the HNWI in cases where the HNWI they acted for were not very, or not at all involved in their own tax affairs, compared with when they were very involved or quite involved (35% versus 26% very favourable). This suggests the HNWI may need to tailor its approach more when HNWI themselves get directly involved in dealing with the Unit, rather than relying solely on agent representation.

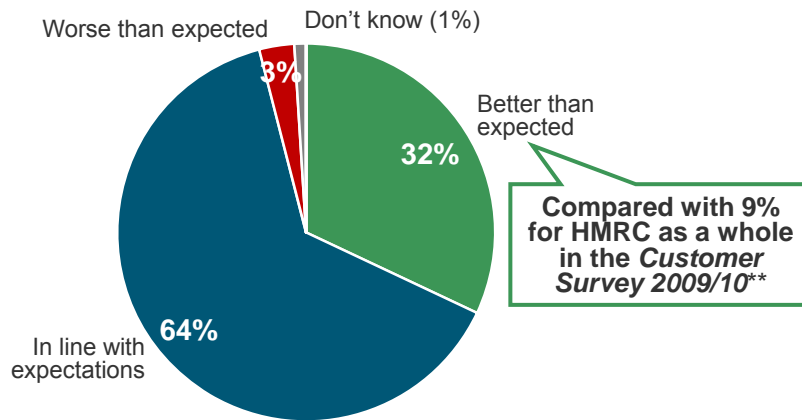
3.4. Expectations of the Unit

Agents appeared to have high expectations of the HNWI, as Figure 3.6 shows. Around two-thirds (64%) of those who had dealt said that their overall experience had been in line with their expectations, while around a third (32%) said that it had been better than they expected. Just three per cent said it had been worse than expected.

Agents of HNWI were more likely to have had a better-than-expected experience with the HNWI than agents generally had had with HMRC as a whole, as found in the Customer Survey 2009/10 (32% versus 9%).

Figure 3.6: how agents' experiences aligned with their expectations

Q Thinking about your dealings with the HNWI, was your overall experience better than you expected, worse than you expected, or in line with your expectations?*



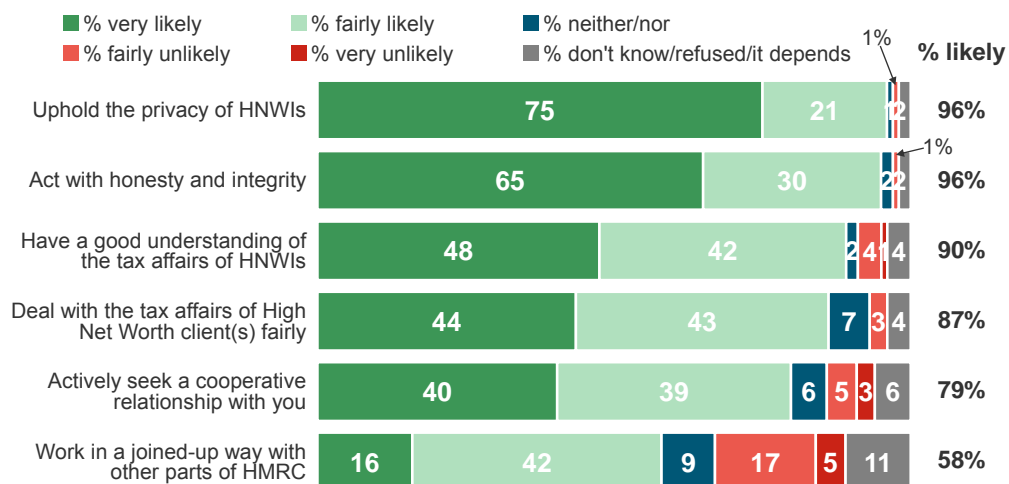
Bases: *690 agents who had dealings with HNWI in the last 12 months; **7,211 agents who had dealings with HMRC in the 3 months before the *Customer Survey 2009/10*
Fieldwork dates (for HNWI survey of agents): 6 September-31 October 2011

Agents that were more likely to have had better than expected experiences with the HNWI were those who had personally had dealings with CRMs or their teams (38%, compared with 32% on average), reflecting the important impact of the CRM network on perceptions.

As can be seen in Figure 3.7, agents' expectations were high in a number of different areas. Of those that had not had dealings with the HNWI in the 12 months before the survey, the majority expected the Unit to uphold privacy (96%), act honestly and with integrity (96%), deal with clients' tax affairs fairly (87%) seek a cooperative relationship (79%), and to work in a joined-up way with other parts of HMRC (58%). They also expected HNWI staff to have a good understanding of HNWI's tax affairs (90%).

Figure 3.7: agents' expectations of the HNWI's performance in specific areas

Q In your opinion, how likely or unlikely is it that the HNWI would do each of the following if you were to deal with them?

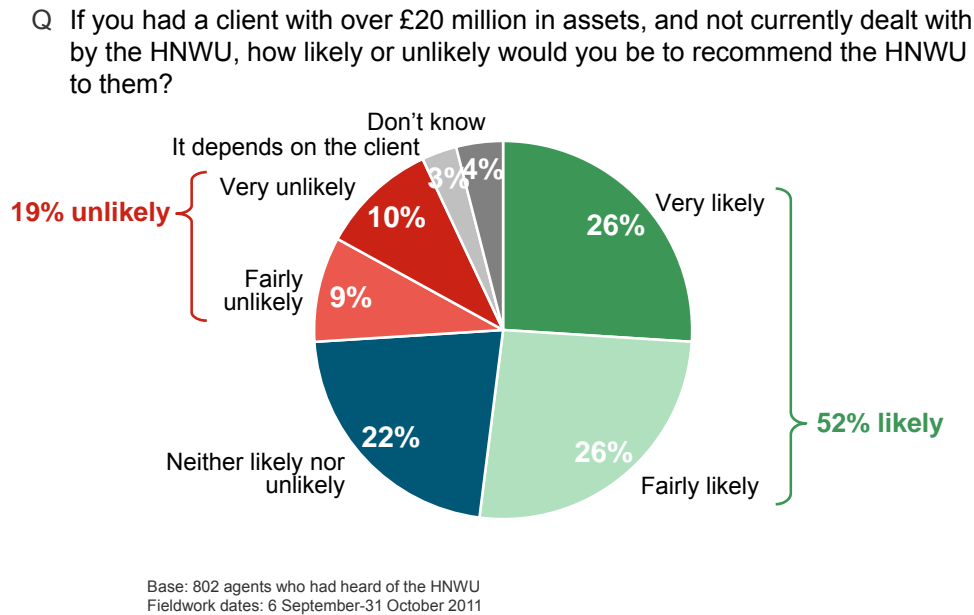


Base: 112 agents who had heard of the HNWI, but had not had dealings with it in the last 12 months
Fieldwork dates: 6 September-31 October 2011

3.5. Advocacy of the Unit

Around half (52%) of the agents who had heard of the HNWI said they would be likely to recommend it to a client with over £20 million in assets, while around one in five (22%) said they would be neither likely nor unlikely and around one in five (19%) said they would be unlikely, as Figure 3.8 shows. That these scores do not match ratings of overall experience, relationship and impression suggests that simply having a good experience does not necessarily translate into advocacy of the HNWI.

Figure 3.8: likelihood of agents recommending the HNWI to their clients



Agents who were more likely to recommend the HNWI tended to be those who had *very* good overall experiences with the HNWI, as opposed to just *fairly* good ones (71%, versus 52% on average). Agents who had a *very* good relationship with the HNWI and also those who had a *very* good relationship with CRMs or their teams were also more likely than average to recommend the Unit to clients (73% and 72% respectively). This highlights that it was those who are very positive, rather than just fairly positive about the HNWI, that were its main advocates.

4. Awareness of the High Net Worth Unit

This chapter examines agents' awareness and understanding of the HNWX and how it works, as well as looking at whether it was the first point of contact for agents of HNWXs or not.

Key findings

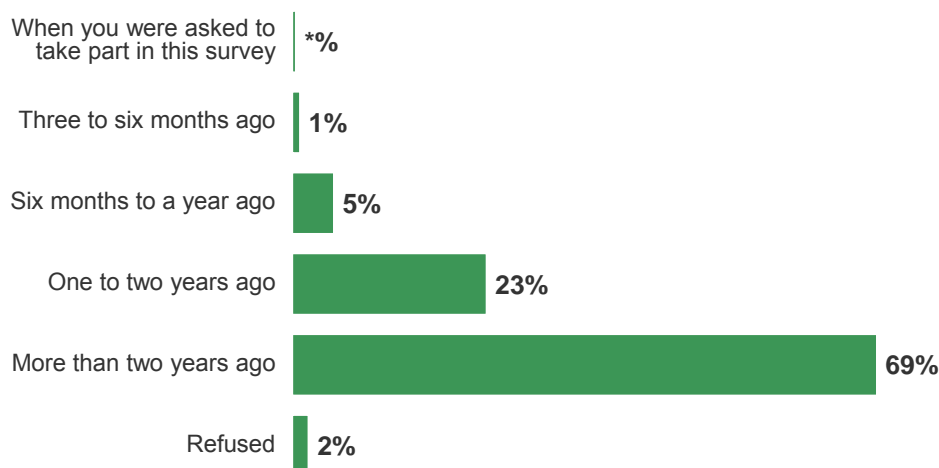
- Around seven in ten agents had known about the HNWX since around the time it was created, and less than one per cent had not heard of the HNWX before taking part in the survey. However, of those who had heard of the HNWX, around half felt they knew little or nothing about it.
- Despite relatively low understanding of what the HNWX does, three-quarters of those who had heard of the Unit felt it was distinct from other parts of HMRC.
- Some agents may not directly contact the HNWX for issues regarding HNWXs. Many options that agents frequently mentioned for deciding who to contact might indeed lead to someone from the HNWX, but in other instances, for example when calling helpline telephone numbers, agents might end up initially speaking to non-HNWX staff.

4.1. Awareness and knowledge of the Unit

As Figure 4.1 shows, around seven in ten (69%) had been aware of the HNWX roughly since its inception in April 2009. Almost all agents had heard of the Unit before taking part in the survey, with less than one per cent saying they had not heard of it.

Figure 4.1: awareness of the existence of the HNWX

Q When did you first hear about the HNWX?



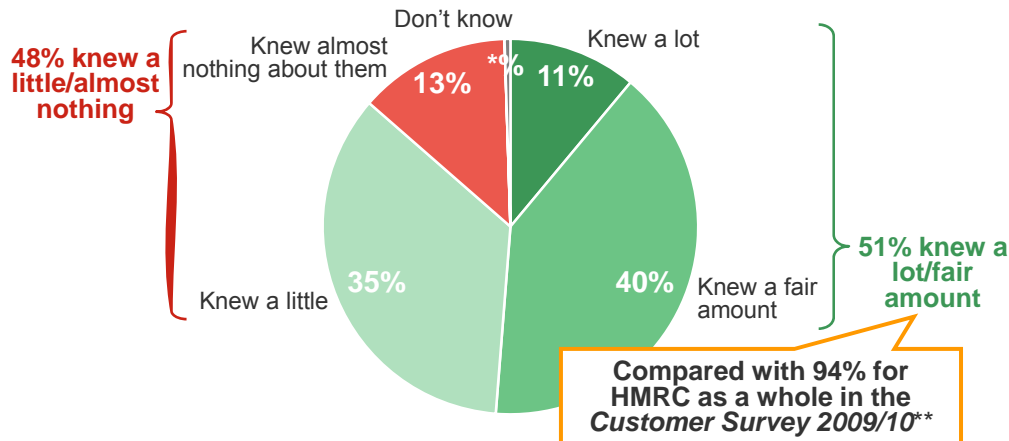
Base: 804 agents of HNWXs
Fieldwork dates: 6 September-31 October 2011

However, although agents were by and large aware of the existence of the HNWX, they had a relatively low level of understanding about what the Unit actually does. From Figure 4.2, we can see that among those who had heard of the HNWX, around half (48%) said they knew little or almost nothing about what it does before taking part in the survey. Only one in nine (11%) said they knew a lot, while four in ten (40%) said they knew a fair amount.

By contrast, nine in ten agents (93%) in the Customer Survey 2009/10 said they knew a lot or a fair amount about HMRC as a whole (compared with 51% of agents of HNWIs, when asked about the HNWI). Of course, it is worth bearing in mind that the HNWI has only existed since 2009 and represents only a small part of HMRC. Agents' understanding of what the Unit does is likely increase as it becomes more established.

Figure 4.2: knowledge and understanding of what the HNWI does

Q How much, if anything, did you feel you knew about what the HNWI does before you received any information from HMRC about this survey?*



Bases: *802 agents who had heard of the HNWI; **1,794 agents who did and did not have dealings with HMRC from the Customer Survey 2009/10
Fieldwork dates (for survey of agents of HNWIs): 6 September-31 October 2011

As might be expected, awareness of what the HNWI does was linked to frequency of dealings with the Unit – those who had dealt with it at least once a month were more likely to say they knew a lot about it (23%, compared with 11% overall), while those who had only had dealings around once or twice a year were more likely to say they knew little or nothing (68%, compared with 48% overall). More experienced agents were also more likely to feel they know more about the Unit – of those with 30 or more years of experience, 19% said they knew a lot, while just four per cent of those with three or fewer years of experience said this. Finally, those who had more complex dealings were more likely than average to say they knew a lot (28%).

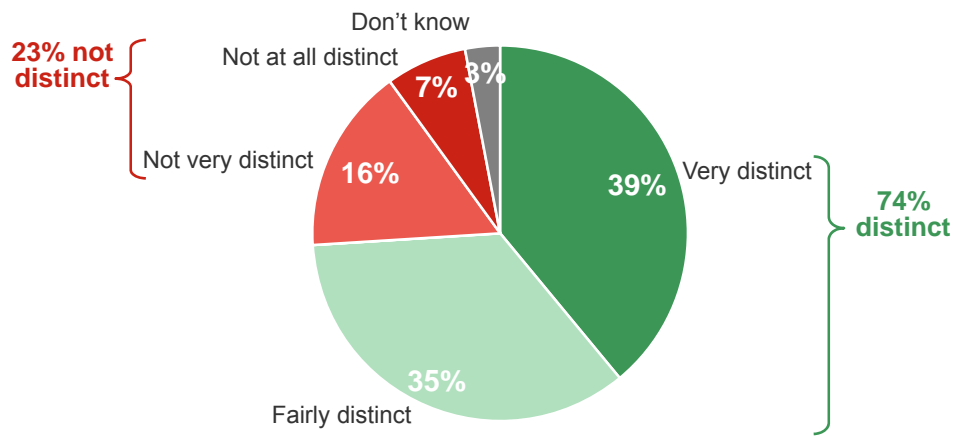
Agents who knew less about the HNWI generally had less positive views of the Unit. Of those who said they knew little or nothing, 71% had a favourable impression of the HNWI, compared with 80% on average. This suggests engaging the subgroups of agents who are less knowledgeable, i.e. those with less frequent and less complex dealings, as well as less experienced agents, may help to improve agents' overall impressions of the Unit.

4.2. Perceived distinction from other parts of HMRC

Despite relatively low levels of understanding about what the HNWI does, most agents still perceived the Unit to be distinct from other parts of HMRC. Around three-quarters (74%) of those who had heard of the HNWI felt that the service they receive from it was distinct from other parts of HMRC, and around four in ten (39%) said it was very distinct, as Figure 4.3 indicates.

Figure 4.3: perceived distinction of the HNWI from other parts of HMRC

Q To what extent do you feel that the service received from the HNWI is distinct from that of other parts of HMRC?



Base: 802 agents who had heard of the HNWI
Fieldwork dates: 6 September-31 October 2011

Among agents who had not had any dealings with the HNWI in the 12 months before the survey, just four in ten (40%) thought it was distinct from the rest of HMRC, compared with 80% of those who had dealings over this period. This suggests that many agents were not necessarily expecting it to be distinct beforehand, but found only after having dealt with it that it was distinct.

4.3. Who agents would contact with regards to High Net Worth clients

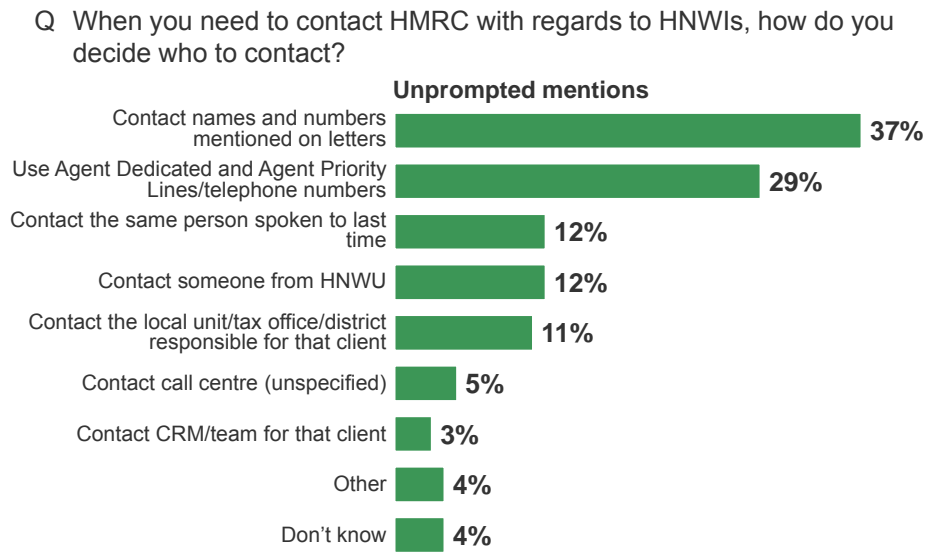
When needing to contact HMRC with regard to HNWIs, only a minority of agents explicitly said they would go directly to the HNWI, either contacting someone from the HNWI (12%), or contacting their CRMs or their teams (3%). Of course, other options such as using names and numbers mentioned on letters (37%), or speaking to the same person as last time (12%) might also lead to agents speaking to someone from the HNWI. However, in other instances, for example when calling agent-dedicated or agent-priority telephone numbers (29%), agents might end up speaking to non-HNWI staff.

This perhaps relates to the relatively low understanding among agents of what HNWI does, and of the CRM network (which we discuss further in Chapter 6). In addition, the depth interviews conducted as part of the development research indicate that some agents did not directly contact the HNWI because they had established relationships with staff in other parts of HMRC, who they used as their first points of contact:

“One of my colleagues here ... has a particular contact which she will contact every time.”

Overall, this highlights that some agents' first port of call with issues relating to HNWIs may not be the HNWI. This in turn underlines the importance of joining up the HNWI with other parts of HMRC, which may be first to deal with agents' queries regarding HNWIs in some cases.

Figure 4.4: how agents would decide who to contact with regards to HNWI



Base: 804 agents of HNWIs
 Fieldwork dates: 6 September-31 October 2011

5. Dealings with the High Net Worth Unit

This chapter discusses the ways in which agents dealt with the HNWI, focusing on the levels, frequency, reasons for and channels of contact, as well as who initiated dealings. In addition, it explores why some agents did not contact the HNWI.

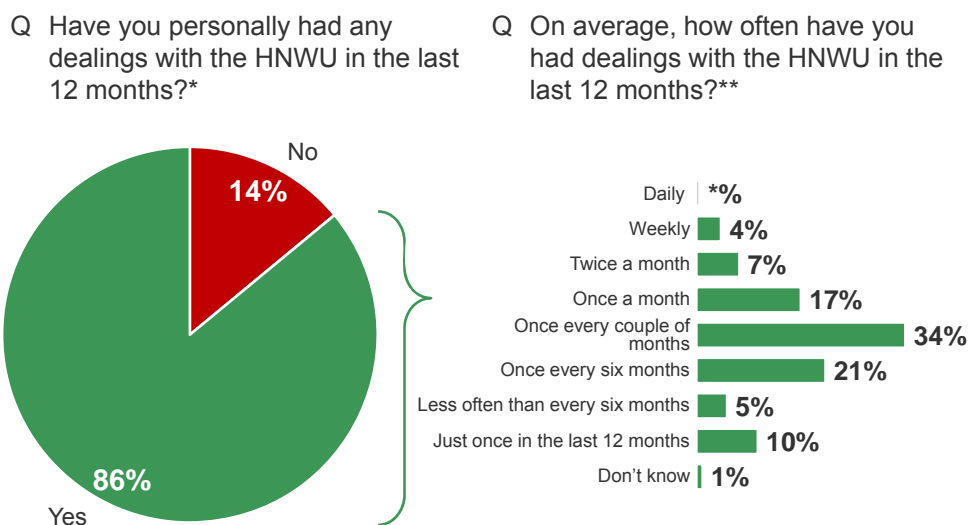
Key findings

- Of those who had heard of the HNWI, over four-fifths had dealt with it. Of these, most had dealt with the Unit between two and six times a year, mainly related to revenue enquiries or the submission of tax returns.
- Agents had most commonly corresponded with the HNWI by letter or over the telephone. Far fewer had used email in their dealings (and, as discussed in Section 10.2, there was an appetite for more dealings taking place by email).
- When agents had dealt with the HNWI, in just over two-fifths of these cases, the HNWI tended to initiate these dealings, and in a similar proportion of cases, agents tended to initiate dealings. Other agents said there was a fairly even split over who initiated dealings.
- Among those who had not had any dealings with the HNWI, by far the most common reason given for this was that they had not had any problems with their clients' tax affairs, which suggests that some agents would only have expected to deal with the HNWI when they had problems.

5.1. Levels and frequency of dealings

As shown in Figure 5.1, over four-fifths (86%) of those who had heard of the HNWI had dealt with it in the 12 months before the survey. Of these, over half (56%) had dealings between two and six times a year.

Figure 5.1: levels and frequency of dealings with the HNWI



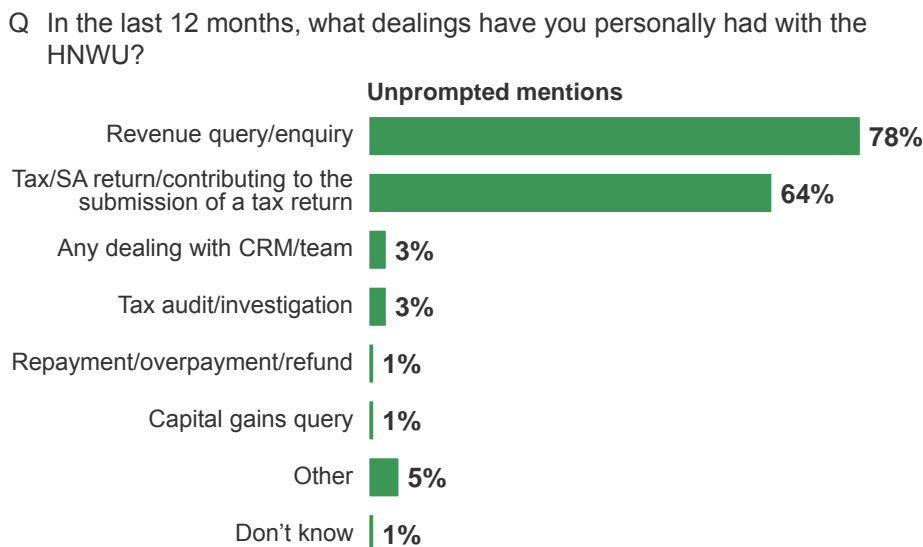
Bases: *802 agents who had heard of the HNWI; **690 agents who had dealings with HNWI in the last 12 months
Fieldwork dates: 6 September-31 October 2011

Those with more complex dealings were more likely to deal with the HNWI more regularly, with 52% of this subgroup dealing with the Unit at least once a month, compared with 28% on average. Those who recalled dealings with a CRM or their team were also more likely to have dealt with the HNWI more frequently (41% had had dealings at least once a month).

5.2. Reasons for dealing with the Unit

By and large, agents' dealings with the HNWI involved enquiries (78%) or the submission of tax returns (64%), which are mandatory, rather than other specific dealings, as Figure 5.2 shows. Just under a fifth (17%) had dealt with the HNWI exclusively for the submission of tax returns, and nothing else.

Figure 5.2: most common reasons for dealing with the HNWI

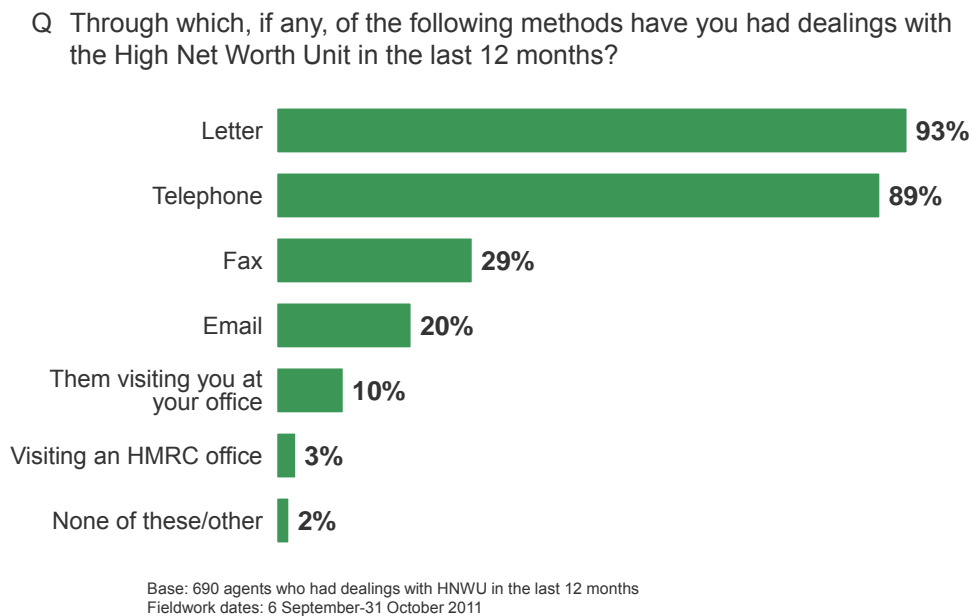


Base: 690 agents who had dealings with HNWI in the last 12 months
Fieldwork dates: 6 September-31 October 2011

Perhaps unsurprisingly, enquires were associated with more frequent dealings with the HNWI – among those who had had dealings at least once a month, 94% had dealings relating to enquiries, compared with 78% on average. Those who recalled dealings with CRMs and their teams were also more likely to have had dealings relating to enquiries (89%).

5.3. Channels of contact

As Figure 5.3 shows, agents had most commonly corresponded with the HNWI by letter (93%) or over the telephone (89%). Far fewer (20%) had used email in their dealings with the Unit.

Figure 5.3: most common channels of contact

Agents who had had the HNWI visit their office and those who had dealt with the Unit by email were more likely to rate their relationship with the HNWI as very good (41% and 38% respectively, compared with 29% on average).

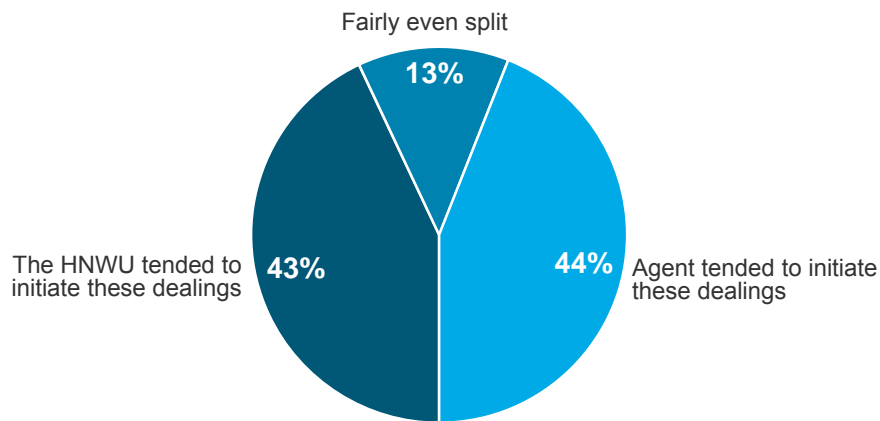
In Section 10.2, we discuss how current channels of contact compared with agents' contact preferences, highlighting that there was an appetite for more contact taking place by email.

5.4. Who initiates dealings?

In just over two-fifths (43%) of cases, the HNWI tended to initiate dealings with agents, and in a similar proportion (44%) of cases, agents tended to initiate these dealings themselves, as Figure 5.4 indicates. The remaining 13% of agents said that there was a fairly even split over who initiated the dealings.

Figure 5.4: who initiated dealings

Q Who tended to initiate these dealings?



Base: 690 agents who had dealings with HNWI in the last 12 months
Fieldwork dates: 6 September-31 October 2011

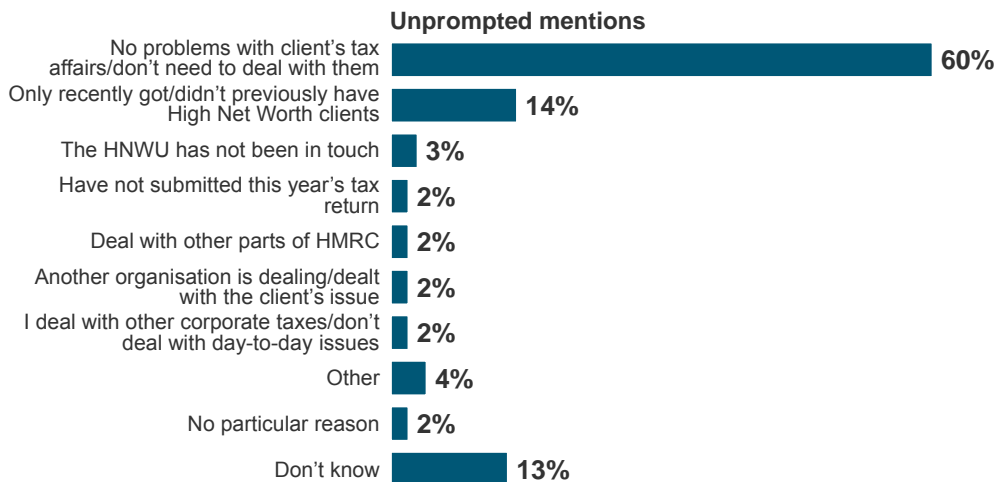
As might be expected, agents who had dealings related to the submission of tax returns were more likely to have initiated these dealings themselves (75%, versus 44% overall), while dealings related to revenue enquiries were more likely to have been initiated by the HNWI (83%, versus 43% overall).

5.5. Reasons for not dealing with the Unit

Among those who had not had any dealings with the HNWI in the 12 months before the survey – which, it should be noted, was just 14% of all agents of HNWIs – by far the most common reason given to account for this was that they had not had any problems with their clients’ tax affairs (60%), as Figure 5.5 shows. This suggests that some agents would have only expected to deal with the HNWI when they had problems with their clients’ tax affairs.

Figure 5.5: most common reasons for not dealing with the HNWI

Q You mentioned earlier that you have not had any dealings with the HNWI in the last 12 months. Why do you think this is the case?



Base: 112 agents who had heard of the HNWI, but had not had dealing with it in the last 12 months
Fieldwork dates: 6 September-31 October 2011

6. Dealings with the Customer Relationship Manager network

This chapter explores agents' awareness of and relationship with CRMs and their teams. As noted in Chapter 3, this relationship is particularly important given that those who recalled personally dealing with CRMs or their teams tended to have had better than expected experiences with the HNWU, and were more likely to have had a *very good* experience with the Unit, as opposed to a *fairly good* one.

Key findings

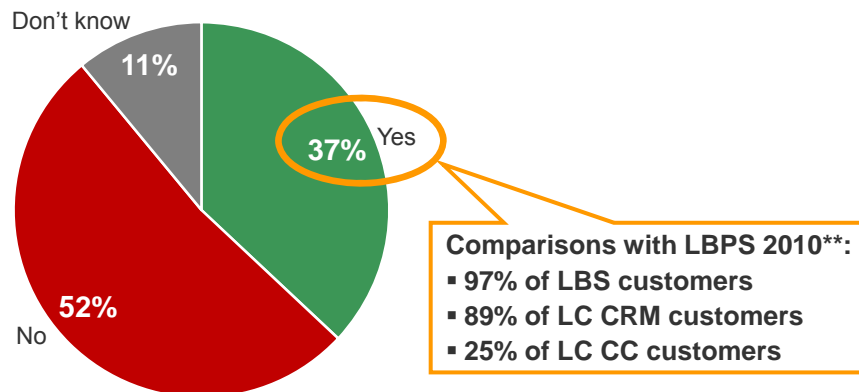
- Awareness of the CRM network was low, reflecting that the HNWU was established relatively recently – six in ten agents did not recall dealing specifically with a CRM or their team, despite personally having had dealings with the HNWU.
- Of those who did recall dealings with a CRM or their team, two-thirds did not feel they knew them well, and two-thirds did not know the job titles of those they had been dealing with. In particular, knowing CRMs and their teams well had a broader impact on how positive agents were about the CRM network and the HNWU as a whole, and appeared to contribute towards cooperative compliance.
- Four-fifths of those who recalled dealing with them already rated their relationship with their CRMs and their teams as good. This is important because the CRM relationship was central to keeping agents informed of progress with cases and enquiries.

6.1. Recollections of dealing with CRMs and their teams

Among agents who had personally had dealings with the HNWU in the 12 months before the survey, under four in ten (37%) recalled personally having dealings with a CRM or their team, while five in ten (52%) thought they had definitely not and a further one in ten did not know (11%), as illustrated by Figure 6.1. This is despite the fact that all agents who had personally had dealings with the HNWU itself were very likely to have been dealing with someone from the CRM network, as these are the primary customer-facing staff in the Unit. This suggests that six in ten agents had potentially had dealings with a CRM or their team, but were unaware of this, thinking instead that they had been dealing with a regular tax inspector or helpline staff.

Figure 6.1: recall of dealing with CRMs and their teams

Q Have you personally had any dealings with your High Net Worth clients' CRM(s), or another member of their team, in the last 12 months?*



Bases: *690 agents who had dealings with HNWI in the last 12 months; **426 LBS customers, 474 LC CRM customers and 870 LC CC customers in the LBPS 2010
Fieldwork dates (for survey of agents of HNWIs): 6 September-31 October 2011

Agents who had had more complex dealings were more likely to recall contact with CRMs or their teams (53% of this subgroup recalled dealing with them, versus 37% overall), as were those whose dealings with the Unit had gone beyond simply contributing to a client's tax return (42% of this subgroup recalled dealing with CRMs or their teams).

Comparing these figures to those from the LBPS 2010, suggests that agents of HNWIs were less aware of their respective CRM network than LBS customers (97% of whom recalled dealing with their CRMs, versus 37% of agents of HNWIs) and LC CRM customers (89% of whom recalled dealing with them). By contrast, agents of HNWIs were more likely to recall using their assigned point of contact than LC CC customers (25% of whom recalled dealing with their Customer Coordinators).¹⁶

Of course, we might expect awareness of respective CRM networks to be lower among agents of HNWIs than among large business customers. As Section 2.1 notes, HNWIs generally made up a small proportion of an agent's client base. Since agents were likely to be dealing with various other HMRC teams on behalf of non-High Net Worth clients, they would have less of an opportunity to build up a picture of the HNWI CRM network, and develop relationships with CRMs and their teams. Raising awareness of the CRM network is therefore likely to be more challenging among agents of HNWIs.

It is worth noting, however, that CRM networks have been established for longer among LBS and LC CRM customers than among agents of HNWIs. Moreover, past results from the LBPS suggest that initial low awareness of CRMs tends to increase rapidly – so as agents of HNWIs become more accustomed to using CRMs in future years, we might expect recall of dealings with CRMs and their teams to rise.¹⁷

6.2. Nature of dealings with CRMs and their teams

Figure 6.2 shows the variety of reasons for which agents had been dealing with CRMs or their teams. Over half (55%) had checked the progress of cases or enquiries with their CRMs or their teams, highlighting the role of CRMs in keeping agents informed – indeed,

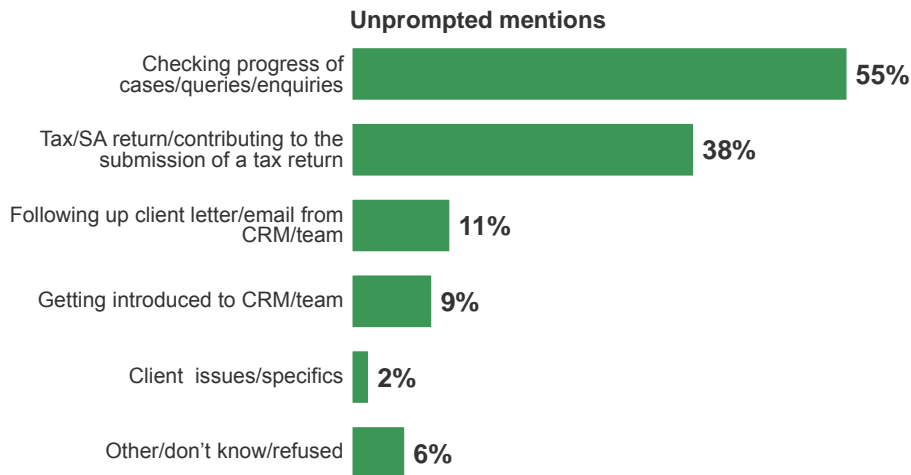
¹⁶ HMRC introduced Customer Coordinators for Large and Complex customers in June 2010.

¹⁷ IFF (2011) *Large Business Panel Survey: businesses' experience of HMRC*, HMRC, p.26

those who recalled dealings with CRMs or their teams were more likely than average to agree the HNWI kept them informed about their clients' tax affairs (74%, versus 69% overall).

Figure 6.2: nature of dealings with CRMs and their teams

Q In the last 12 months, what dealings have you personally had with your High Net Worth clients' CRM(s), or another member of their team?



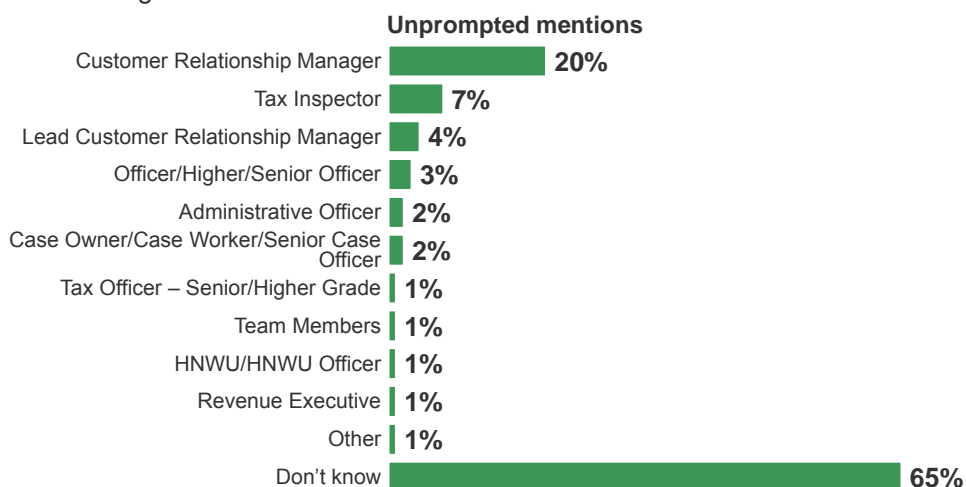
Base: 256 agents who had dealings with CRM/team in the last 12 months
Fieldwork dates: 6 September-31 October 2011

6.3. Agents' understanding of the CRM network

Among those who did recall having dealings with a CRM or their team, around two-thirds (65%) did not know who exactly they had been dealing with, as Figure 6.3 shows. Although one-fifth (20%) noted they had been dealing with a "Customer Relationship Manager" it is worth noting that the wording of previous questions in the survey, which asked explicitly about CRMs, potentially influenced this response.

Figure 6.3: who agents thought they had been dealing with

Q Could you tell me the job titles of any of the staff you have personally had dealings with from that team in the last 12 months?

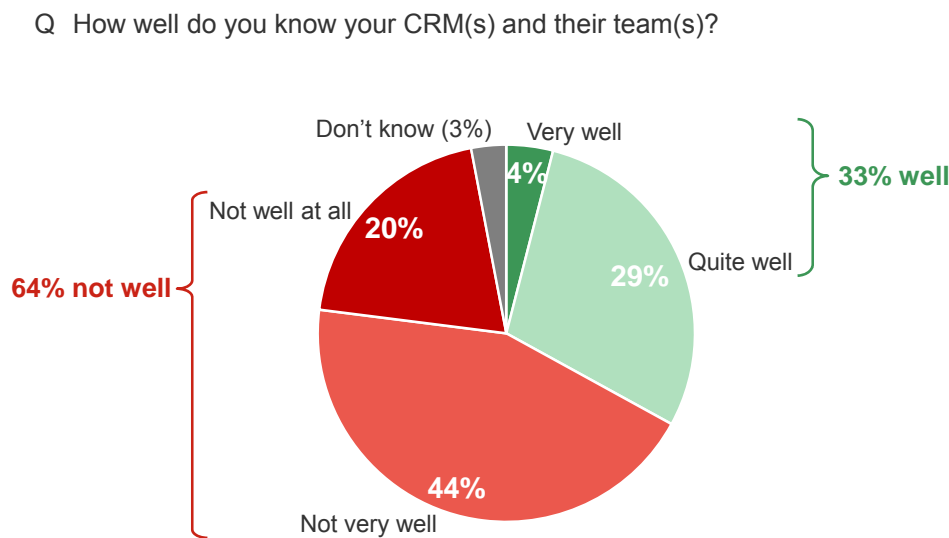


Base: 256 agents who had dealings with CRM/team in the last 12 months
Fieldwork dates: 6 September-31 October 2011

Nevertheless, in the development research agents generally did not consider it important to know the job titles of the staff they were dealing with, as long as those staff had the required technical knowledge about HNWI's tax affairs. This is something we return to in Section 7.2.

Around two-thirds (64%) of those who recalled dealings with their CRM or their teams did not feel they knew them well, including one in five (20%) who said they did not know them well at all, as Figure 6.4 highlights.

Figure 6.4: how well agents felt they knew CRMs and their teams



Base: 256 agents who had dealings with CRM/team in the last 12 months
Fieldwork dates: 6 September-31 October 2011

Knowing CRMs and their teams well was associated with a broader positive opinion of the HNWI and its staff. Agents who felt they knew them well were more likely to have a *very* good relationship with their CRM and their team (58%, versus 34% on average), as opposed to a *fairly* good one. Similarly, they were more likely to have a *very* good relationship with the HNWI as a whole (59%, versus 29% on average). Finally, they tended to feel they knew more about the HNWI – three-quarters (76%) of this subgroup said they knew a lot/fair amount about the HNWI before taking part in the survey, compared with 51% on average.

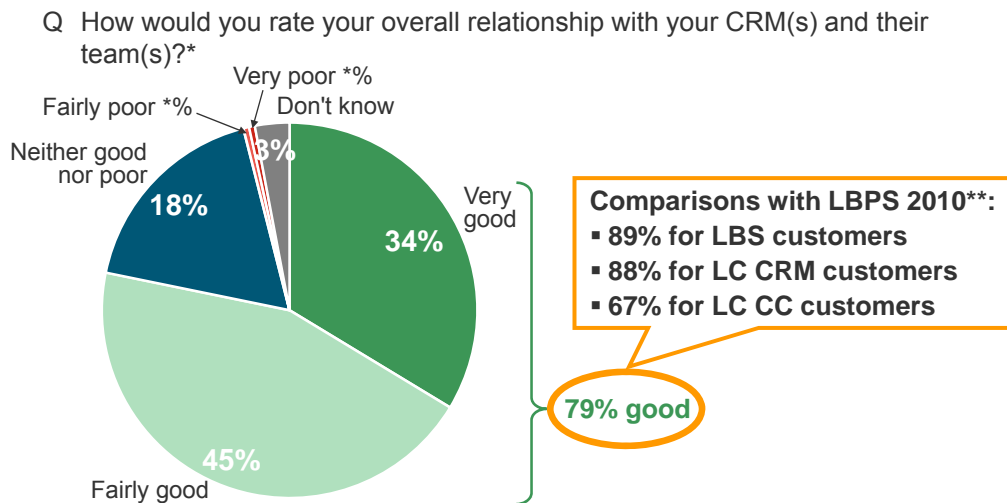
How well agents felt they knew their CRMs and their teams also appears to be an important contributor to cooperative compliance. Agents who felt they knew their CRMs and their teams well were more likely to agree that the HNWI makes it easier for them to assist their clients to comply with their tax obligations (87%, compared with 67% overall) and that the Unit reduces uncertainty in the application of tax rules (73%, compared with 51% overall) – we discuss these statements further in Section 8.2.1. They were also more likely to advocate the HNWI to High Net Worth clients currently not dealt with by the Unit (69% likely, versus 52% overall).

The survey also offers insights into what it meant for agents to know their CRMs or their teams well. Knowing them well tended to reflect more regular dealings with the HNWI – of those who dealt with the Unit at least once a month, almost half (47%) felt they knew their CRM or their team well, compared with 33% on average. Keeping agents informed also played an important role – two-fifths (40%) of those who agreed the HNWI kept them informed about their clients' tax affairs also felt they knew their CRMs and their teams well (versus 33% overall).

6.4. Overall relationships with CRMs and their teams

As shown in Figure 6.5, of those who recalled having dealings with their CRM or their team, around four-fifths (79%) rated this relationship as good, with around a third (34%) calling it very good. Just one per cent said this relationship was poor.

Figure 6.5: agents' ratings of their overall relationship with CRMs and their teams



Bases: *256 agents who had dealings with CRM/team in the last 12 months; **412 LBS customers, 423 LC CRM customers and 86 LCCC customers in the LBPS 2010
Fieldwork dates (for survey of agents of HNWI): 6 September-31 October 2011

Those who rated their relationship with their CRM and their team as very good tended to be those who agreed the HNWI kept them informed of their clients' tax affairs (40% of this subgroup rated the relationship as very good, versus 34% overall), once again underlining the importance agents attached to being kept informed. Agents who worked for HNWI who were especially involved in their own tax affairs tended to have slightly less positive relationships with CRMs and their teams (74% when HNWI were very or quite involved, versus 79% overall), suggesting once more that in these cases, CRMs might adopt a slightly different approach.

It is again worth noting that agents who felt they had good overall relationships with CRMs and their teams tended to find it easier to comply with tax rules. They were more likely to agree that the HNWI makes it easier for them to assist their clients to comply (81%, versus 67% on average) and that the Unit reduces uncertainty in the application of tax rules (64%, versus 51% overall).

This relationship can also be compared with the results from the LBPS 2010. Around nine in ten LBS customers (89%) and LC CRM customers (88%) rated their relationship with their CRMs as good, while two-thirds of LC CC customers (67%) said their relationship with their Customer Coordinator was good. The score among agents of HNWI (79%) therefore fits between those of the two Large and Complex customer groups. Again, this is likely to reflect both that the CRM networks among LBS and LC CRM customers have existed for longer, and that agents tended to deal with various other HMRC teams for non-High Net Worth clients, so did not work as exclusively with CRMs and their teams as large business customers.

7. Aspects of good experiences

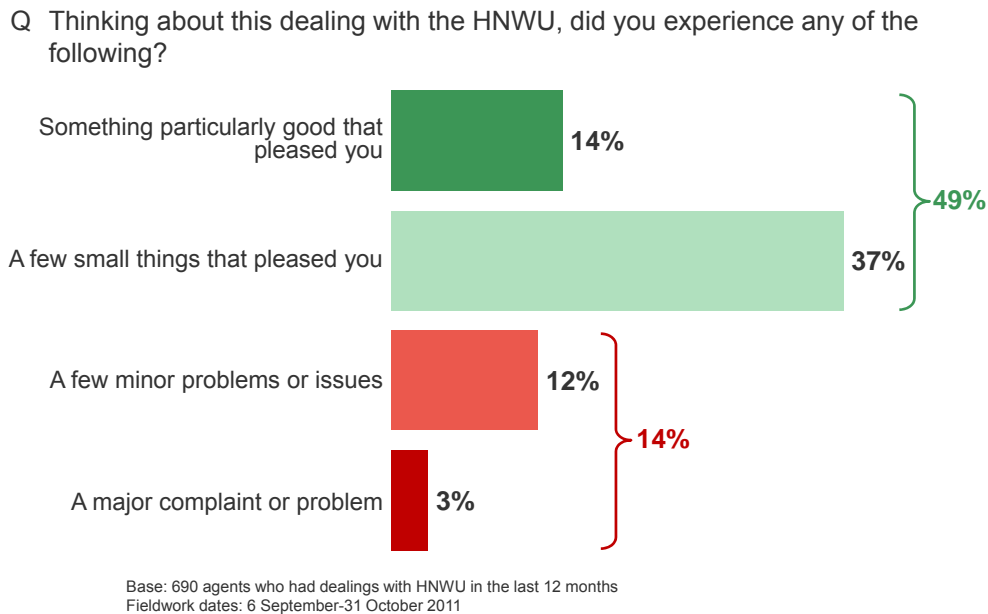
This chapter explores what made for good and bad experiences when dealing with the HNWI. We look at agents' spontaneous responses on this, as well as the results of a key drivers analysis, which highlights what the most significant factors of good experiences were. We also explore how well agents thought the HNWI is doing on these factors.

Key findings

- The aspects of service that agents tended to spontaneously recall as important were to do with timeliness, the technical knowledge of staff and the more flexible approach that the HNWI takes relative to the rest of HMRC. However, in key drivers analysis, timeliness emerges as a less important factor driving a good experience, while staff training and keeping agents informed tended to be more important.
- On timeliness and ease of contact, the HNWI scored highly, with over four-fifths of those who had dealings in the 12 months before the survey agreeing that it was easy to get in touch with staff and that staff responded within an appropriate timeframe.
- Agents had overwhelmingly favourable opinions of HNWI staff. Around seven in ten or more of those who had dealings in the 12 months before the survey thought staff were professional, willing to help, provided a reliable response, had the necessary technical knowledge, have a good understanding of HNWIs' tax affairs and had sufficient authority to make decisions.
- Ratings on keeping agents informed and engaged with the HNWI tended to be lower than ratings of staff. Nevertheless, the majority of those who had had dealings agreed that the HNWI kept them well informed of their clients' tax affairs, that they understand the way the HNWI works and that the Unit appropriately consults agents.

7.1. Agents' recalled reasons for good and bad experiences

As can be seen in Figure 7.1, agents were over three times more likely to have had good experiences than bad ones when dealing with the HNWI. Around half (49%) had experienced something particularly good, or a few small things that pleased them, while just around one in seven (14%) had experienced a few minor problems, or a major complaint.

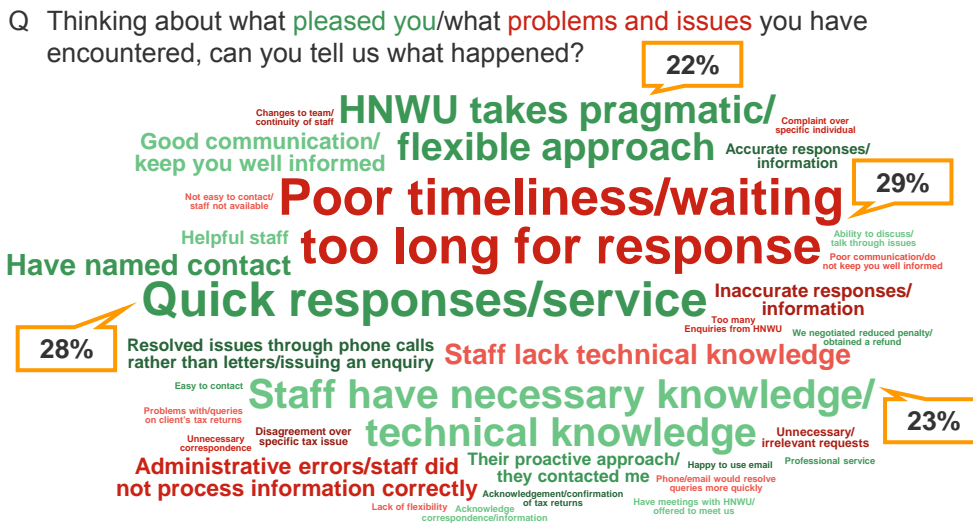
Figure 7.1: proportion of agents having good and bad experiences

Those who disagreed that the HNWI kept them informed about their clients' tax affairs were more likely to have experienced a problem or a complaint – almost two-fifths (37%) of this subgroup said they had had a problem or a complaint, compared with 14% overall.

Figure 7.2 displays the unprompted reasons (coded into categories) agents gave for saying they had a good or bad experience in the form of a word cloud. Responses in green show the reasons agents gave for good experiences, while responses in red show the reasons for bad experiences. The size of the response is broadly proportionate to the percentage of agents giving this response. For example, 28% of agents who had had something that pleased them said this was because of quick responses or service, while 22% said this was because the HNWI takes a pragmatic or flexible approach – hence the former response is proportionately larger in size than the latter.

When interpreting Figure 7.2, it is important to again note that only 14% of agents had experienced problems or issues. Therefore, when 29% said they experienced poor timeliness or waiting too long for a response, this was 29% *within* the small subgroup (14%) of agents who had problems or issues (i.e. only 94 respondents out of a total of 609 who had dealings with the HNWI in the 12 months before the survey).

Figure 7.2: unprompted reasons given for good and bad experiences



N.B. word clouds are illustrative of findings, rather than statistically representative.

Base: 338 agents that had a pleasing experience; 94 agents that encountered problems or issues
Fieldwork dates: 6 September-31 October 2011

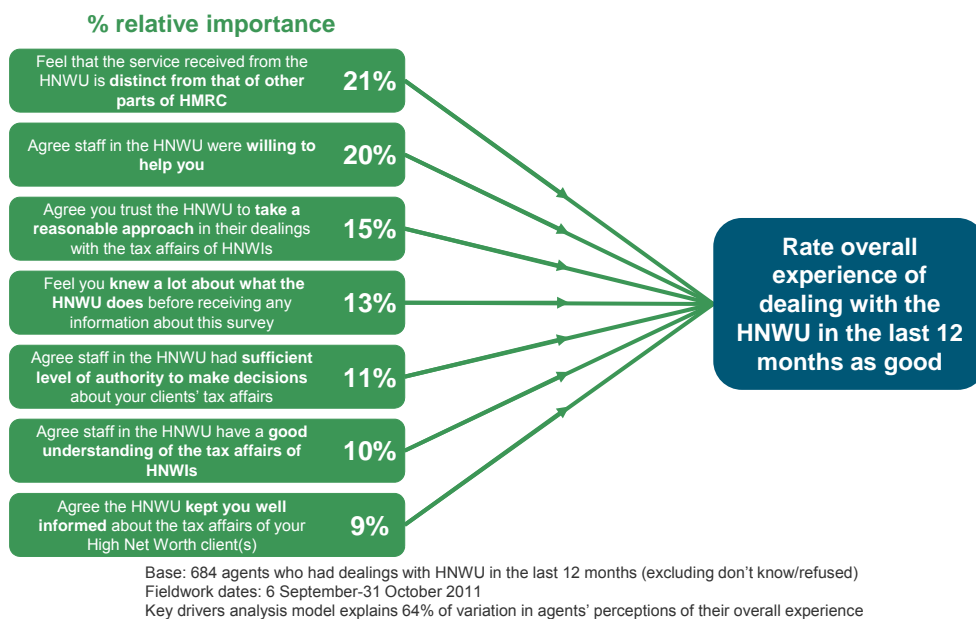
This highlights that the aspects of service that agents tended to recall as important in both good and bad experiences were to do with timeliness and the technical knowledge of staff. The more flexible approach that the HNWU takes was also a factor recalled in more positive experiences. This again underlines the fact that agents appreciated that the HNWU is taking an approach that distinguishes it from other parts of HMRC.

7.2. Key drivers of good experiences

To further explore the factors that made up a good experience with the HNWU, we conducted a key drivers analysis on agents' ratings of their overall experience. This analysis aims to uncover the aspects of service that best explain the variation in agents' overall ratings. We can then interpret these aspects of service as being the key drivers of a good experience. The technical details of this analysis can be found in Appendix D.

The results of the key drivers analysis are shown in Figure 7.3. The seven aspect of service, in green, were the key drivers of a good experience – improving the scores for these particular aspects would be the most effective way to improve agents' overall ratings of their experience with the HNWU. They are ranked from most to least important.

The analysis shows that these seven aspects of service explain 64% of the variation in agents' overall ratings of their experience with the HNWU, with the other 36% being attributable to factors outside of those measured in the survey. This represents a strong explanatory model of what drives a good experience.

Figure 7.3: key drivers analysis

Looking at the seven key drivers that emerge from the analysis, it is worth noting that timeliness does not feature, despite agents frequently recalling this spontaneously as a factor in their good and bad experiences. On the other hand, keeping agents informed and ensuring they knew what the HNWU does do feature as key drivers. Aspects of staff training, such as ensuring staff are willing to help, have sufficient authority and are knowledgeable, were also key drivers. This suggests that agents were less concerned about getting a quick response than they were about dealing with staff who could help them, and being kept informed during the process. This order of priorities also reflects the findings of the development research, where agents considered timeliness as less important than staff training, as these quotes from agent depth interviews show:

"Rather than speak to somebody who has a limited amount of training, they actually can answer a question, they know what they are doing and they deal with you as if you were a person ... I really do value the HNWU."

"The response times could have been better ... but that's the same for everyone I think. We could all improve on that."

In the development research, agents also acknowledged that a quick response may not always be an efficient response, since for some issues they expected HNWU staff to take the time to compile the information required. Agents tended to be more interested in getting efficient responses, which were thorough enough to fully answer their queries or conclude an enquiry in a satisfactory way, rather than just quick responses, which might require more follow-up correspondence.

Distinction from the rest of HMRC and taking what agents judged to be a reasonable approach also emerge as key drivers. This again highlights that agents appreciated the idea of the HNWU being more responsive and flexible in its approach.

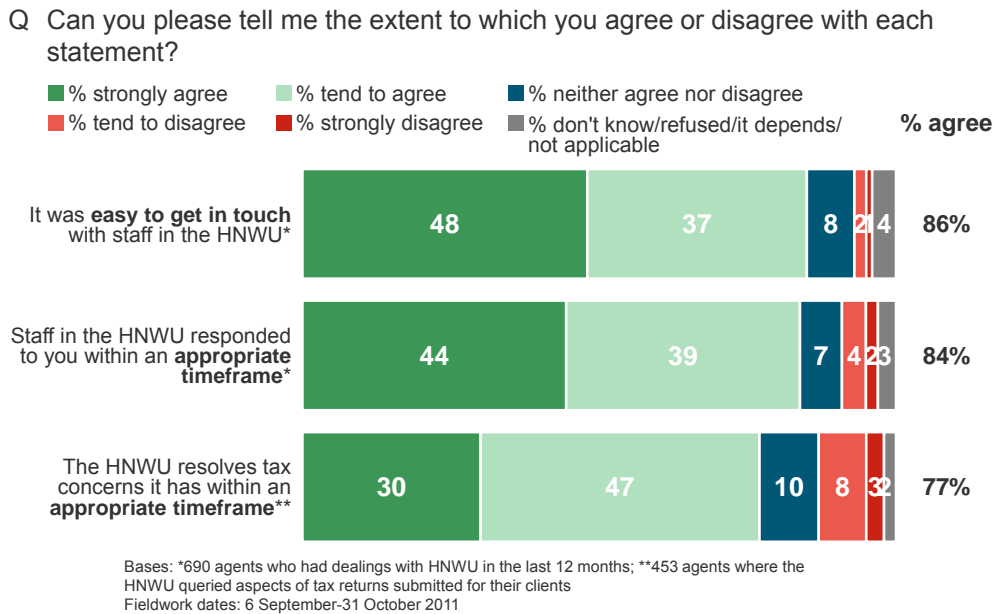
It is important to note, however, that these seven key drivers do not operate in isolation from each other, and from the other aspects of service asked about in the survey. Increased ratings will be driven by changes that acknowledge the links between some of these aspects – for example, giving staff the authority to make decisions is likely to impact on agents' perceptions of how willing staff are to help them.

7.3. Views on aspects of good experiences

7.3.1. Timeliness and ease of contact

On timeliness and ease of contact, the HNWU scored highly, with over four-fifths of those who had had dealings agreeing that it was easy to get in touch with staff (86%) and that staff responded within an appropriate timeframe (84%), as Figure 7.4 illustrates. Among those who had had the HNWU query their clients' tax returns, around three-quarters (77%) thought the Unit resolves such tax concerns within an appropriate timeframe.

Figure 7.4: agents' perceptions of timeliness and ease of contact



Those who had more complex dealings were somewhat more likely to agree that staff responded to them within an appropriate timeframe (89%, versus 84% on average). By contrast, those who had less complex dealings were less likely to agree (78%).

Those who recalled personally dealing with CRMs or their teams were more likely to think it was easy to get in touch with HNWU staff (90% agree, versus 86% overall). This again attests to the importance of the CRM network.

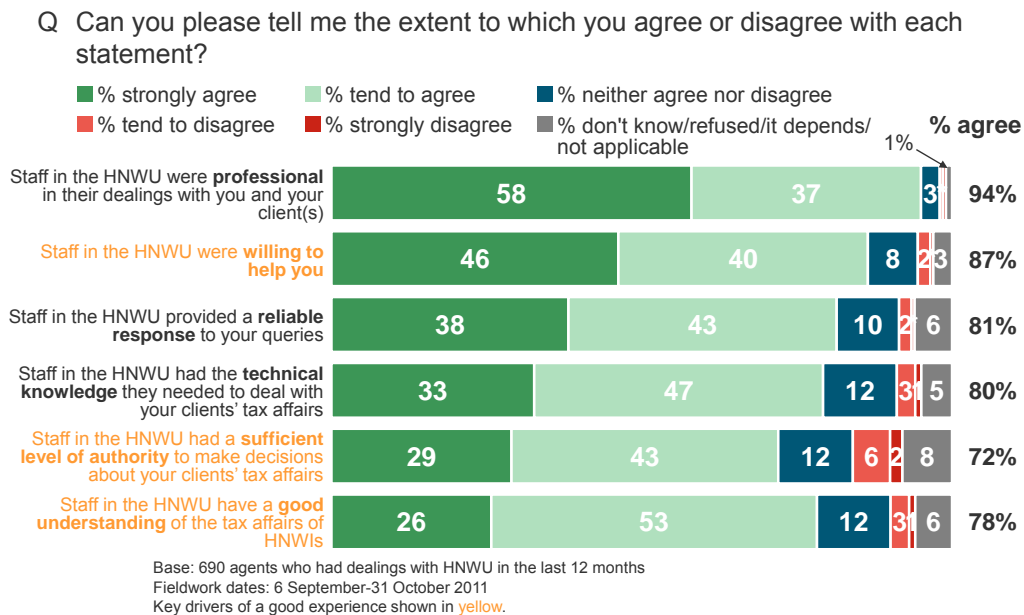
Finally, among those who had experienced the HNWU querying their clients' tax returns, the subgroup of agents from large organisations of 250 or more employees tended to be less positive about the Unit's timeliness in resolving queries – most (69%) agreed it resolves them within an appropriate timeframe, though this was lower than average (77%). This once more reflects that agents from larger organisations tended to be less positive about the HNWU.

7.3.2. HNWU staff

Agents had overwhelmingly favourable opinions of HNWU staff, as shown in Figure 7.5. Around nine in ten or more of those who had dealt with the HNWU thought staff were professional (94%) and willing to help (87%). The high score on the latter indicators is particularly important given it was one of the top key drivers of a good experience. Around eight in ten said staff provided a reliable response (81%), had the required technical knowledge (80%) and have a good understanding of HNWIs' tax affairs (78%), while around seven in ten thought staff had sufficient authority to make decisions (72%) – with these latter

indicators, however, it is worth noting that more agents *tended to agree*, rather than *strongly agreed*, indicating that the HNWI could still improve these aspects of service.

Figure 7.5: agents' perceptions of HNWI staff

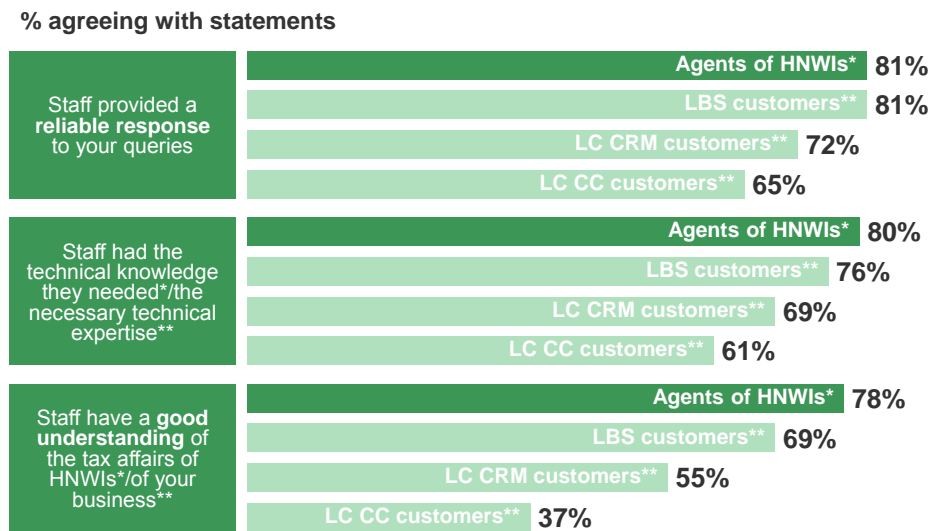


Those who felt they were kept informed about their clients' tax affairs were more likely to give positive scores on each of these six indicators. This highlights that agents saw keeping them informed as an intrinsic part of staff professionalism, willingness to help and understanding.

Agents from large organisations with 250 or more employees were again slightly less positive – around three-quarters (74%) agreed that staff at the HNWI had the technical knowledge they needed, so on balance this subgroup was still positive, but less so than average (80%).

Figure 7.6 shows how these scores compare with those of large business customers in the LBPS 2010. Here, we can see that the scores of agents of HNWIs tended to mirror or surpass those of LBS customers, who tended to be the most positive of all large business customers. In particular, the HNWI scored better in terms of the perceived technical knowledge of staff and their understanding of clients' tax affairs.

Figure 7.6: perceptions of staff, compared with large business customers



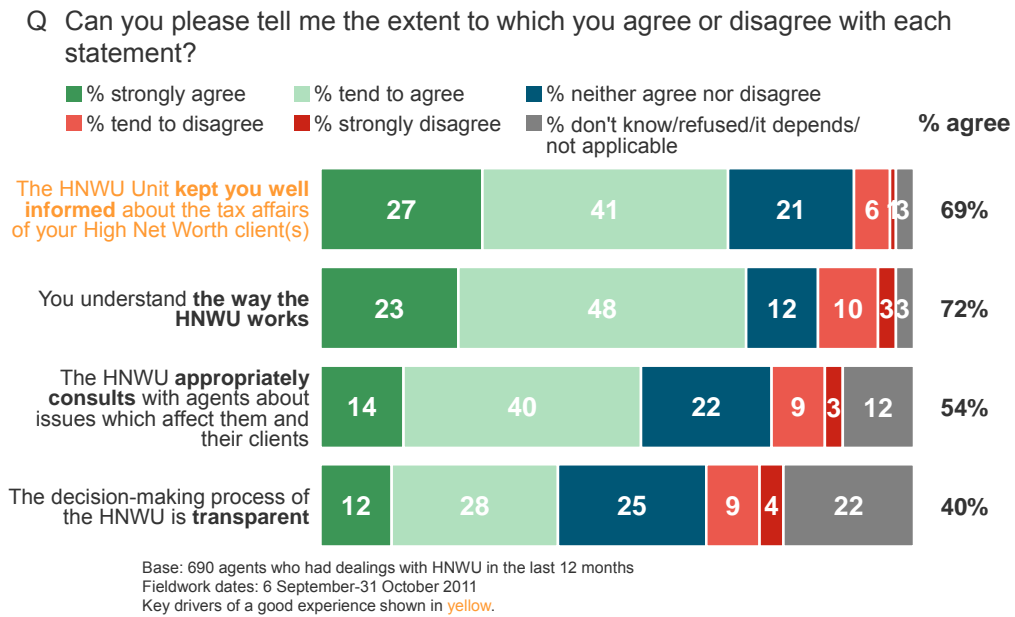
Bases: *690 agents who had dealings with HNWI in the last 12 months; **426 LBS customers, 474 LC CRM customers and 870 LC CC customers in the LBPS 2010
 Fieldwork dates (for survey of agents of HNWI): 6 September-31 October 2011

7.3.3. Information and engagement

Ratings on keeping agents informed and engaged with the HNWI tended to be lower than ratings of HNWI staff, as Figure 7.7 shows. Nevertheless, the majority of those who had had dealings still agreed that the HNWI kept them well informed of their clients' tax affairs (69%), that they understood the way the HNWI works (72%) and that the Unit appropriately consults agents (54%).

Only two-fifths (40%) agreed that the decision-making process of the HNWI is transparent, with a quarter (25%) neither agreeing nor disagreeing, and around a further fifth (22%) saying they did not know. This relatively low score does, however, reflect findings from the development research, where agents found it difficult to judge whether decision making was transparent or not, since they had little or no knowledge of the process.

Figure 7.7: how informed and engaged agents felt



Once again, those who recalled having dealings with a CRM or their team stood out as feeling more informed and engaged with the HNWU on each of these four indicators. Agents from larger organisations with five or more UK office sites tended to feel less well informed – just 62% thought the HNWU kept them informed of their clients’ tax affairs, versus 69% on average, and just 33% agreed the HNWU is transparent in its decision making, versus 40% on average.

On transparency, it is possible to again compare the views of agents of HNWIs with those of large business customers in the LBPS 2010, who were asked whether the decision-making process in HMRC is transparent. Over two-fifths (45%) of LBS customers agreed, while just 38% of both the Large and Complex customer groups agreed. Agents’ views were therefore on a par with those of Large and Complex customers.

8. Impact on compliance

This chapter explores agents' perceptions of the approach the HNWI takes, both generally in its dealings with agents, and more specifically in relation to revenue enquiries. It then looks at the perceived impact this approach was having on agents' work.

Key findings

- Four-fifths or more of those who had dealt with the HNWI thought that it dealt with their clients' tax affairs fairly, takes a reasonable approach, is consistent in its dealings and actively seeks a cooperative relationship with agents.
- Agents welcomed the HNWI's more informal approach. Seven in ten of those who had been able to discuss issues with the Unit before reporting them in tax returns felt this has helped them in their work, at least to some extent. In addition, those who had undergone a revenue enquiry with the HNWI and corresponded with the Unit about it over the telephone tended to have had better overall experiences with the HNWI, as opposed to those who just received letters about the enquiry.
- Although agents overwhelmingly agreed the HNWI takes the right approach, they were less certain as to whether this made their jobs easier. Nevertheless, the majority of agents did agree it does this. Around two-thirds thought it makes compliance easier, under three-fifths thought it was designed with agents' needs in mind and around half agreed it reduces uncertainty.
- Many agents thought the HNWI approach made dealings more efficient. Among those who thought the Unit takes a cooperative approach to enquiries, seven in ten said that this approach helps to a large extent to resolve enquiries more efficiently.

8.1. Perceptions of the Unit's approach

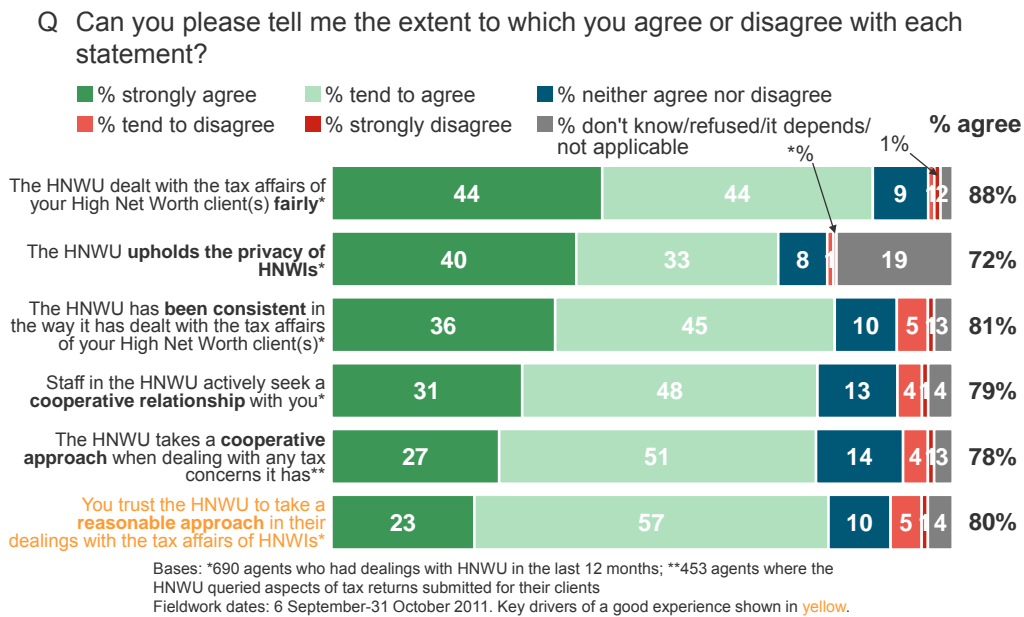
8.1.1. Approach to dealings generally

The indicators in Figure 8.1 look at agents' perceptions of the approach the HNWI takes in all its dealings. Around nine in ten (88%) of those who had had dealings thought the HNWI dealt with their clients' tax affairs fairly. In the development research, agents understood "fairness" to incorporate many different aspects of service, such as consistency, proportionate responses and trustworthiness, so this score indicates that agents perceived the HNWI to be performing well across a range of areas.

When breaking this down into more specific aspects of service, around eight in ten of those who had had dealings agreed the HNWI takes a reasonable approach when dealing with HNWIs (80%), is consistent in its dealings (81%) and actively seeks a cooperative relationship with agents (79%). Even among agents who had experienced a HNWI revenue enquiry, four-fifths (78%) agreed that the Unit takes a cooperative approach when it comes to enquiries. However, on these indicators once again, more *tended to agree* rather than *strongly agreed*.

Of those who had had dealings, slightly fewer (72%) agreed that the HNWI upholds the privacy of HNWIs, although just one per cent disagreed. Around two in ten (19%) said they did not know if this is the case, suggesting many agents had simply not experienced privacy issues in their dealings with the Unit.

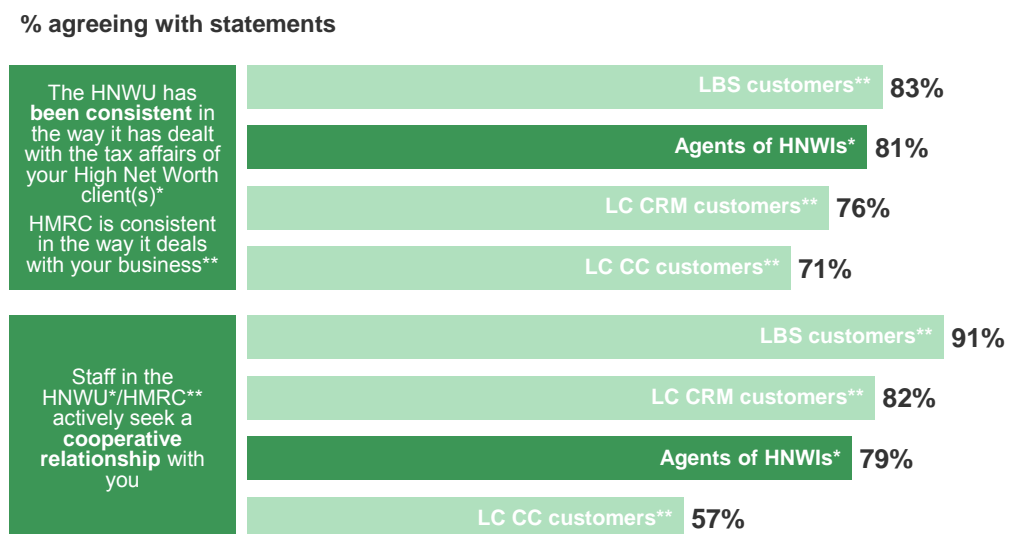
Figure 8.1: agents' perceptions of the HNWI approach to dealings generally



Agents who felt they were kept informed of progress with their clients' tax affairs were more likely to agree with all five statements. Those from the smallest firms (with 0-9 employees) and less experienced agents (who have worked with HNWIs for fewer than 4 years) were also more likely to agree with many of these statements.

Comparable questions on consistency and cooperation were asked to HMRC's large business customers in the LBPS 2010. Figure 8.2 shows that on consistency, the HNWI score was in line with the LBS, and higher than both groups of Large and Complex customers. On seeking a cooperative relationship, the HNWI was rated less positively than the LBS, but scored in line with LC CRM customers, and higher than LC CC customers.

Figure 8.2: perceptions of the HNWI approach, compared with large business customers

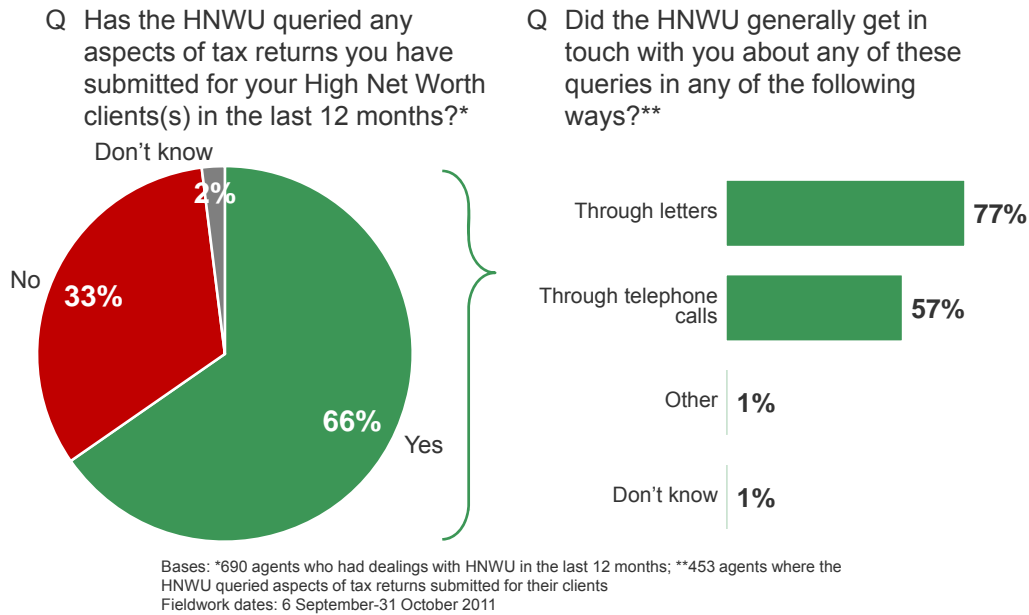


Bases: *690 agents who had dealings with HNWI in the last 12 months; **426 LBS customers, 474 LC CRM customers and 870 LC CC customers in the LBPS 2010
 Fieldwork dates (for survey of agents of HNWIs): 6 September-31 October 2011

8.1.2. Approach to revenue enquiries

Of agents who had dealings with the HNWI in the 12 months before the survey, two-thirds (66%) had the HNWI query an aspect of their clients' tax returns, as Figure 8.3 highlights. Of this subgroup, around three-quarters (77%) received letters about the revenue enquiry, while almost three-fifths (57%) received telephone calls. The latter indicates that in over half of these cases, the HNWI was taking a more flexible approach by dealing with agents over the telephone rather than just sending letters. Nevertheless, in around two-fifths (42%) of cases, agents only received letters, with no other contact from the HNWI.

Figure 8.3: proportion of agents experiencing revenue enquiries with the HNWI



Among those who only received letters, i.e. those who did not have any telephone conversations or other contact with someone from the HNWI about the enquiry, just 35% rated their overall experience of dealing with the HNWI as very good. Among those who did have telephone conversations about the enquiry, the proportion rating their experience as very good increased to 45%. This suggests that agents welcomed this more informal initial approach.

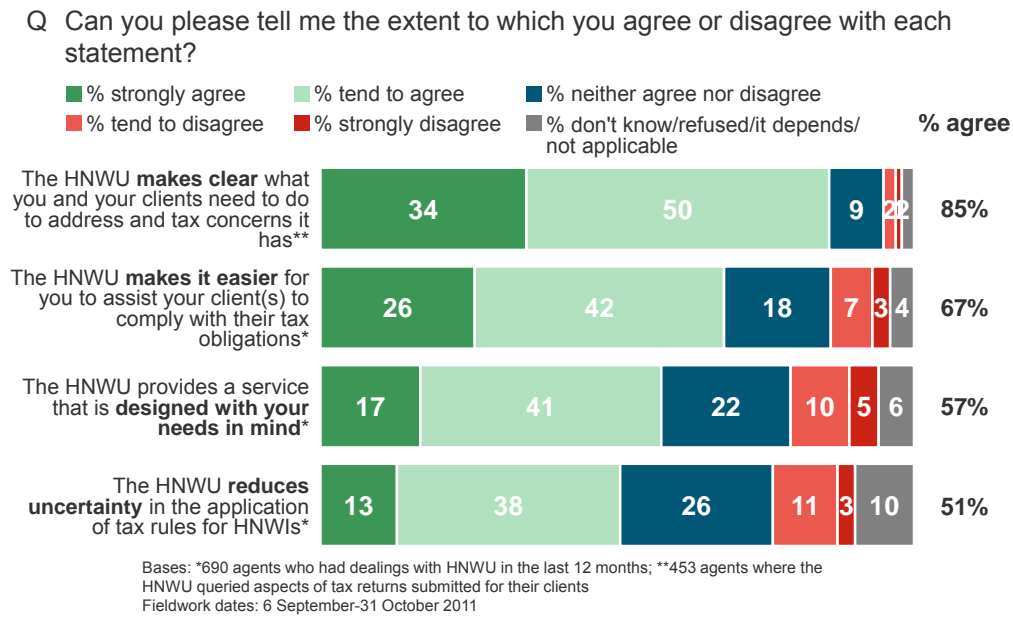
8.2. Perceptions of the Unit's impact

8.2.1. Impact on agents' jobs

Figure 8.4 shows four measures of the impact that the HNWI had on agents' jobs. Of those who had experienced a revenue enquiry with the HNWI, over four-fifths (85%) agreed the Unit makes clear what agents and their clients need to do in these circumstances. This was again in line with the views of LBS customers, 83% of whom agreed that HMRC makes clear what they need to do to address tax concerns, as found in the LBPS 2010. Just 67% of LC CRM customers agreed, while 65% of LC CC customers agreed.

Among the larger subgroup of all agents who had dealt with the HNWI, around two-thirds (67%) thought the Unit makes compliance easier, just under three-fifths (57%) thought it is designed with agents' needs in mind and around half (51%) agreed the HNWI reduces uncertainty.

Figure 8.4: agents’ perceptions of the impact of the HNWI on their jobs



That the HNWI scored relatively less well on these latter indicators, compared with those discussed in Section 8.1, suggests that although agents generally thought it takes the right approach, they did not necessarily agree it is making their jobs easier. The development research offers some insight into this situation – while many agents thought part of the purpose of the HNWI was to make it easier for their clients to comply, some also thought another purpose was to increase scrutiny over HNWIs, i.e. not to make agents’ jobs easier. These quotes from agent depth interviews highlight these two viewpoints:

“Hopefully it’s because they’re far more specialised and they understand the types of income and deductions these types of people have. They’re far better placed to actually understand what’s going on and be able to ask sensible questions, and when you give them an answer, be able to understand that answer.”

“I presume it’s because you get more tax from the wealthy people. Therefore you make sure that they’re being looked at quite carefully, I suppose.”

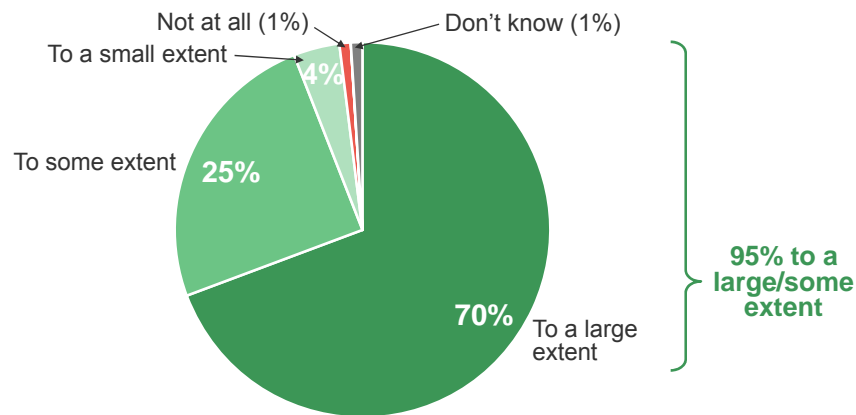
Once again, similar subgroups emerged as more positive on these measures. Those who felt they were kept informed of progress with their clients’ tax affairs were more likely to agree with each statement. Those who had dealt with CRMs or their teams and those who had had more complex dealings were both more likely to agree that the HNWI makes it easier to comply and that it provides a service designed with their needs in mind. This suggests that the HNWI is having most impact among customers with particularly complex needs.

8.2.2. Impact on resolution of revenue enquiries

Agents who had experienced a revenue enquiry with the HNWI, and who agreed that the HNWI takes a cooperative approach when it comes to such enquiries, were asked a follow-up question to measure the impact of this cooperative approach. From Figure 8.5, we can see that seven in ten (70%) among this subgroup said that this cooperative approach helps to a large extent to resolve tax concerns that the Unit has more efficiently. A further quarter (25%) said that it does this to some extent. This indicates that this approach is by and large paying dividends for the HNWI, as well as for agents and their clients.

Figure 8.5: whether the HNWI approach resolves revenue enquiries more efficiently

Q You said you agree that the HNWI takes a cooperative approach when dealing with any tax concerns. To what extent, if at all, does this help in efficiently resolving any tax concerns?



Base: 355 agents who agreed that the HNWI takes a cooperative approach when dealing with any tax concerns
Fieldwork dates: 6 September-31 October 2011

Again, agents who agreed the HNWI kept them informed during their dealings felt more strongly that the Unit helps to resolve tax concerns more efficiently (74% said the HNWI helps to a large extent, versus 70% on average).

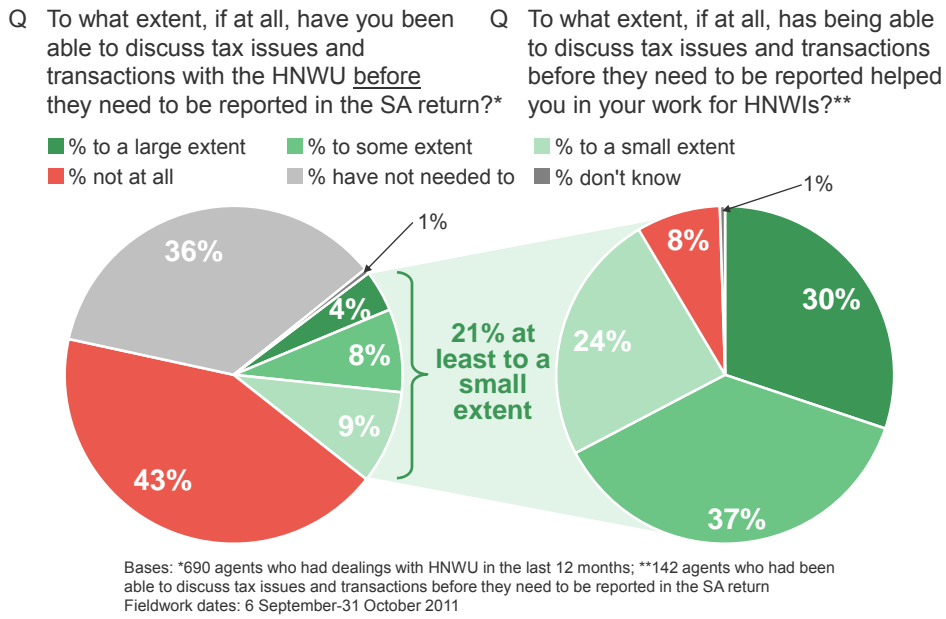
8.2.3. Impact of discussions with agents in advance of tax returns

In the development research, CRMs outlined that one of the aims of the HNWI is to be more proactive in its dealings, anticipating and discussing issues and concerns with agents before they appear in their clients' tax returns. Figure 8.6 illustrates that around one in five agents who had had dealings (21%) had been able to discuss tax issues and transactions with the HNWI before they needed to be reported in tax returns, at least to a small extent. It is worth noting however that over a third (36%) felt they had not needed to do this.¹⁸

Of those who had been able to discuss issues with the HNWI before they needed to be reported in tax returns, around seven in ten (68%) felt this had helped them in their work, at least to some extent, with three in ten (30%) saying it had helped them to a large extent. This suggests that some of the 43% of agents who said they had not had this opportunity might benefit from this.

¹⁸ Due to restrictions on the length of the questionnaire, we were not able to probe why the remaining 43% of agents felt they were "not at all" able to discuss issues before they needed to be reported in tax returns. However, the response "have not needed to" was unprompted (i.e. interviewers did not read this out as an answer option) meaning that some of the agents saying "not at all" may also have felt they had not needed to discuss any issues.

Figure 8.6: agents' perceptions of discussions in advance of submission of tax returns



Agents who had had less complex dealings were more likely to say they had not at all had the chance to discuss issues in advance of the submission of tax returns (50%, compared with 43% overall), as were agents who dealt with the HNWI less than twice a year (53%).

9. Dealings with other parts of HMRC

Agents' impressions of HMRC as a whole are important because HNWI generally made up less than a quarter of agents' client bases (see Section 2.1) and because the HNWI would not necessarily be agents' first point of contact, even for their High Net Worth clients (see Section 4.3). This chapter focuses on agents who had dealt with other parts of HMRC, but still with regards to HNWI (as per the HNWI definition).

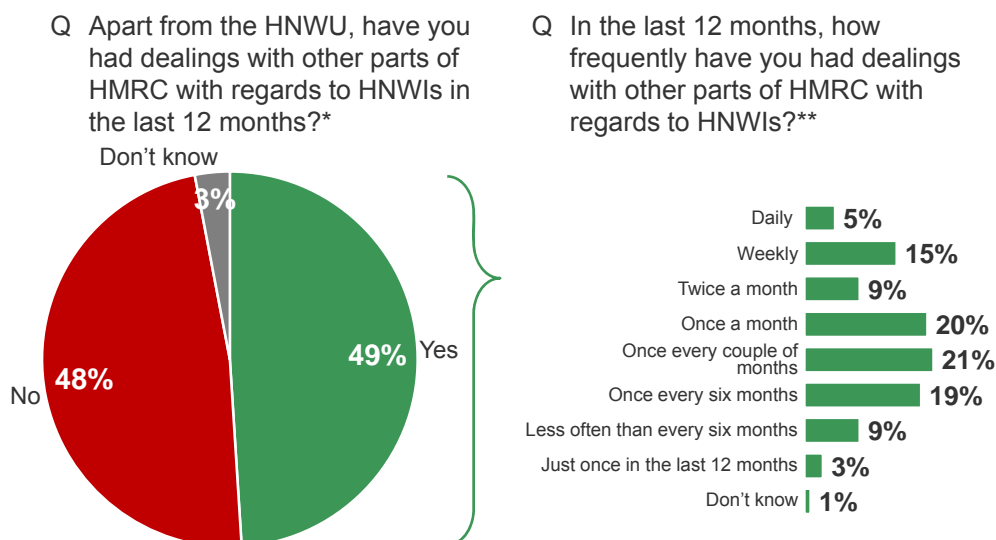
Key findings

- In the 12 months before the survey, around half of all agents said they had dealings with other parts of HMRC with regards to HNWI. Some of these dealings could have potentially been handled within the HNWI, such as revenue enquiries and investigations.
- Of the agents who had dealt with the HNWI, around four in ten agreed it is joined up with other parts of HMRC. A quarter did not know, or said it depends, while two in ten remained neutral, suggesting many agents were not convinced.
- Agents tended to be less positive about HMRC as a whole than they were about the HNWI specifically. Of those who had dealt with other parts of HMRC with regards to HNWI, around two in ten rated their experience with HMRC as good, while around half said it was poor.

9.1. Extent of use of other parts of HMRC

Around half (49%) of all agents said they had dealt with other parts of HMRC specifically with regards to HNWI in the 12 months before the survey, as the left-hand chart in Figure 9.1 shows. The right-hand chart shows that, of this subgroup, around five in ten (49%) had dealt with other parts of the Department at least once a month and four in ten (40%) had dealt with other parts every couple of months or once every six months.

Figure 9.1: levels and frequency of dealings with other parts of HMRC



Bases: *804 agents of HNWI; **395 agents who had dealings with other parts of HMRC in the last 12 months with regards to HNWI
Fieldwork dates: 6 September-31 October 2011

Agents who had had more complex dealings were more likely to have had dealings with other parts of HMRC (66%, versus 49% on average). Agents who had had more frequent dealings with the HNWI specifically (at least once a month) were also more likely to have dealt with other parts of HMRC (67%), suggesting that those who were more engaged with the HNWI tended to be the agents who were more engaged with HMRC as a whole.

Agents who had dealt with the rest of HMRC also tended to fit a certain demographic profile. Seventy per cent of agents from large organisations with 250 or more employees and 60% of those who have been working with HNWIs for 30 or more years had dealt with other parts of the Department with regards to HNWIs in the 12 months before the survey, compared with 49% on average (the left-hand chart). It is possible, therefore, that those who were more experienced already had established contacts outside of the HNWI that they dealt with.

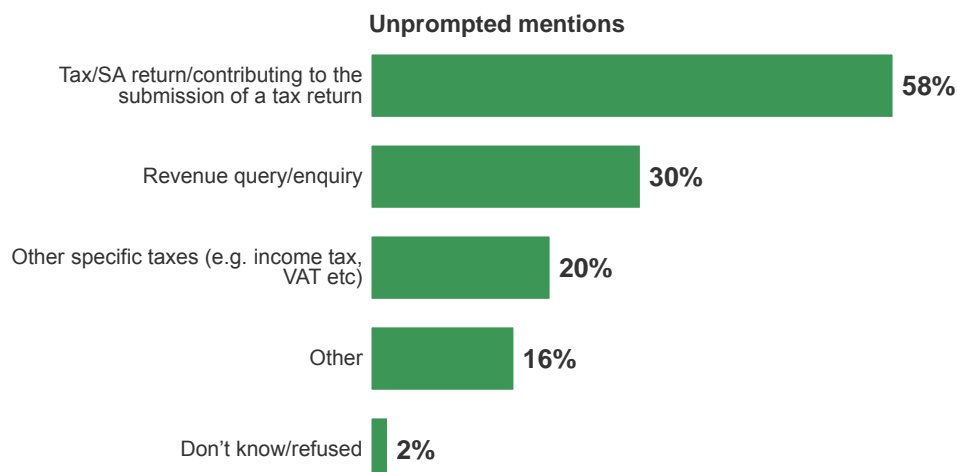
9.2. Nature of dealings with other parts of HMRC

Figure 9.2 shows that, in around six in ten cases (58%), agents' dealings with other parts of HMRC had involved the submission of their High Net Worth clients' tax returns (which are generally submitted to HMRC electronically and therefore not directly sent to the Unit). In around a third of cases (32%), agents' dealings involved an enquiry or investigation, which could potentially have been handled by the HNWI.

Nevertheless, for a fifth (20%) of agents who had had dealings outside of the HNWI, these dealing concerned National Insurance or other specific taxes (such as VAT or Corporation Tax), so could not necessarily have been dealt with by the HNWI. Furthermore, 16% had had dealings relating to other issues – these included residency, disclosure, compliance, partnership, shares, tax appeals and pension issues, among others.

Figure 9.2: reasons for dealing with other parts of HMRC with regards to HNWIs

Q With regards to HNWIs, what have your dealings with other parts of HMRC been about?

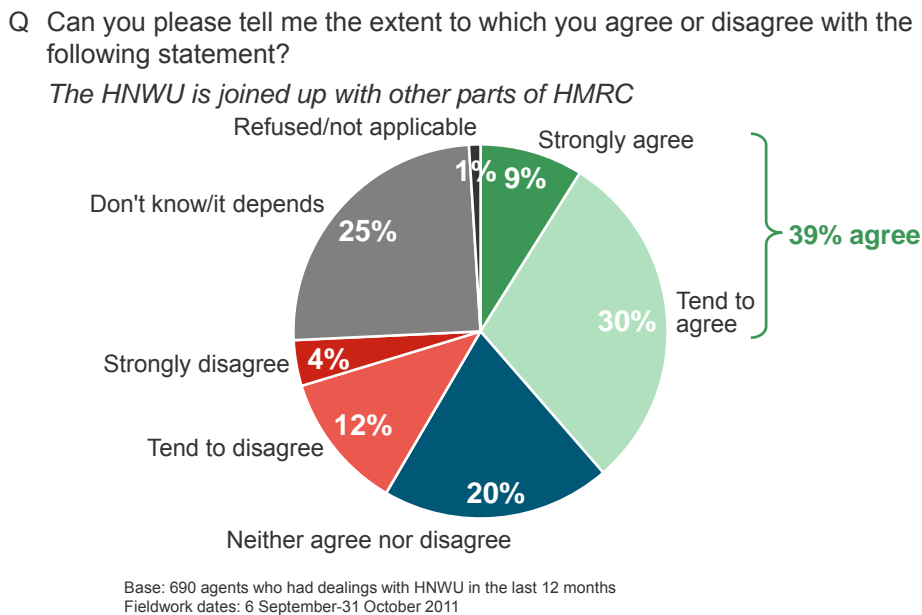


Base: 395 agents who had dealings with other parts of HMRC in the last 12 months with regards to HNWIs
Fieldwork dates: 6 September-31 October 2011

9.3. Perceptions of whether HMRC and the Unit are joined up

Of those who had dealt with the HNWI, around four in ten (39%) agreed it is joined up with other parts of HMRC, as Figure 9.3 highlights. Just 16% disagreed that it is joined up, but a further quarter (25%) did not know, or said it depends, while two in ten (20%) remained neutral, suggesting many agents were not convinced.

Figure 9.3: agents' perceptions of whether the HNWI is joined up with the rest of HMRC



Once again, those from large organisations with 250 or more employees tended to be less positive, with almost a quarter (23%) disagreeing that HMRC and the HNWI are joined up, compared with 16% overall. Nonetheless, it is worth noting that, even among this subgroup, four in ten (39%) thought they *are* joined up.

In the development research, when we asked whether HMRC and the HNWI specifically are joined up, agents tended to answer based on their broader perception that HMRC *as a whole* is not joined up, as the following quotes from agent depth interviews indicate:

"I did speak to the same person twice because they put me on to someone, and that person put me on to someone else, who put me back to the first person ... Internally they don't seem to know what other departments can do and are capable of doing and should do."

"There is a little bit of a case of them having to find who the right person is, and you do get the impression that the network of connections at HMRC isn't so great."

Hence, we might expect agents' default response at this question to be less positive, coloured by past experiences with HMRC as a whole.

It is also important to note that this score is in line with or higher than results from the LBPS 2010, so agents of HNWIs did not have an unusually low opinion of whether HMRC is joined up. In that survey, around four in ten LBS customers (41%) thought HMRC is "a joined-up organisation", while just 35% of LC CRM customers and 29% of LC CC customers thought this.

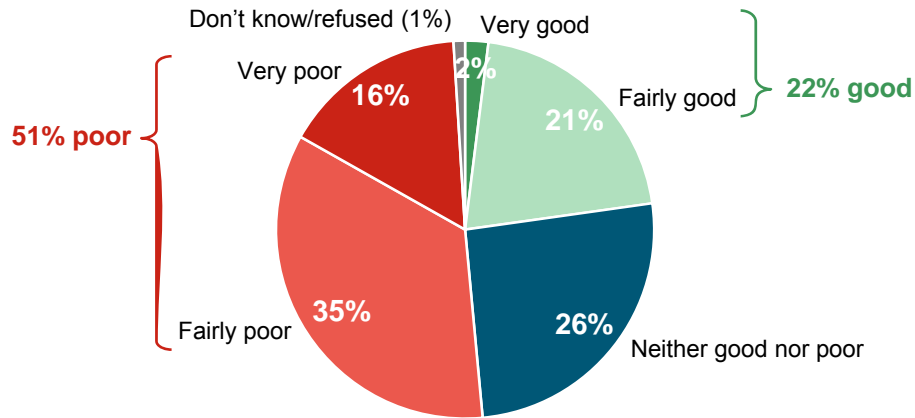
9.4. Overall experience of dealings with other parts of HMRC

As noted in Section 3.1, agents' opinions of HMRC as a whole tended to be less positive than their opinions of the HNWI in particular. Of those who had dealt with other parts of HMRC with regards to HNWIs, just around two in ten (22%) rated their experience of dealing with HMRC as good, while around half (51%) said it was poor, as Figure 9.4 shows.

When interpreting these findings, it is worth noting that this question did not ask specifically about dealings with regards to HNWI's. At the same time, the questions immediately before this in the survey were asked specifically with regards to HNWI's. Therefore, agents may have answered just with regards to dealings on behalf of their High Net Worth clients, or more broadly, incorporating dealings on behalf of other clients as well.

Figure 9.4: rating of overall experience with HMRC as a whole

Q Thinking about all your dealings with the whole of HMRC in the last 12 months, how would you rate your overall experience of dealing with them?



Base: 395 agents who had dealings with other parts of HMRC in the last 12 months with regards to HNWI's
 Fieldwork dates: 6 September-31 October 2011

In contrast to ratings for the HNWI specifically, agents' ratings of their experience with HMRC as a whole did not differ significantly by subgroup.

10. Improving the High Net Worth Unit

This chapter explores what changes, if any, agents wanted to see in the HNWI.

Key findings

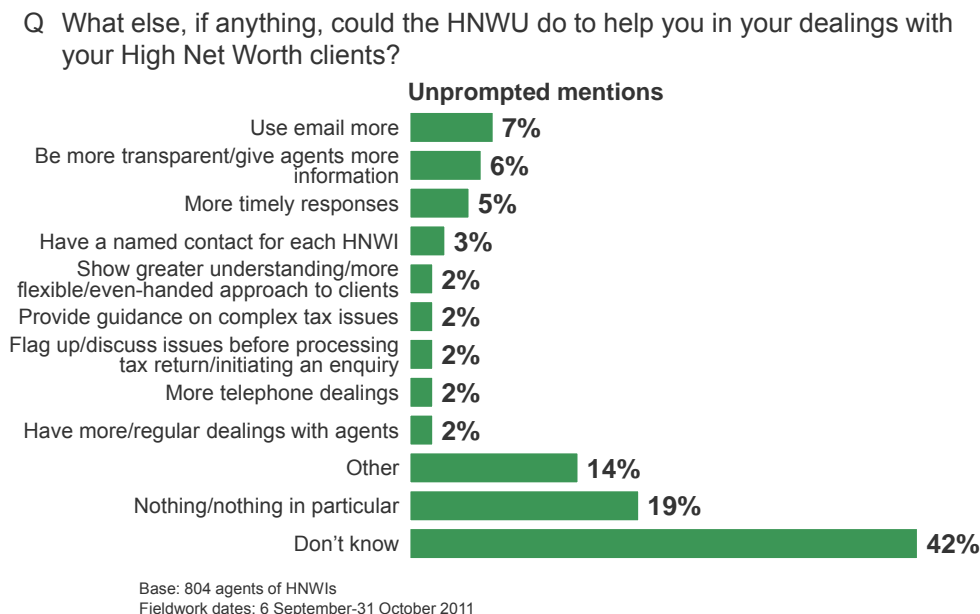
- Agents were generally happy with the approach the HNWI is taking, with around a fifth saying there was nothing in particular that needed improving, and a further two-fifths unable to think of anything specific to change.
- Most agents did not want more contact per se than they currently had with the HNWI, but there was an appetite for more dealings taking place by email in future.

10.1. What more could the Unit do?

When asked, unprompted, how the HNWI could help agents in their dealings with HNWIs, around a fifth (19%) of agents did not think there was anything in particular that needed improving, while around a further two-fifths (42%) could not think of anything specific, as Figure 10.1 shows. Among the issues that agents did mention, the most common were about using email more (7%) and giving agents more information (6%).

Other less common responses reflect what the HNWI is already doing, such as providing named contacts for each HNWI (3%), or what it is aiming to achieve, for example being more flexible in its approach (2%) or discussing issues before initiating enquiries (2%). This suggests the HNWI's approach is in line with what agents wanted. It also highlights that the HNWI could do more to make some agents aware of its proposed approach.

Figure 10.1: what else agents would like the HNWI to be doing



Agents who had more complex dealings and those who had more frequent dealings, of at least once a month, were more likely to say the HNWI should use email more (13% and 12% respectively, versus 7% overall).

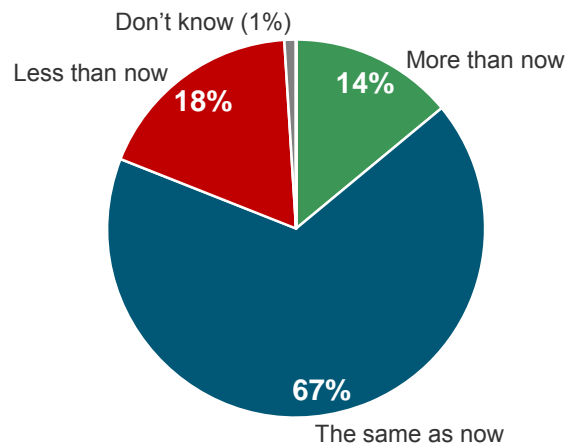
10.2. Agents' contact preferences

10.2.1. Amount of contact

Around two-thirds (67%) were happy with the amount of contact they had with the HNWI, as Figure 10.2 indicates. Around two in ten (18%) would have liked to have less contact than they currently had, while 14% would have liked more contact.

Figure 10.2: preferred amount of contact

Q Over the next 12 months, what level of contact would you prefer to have with the HNWI?



Base: 804 agents of HNWI
Fieldwork dates: 6 September-31 October 2011

Those who currently had dealings once or twice a month were more likely to want less contact with the HNWI (28%, compared with 18% on average). As might be expected, those who had had their clients' tax returns queried by the HNWI were also slightly more likely to want less contact (23%).

Agents from larger organisations with five or more office sites in the UK were more likely to want more contact with the HNWI (24%, versus 14% overall), as were less experienced agents, who had been dealing with HNWIs for fewer than 10 years (19%).

10.2.2. Channels of contact

Although most agents did not want more contact overall with the HNWI, there was an appetite for more dealings taking place by email. Figure 10.3 highlights that telephone (67%), letters (63%) and email (57%) were the most preferred channels of contact. However, just 12% preferred and already used email, meaning that the remaining 45% would have preferred to use this channel, but currently did not.

These findings highlight an issue that the HNWI has already acknowledged and is working to change. In its May 2011 e-magazine targeted at agents, the Unit noted that work is being done to extend email contact facilities across more parts of HMRC and is inviting agents to trial email contact with CRMs.¹⁹

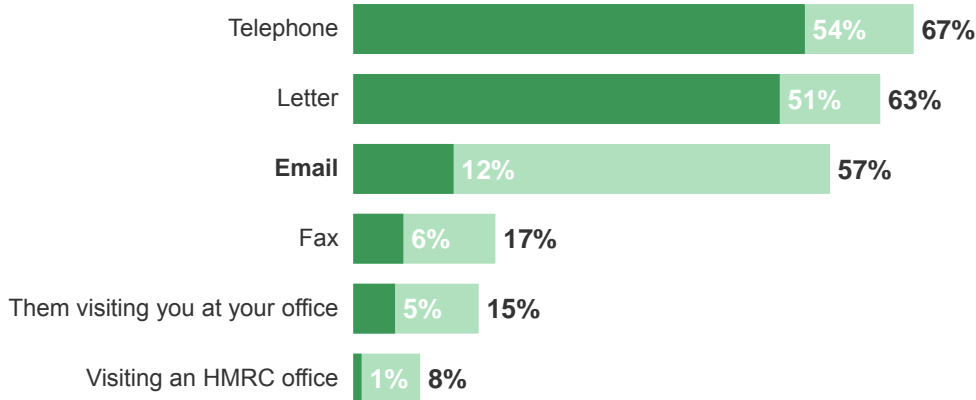
¹⁹ See <http://www.hmrc.gov.uk/menus/hnwi-magazine.pdf>.

Figure 10.3: preferred channels of contact

Q Through which, if any, of the following methods would you **prefer to have** dealings with the HNWI?

■ % prefer this channel

■ % prefer and already use this channel



Base: 804 agents of HNWIs
Fieldwork dates: 6 September-31 October 2011

Agents who had had more complex dealings were more likely to prefer someone from the HNWI visiting their office (30%, versus 15% on average). Those working for HNWIs whose main wealth comes from property were especially likely to want hard copies of their dealings, either as letters (74%, versus 63% overall) or as faxes (32%, versus 17% overall). Finally, agents from medium and large organisations, with 50 or more employees, were particularly likely to want dealings by telephone (76%, versus 67% overall) and email (69%, versus 57% overall).

11. Conclusions

This chapter draws out the key themes emerging from the survey.

11.1. A high baseline satisfying high expectations

This research shows that the vast majority of agents had positive impressions of the High Net Worth Unit (HNWU). This reflects the good experiences that many of them had in their dealings with the Unit, as well as their appreciation of the more flexible and less formal approach that the HNWU is able to take. That the HNWU received such a positive appraisal is particularly impressive given that agents tended to have very high expectations of the service and that the Unit has only been operating since 2009.

The HNWU was able to achieve these high scores because it performed well in the areas that mattered most to agents. Agents generally agreed that that HNWU staff have the necessary knowledge and understanding of HNWIs and that the Unit kept them well informed about their clients. The majority of agents also agreed the HNWU is timely in its responses, though it is important to note that timeliness was less influential as a driver of good experiences, with agents acknowledging that a quick response is not necessarily an efficient response that fully deals with their query.

11.2. How can the High Net Worth Unit build on these findings?

Strong ratings in the areas that matter to agents set the bar high for the HNWU to improve on in future years. However, the survey does highlight areas where the Unit was currently perceived to perform relatively less well, such as the transparency of its decision making, or the extent to which it directly helps agents to comply. Future engagement might therefore focus on these aspects, though it is worth noting that they cannot be treated in isolation from other factors – higher scores in these areas can only be achieved once agents are more generally aware of the HNWU and its work.

In addition, key drivers analysis highlights the specific aspects of service that the HNWU would need to focus on in order to maintain the positive experience it already provides for many agents. In particular, agents appreciated dealing with staff who they felt were willing to help them, that they perceived to have a good understanding of HNWIs' complex tax affairs, and that they perceived to have the ability to make decisions about HNWIs' tax affairs.

It is also important to note that, on many indicators, more agents *tended to agree* rather than *strongly agreed*, so there is potential for the HNWU to move more agents to the latter category. This will in turn help change *fairly* good experiences into *very good* experiences with the Unit, which were associated with greater advocacy of the HNWU. However, before focusing on this, the HNWU would need to consider the impact this has on resources, and whether *fairly good* is therefore good enough, given current resource levels.

11.3. Making the most of the CRM network

The survey underlines the central role CRMs play in keeping agents informed, and in raising agents' experiences beyond expectations, making them *very*, rather than just *fairly* good. However, agents' current awareness and understanding of the CRM network, and of what the HNWU as a whole does, was relatively low. This suggests more engagement by CRMs and their teams is one way in which the HNWU can improve on its already high ratings.

Evidence from the LBPS 2010 suggests that over time, agents of HNWIs are likely to naturally become more aware of the CRM network as the HNWU becomes more established.

At the same time, it is worth acknowledging the challenge of raising awareness of the CRM network among this particular audience. Since agents deal with various other HMRC teams on behalf of non-High Net Worth clients, they do not deal exclusively with CRMs and their teams, so perhaps have less of an opportunity to develop relationships with them.

This latest research highlights the proactive efforts that the Unit can make to raise awareness both of CRMs and of the HNWI as a whole, for example by having CRMs use email more often, and by targeting specific groups of agents to engage, such as agents from large organisations and those with less experience, who tend to be somewhat less positive about the Unit. Getting CRMs to send out future editions of the HNWI e-magazine²⁰ could be one way for them to engage these groups of agents via email.

11.4. Joining up the High Net Worth Unit with the rest of HMRC

Of all the potential performance measures, agents tended to be least positive about whether the HNWI is joined up with other parts of HMRC. To some extent, this is to be expected, given that agents did not see HMRC as a whole as a joined-up organisation. Moreover, agents' opinions on this issue tended to be in line with HMRC's large business customers, so were not unusually critical. Nevertheless, achieving a joined-up HNWI and HMRC is important, given that the HNWI would not always be agents' first port of call with regards to their High Net Worth clients. Working as a joined-up service is also likely to have a positive impact on other important factors, such as the HNWI's ability to keep agents informed. Of course, joining up the various HMRC teams is also a wider strategic issue for the whole of HMRC, and not just for the HNWI.

However, joining the HNWI with the rest of HMRC will be particularly challenging, since while agents may appreciate a more joined up service, they also appreciated the current distinction between the HNWI and other parts of HMRC – this distinction was a key driver of good experiences with the HNWI. Therefore, the HNWI will need to become more joined up with HMRC, while at the same time maintaining this distinction from the rest of the Department.

²⁰ See <http://www.hmrc.gov.uk/menus/hnwi-magazine.pdf> for the first edition of the HNWI e-magazine.

Appendices

Appendix A: questionnaire

Introduction

Good morning, afternoon, evening. My name is ... from Ipsos MORI, the research organisation. We are carrying out a survey for the High Net Worth Unit of Revenue & Customs. The survey seeks to measure agents' views on the service the Unit provides. Can I speak to ... please?

Your contact details have been passed on to us by Revenue & Customs because we understand that you are an agent working for a High Net Worth Individual dealt with by their High Net Worth Unit.

IF SMALL ORGANISATION ON SAMPLE (SIZE=1): You should have received a letter from Revenue & Customs about this in the last few weeks.

IF LARGE ORGANISATION ON SAMPLE (SIZE=2): Revenue & Customs agreed permission to contact agents in your organisation with your head office.

The interview will take on average 20 minutes depending on the answers given.

I would like to assure you that all the information we collect will be kept in the strictest confidence, and used for research purposes only. It will not be possible to identify your client, or any particular individual, or address in the results.

Screening questions

DP: WE ARE MERGING PILOT AND MAINSTAGE DATA SO PLEASE MAKE SURE THAT THE DATAMAPS ARE THE SAME.

SPEAKING TO CONTACT FROM SAMPLE

AA **Are you <NAME FROM SAMPLE>?**
SINGLE CODE

Yes	1	GO TO S1
No	2	GO TO X1

X1 **Does <NAME FROM SAMPLE> work for this organisation?**

Yes	1	GO TO S6
No – do not recognise this person	2	GO TO S4 IF ID NUMBER IN SAMPLE (ID=1). ELSE (ID=2) THANK AND CLOSE.
No – person has left organisation/on maternity/sick/sabbatical leave	3	GO TO X2

X2 **In that case, is there a single professional agent at your site who has taken on all the clients of <NAME FROM SAMPLE>?**
 INTERVIEWER NOTE: IF CLIENTS TAKEN ON BY MORE THAN ONE AGENT, CODE 2

Yes – single agent has taken on all their clients	1	GO TO S5
No – more than one agent has taken on all their clients	2	GO TO S4 IF ID NUMBER IN SAMPLE (ID=1). ELSE (ID=2) THANK AND CLOSE.
Don't know	3	THANK AND CLOSE
Refused	4	THANK AND CLOSE

S1 **Can I just check that you are a professional agent who personally deals with Revenue & Customs on behalf of clients?**
 SINGLE CODE

Yes	1	GO TO S2
No	2	GO TO S4 IF ID NUMBER IN SAMPLE (ID=1). ELSE (ID=2) THANK AND CLOSE.
Refused	3	THANK AND CLOSE.

ASK IF S1 CODE 1

S2 **Do you have any High Net Worth clients whose tax affairs are dealt with by the High Net Worth Unit of Revenue & Customs, regardless of whether you have any direct contact with the Unit?**

IF NECESSARY, ADD: **Revenue & Customs established the High Net Worth Unit in April 2009 to deal with the tax affairs of High Net Worth Individuals with assets of 20 million pounds or over.**

SINGLE CODE

Yes	1	GO TO S7
No	2	GO TO MS3 IF ID NUMBER IN SAMPLE (ID=1). ELSE (ID=2) THANK AND CLOSE.
Don't know	3	THANK AND CLOSE.
Refused	4	THANK AND CLOSE.

ASK IF S2 CODES 2-4 AND ID NUMBER IN SAMPLE FILE

MS3 **In that case, did you used to have High Net Worth clients whose tax affairs were dealt with by the High Net Worth Unit of Revenue & Customs, but no longer have these clients?**

IF NECESSARY, ADD: **Revenue & Customs established the High Net Worth Unit in April 2009 to deal with the tax affairs of High Net Worth Individuals with assets of 20 million pounds or over.**

SINGLE CODE

Yes	1	THANK AND CLOSE
No	2	THANK AND CLOSE
Don't know	3	GO TO S3
Refused	4	THANK AND CLOSE

ASK IF MS3 CODES 2-4

S3 **I have your reference number down as <AGENT ID>. Can I just check, does this reference number correspond to you or a client of yours?**
SINGLE CODE

Yes	1	GO TO A1
No	2	
Don't know	3	GO TO S4
Refused	4	

ASK IF X1 CODE 2 OR X2 CODE 2 OR S1 CODES 2-3 OR S3 CODES 2-4 AND ID NUMBER (ID=1) IN SAMPLE FILE

S4 **In that case, is there a professional agent at your site who deals with Revenue & Customs with this reference number?**
<AGENT ID>
SINGLE CODE

Yes	1	GO TO S5
No	2	
Don't know	3	THANK AND CLOSE
Refused	4	

ASK IF X2 CODE 1 OR S4 CODE 1

S5 ENTER TITLE, FIRST NAME AND SURNAME

ENTER TITLE, FIRST NAME AND SURNAME	1	GO TO S6
Don't know	2	
Refused	3	THANK AND CLOSE

ASK IF X1 CODE 1 OR S5 CODE 1

S6 **And could you give me his/her telephone number please?**
INTERVIEWER NOTE: IF RESPONDENT DOES NOT KNOW THE DIRECT LINE, PLEASE ASK FOR THE SWITCHBOARD NUMBER.

ENTER NUMBER (DP: CHECK FORMAT OF TELEPHONE NUMBER)	1	TRANSFER TO RIGHT PERSON
Don't know	2	
Refused	3	THANK AND CLOSE

ASK IF S2 CODE 1

S7 **Would you be the main point of contact for the High Net Worth Unit on behalf of any of these clients?**

By the main point of contact, we mean that if the High Net Worth Unit were to get in touch with your organisation about the tax affairs of a specific High Net Worth client, you would generally be the person who responds to them on behalf of that client.
SINGLE CODE

Yes	1	GO TO S8
No	2	
Don't know	3	THANK AND CLOSE
Refused	4	

ASK IF S7 CODE 1

S8 **How many High Net Worth clients would you be the main point of contact for? By High Net Worth clients, we mean only those with over 20 million pounds in assets who are dealt with by the High Net Worth Unit.**
ALLOW RESPONSE OF 1-150

ENTER NUMBER	1	GO TO S10 UNLESS S8>50 OR S8>NUMBER OF CLIENTS IN LU (NOLU), IN WHICH CASE GO TO S8CHK
Don't know	2	
Refused	3	GO TO S9

ASK IF S8>50 OR IF S8>NUMBER OF CLIENTS IN LU (NOLU FROM SAMPLE)

S8CHK **You said you would be the main point of contact for [INSERT ANSWER FROM S8] clients with over 20 million pounds in assets who are dealt with by the High Net Worth Unit. Can I check this is correct?**
SINGLE CODE

Yes	1	GO TO S10
No	2	GO BACK TO S8 AND ASK AGAIN

ASK IF S8 CODES 2-3

S9 **In that case, can you tell me which of the following best describes how many of these clients you would be the main point of contact for?**
SINGLE CODE

1-3 clients	1
4-6 clients	2
7-9 clients	3
10 clients or more	4
Don't know	5
Refused	6

ASK IF S7 CODE 1

S10 **Are there any other tax agents/professionals in your organisation who would also be considered a main point of contact for the same High Net Worth clients as you?**
SINGLE CODE

Yes	1
No	2
Don't know	3
Refused	4

Section A: Awareness of the High Net Worth Unit

IF S3=1: According to our records, the reference number <INSERT ID NUMBER> relates to an individual whose tax affairs are dealt with by the High Net Worth Unit or the agent of this individual. We do not hold any further information about this High Net Worth Individual.

ASK ALL

A1 **When did you first hear about the High Net Worth Unit? Was it...**
 READ OUT (EXCEPT DON'T KNOW AND REFUSED)
 SINGLE CODE

When you were asked to take part in this survey	1	GO TO B12
Before being asked to take part, but in the last three months	2	
Three to six months ago	3	
Six months to a year ago	4	GO TO MA2
One to two years ago	5	
More than two years ago	6	
Don't know	7	
Refused	8	

ASK IF A1 CODES 2-8

MA2 **Has someone from the High Net Worth Unit spoken to you in the last three months to take your contact details for this survey? Did you feel you...**
 SINGLE CODE

Yes	1
No	2
Refused	3

A2 **How much, if anything, did you feel you knew about what the High Net Worth Unit does before you received any information from Revenue & Customs about this survey? Did you feel you...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)
 SINGLE CODE

Knew a lot	1
Knew a fair amount	2
Knew a little	3
Knew almost nothing about them	4
Don't know	5
Refused	6

A3 **To what extent do you feel that the service received from the High Net Worth Unit is distinct from that of other parts of Revenue & Customs? Is it...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)
 SINGLE CODE

Very distinct	1
Fairly distinct	2
Not very distinct	3
Not at all distinct	4
Don't know	5
Refused	6

Section B: Dealings with the High Net Worth Unit

READ OUT: **Now I am going to ask you some questions specifically about the High Net Worth Unit. When answering these, please think about how you feel about the Unit, rather than about Revenue & Customs as a whole.**

READ OUT: **Revenue & Customs established the High Net Worth Unit in April 2009 to deal with the tax affairs of High Net Worth Individuals with assets of 20 million pounds or over.**

ASK IF A1 CODES 2-8 (HEARD OF HNWI BEFORE)

B1a **Have you personally had any dealings with the High Net Worth Unit in the last 12 months? This includes receiving written correspondence from the Unit about your client(s), contributing to the submission of a tax return, speaking to them on the phone, meeting with them face-to-face, or your client forwarding you written correspondence from the Unit.**

IF MA2 CODE 1: Please exclude any dealings in relation to this survey.
SINGLE CODE

Yes	1	GO TO MB2
No	2	GO TO B12
Refused	3	

ASK IF B1a CODE 1 (DEALINGS WITH HNWI)

MB2 **In the last 12 months, what dealings have you personally had with the High Net Worth Unit? Again, your answers will remain anonymous.**

DO NOT READ OUT

PROBE FULLY (E.G. IF TELEPHONE CALLS THEN ABOUT WHAT)

MULTICODE OK FOR CODES 1-5

Tax/SA/self-assessment return/contributing to the submission of a tax return	1	GO TO MB3 IF NO OTHER ANSWER GIVEN
Revenue query/enquiry	2	GO TO MB4
Tax audit/investigation	3	
Any dealings with Customer Relationship Manager/team	4	
Other (write in)	5	GO TO MB3
Don't know	6	
Refused	7	

ASK IF MB2 CODE 1 AND MB2≠2-5 (NO MENTION OF DEALINGS OTHER THAN SUBMISSION OF A TAX RETURN)

MB3 **Can I just check, have these dealings involved anything other than contributing to the submission of a tax return? Other dealings might include written correspondence from the Unit about your client(s), speaking to them on the phone, meeting with them face-to-face, or your client forwarding you written correspondence from the Unit.**

SINGLE CODE

Yes – I have had other dealings with the Unit	1	GO BACK TO MB2 AND ASK AGAIN
No – only contributing to the submission of a tax return	2	GO TO MB4
Don't know	3	
Refused	4	

ASK IF B1a CODE 1 (DEALINGS WITH HNWU)

MB4 **On average, how often have you had dealings with the High Net Worth Unit in the last 12 months? Again, please think of all dealings, including receiving written correspondence from the Unit about your client(s), contributing to the submission of a tax return, speaking to them on the phone, meeting with them face-to-face, or your client forwarding you written correspondence from the Unit. Has it been...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)

SINGLE CODE

REVERSE SCALE FOR CODES 1-8

Daily	1
At least weekly	2
At least twice a month	3
At least once a month	4
At least once every couple of months	5
At least once every six months	6
Less often than every six months	7
Just once in the last 12 months	8
Don't know	9
Refused	10

MB5 IF MB4 CODE 8: **When was this dealing you had with the High Net Worth Unit? Was it...**

IF MB4 NOT CODE 8 AND MA2 CODE 1: **When was the last time you had any dealings with the High Net Worth Unit? Again, please exclude any dealings in relation to this survey. Was it...**

IF MB4 NOT CODE 8 AND MA2 CODE 2-3: **When was the last time you had any dealings with the High Net Worth Unit? Was it...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)

SINGLE CODE

In the last week	1
In the last month	2
In the last three months	3
In the last six months	4
More than six months ago	5
Don't know	6
Refused	7

B4 IF MB4 CODE 8: **Who initiated this dealing with the High Net Worth Unit?**

ELSE: **Thinking about your dealings with the High Net Worth Unit in the last 12 months, who tended to initiate these dealings?**

READ OUT CODES 1-3

SINGLE CODE

The High Net Worth Unit tended to initiate these dealings	1
You tended to initiate these dealings	2
Fairly even split	3
Don't know	4
Refused	5

READ OUT: Now I am going to ask you some more questions about all your dealings with the High Net Worth Unit in the last 12 months. This includes receiving written correspondence from the Unit about your client(s), contributing to the submission of a tax return, speaking to them on the phone, meeting with them face-to-face, or your client forwarding you written correspondence from the Unit.

B5 Thinking about your dealings with the High Net Worth Unit in the last 12 months, how would you rate your overall experience of dealing with them? Has it been...
READ OUT (EXCEPT DON'T KNOW AND REFUSED)
SINGLE CODE

Very good	1
Fairly good	2
Neither good nor poor	3
Fairly poor	4
Very poor	5
Don't know	6
Refused	7

B6 IF MB4 CODE 8: Thinking about this dealing with the High Net Worth Unit, was your overall experience better than you expected, worse than you expected, or in line with your expectations?

ELSE: Thinking about all your dealings with the High Net Worth Unit in the last 12 months, has your overall experience been better than you expected, worse than you expected, or in line with your expectations?
SINGLE CODE

Better than expected	1
Worse than expected	2
In line with expectations	3
Don't know	4
Refused	5

B7 IF MB4 CODE 8: Thinking about this dealing with the High Net Worth Unit, did you experience any of the following?

ELSE: Thinking of all your dealings with the High Net Worth Unit in the last 12 months, did you experience any of the following?
READ OUT
MULTICODE OK FOR CODES 1-4.

Something particularly good that pleased you	1	GO TO B8
A few small things that pleased you	2	
A few minor problems or issues	3	GO TO B9
A major complaint or problem	4	
None of these	5	GO TO B10

ASK IF B7 CODES 1-2

B8 Thinking about what pleased you, can you tell us what happened?

OPEN-ENDED	1
Don't know	2
Refused	3

ASK IF B7 CODES 3-4

B9 **Thinking about the problems and issues you have encountered, can you tell us what happened?**

OPEN-ENDED	1
Don't know	2
Refused	3

ASK IF B1a CODE 1 (DEALINGS WITH HNWU)

B10 **IF MB4 CODE 8: In your opinion, how complex was this dealing you had with the High Net Worth Unit? Please give your answer on a scale of 1 to 10, where 1 is not at all complex and 10 is very complex.**

ELSE: In your opinion, how complex were the dealings you had with the High Net Worth Unit in the last 12 months? Please give your answer on a scale of 1 to 10, where 1 is not at all complex and 10 is very complex.

RANGE 1-10

ENTER NUMBER	1
Don't know	2
Refused	3

B11 **Through which, if any, of the following methods have you had dealings with the High Net Worth Unit in the last 12 months?**

READ OUT CODES 1-6

MULTICODE OK FOR CODES 1-7

RANDOMISE CODES 1-6

Telephone	1
Them visiting you at your office	2
Letter	3
Email	4
Fax	5
Visiting a Revenue & Customs office	6
Other (write in)	7
None of these/have not contacted HNWU	8
Don't know	9
Refused	10

ASK ALL

B12 **Through which, if any, of the following methods would you prefer to have dealings with the High Net Worth Unit?**

READ OUT CODES 1-6
MULTICODE OK FOR CODES 1-7
RANDOMISE CODES 1-6

Telephone	1
Them visiting you at your office	2
Letter	3
Email	4
Fax	5
Visiting a Revenue & Customs office	6
Other (write in)	7
None of these/do not want to deal with HNWI	8
Don't know	9
Refused	10

ASK IF B1a CODE 1 (DEALINGS WITH HNWI)

B15 **Thinking generally about the High Net Worth Unit, how would you rate your overall relationship with them? Is it...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)
SINGLE CODE

Very good	1
Fairly good	2
Neither good nor poor	3
Fairly poor	4
Very poor	5
Don't know	6
Refused	7

B16 **Have you personally had any dealings with your High Net Worth clients' Customer Relationship Manager(s), or another member of their team, in the last 12 months?**

SINGLE CODE

Yes	1	GO TO MB17
No	2	
Don't know	3	GO TO MC1
Refused	4	

ASK IF B16 CODE 1

MB17 **In the last 12 months, what dealings have you personally had with your High Net Worth clients' Customer Relationship Manager(s), or another member of their team?**
DO NOT READ OUT
PROBE FULLY (E.G. IF TELEPHONE CALLS THEN ABOUT WHAT)
MULTICODE OK FOR CODES 1-5

Tax/SA/self-assessment return/contributing to the submission of a tax return	1
Following up client letter/email from Customer Relationship Manager/team	2
Checking progress of cases/queries/enquiries	3
Getting introduced to Customer Relationship Manager/team	4
Other (write in)	5
Don't know	6
Refused	7

B18 **Could you tell me the job titles of any of the staff you have personally had dealings with from that team in the last 12 months?**
DO NOT READ OUT
MULTICODE OK FOR CODES 1-4

Lead Customer Relationship Manager	1
Customer Relationship Manager	2
Administrative Officer	3
Other (write in)	4
Don't know	5
Refused	6

B19 **How would you rate your overall relationship with your Customer Relationship Manager(s) and their team(s)? Is it...**
READ OUT (EXCEPT DON'T KNOW AND REFUSED)
SINGLE CODE

Very good	1
Fairly good	2
Neither good nor poor	3
Fairly poor	4
Very poor	5
Don't know	6
Refused	7

B20 **And how well do you know your Customer Relationship Manager(s) and their team(s)? Is it...**
READ OUT (EXCEPT DON'T KNOW AND REFUSED)
SINGLE CODE

Very well	1
Quite well	2
Not very well	3
Not well at all	4
Don't know	5
Refused	6

Section C: Rating of dealings with the High Net Worth Unit

ASK IF B1a CODE 1 (DEALINGS WITH HNWI)

MC1 **We'd now like to ask about your personal experiences of dealing with the High Net Worth Unit in the last 12 months. Again, please think specifically about the Unit, and not other parts of Revenue & Customs.**

I'm going to read out a few things that might be said about your experience of dealing with the High Net Worth Unit. Thinking about your experience of dealing with the High Net Worth Unit, can you please tell me whether you agree or disagree with each one? Is that strongly dis/agree or tend to dis/agree?

READ OUT EACH STATEMENT

READ OUT CODES 1-5

SINGLE CODE PER STATEMENT

RANDOMISE ORDER OF STATEMENTS

	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	It depends (DO NOT READ OUT)	Not applicable (DO NOT READ OUT)	Don't know	Refused
Expertise of staff									
A. Staff in the High Net Worth Unit had the technical knowledge they needed to deal with your clients' tax affairs	1	2	3	4	5	6	7	8	9
B. Staff in the High Net Worth Unit had a sufficient level of authority to make decisions about your clients' tax affairs	1	2	3	4	5	6	7	8	9
Timeliness of response									
C. Staff in the High Net Worth Unit responded to you within an appropriate timeframe	1	2	3	4	5	6	7	8	9
Ease of access									
D. It was easy to get in touch with staff in the High Net Worth Unit	1	2	3	4	5	6	7	8	9
E. Staff in the High Net Worth Unit were willing to help you	1	2	3	4	5	6	7	8	9
Outcome									
F. Staff in the High Net Worth Unit provided a reliable response to your queries	1	2	3	4	5	6	7	8	9
Even-handedness									
G. The High Net Worth Unit has been consistent in the way it has dealt with the tax affairs of your High Net Worth client(s)	1	2	3	4	5	6	7	8	9

H. The High Net Worth Unit dealt with the tax affairs of your High Net Worth client(s) fairly	1	2	3	4	5	6	7	8	9
---	---	---	---	---	---	---	---	---	---

Service delivery

I. Staff in the High Net Worth Unit were professional in their dealings with you and your client(s)	1	2	3	4	5	6	7	8	9
---	---	---	---	---	---	---	---	---	---

Certainty

J. The High Net Worth Unit kept you well informed about the tax affairs of your High Net Worth client(s)	1	2	3	4	5	6	7	8	9
--	---	---	---	---	---	---	---	---	---

ASK IF MC1g CODES 4-5

MC2 **You said you disagree that the High Net Worth Unit has been consistent in the way it has dealt with the tax affairs of your High Net Worth client(s). Why do you say that?**

OPEN-ENDED	1
Don't know	2
Refused	3

ASK IF B1a CODES 2-3 (NO RECENT DEALINGS WITH HNWI BUT STILL HEARD OF HNWI)

C2 **I understand that you have not had any dealings with the High Net Worth Unit in the last 12 months. I am interested in your impressions of what you think they would be like.**

In your opinion, how likely or unlikely is it that the High Net Worth Unit would do each of the following if you were to deal with them?

READ OUT EACH STATEMENT

READ OUT CODES 1-5

SINGLE CODE PER STATEMENT

RANDOMISE ORDER OF STATEMENTS

	Very likely	Fairly likely	Neither likely nor unlikely	Fairly unlikely	Very unlikely	It depends (DO NOT READ OUT)	Don't know	Refused
Service delivery								
A. Work in a joined-up way with other parts of Revenue & Customs	1	2	3	4	5	6	7	8
Cooperative compliance								
B. Actively seek a cooperative relationship with you	1	2	3	4	5	6	7	8
Commercial awareness								
C. Have a good understanding of the tax affairs of High Net Worth Individuals	1	2	3	4	5	6	7	8
Even-handedness								
D. Deal with the tax affairs of High Net Worth client(s) fairly	1	2	3	4	5	6	7	8
E. Act with honesty and integrity	1	2	3	4	5	6	7	8
Privacy								
F. Uphold the privacy of High Net Worth Individuals	1	2	3	4	5	6	7	8

Section D: Compliance

ASK IF B1a CODE 1 (DEALINGS WITH HNWI)

D1 **Has the High Net Worth Unit queried any aspects of tax returns you have submitted for your client(s) in the last 12 months?**

SINGLE CODE

Yes*	1	GO TO D2
No	2	
Don't know	3	GO TO D5
Refused	4	

*Back-code at reporting stage to B2 code 2 if D1 code 1.

ASK IF B2 CODE 2 AND D1 CODES 2-3

D1CHK **Earlier you said that your dealings with the High Net Worth Unit in the last 12 months included revenue queries/enquiries. Can I just check that the High Net Worth Unit has not queried any aspects of tax returns you have submitted for your client(s) in the last 12 months?**

SINGLE CODE

Correct – High Net Worth Unit has not queried tax returns	1	GO TO D5
Incorrect – High Net Worth Unit has queried tax returns	2	CHANGE TO CODE 1 AT D1 AND GO TO D2

ASK IF D1 CODE 1

D2 IF MB4 CODE 8: **Did the High Net Worth Unit get in touch with you about this query in any of the following ways?**

ELSE: **Did the High Net Worth Unit generally get in touch with you about any of these queries in any of the following ways?**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)

MULTICODE 1-3

Through telephone calls	1
Through letters	2
Other (write in)	3
Don't know	4
Refused	5

D3 **Thinking about the way the High Net Worth Unit handles queries it has, can you tell me whether you agree or disagree with each of the following statements? Is that strongly dis/agree or tend to dis/agree?**

READ OUT EACH STATEMENT

READ OUT CODES 1-5

SINGLE CODE PER STATEMENT

RANDOMISE ORDER OF STATEMENTS

	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	It depends (DO NOT READ OUT)	Not applicable (DO NOT READ OUT)	Don't know	Refused
Clarity									
A. The High Net Worth Unit makes clear what you and your clients need to do to address any tax concerns it has	1	2	3	4	5	6	7	8	9
Timeliness of response									
B. The High Net Worth Unit resolves tax concerns it has within an appropriate timeframe	1	2	3	4	5	6	7	8	9
Cooperative compliance									
C. The High Net Worth Unit takes a cooperative approach when dealing with any tax concerns it has	1	2	3	4	5	6	7	8	9

ASK IF D3C CODE 1-2

D4 **You said you agree that the High Net Worth Unit takes a cooperative approach when dealing with any tax concerns. To what extent, if at all, does this help in efficiently resolving any tax concerns? Is it...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)
SINGLE CODE

To a large extent	1
To some extent	2
To a small extent	3
Not at all	4
Don't know	5
Refused	6

ASK IF B1a CODE 1 (DEALINGS WITH HNWI)

D5 **To what extent, if at all, have you been able to discuss tax issues and transactions with the High Net Worth Unit before they need to be reported in the SA return? Is it...**

READ OUT CODES 1-4
SINGLE CODE

To a large extent	1	
To some extent	2	GO TO D6
To a small extent	3	
Not at all	4	
Have not needed to (DO NOT READ OUT)	5	GO TO E1
Don't know	6	
Refused	7	

ASK IF D5 CODE 1-3

D6 **To what extent, if at all, has being able to discuss tax issues and transactions before they need to be reported helped you in your work for High Net Worth Individuals? Is it...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)
SINGLE CODE

To a large extent	1
To some extent	2
To a small extent	3
Not at all	4
Don't know	5
Refused	6

Section E: Reputation and advocacy of the HNWI

ASK IF B1a CODE 1 (DEALINGS WITH HNWI)

ME1 **Now thinking about the way the High Net Worth Unit works, can you please tell me whether you agree or disagree with each of the following statements? Is that strongly dis/agree or tend to dis/agree?**

READ OUT EACH STATEMENT

READ OUT CODES 1-5

SINGLE CODE PER STATEMENT

RANDOMISE ORDER OF STATEMENTS

	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	It depends (DO NOT READ OUT)	Not applicable (DO NOT READ OUT)	Don't know	Refused
Service delivery									
A. The High Net Worth Unit is joined-up with other parts of Revenue & Customs	1	2	3	4	5	6	7	8	9
B. The High Net Worth Unit provides a service that is designed with your needs in mind	1	2	3	4	5	6	7	8	9
Transparency									
C. The decision-making process of the High Net Worth Unit is transparent	1	2	3	4	5	6	7	8	9
D. You understand the way the High Net Worth Unit works	1	2	3	4	5	6	7	8	9
Cooperative compliance									
E. Staff in the High Net Worth Unit actively seek a cooperative relationship with you	1	2	3	4	5	6	7	8	9
F. The High Net Worth Unit makes it easier for you to assist your client(s) to comply with their tax obligations	1	2	3	4	5	6	7	8	9
Commercial awareness									
G. Staff in the High Net Worth Unit have a good understanding of the tax affairs of High Net Worth Individuals	1	2	3	4	5	6	7	8	9
Certainty									
H. The High Net Worth Unit reduces uncertainty in the application of tax rules for High Net Worth Individuals	1	2	3	4	5	6	7	8	9
Engagement									

I. The High Net Worth Unit appropriately consults with agents about issues which affect them and their clients	1	2	3	4	5	6	7	8	9
--	---	---	---	---	---	---	---	---	---

Even-handedness

J. You trust the High Net Worth Unit to take a reasonable approach in their dealings with the tax affairs of High Net Worth Individuals	1	2	3	4	5	6	7	8	9
---	---	---	---	---	---	---	---	---	---

Privacy

K. The High Net Worth Unit upholds the privacy of High Net Worth Individuals	1	2	3	4	5	6	7	8	9
--	---	---	---	---	---	---	---	---	---

ASK IF A1 CODES 2-8 (HEARD OF HNWU BEFORE)

E2 **Taking into account everything you think is important, how favourable or unfavourable is your overall opinion and impression of the High Net Worth Unit? Is it...**
 READ OUT (EXCEPT DON'T KNOW AND REFUSED)
 SINGLE CODE

Very favourable	1
Mainly favourable	2
Neither favourable nor unfavourable	3
Mainly unfavourable	4
Very unfavourable	5
Don't know	6
Refused	7

E3 **If you had a client with over 20 million pounds in assets, and not currently dealt with by the High Net Worth Unit, how likely or unlikely would you be to recommend the High Net Worth Unit to them? Is it...**
 READ OUT CODES 1-5
 SINGLE CODE

Very likely	1
Fairly likely	2
Neither likely nor unlikely	3
Fairly unlikely	4
Very unlikely	5
It depends on the client (DO NOT READ OUT)	6
Don't know	7
Refused	8

Section F: Future dealings with the High Net Worth Unit

ASK IF B1a CODES 2-3 (NO RECENT DEALINGS WITH HNWU BUT STILL HEARD OF HNWU)

F1 **You mentioned earlier that you have not had any dealings with the High Net Worth Unit in the last 12 months. Why do you think this is the case?**

OPEN-ENDED	1
Don't know	2
Refused	3

ASK ALL

F2 **IF B1a CODE 1: What else, if anything, could the High Net Worth Unit do to help you in your dealings with your High Net Worth clients?**

ELSE: How, if at all, do you think the High Net Worth Unit could help you in your dealings with your High Net Worth clients?

OPEN-ENDED	1
Don't know	2
Refused	3

F3 **Over the next 12 months, what level of contact would you prefer to have with the High Net Worth Unit? Is it...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)
SINGLE CODE

More than now	1
The same as now	2
Less than now	3
Don't know	4
Refused	5

Section G: Dealings with other parts of Revenue & Customs

READ OUT: **Now I would like to ask you some questions about any dealings you may have had with other parts of Revenue & Customs outside of the High Net Worth Unit, but still in relation to High Net Worth Individuals. Again, by High Net Worth Individuals, we mean those with over 20 million pounds in assets.**

ASK ALL

G1 **IF B1a CODE 1: Apart from the High Net Worth Unit, have you had dealings with other parts of Revenue & Customs with regards to High Net Worth Individuals in the last 12 months?**

ELSE: Have you had dealings with other parts of Revenue & Customs with regards to High Net Worth Individuals in the last 12 months?

SINGLE CODE

Yes	1	GO TO MG2
No	2	
Don't know	3	GO TO MG3
Refused	4	

ASK IF G1 CODE 1

MG2 **With regards to High Net Worth Individuals, what have your dealings with other parts of Revenue & Customs been about?**

DO NOT READ OUT

PROBE FULLY (E.G. IF TELEPHONE CALLS THEN ABOUT WHAT)

MULTICODE OK FOR CODES 1-7

Tax/SA/self-assessment return/contributing to the submission of a tax return	1
Revenue query/enquiry	2
Tax audit/investigation	3
Income Tax	4
Capital Gains Tax	5
VAT	6
Other (write in)	7
Don't know	8
Refused	9

ASK ALL

MG3 **When you need to contact Revenue & Customs with regards to High Net Worth Individuals, how do you decide who to contact?**

DO NOT READ OUT

MULTICODE OK FOR CODES 1-8

Contact call centre (unspecified)	1
Use Agent Dedicated and Agent Priority Lines/telephone numbers	2
Contact the same person spoken to last time	3
Contact names and numbers mentioned on letters	4
Contact someone from High Net Worth Unit	5
Contact Customer Relationship Manager/team for that client	6
Contact the local unit/tax office/district responsible for that client	7
Other (write in)	8
Don't know	9
Refused	10

ASK IF G1 CODE 1

G4 **In the last 12 months, how frequently have you had dealings with other parts of Revenue & Customs with regards to High Net Worth Individuals? Has it been...**
 READ OUT (EXCEPT DON'T KNOW AND REFUSED)

SINGLE CODE

REVERSE SCALE FOR CODES 1-8

Daily	1
At least weekly	2
At least twice a month	3
At least once a month	4
At least every couple of months	5
At least every six months	6
At least once a year	7
Less often than once a year	8
Don't know	9
Refused	10

G5 **Thinking about all your dealings with the whole of Revenue & Customs in the last 12 months, how would you rate your overall experience of dealing with them? Has it been...**

READ OUT CODES 1-5

SINGLE CODE

Very good	1
Fairly good	2
Neither good nor poor	3
Fairly poor	4
Very poor	5
Don't know	6
Refused	7

Section H: Profile of High Net Worth Clients

ASK ALL

H1 **Which of the following are sources of wealth for any of your High Net Worth client(s)? Again, by High Net Worth Individuals, we mean those with assets of 20 million pounds or over who are dealt with by the High Net Worth Unit. Is it...**

READ OUT CODES 1-7

MULTICODE

Through their own business	1
Through their work for a professional organisation such as a bank or a law firm	2
Through their work as an individual, e.g. a sport person, an entertainer, etc.	3
Through inheritance	4
Through investment	5
Through property	6
Through other sources (write in)	7
Hard to say/varies from client to client (DO NOT READ OUT)	8
Don't know	9
Refused	10

ASK IF MORE THAN ONE ANSWER AT H1

H2 **Which, if any, of the following is the best description of the main source of wealth of your High Net Worth client(s)?**

READ OUT CODES 1-7

SINGLE CODE

Through their own business	1
Through their work for a professional organisation such as a bank or a law firm	2
Through their work as an individual, e.g. a sport person, an entertainer, etc.	3
Through inheritance	4
Through investment	5
Through property	6
Through other sources (write in)	7
Hard to say/varies from client to client (DO NOT READ OUT)	8
Don't know	9
Refused	10

*Back-code at reporting stage from H1 to H2 if single code given at H1.

ASK ALL

H3a **How involved, if at all, is/are your High Net Worth client(s) in their own tax affairs? Are they...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)

SINGLE CODE

Very involved	1
Quite involved	2
Not very involved	3
Not at all involved	4
It depends on the client (DO NOT READ OUT)	5
Don't know	6
Refused	7

ASK IF A1 CODES 2-8

H4 **To what extent, if at all, has the existence of the High Net Worth Unit influenced the advice you give to your High Net Worth client(s)? Is it...**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)

SINGLE CODE

To a large extent	1
To some extent	2
To a small extent	3
Not at all	4
Don't know	5
Refused	6

Section I: Demographic questions

ASK ALL

11 **Can I just check, is your business part of a larger group or professional firm?**

Yes	1	GO TO I2
No	2	
Don't know	3	GO TO I5
Refused	4	

ASK IF I1 CODE 1

12 **Regardless of the countries it operates in, is your business a UK owned group/professional firm or are you part of a larger foreign owned group/professional firm?**

SINGLE CODE

UK owned	1
Part of a larger foreign owned group	2
Don't know	3
Refused	4

13 **How many people are employed by your organisation in the UK, besides yourself?**

ENTER NUMBER	1	GO TO I5, UNLESS I3=0, IN WHICH CASE GO TO I11
Don't know	2	
Refused	3	GO TO I4

ASK IF I3 CODE 2-3

14 **In that case, can you tell me which of the following best describes the number of people employed by your organisation in the UK, besides yourself?**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)

SINGLE CODE

Less than 10	1
10-19	2
20-49	3
50-99	4
100-249	5
250-499	6
500-999	7
1,000-4,999	8
5,000+	9
Don't know	10
Refused	11

ASK IF I1 CODES 2-4 OR I3>0 OR IF I4 CODES 1-11

15 **And, besides yourself, how many people are currently employed at this site?**

IF ANSWERED I3 OR I4 MAXIMUM RESPONSE LIMITED TO ANSWER AT I3 OR I4, OTHERWISE MAXIMUM RESPONSE OF 9999

ENTER NUMBER	1	GO TO I7, UNLESS I5=0, IN WHICH CASE GO TO I11
Don't know	2	
Refused	3	GO TO I6

ASK IF I5 CODE 2-3

16 **In that case, can you tell me which of the following best describes the number of people employed at this site, besides yourself?**
 IF ANSWERED I3 OR I4 MAXIMUM RESPONSE LIMITED TO ANSWER AT I3 OR I4,
 OTHERWISE OFFER ALL ANSWER CODES
 READ OUT (EXCEPT DON'T KNOW AND REFUSED)
 SINGLE CODE

Less than 10	1
10-19	2
20-49	3
50-99	4
100-249	5
250-499	6
500-999	7
1,000-4,999	8
5,000+	9
Don't know	10
Refused	11

ASK IF I5>0 OR I6 CODES 1-11 (MORE THAN ONE PERSON WORKING AT SITE)

17 **And, besides yourself, how many people working at this site have clients that are High Net Worth Individuals? Again, by High Net Worth Individuals, we mean those with assets of 20 million pounds or over who are dealt with by the High Net Worth Unit.**
 MAXIMUM RESPONSE LIMITED TO ANSWER AT I5 OR I6

ENTER NUMBER	1	GO TO MI9, UNLESS I7=0, IN WHICH CASE GO TO I9 AND CHECK FILTER
Don't know	2	
Refused	3	GO TO I8

ASK IF I7 CODE 2-3

18 **In that case, can you tell me which of the following best describes the number of people working at this site, besides yourself, who have clients that are High Net Worth Individuals?**
 MAXIMUM RESPONSE LIMITED TO ANSWER AT I5 OR I6
 READ OUT (EXCEPT DON'T KNOW AND REFUSED)
 SINGLE CODE

Less than 10	1
10-19	2
20-49	3
50-99	4
100-249	5
250-499	6
500-999	7
1,000-4,999	8
5,000+	9
Don't know	10
Refused	11

ASK IF I7>0 OR I8 CODES 1-11 (MORE THAN ONE PERSON WITH HNW CLIENTS AT SITE)

MI9 **As far as you know, how many High Net Worth Individuals are dealt with in total at this site? If you don't know exactly, please give your best guess. Again, by High Net Worth Individuals, we mean those with assets of 20 million pounds or over who are dealt with by the High Net Worth Unit.**

MINIMUM RESPONSE OF ANSWER AT S8 OR S9
MAXIMUM RESPONSE OF 150

ENTER NUMBER	1	GO TO I9
Don't know	2	GO TO MI10
Refused	3	

ASK IF MI9 CODES 2-3

MI10 **In that case, as far as you know, which of the following best describes the total number of High Net Worth Individuals dealt with at this site?**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)
SINGLE CODE

1-3	1
4-6	2
7-9	3
10-14	4
15-19	5
20-24	6
25-29	7
30 or more	8
Don't know	9
Refused	10

ASK IF MI9>NUMBER OF CLIENTS IN LU (NOLU FROM SAMPLE) OR IF MAX OF RANGE AT MI10>NUMBER OF CLIENTS IN LU (NOLU FROM SAMPLE)

MI10CH **You said that this site has a total of [INSERT ANSWER FROM MI9 OR MI10] clients with over 20 million pounds in assets who are dealt with by the High Net Worth Unit.**

K **Can I check this is correct?**

SINGLE CODE

Yes	1	GO TO I9
No	2	GO BACK TO MI9 AND ASK AGAIN

ASK IF I5>0 OR I6 CODES 1-11 (MORE THAN ONE PERSON WORKING AT SITE)

I9 **Do you currently supervise or line-manage any other tax agents/professionals within your organisation who deal with High Net Worth Individuals?**

SINGLE CODE

Yes	1
No	2
Don't know	3
Refused	4

ASK IF I5>0 OR I6 CODES 1-11 OR I3>0 OR I4 CODES 1-11 (MORE THAN ONE PERSON WORKING AT ORGANISATION)

I10 **Does the organisation you are working for have any guidelines for agents like you to follow when dealing with the High Net Worth Unit? IF YES: Are these formal or informal guidelines?**

SINGLE CODE

Yes – formal guidelines	1
Yes – informal guidelines	2
No	3
Don't know	4
Refused	5

ASK ALL

I11 **Is your organisation...?**

READ OUT (EXCEPT DON'T KNOW AND REFUSED)

SINGLE CODE

IF NONE OF THESE: **How would you describe your organisation?**

A law firm	1
An accountancy firm	2
A private bank	3
An investment bank	4
An investment house	5
An off-shore trust company	6
A family office	7
A specialist tax company	8
Other (write in)	9
Don't know	10
Refused	11

I12

Are you...?

READ OUT (EXCEPT DON'T KNOW AND REFUSED)

MULTICODE OK FOR CODES 1-9

A solicitor	1
A tax advisor	2
An accountant	3
A management accountant	4
A private banker	5
An investment banker	6
An individual financial adviser	7
A tax barrister	8
Other (write in)	9
Don't know	10
Refused	11

MI13 **What is your job title?**
DO NOT READ OUT
SINGLE CODE

Accountant	1
Chartered Tax Advisor	2
Personal Tax Manager	3
Tax Advisor	4
Tax Manager	5
Other (write in)	6
Don't know	7
Refused	8

MI14 **For approximately how many years have you been dealing with the tax affairs of High Net Worth Individuals? Please include any time you have spent working for other organisations in this business sector.**
SINGLE CODE

Less than one year	1
More than one year (ENTER NUMBER OF YEARS)	2
Don't know	3
Refused	4

I15 **Approximately what proportion of all your personal clients are High Net Worth Individuals? Again, by High Net Worth Individuals, we mean those with assets of 20 million pounds or over who are dealt with by the High Net Worth Unit. Is it...**

Under a quarter	1
Between a quarter and half	2
Over half but less than three-quarters	3
Three-quarters or more	4
Don't know	5
Refused	6

I17 INTERVIEWER TO RECORD GENDER OF RESPONDENT
SINGLE CODE

Male	1
Female	2

I19 **This research forms part of a longer term study that Revenue & Customs is conducting to track the opinions of agents of High Net Worth Individuals. Would you be happy to be re-contacted by Revenue & Customs, or their appointed contractor, so that we can continue to gain your opinions on the High Net Worth Unit over time?**
SINGLE CODE

Yes – both client and/or their contractors may recontact	1
Only the client may recontact	2
No	3

Appendix B: rationale for weighting approach

Ideally, we would weight the survey data to correct for the disproportionate sampling approach (where a maximum of two agents were selected from any one office site, regardless of the total number of agents of HNWI's working at the site, and the number of HNWI's represented). However, the figures presented in this report are based on unweighted data. The decision not to weight data was taken for a variety of reasons, which we cover in this appendix.

Unreliability of data for estimating the population profile

Following fieldwork, we examined the reliability of three proposed weighting approaches. The initial approach calculated weights based on:

Total number of HNWI's dealt with at agent's office site according to HNWI records/
Self-reported number of HNWI's dealt with by agent interviewed (response at S8/S9)

Thus, higher weights would be applied to agents who dealt with a low proportion of the total number of HNWI's dealt with at their office site – this would reflect their lower probability of selection for the survey. This approach was unworkable, however, since agents' responses at S8/S9 (reporting how many HNWI's they dealt with) often exceeded the HNWI's estimate of the total number of HNWI's dealt with by the entire office site that agent worked in. This meant either that responses at S8/S9 were unreliable, or that the HNWI estimate was unreliable.

A second weighting approach proposed not to use the HNWI estimate at all, calculating weights based on:

Self-reported total number of HNWI's dealt with at agent's office site (response at M19)/
Self-reported number of HNWI's dealt with by agent interviewed (response at S8/S9)

However, this approach was also unworkable in practice, since a large proportion of agents were unable to give a sure answer at S8/S9, or at M19. This weighting approach would therefore have left a large proportion of respondents without a weight. Furthermore, in many of the cases where we interviewed two agents from the same office site, their responses at M19 also did not match, highlighting the unreliability of this approach.

The final proposed approach therefore opted to calculate weights as follows:

Self-reported total number of agents of HNWI's at office site (response at I7/I8)/
Number of agents sampled from office site

This approach assumed that agents from any one office site personally dealt with the same number of HNWI's. This assumption generally proved correct when we interviewed two agents from the same office site, i.e. their responses at I7/I8 tended to match. However, some agents gave unusually high responses at I7/I8, which lead to them being given extremely large weights. On recontacting these respondents, they changed their original answers, raising issues about the reliability of responses at I7/I8, and hence their suitability for weighting.

Impact of weighting on effective base size

Since the sampling approach was limited to selecting a maximum of two agents from any one office site, the proposed weighting scheme based on answers at I7/I8 resulted in very large weights being applied to agents in some larger office sites, who reported that there

were far more than two agents of HNWI's working there. These large weights created a substantial design effect, reducing the effective base size of the survey to 175. The sampling tolerances for this base size would make the analysis of survey results, and particularly of subgroup differences, impractical.

To remove the largest weights, we also explored the possibility of capping the weights at various weight percentiles. However, the differences between capped weighted percentage scores and unweighted percentage scores were very small, thus further negating the argument for any weighting at all (see the following section).

Differences between weighted and unweighted data

At the overall level, the differences between weighted percentage scores (with the proposed weighting scheme based on responses at 17/18) and unweighted percentage scores were small, while the differences between the capped weighted percentage scores (which removed the largest weights) and the unweighted percentage scores were even smaller. This implied that any bias inherent in the unweighted data was negligible, and that reporting on unweighted results would still provide a good indication of the opinions of the population of agents of HNWI's.

The following table shows the differences between the uncapped weighted, capped weighted and unweighted percentage scores for key questions throughout the survey.

Level of cap	Highest weight value	% giving top two responses at question (i.e. very/fairly good, strongly/tend to agree or large/some extent)						
		B5	B15	B19	MC1c	D3b	D5	ME1a
Unweighted	-	84%	78%	79%	84%	76%	12%	39%
Uncapped	32.34	87%	77%	82%	80%	74%	20%	42%
99 th weight percentile	9.37	86%	77%	81%	79%	72%	17%	40%
98.5 th weight percentile	7.53	86%	77%	80%	80%	72%	16%	40%
98 th weight percentile	6.61	86%	77%	80%	80%	72%	16%	40%
97 th weight percentile	4.78	86%	78%	79%	80%	72%	15%	39%
93 rd weight percentile	2.94	85%	78%	79%	81%	72%	14%	39%
90 th weight percentile	2.02	85%	79%	79%	82%	73%	13%	39%

Appendix C: guide to statistical reliability

The final data are based on a sample, rather than the entire population of agents of HNWI, so the percentage results are subject to sampling tolerances. These vary with the size of the sample and the percentage figure concerned. For example, assuming an unbiased random sample, for a question where 50% of the 804 agents sampled in this survey give a particular answer, the chances are 95 in 100 that this result would not vary more or less than 3.5 percentage points from the true figure – the figure that would have been obtained had the entire population been interviewed. The main tolerances that apply in this report are given in the table below.

Sample size on which survey result is based	Approximate sampling tolerances applicable to percentages at or near these levels		
	10% or 90%	30% or 70%	50%
804 (all respondents)	±2.1	±3.2	±3.5
802 agents who had heard of the HNWI	±2.1	±3.2	±3.5
690 agents who had dealings with the HNWI in the last 12 months	±2.2	±3.4	±3.7
453 agents where the HNWI queried aspects of clients' tax returns	±2.8	±4.2	±4.6
395 agents who had dealings with other parts of HMRC regarding HNWIs	±3.0	±4.5	±4.9
256 agents who had dealings with CRM/team in the last 12 months	±3.7	±5.6	±6.1

Tolerances are also involved in the comparison of results between different elements of the sample. A difference must be of at least a certain size to be statistically significant. The following table is a guide to the sampling tolerances applicable to comparisons between key subgroups for this survey.

Sample sizes on which survey results are based	Differences required for significance at or near these percentage levels		
	10% or 90%	30% or 70%	50%
690 agents who had dealings with the HNWI versus 114 who did not	±7.3	±9.7	±9.8
256 agents who had dealings with CRM/team versus 548 who did not	±4.8	±7.0	±7.4

It is important to note that, strictly speaking, the above confidence interval calculations assume an unbiased random sample. For this survey, data are unweighted (see Appendix B), so do not correct for the disproportionate sampling of fewer agents from large organisations, which introduces bias into the results. However, in practice given that the differences between weighted and unweighted data are very small, it is reasonable to assume that these calculations provide a good indication of the true confidence intervals.

Appendix D: technical details of key drivers analysis

In order to further analyse agents' perceptions of dealing with the HNWI, Ipsos MORI conducted key drivers analysis on question B5, which asked agents to rate their overall experience of dealing with the HNWI in the 12 months before the survey. Key drivers analysis is a statistical technique used to identify which factors most influence a given outcome. Unlike simple bivariate analysis, it aims to isolate the effect of a single independent variable on a dependent variable (in this case, B5), while controlling for the effects of other independent variables.

Methodology

Given that only two per cent answered "fairly poor" or "very poor" at B5, we decided to recode B5 as a binary variable, with 1 equal to very/fairly good (85%) and 0 equal to any other response (15%), excluding those saying "don't know" or refusing to answer. In this way, the model would identify what leads to a "good" experience with the HNWI.

The following independent variables were considered as potential key drivers: A2, A3, B4, B16, B19, B20, MC1 (all statements), D3 (all statements), D4, D5, D6 and ME1 (all statements).

The following variables were considered as potential controlling variables, to control for differences by demographics (of agents and their High Net Worth clients) and firmographics: S8/S9, G1, H1, H2, H4, I1, I2, I3/I4, I5/I6, I7/I8, I11, I12, MI13, MI14 and I15.

Of these, variables B19, B20, D3 (all statements), D4, D6 and I2 were excluded because they were only asked to a subgroup which composed less than 70% of the respondents answering B5.

For categorical (i.e. non-scale) variables, we decided whether to combine or exclude certain codes based on whether they correlated with other existing codes, whether the combination was logical (e.g. combining the job titles "Tax Advisor" and "Chartered Tax Advisor") and whether there were too few respondents answering a particular code to keep it as a single code. The "don't know", "refused", "not applicable" and "it depends" answer codes were excluded for most of the variables, except in the cases of B16 and G1 where it was more logical to combine the code "no" with "don't know". The following table summarises how all other variables were combined:

Question	Combined codes
D5	Not at all; to a small/some/large extent; have not needed to
S8/S9	1-6 High Net Worth clients; 7 or more High Net Worth clients
H2	"Through their work as an individual" combined with "don't know", "refused" and "through other sources"
I3/I4	Under 100 staff; 100 or more staff
I5/I6	Under 100 staff; 100 or more staff
I7/I8	Under 10 agents of HNWIs; 10 or more agents of HNWIs
I11	Accountancy firm; specialist tax company; other
I12	Tax advisor; accountant; Tax advisor and accountant; other
MI13	Chartered Tax Advisor/Personal Tax Manager/Tax Advisor; other

To assess multicollinearity, we looked at correlations between independent variables to see if any were significantly correlated with a 95% level of confidence. This did not lead to the removal of any independent variables.

To further reduce the number of redundant independent variables included in the model, we looked at the simple correlations between B5 and each independent variable, seeing if any were significant at the 95% level of confidence. This analysis showed that all the potential key drivers had a significant correlation with B5. However, among the controlling variables, only I5/I6 and MI13 were significantly correlated with B5, allowing us to exclude all other controlling variables from the model.

Since the target variable, B5 very/fairly good, is the combination of two codes, we used logistic regression models to estimate the probability of rating the overall experience as very good or fairly good. Firstly, a logistic regression model was used to select which of the controlling variables were most significantly associated with B5. This concluded that both I5/I6 and MI13 were significantly associated.

A second logistic regression model was used to identify the key drivers of B5, while keeping the significant controlling variables (I5/I6 and MI13) in the model. In both models, the variables were selected using a stepwise procedure, with a 95% level of confidence as the entry/removal criterion. Once all the significant drivers were selected, we calculated the relative importance of each driver as its standardised beta value over the sum of all standardised beta values.

Performance of the model

Since logistical regressions do not produce R^2 statistics, we assessed the fit of the model by two other methods. Firstly, the Nagelkerke statistic, which mimics the R^2 statistic found in linear regressions, is 0.64, suggesting that the model explains 64% of the variation in responses at B5. A score of 64% means it is a relatively strong model and provides a firm steer on how the HNWU can make a difference to agents' perceived experience. The remaining 36% of variation in agents' perceptions of their overall experience is accounted for by factors outside the model, i.e. factors not measured in the survey.

Secondly we conducted the Hosmer-Lemeshow goodness-of-fit χ^2 test, which shows what proportion of respondents in each binary B5 code are correctly classified by the model. Of the respondents that had a very/fairly good experience, 96% were correctly classified. Of the respondents that did not have a very/fairly good experience, 60% were correctly classified. Overall, 91% of respondents were correctly classified.