

Research report

Needs Enhanced Support (NES) Pilot Evaluation Research

To provide a 360 evaluation of the Pilot which took place in the North East of England between June and December 2013

February 2014

NES Pilot Evaluation Research

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

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

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

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

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Research requirement (background to the project)

In 2011, HMRC carried out in-depth research¹ to understand the needs of customers who need extra help getting their tax right and claiming their entitlements. HMRC refers to these customers as customers who 'need enhanced support'.

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

The pilot involved the closure of 13 Enquiry Centres (ECs) which were replaced by a new service that provided specialist help over the phone and also offered a mobile team of face-to-face advisers for those who needed the most support.

The pilot followed a full public consultation which ran from 14 March 2013 to 24 May 2013. In parallel with the pilot, HMRC undertook a programme of consultation workshops, events and independent research with customers, staff and the Voluntary and Community Sector (VCS) throughout the second half of 2013 to refine and develop the new service model.

The proposed operating model tested in the pilot had a number of elements to it, reflecting the need for a range of access routes for customers in need of enhanced support. The main elements of the model tested were:

- A range of access routes that included direct referrals from VCS partners
- A new triage function that identified customers who needed enhanced support at the first point of contact, based on open questions and listening
- A new tailored telephone service for those who needed it which offered a joined-up service across HMRC's different lines of business (e.g. Personal Tax, Benefits & Credits)
- More flexible face to face provision delivered by a pool of mobile advisers – again for those who needed it
- Referral to the VCS for customers with specific needs who they can best support

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

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The new service delivery model tested in the pilot is represented diagrammatically as follows:



The 2011 research identified six drivers of need for enhanced support that customers had when dealing with their tax or benefit & credit affairs. Five of these arose from the characteristics of the customer, including their health, their abilities and their life context: Access, Personal Confidence, Mental / Emotional State, Capability and Intricacy. A sixth also recognised that a need for enhanced support can also be driven by HMRC’s actions and systems.

To direct customers to the new service, HMRC Contact Centre advisers were trained to listen for indicators of these drivers during the initial telephone conversation and to ask additional questions to determine if the customer needed a more enhanced level of support.

The aims of the research were to evaluate the experience of customers who had been triaged through to the new service and to evaluate the experience of HMRC staff and VCS partners who had been involved in delivering the new service.

The research was iterative – findings were shared with HMRC throughout the pilot to allow them to refine and improve the service model.

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

When the research took place

Qualitative and quantitative fieldwork took place between 29th June 2013 and 18th November 2013.

Who did the work (research agency)

The work was carried out by Jigsaw Research.

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Method, Data and Tools used, Sample

The research design combined primary qualitative and quantitative research across three distinct phases; at the beginning (after a two week bedding in period), middle and end of the pilot with four separate audiences.

The phased approach enabled the findings to be fed into the redesign of the model on an ongoing basis in order to improve the new service and to facilitate continual 'live' testing.

Needs Enhanced Support (NES) Customers: (Audience 1)

Customers who called an HMRC Contact Centre as they required some form of support with their tax and/or benefits & credits enquiry. They were then identified by HMRC Contact Centre staff as needing enhanced support with their particular enquiry and were triaged through to the new service. They then experienced either a telephone appointment with an Extra Support Telephony adviser (ESTA) only or one of these followed by a face to face appointment with an Extra Support Mobile Adviser (ESMA) as well.

Qualitative

A total of 90 in-depth interviews were undertaken with NES customers.

- Phase 1: 30 interviews undertaken between 29th June and 13th July 2013 with customers who interacted with the NES Service between week ending 29th June and week ending 13th July 2013
- Phase 2: 30 interviews undertaken between 20th July and 31st August 2013 with customers who interacted with the NES Service between 20th July and week ending 31st August
- Phase 3: 30 interviews undertaken between 8th September and 26th October 2013 with customers who interacted with the NES Service between 8th September and week ending 5th November

Interviews were undertaken face-to-face and by telephone. All of the face-to-face interviews were undertaken with customers who had had an ESMA appointment. Across the three phases of the research, 23 interviews were conducted face-to-face in the respondent's home; the remainder were conducted by telephone. The interviews lasted around 30 minutes each.

Strict quotas were placed on service type (ESTA or ESMA appointment), driver of need, and enquiry type e.g. Personal tax, Tax Credits, Child Benefit, Self Assessment to ensure a broad representation of customers who had experienced the new service.

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Quantitative

In addition a total of 300 CATI (Computer Aided Telephone Interviews) were conducted with NES customers:

- 131 interviews with NES customers from within the Pilot Area
- 169 interviews with NES customers from outside the Pilot Area²

The interviews lasted around 20 minutes each and took place between 26th September and 18th November.

Non Needs Enhanced Support (NES) Customers: (Audience 2)

These were customers from inside the pilot area who called an HMRC Contact Centre as they required some form of support with their tax and/or benefits & credits enquiry. They were not identified by Contact Centre staff as needing an enhanced level of support with their enquiry on that occasion and therefore they received the standard contact centre service.

These customers were included in the research to provide a point of comparison for common elements of the service received – time taken to get through to a Contact Centre adviser, how far they felt their query had been resolved etc.

Quantitative

A total of 600 CATI (Computer Aided Telephone Interviews) were conducted with Non NES customers. The interviews lasted around 15 minutes each and took place between 29th August and 18th November. Interviews were with customers contacting HMRC between week ending 15th July and week ending 26th October.

Quotas were placed on enquiry type e.g. Personal tax, Tax Credits, Child Benefit, Self Assessment to ensure a broad representation of customers.

² During the pilot, a decision was made to open up the telephony part of the NES service to people from outside the pilot area. Given the relatively low numbers of NES customers coming through the Pilot area itself – in order to get a sample sufficient for quantitative analysis, the quantitative sample was supplemented by data from customers who had experienced the NES service (ESTA only) outside the area. This part of the sample has been excluded from any questions relating to awareness of changes to HMRC service provision (including closure of Enquiry Centres) in their area since any communications related activity was restricted to the pilot area only.

NES Pilot Evaluation Research**HMRC staff: Extra Support Telephony Advisers (ESTAs), Extra Support Mobile Advisers (ESMAs) and Team Leaders: (Audience 3)****Qualitative**

A total of sixty five interviews were completed with ESTAs, ESMAs and Team Leaders who were responsible for delivering the new service in the Pilot area.

The research agency conducted approximately twenty-two interviews per phase. This included a mix of face to face, depth interviews in Bradford and Peterlee Contact Centres and telephone depths

The research was carried out in three phases.

Phase 1 staff interviews were carried out between 9th and 19th July.

Phase 2 staff interviews were carried out between 10th and 18th September.

Phase 3 staff interviews were carried out between 22nd and 29th October.

Voluntary and Community Sector (VCS) Organisations: (Audience 4)**Qualitative**

A total of twenty four interviews were completed with staff in *Tax Aid*, *Tax Help for Older People*, *Citizen's Advice* and *Gingerbread* who were working in partnership with HMRC in the delivery of the new service in the Pilot area.

On average, eight interviews were conducted per phase, these included a mix of telephone and face to face depth interviews across the three phases with a range of participants within the different organisations.

Phase 1 interviews were conducted between 19th June and 30th July

Phase 2 interviews were carried out between 9th and 25th September.

Phase 3 interviews were conducted between 21st October and 4th November.

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Main Findings

NES Customer Findings

Context

The interviews with many of these customers were challenging. Many had had previous contact with HMRC relating to their query prior to the launch of the new service. Often they had made multiple calls to HMRC, sometimes over several weeks or months (in some cases over a year) and interviews often started with the customers 'downloading' their story, frequently in a way that was difficult for the researchers to follow and understand. This meant that:

- It could be hard to get a coherent picture of the customer's experiences with HMRC
- It could be hard to understand what lay at the heart of their tax or benefits issue
- Very often timescales, order of events and the details of the interactions they had with HMRC could be quite confused and hard to clarify, even after probing

Identification and triaging of NES customers into the new service

A key question for the Pilot was whether customers were being correctly triaged as needing enhanced support (NES); the research found that they were and that the majority of NES customers had multiple drivers of need. These findings concurred with the feedback from the ESTA team.

The support needs of the NES Population

From the qualitative research, the support needs of this population when engaging with HMRC advisers were as follows:

- Not to be judged: NES customers were aware that they had let their tax affairs get in a mess or had failed to meet their obligations in some way. They felt that it was their fault that they didn't understand aspects of the tax system. They felt that they weren't as intelligent or competent as other people. They feared being judged or criticised and it was a great relief when this didn't happen
- To be treated with empathy: It was extremely important to NES customers that HMRC seemed to understand and empathised with their situation and that the ESTA/ESMA listened to their story and appeared to be sympathetic to it. Many customers were in difficult circumstances and a little empathy went a long way
- To feel reassured: NES customers were often very anxious, upset or agitated about their situation, especially in high intensity cases. They needed to feel that the ESTA/ESMA had taken ownership of their case and was going to see it through
- To be given explanations in plain English: Many NES customers found HMRC jargon intensely annoying. They wanted to be communicated with in plain English

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- To have regular follow-up/progress calls: Where the case could not be resolved in a single appointment, the NES customer had an increased need for reassurance and needed to know that their case was being progressed. This was especially the case for customers where their query had remained unresolved for weeks or months

The NES Customer Journey

The NES customer journey can be summarised as follows:

- Many of the customers encountered in the research had had previous contact with HMRC relating to their query. Often this had gone poorly with customers left feeling very frustrated with the service received and with their query unresolved
- Many customers experienced problems getting through to a Contact Centre adviser. The most problematic area was the length of time customers were left on hold before getting through to an adviser, although the menu of options³ was also problematic for a proportion of customers
- Once through to a Contact Centre adviser, customers were positive about how the adviser handled their query. However experiences of being transferred through to another adviser or the NES team seemed to go less well and Contact Centre advisers did not always make it clear to customers why they were being transferred. Many customers said they experienced multiple transfers. Thus the 'model' of being triaged directly to an ESTA from Contact Centre did not seem to be working as smoothly as it could (at the time of the interviews)
- The majority of NES customers had their query handled by an ESTA and there was evidence that more customers would have benefitted from receiving face-to-face support from an ESMA than had actually received it, for example:
 - Customers where Mental/Emotional State was the primary driver of need
 - Customers with Self Assessment queries
- For NES customers, the role of the adviser was crucial and both ESTAs and ESMAs did an excellent job in their actual contact with the customers. Feedback from customers was extremely positive in this area
- The aspect of the ESTA/ESMA service that the customers talked about most and were most grateful for was the way the ESTAs and ESMAs treated them during their face to face or telephone appointment. They talked about the ESTAs and ESMAs:
 - Making them feel at ease
 - Not making them feel stupid or in the wrong
 - Talking to them in language they understood

³ Delivered via the IVR ('Intelligent Voice Recognition') system in place at the time. A fixed set of menu options that customers telephoning an HMRC Call Centre were presented with.

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- There was room for improvement in respect to follow-up and resolution. As highlighted earlier NES customers had an increased need for reassurance and follow-up and ESTAs and ESMAAs could have been more proactive in this area

Overall Satisfaction and Resolution

The NES service was better than the service that most NES customers had experienced from HMRC prior to the start of the pilot.

Overall two thirds of NES customers (65%) interviewed said that they were satisfied with the service they received. This was lower for NES customers than for Non NES customers of whom 73% of Non NES customers were very/fairly satisfied. However NES cases were by definition more challenging than Non NES cases and on some of the primary drivers of need (Access, Personal Confidence and Capability) satisfaction was on a par with the Non NES customer.

Amongst the NES customers, satisfaction was lower for customers with Mental/Emotional state and Intricacy as their primary driver of need. These customers were perhaps the hardest to support, the former due to their life circumstances and/or current state of mental health, the latter because their cases were more complex.

Query resolution was also lower for NES customers than for Non NES customers; 67% of NES customers described their query as fully resolved compared to 77% of Non NES customers.

Customers with Mental/Emotional state as their primary driver of need were less likely to feel their query was now fully answered while those with Capability as their primary driver of need were more likely.

One third of NES customers felt that their query was not fully resolved; although it's important to note that one third of these customers (i.e. a third of those who did not feel their query was fully resolved) were still satisfied overall with the service received from HMRC.

From the qualitative interviews, these were likely to be customers who felt their cases were almost resolved, but there was something fairly minor outstanding. For example the SA tax return was done but they had yet to hear how much tax they owed. Or their case was still in progress but they knew that the ESTA or ESMA was working on it and would be in touch.

It was clear from the qualitative interviews that customers were likely to feel less satisfied if they felt their query was not resolved and that they had been left 'in limbo' by the ESTA or ESMA and were not quite sure what was going to happen next, or indeed what they needed to do next.

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NES customers were very aware that they had no way of getting back in touch directly with the ESTA or ESMA who had handled their case. Many of them had specifically asked if this was possible and had been told that it was not and in the early part of the pilot, that they needed to use the general helpline number. For the many customers whose experiences getting through to Contact Centre had not been positive and especially for those customers who had made several attempts to get their query resolved at Contact Centre, this could be very daunting indeed. Part way through the pilot, and in response to this feedback, a number was put in place so that these customers could dial directly into the NES team.

As highlighted earlier, the NES customer had an increased need for reassurance. Often the ESTA or ESMA was unable to resolve things instantly and a delay was inevitable. NES customers were more likely to become anxious during this period, which could result in them trying to re-contact HMRC. It was clear from the qualitative interviews that the single most effective way to ensure NES customers remained reassured while their case progressed was when regular progress conversations were scheduled with them: even if there was nothing to report, just to let the customer know that all was well.

Where these were in place customers felt very reassured as they felt that:

- The ESTA/ESMA was 'owning' their case
- Further information/reassurance would be provided when they spoke to that person
- They weren't going to have to navigate the Contact Centre again and possibly end up with a less effective adviser
- They weren't going to have to start the whole process over again with another adviser

Awareness of changes to the service provision

Sources of help

In this sample, awareness of Enquiry Centres as a source of help was similar amongst NES and Non NES customers. Just under one third of both customer groups were aware of these.

Non NES customers (91%) were more aware than NES customers (65%) that they could get help from the HMRC website. Over two fifths of the NES population described themselves as lacking confidence in using computers and/or the internet. Few of the NES customers interviewed qualitatively referred to using the HMRC website as a source of help.

Over one quarter (28%) of NES customers had ever visited an Enquiry Centre, compared to (12%) of the Non NES customers surveyed. Attending a face-to-face appointment and talking to a floor walker were the most common activities that had been undertaken at the Enquiry Centres.

NES Pilot Evaluation Research**Awareness and impact of Enquiry Centre closure**

Engagement with customers ahead of the pilot included local and regional newspaper adverts and press releases. During the pilot, customer postcards and posters were sent to Enquiry Centres in the pilot area and a bespoke postcard was designed for Citizens Advice (CAB) to distribute.

NES customers within the Pilot area were most aware of the closure of the Enquiry Centres:

- Over a quarter (27%) of 'in pilot area'⁴NES customers were spontaneously aware that the Enquiry Centres had closed compared to only 6% of Non NES customers
- Upon prompting, more than two fifths (44%) of 'in pilot area' NES customers were aware that the Enquiry Centres had closed compared to just 12% of Non NES customers

Customers became aware of the closures through a variety of routes, most commonly by visiting one and finding it shut or, for NES customers, through word of mouth. In the qualitative research, NES customers reported that the ESTA or ESMA told them that the Enquiry Centres were closed and so this possibly accounted, at least in part, for the higher levels of word of mouth awareness amongst these customers.

NES customers within the Pilot area were also more likely to feel that the closures would affect them than the Non NES customers. When asked in what way the closures would affect them, both NES and Non NES customers, tended to give a response focussed around their preference for face-to-face support and/or their feeling that face-to-face support was better in certain situations.

⁴ See footnote 2, p.7

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Service evaluation from the HMRC staff perspective - Extra Support Telephony Advisers (ESTAs) and Extra Support Mobile Advisers (ESMAs)**Identifying NES customers (Contact Centre advisers)**

The ESTA team felt that at the start of the pilot, Contact Centre staff were struggling to correctly identify and refer customers in need of an enhanced level of service into the new NES service. Their evidence for saying this was the lower than expected rate of referrals to them. When asked why they thought Contact Centre staff were not identifying and referring potential NES customers correctly, they gave the following potential reasons:

- The initial training given to Contact Centre staff, in their opinion, was not fully adequate.
- Some Contact Centre staff were reluctant to refer customers into the NES service as they were used to dealing with customers like these themselves

These issues were reported back after Phase 1 of the research and by Phase 2 the situation had improved significantly as a result of additional and amended training for Contact Centre staff. There was also evidence of Contact Centre staff generally getting used to the new system through time and practice. By Phase 3, the feedback from ESTAs was that almost all those referred into the service were correctly identified as needing enhanced support.

During the pilot, ESTAs collected data about the drivers of need. They reported that most NES customers had multiple drivers of need (in line with the customer findings). However, they tended to record only one or two drivers, and typically the first driver to present. The ESTA team told the researchers that judgement was required to allocate specific drivers and that this process was an inexact science. There was a degree of inconsistency between ESTAs in terms of how this was done.

Staff felt that there would always be a level of error (under and over referral and under allocation of drivers) no matter how thorough and good the training of Contact Centre and ESTA staff, and no matter how often it was refreshed.

Case resolution

There did not appear to be any definitive guidance about when a case was resolved. ESTAs and ESMAs reported that they 'used their judgement' to establish whether the case could be closed. They assessed whether the issue had been resolved from HMRC's perspective and if the customer also appeared to be 'happy' and said that they didn't need any more help, they then considered that the case could be closed.

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However, the customer data suggested that this approach was not completely satisfactory from a customer perspective, and in Phase 3 of the interviewing the agency probed further on this issue. Three issues emerged:

- NES staff dealt thoroughly with the tax issue that was presented, but they did not take a full, holistic approach to the customer's tax affairs
- The customer may have wished to challenge an HMRC ruling – this challenge became a separate case, and the NES team would not typically be involved
- Customers may have had a tendency to say that the case was resolved from their side, but then felt confused later. They may have also received a subsequent letter from another part of HMRC that caused confusion

Overview of ESTA feedback

The ESTA teams were generally very positive and enthusiastic. They were pleased to have secured a role in the pilot, supportive of the concept and had enjoyed being part of the NES team. They particularly enjoyed the opportunity to 'own' cases more fully than in their previous Contact Centre roles. They had generally found the rest of HMRC to be supportive and responsive of their work within the NES team and they displayed a high degree of pride in their work and in their job roles.

The NES process – ESTA feedback

By the 3rd phase of interviews, the process was generally found to be working well, as improvements were made throughout the pilot.

There had been many improvements since the early days of the pilot. For example a 'case management system' was developed for calling customers back and there had been improvements in the forms for capturing data and guidance notes.

ESTAs reported that they enjoyed being able to 'own' cases and see them through. However, they found that more cases than expected required multiple interactions with customers; these could take weeks and involve interaction with other HMRC teams.

It was clear that behaviour amongst HMRC staff could be hard to change. ESTA staff were used to handling cases on the phone (and now had a more satisfying role in providing telephone support) so they tended not to refer for face to face appointments.

NES Pilot Evaluation Research**Overview of ESMA feedback**

Throughout the NES pilot the ESMA interviews were dominated by two issues – the lower than expected number of referrals for face to face appointments and problems with IT. The IT situation had improved by Phase 3 of the research but was not fully fixed.

The consequences of these issues were low productivity and morale amongst the ESMA's interviewed.

Lack of appointments

The number of referrals for face to face appointments was lower than expected, throughout the pilot. The ESMA team put forward the following possible reasons for this:

- Some cases that they might have expected to be handled face to face were being handled by ESTAs on the telephone
- Some customers were not accessing the NES service at all – including those who might have wanted or needed face to face help. For example, customers who did not want to interact with HMRC by telephone, customers who couldn't afford to phone for help and customers who were not aware that face to face help was available

The relative lack of face to face appointments meant that ESMA's felt that their productivity was low, which in turn affected their morale. They were also concerned that their level of technical knowledge and skills were being eroded through lack of practice. Although supportive of the NES service in principle they were concerned about potentially 'lost customers'.

Problems with IT

Problems with IT were experienced throughout the pilot (for example late arriving laptops and connectivity issues). This made ESMA's feel unprofessional and unable to give customers the same level of service as previously, in the Enquiry Centres. It also meant that appointments were taking longer than they should and customers had to trust that they would be followed up in terms of updating the customer's record etc instead of being able to see that this had been done in the face to face meeting.

The NES process – ESMA feedback

The process was generally working well by phase 3 as improvements had been made throughout the pilot. For example the process of preparing for appointments improved as changes were made to include phoning customers to confirm appointments (between phases 1 and 2), building the appointments diary and assigning appointments.

ESMA's interviewed felt that most face to face appointments were relatively self contained and didn't require much follow up. They only occasionally booked a second appointment.

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They also reported that they didn't check progress on HMRC systems nor any other follow ups (unlike ESTAs).

Service evaluation from the Voluntary and Community Sector (VCS) perspective

The design of the new service included referral of NES customers between Voluntary Sector partners and HMRC staff. *TaxAid*, *Tax Help for Older people*, *Citizens Advice (CAB)* and *Gingerbread* were the four VCS organisations who were responsible for working in partnership with HMRC in the delivery of the new service in the Pilot area.

These organisations had been involved in discussions with HMRC and the formal consultation process before the NES Pilot started.

Awareness and understanding of the NES Pilot was very good within the tax specialist organisations (Tax Aid and Tax Help for Older people). For CAB the picture was more variable. It was clear that embedding the information and knowledge across a larger organisation with a wider remit like CAB was a more difficult challenge.

Within Tax Aid and Tax Help for Older People there was an overall belief that all their clients need enhanced support for one reason or another. Advisers were only comfortable referring very straightforward cases where the client had a level of personal confidence and competence to deal with HMRC on their own. Very few clients met that criteria hence the number of referrals into the new service was low.

CAB tends to specialise in providing Tax Credit advice. Tax is a relatively minor and infrequent issue for CAB customers and is often seen as part of a more complex client picture. Some Bureaux had in house tax expertise in the form of tax trained advisers who felt able to deal with all tax enquiries. When CAB advisers identified a customer who might have benefitted from the NES service, they were reluctant to institute a total handover to the NES team. They preferred to do a three way call with an ESTA so that they could stay with the customer throughout the process. When CAB advisers had used the NES service in this way the feedback was positive.

All of the organisations are used to dealing with customers in difficult circumstances who may well fall under the NES definition. They have always helped customers like this and continue to do so.

Gingerbread was very positive about the consultation process leading up to the NES pilot. Its experience of the service is limited because although a proportion of clients have been identified as needing enhanced support, the vast majority lived outside the pilot area. The remainder were relatively easily helped by Gingerbread advisers.