

## 8 APPENDICES

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### Explanatory Note

The table below outlines the materials used with each research group, during each stage of fieldwork. Interviews with the Auto-renewals group were conducted in two waves, one before, and one after fieldwork was conducted with the reply required research groups.

The first wave of Auto-renewals group interviews were used to gauge understanding of the system in order to develop messages to test. The second wave of Auto-renewals group interviews were used to test the final messages developed throughout fieldwork.

Stage one of message testing was conducted with the reply-required research groups between 17<sup>th</sup> October and 7<sup>th</sup> November 2011.

Stage two of the message testing was conducted with both the reply-required research groups and in wave two of fieldwork with the Auto-renewals group between 8<sup>th</sup> November and 24<sup>th</sup> November 2011.

**Table 1: Fieldwork Dates and Research Materials**

Research group	Fieldwork dates	Discussion guide used	Stimulus materials used
Auto-renewals group – Wave 1	14 <sup>th</sup> September – 6 <sup>th</sup> October 2011	Appendix A1	Appendices B1-B3
Early Renewals group	17 <sup>th</sup> October – 24 <sup>th</sup> November 2011	Appendix A2	Appendices B1-B3 Appendices C1-C3 Appendices D1-D2

Deadline Renewals group	17 <sup>th</sup> October – 24 <sup>th</sup> November 2011	Appendix A2	Appendices B1-B3 Appendices C1-C3 Appendices D1-D2
Post-deadline Renewals group	17 <sup>th</sup> October – 24 <sup>th</sup> November 2011	Appendix A2	Appendices B1-B3 Appendices C1-C3 Appendices D1-D2
Terminated, then re-enter group	10 <sup>th</sup> – 24 <sup>th</sup> November 2011	Appendix A2	Appendices B1-B3 Appendices C1-C3 Appendices D1-D2
Terminated group	10 <sup>th</sup> – 24 <sup>th</sup> November 2011	Appendix A3	Appendices B1-B3 Appendices C1-C3 Appendices D1-D2
Auto-renewals group – Wave 2	22 <sup>nd</sup> – 24 <sup>th</sup> November 2011	Appendix A4	Appendices B1-B3 Appendix C3 Appendices D1-D2

## **Appendix A – Discussion guides**

### **Contents**

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## HMRC – Tax Credits Renewals Research

**Group 5: Auto-Renewals - Discussion Guide – WAVE 1 - FINAL****Objectives:**

This study aims to understand tax credits customers' behaviour around tax credits renewals. It will also explore how a shift towards auto-renewals might affect how customers manage their claim.

Key research questions:

- To explore attitudinal, motivational, knowledge, circumstantial and behavioural drivers that can influence customers' renewal behaviour.
- To explore customers' compliance with the tax credits renewal procedures following a change to the process.

Specific research questions:

- To explore customers' understanding of the auto-renewal process.
- To explore how automatically renewing awards affects customers' behaviour with regards to reporting changes of circumstances and contact with the HMRC tax credits helpline.
- To explore customers' understanding of renewal interventions, such as letters issued by HMRC relating to the renewal process.
- To explore how customers' renewal behaviour is influenced by the mode of contact.

HMRC would like to elicit the views of claimants who demonstrate different types of reporting behaviour. These groups are:

**Group one:** Early Renewals: customers who renew before the second week of June.

**Group two:** "Just in Time Renewals": customers who renew their tax credit award within the last two weeks of the renewal period (last two weeks of July).

**Group three:** Late Renewals: customers who failed to renew by the deadline but did so within 30 days following the renewal deadline; Tax Credits Award Terminated but Re-entered System on a New Award: customers who failed to renew by the deadline, had their claims terminated but later made a new claim in a new award.

**Group four:** Tax Credits Award Terminated and did not Re-enter System: customers who do not renew their tax credit award and do not reapply to come back into the tax credits system.

**Group five:** Auto-renewals: customers who have their claim renewed automatically and only need to contact HMRC if their circumstances have changed or are anticipated to change in the forthcoming year. Within this group, customers who made contact with HMRC during the renewal period and those who did not are both included.

**This guide is to be used for interviews with Group 5 customers who are already part of the auto-renewals system. Interviews will take between an hour and an hour and a half.**

**The incentive for a single depth is £30 and for a paired depth, £50.**

Notes	Guide Sections	Guide Timings
<b>1. Introductions and background</b>	Sets the scene, reassures participants about the interview, confidentiality. Discuss the general work and life circumstances of the participant which provide useful background.	10 mins
<b>2. General attitudes to finances and understanding of tax credits</b>	Discusses the participant's approach to financial management and how tax credits fits into the household's income. It also explores the customer's understanding of what tax credits are and their experiences of making a claim.	15 mins
<b>3. Understanding of responsibilities and experience of renewing tax credits claims</b>	Looks at general tax credits management and understanding of the customer's responsibilities. It focuses on understanding of when they need to report changes of circumstances and their experience of doing this. It also introduces the subject of renewals and any experience the customer has of renewing their claim.	20 mins
<b>4. Understanding and experience of the auto-renewal process</b>	Goes through the journey from when the customer was first notified that they would be moved onto auto-renewals and their understanding of this and the impact that this has had on how they manage their claim. It also looks at their experience of the last renewal period and the extent to which they understand what they need to do. Finally, it explores how auto-renewals could affect different types of customers and how any issues might be overcome.	25 mins
<b>5. Communications</b>	Gauges awareness of the current media campaign and the extent to which this has an impact on auto-renewals customers. It also identifies trusted sources of information and assistance with tax credits claims. Finally, it discusses future media campaign for auto-renewals.	15 mins
<b>6. Conclusions</b>	Identifies key messages and sums up.	5 mins

### Using this guide

We use several conventions to explain to you how this guide will be used. These are described below:

Timings	Questions	Notes and Prompts
5 mins	<p><b><u>Underlined</u> = Title:</b> This provides a heading for a sub-section</p> <p><b>Bold = Question or read out statement:</b> Questions that will be asked to the participant if relevant. Not all questions are asked during fieldwork based on the moderator's view of progress.</p> <ul style="list-style-type: none"> <li>▪ <b>Bullet = prompt:</b> Prompts are not questions – they are there to provide guidance to the moderator if required.</li> </ul>	This area is used to summarise what we are discussing, provides informative notes, and some key prompts for the moderator
How long it takes	Typically, the researcher will ask <b>questions</b> and use the prompts to guide where necessary. Not all questions or prompts will necessarily be used in an interview	

Timings	Key Questions	Notes and Prompts
10 mins	<p><b><u>Welcome and introduction</u></b></p> <ul style="list-style-type: none"> <li>- Thank participant for taking part</li> <li>- Introduce self, Ipsos MORI</li> <li>- Emphasise that we will be talking about their experiences of the tax credits system.</li> <li>- Confidentiality: reassure that all responses are anonymous and that information about individuals will not be passed on to anyone, including back to HMRC or any other Government Department</li> <li>- Explain outline of the research</li> <li>- Role of Ipsos MORI – independent research organisation (i.e. independent of GOVERNMENT), gather all opinions: all opinions valid. Remind that there are no right or wrong answers. Commissioned by HMRC to conduct the research.</li> <li>- Reassure that a claim for any current or future tax credits claim will not be affected in any way.</li> <li>- Get permission to digitally record – transcribe for quotes, no detailed attribution</li> </ul> <p><b><u>Personal Background</u></b></p> <p><b>I'd like to start by learning a little about you.</b></p> <ul style="list-style-type: none"> <li>- Can you just tell me a bit about you and your household? PROBE: Where they live, who they live with, how long they have lived there, number of adults in household, whether they have children? How old are they?</li> <li>- Are you working at the moment? What kind of work do you do? PROBE: For employer/s, number of employers, number of hours, how long they have been in each role, regularity of hours and income, sector, skills level, seasonality.</li> <li>- IF APPLICABLE: What about your partner – what kind of work do they do? Do they work full time/ part time? Number of hours?</li> </ul>	<p>Welcome: orientates participant, gets them prepared to take part in the interview.</p> <p>Outlines the 'rules' of the interview (including those we are required to tell them about under MRS and Data Protection Act guidelines).</p> <p>NOTE: Fine to mention HMRC at this stage</p> <p>NOTE: These background questions are important as they not only provide context but also indicate how likely the participant will need to report changes for their claim.</p> <p>If a paired depth, ask these questions to both participants.</p>

Timings	General attitudes to finances and understanding of tax credits	Notes and Prompts
15 mins	<p><b>I'd like start by talking a little about your finances. Can you tell me who is responsible for managing the household budget?</b></p> <p><b>How would you describe your approach to your finances?</b></p> <ul style="list-style-type: none"> <li>- Can you describe your weekly/ monthly incomings and outgoings?</li> <li>- How do you keep track of these? Do you keep any records? How often do you review your finances?</li> <li>- Where do/did your tax credits fit into your incomings? Who receives/ received the tax credits money?</li> <li>- What do you use your Tax Credits money for?</li> <li>- Does your income vary throughout the year? If so, how?</li> <li>- What about income from benefits? Do you keep award notices from your benefits? PROMPT: Job Seekers Allowance, Income Support, Disability Living Allowance, Employment Support Allowance, Child Benefit PROBE: Do you deal with each benefit differently? If so, why?</li> </ul> <p><b>How much mail do you normally receive in a week?</b></p> <ul style="list-style-type: none"> <li>- Do you feel you receive a lot of mail? How much? How do you feel about dealing with mail? Is it easy/ difficult to keep on top of?</li> <li>- What do you normally do when you receive a bill? Do you read it straight away? Or do you file it away? Are there any bills you wouldn't read at all?</li> <li>- And what about bill-paying? Do you make sure you always pay on time, or are you a bit more relaxed about it? PROBE: When do you normally pay most of your bills (immediately? To deadline? Whenever you remember to? What proportion of bills do you think you pay late? Do you ever get reminders? How do you react to them?</li> <li>- What do you normally do when you receive letters from the government, or government agencies, relating to your finances e.g. benefits, tax credits? How do you feel about receiving these kinds of letters? How about responding to them? Do you feel confident about what you need to do or not?</li> </ul>	<p>This section will be used to understand the participant's approach to financial management. It will also explore the participant's understanding of tax credits, how their tax credits claim fits into the household budget and their experience of making a claim.</p> <p>MODERATOR NOTE: Try to obtain a brief description about whether they use a 'common pot', keep individual finances separate, use 'cash pots' or different bank accounts to allocate money for different purposes.</p> <p>MODERATOR NOTE: We need to obtain as much information about how respondents manage their benefit claims, how this differs from tax credits claims and if customers perceive a difference.</p>

**Can you describe, in your own words, what tax credits are?**

- What do you think tax credits are for?
- IF MENTION OTHER BENEFITS EARLIER: Are tax credits different to other benefits? If yes, how are they different?
- PROBE: Other benefits are fixed amounts? Need to go in to claim face-to-face for other benefits? More contact with benefits agency than with HMRC to claim? Purpose of the benefit?
- Which tax credit(s) are you claiming? PROBE; do you receive help with your childcare through tax credits (childcare element)?

**How long you have been claiming tax credits?**

- Can you tell me how much you receive in tax credits?
- Has the amount of tax credit you receive ever changed? PROBE: If yes, probe for what the change was. What do you think might have caused it to change?

**How easy/difficult did you find it to claim tax credits? What did you find particularly easy/difficult?**

- Do you find it easier or more difficult compared to claiming any other types of benefit? Why?
- Did you ask anybody for any advice when you made a claim for tax credits?
- Who do you seek advice about a claim from? Why do you ask these people/organisations for advice? What is it about this source of information that you trust? PROBE: If they did not seek advice, why not?
- Do you understand how much tax credit you can claim? Is it important to you to understand how much you receive? Do you check to see if the amount of tax credits you are receiving is about right? How do you do this?
- How much contact have you had with HMRC over the course of your claim? PROBE: Ask participant about frequency and channel. PROBE: How often do they access the HMRC website?
- What was this contact about? To what extent did you get the help you needed? What else would it have been helpful for HMRC to tell you? PROBE: Why?
- Has the amount of contact you have with HMRC changed over the course of your claim? How?



Timings	Understanding of responsibilities and experience of renewing tax credits claims	Notes and Prompts
20 mins	<p><b>I'd now like to talk in a little more detail about managing your tax credits claim.</b></p> <p><b>Can you tell me about the contact you had with HMRC from April 2010. This is any contact throughout the whole award period last year? Use the timeline in Appendix A.</b></p> <p><b>This may be difficult for some participants, but try to get an idea of how often they contacted HMRC and why.</b></p> <p>For each instance ask:</p> <ul style="list-style-type: none"> <li>- When did you contact HMRC?</li> <li>- What was the reason?</li> <li>- If updating a change of circumstances: how soon did you contact HMRC after the change occurred? Why was this? What, if anything, prompted them to contact HMRC?</li> </ul> <p><b>Sometimes a change in your personal circumstances can affect the amount of your tax credits award. Can you tell me after what events in your life you might need to notify HMRC of a change of circumstances?</b></p> <p>MODERATOR PROMPT:</p> <ul style="list-style-type: none"> <li>- You stop or start living with a partner,</li> <li>- Cost of childcare changes, PROBE: child starting full time education</li> <li>- Not working for at least 16 or 30 hours a week, partner changed working hours</li> <li>- No longer being responsible for a child,</li> <li>- New birth,</li> <li>- Child no longer eligible, when they are no longer eligible? PROBE: child leaving full time education?</li> <li>- Change of income</li> <li>- Qualifying for extra help with tax credits on grounds of sickness or disability</li> <li>- Moved home</li> </ul>	<p>This section aims to gauge the participant's awareness and understanding of their responsibilities as a claimant and their experience of informing HMRC of changes of circumstances. It also explores their experiences of the renewals system.</p> <p>MODERATOR NOTE: all participants will have been through the auto-renewal process this year (their award will have been automatically renewed). In previous years, they may have been required to contact HMRC to renew their award.</p> <p>MODERATOR NOTE: allow spontaneous recall of change of circumstances to be reported before prompting.</p> <p>WORKING HOURS: If you are responsible for a child, you are disabled or are aged over 50 (with certain benefits) or 60, you need to work for at least 16 hours a week, otherwise you need to work for at least 30 hours a week.</p>

<p><b>Are any of these more important to your level of award than others?</b></p> <p>If yes,</p> <ul style="list-style-type: none"> <li>- Which ones? Why?</li> <li>- Are there any that you would you not report?</li> <li>- Would you report changes that you thought would not change the amount of tax credits you received? What like? Why would/wouldn't you report them?</li> </ul> <p><b>Can you tell me how soon you need to inform HMRC of these changes after they occur?</b></p> <ul style="list-style-type: none"> <li>- How do you know this?</li> <li>- When do you normally update HMRC with changes? Why?</li> <li>- Do you think it is more important to report some changes in circumstance sooner than others?</li> </ul> <p><b>Can you tell me why it is important to update HMRC with changes of circumstances?</b></p> <ul style="list-style-type: none"> <li>- If think HMRC already knows. How would HMRC know this? [for any of above listed changes]</li> <li>- What pieces of information do you think HMRC already knows about you?</li> </ul> <p><b>Have you ever notified HMRC of a change of circumstances?</b></p> <ul style="list-style-type: none"> <li>- If yes, what triggered you to do this? The change itself (already knowing that you should report it)? HMRC? Something else? How soon before/after the event did you report it? NOTE: Explore whether they are proactive or reactive in reporting changes. Did you call HMRC to report the change? How easy or difficult was it? Why? What was the change? When in the year did you report it? NOTE: links to key dates e.g. child starting/leaving school, renewal period, self-assessment reporting deadline.</li> <li>- If no, have your circumstances always been the same? Refer back to list of relevant changes of circumstances if necessary.</li> </ul>	<p>MODERATOR NOTE: The change must be notified within 1 month of the date the change occurred. Except for certain circumstances, any increase can only be backdated for up to 3 months. Any reduction in tax credits will usually be backdated to the date of change.</p> <p>NOTE: around half of all participants will have experienced at least one overpayment. Please get some detail on this experience and the impact it had on the way they manage their claim and their relationship with HMRC, but try to keep this fairly brief and do not let the participant lose focus.</p>
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	<ul style="list-style-type: none"> <li>- Is there any reason why you wouldn't report changes as they happen? What like? What makes it more difficult to do it immediately?</li> <li>- Has there ever been a time when you've decided not to report a change? If yes, what was the change? And why did you decide not to report it?</li> <li>- Would you like to be able to report future changes in personal circumstances? Why? Why not?</li> </ul> <p><b>How would you describe your experiences of calling the tax credits helpline?</b></p> <ul style="list-style-type: none"> <li>- Is it easy to get through? If no, why do you feel it isn't easy to get through? Do you keep trying? How many times?</li> <li>- What days/ times do you usually call?</li> <li>- Are the helpline hours convenient?</li> <li>- Are there any times of the year that you tend to make the most calls? When? Why is that?</li> <li>- When you call are you always put through to a person or do you need go through recorded messages and options first? If the latter, how do you feel about this? Do the recorded messages provide you with useful information? If yes, do you still want to speak with a HMRC adviser?</li> </ul> <p><b>How would you describe the people you speak to on the helpline?</b></p> <ul style="list-style-type: none"> <li>- Are they nice? Friendly?</li> <li>- Do they seem to be knowledgeable about the system?</li> <li>- Are they able to help you with your queries?</li> <li>- Are you normally satisfied with the outcome of the call? Why/ why not?</li> </ul> <p><b>Do you have internet access at home?</b></p> <p><b>IF YES:</b></p> <ul style="list-style-type: none"> <li>- How would you feel about being able to manage your claim and update your circumstances online?</li> <li>- What would be the benefits of this?</li> <li>- And the drawbacks? Can you access a computer easily? Do you have one at home? Do you feel confident using a computer?</li> <li>- Is this something you would do, or would you still prefer to use phone/ mail? Why?</li> </ul>	
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	<p>If they'd use both, for which actions would they find online more useful, and for which would they continue to use phone/mail? Why?</p> <p><b>IF NO:</b></p> <ul style="list-style-type: none"> <li>- Do you have access to the internet at a different location? Probe: a friend or family member's house? Library? Internet café?</li> <li>- How easy or difficult would it be for you to access the internet?</li> <li>- How would you feel about managing your claim and update your circumstances online?</li> <li>- Do you think there would be any benefits of this?</li> <li>- And the drawbacks? Do you feel confident using a computer?</li> <li>- Is this something you would do, or would you still prefer to use phone/ mail? Why?</li> </ul> <p>If they'd use both, for which actions would they find online more useful, and for which would they continue to use phone/mail? Why?</p> <p><b>Thinking about your claim, what do you see as your responsibility? And what do you see as HMRC's responsibilities?</b></p> <ul style="list-style-type: none"> <li>- Who should check whether the details relating to your income have been recorded accurately? Why?</li> <li>- Who should check whether the details relating to your personal circumstances have been recorded accurately? Why?</li> <li>- If think HMRC responsible, why do you think this?</li> <li>- What about changes of circumstances – who is responsible for making sure these are recorded correctly? If HMRC: How do you think HMRC would learn about your changes of circumstances?</li> <li>- Do you think you or HMRC are responsible for getting your tax credit claim right?</li> </ul> <p><b>Can you tell me what might happen if you didn't inform HMRC of a change of circumstance?</b></p> <ul style="list-style-type: none"> <li>- Have you heard about overpayments and underpayments? What are they? What makes them happen? And what is the result of them?</li> </ul>	<p>NOTE: All participants should be on the auto-renewals system but many will have previous experience of the renewals process.</p>
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	<ul style="list-style-type: none"> <li>- Have you ever received an overpayment or an underpayment?</li> <li>- If yes, do you know what caused this? What was the outcome? How did you feel about this? Did you change the way you manage your claim as a result of this? Why/ why not? What would have helped you avoid this situation?</li> <li>- Do you know of any other penalties HMRC might use if you don't keep them updated? Where did you hear about these? How do you feel about these?</li> </ul> <p><b>I am now going to talk to you about the renewals process.</b></p> <p><b>Have you heard of the renewals process?</b></p> <ul style="list-style-type: none"> <li>- What do you know about it?</li> <li>- When does it take place?</li> <li>- Do you know what the deadline for renewals is? PROBE: How do you know that? Where did you hear that?</li> </ul> <p><b>What do you think the renewals process is for?</b></p> <p>Probe for understanding that:</p> <ul style="list-style-type: none"> <li>- Tax credit awards are estimated until actual income and circumstances are confirmed at renewal [may reveal an overpayment if change of circumstances / income not correctly reported]</li> </ul> <p><b>Have you ever had to renew your tax credits claim?</b></p> <ul style="list-style-type: none"> <li>- If yes, when was this?</li> <li>- What did you have to do?</li> <li>- How easy/ difficult did you find the process? If more than once, was it easier the first time? Why? Why not?</li> </ul>	<p>NOTE: Penalties of up to £300 can be levied if a customer does not keep HMRC up-to-date their circumstances.</p>
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Timings	Understanding and experiences of the auto-renewal process	Notes and Prompts
25 mins	<p><b>I understand that your tax credits claim is automatically renewed each year - is that right?</b></p> <ul style="list-style-type: none"> <li>- What does it mean to say that your award is automatically renewed?</li> </ul> <p>If they do not understand/ unaware of automatic renewals, explain that this means they do not need to complete an annual declaration form or renew their tax credits at the end of each award period. Their award continues, based on the information HMRC has about them and they only need to contact HMRC if the information on their new award is incorrect.</p> <ul style="list-style-type: none"> <li>- PROBE: awareness of process; spontaneous recall of key aspects:               <ul style="list-style-type: none"> <li>o Check form</li> <li>o Report changes</li> <li>o No need to contact HMRC information on notice is correct</li> </ul> </li> <li>- Awareness that auto-renewal occurs for:               <ul style="list-style-type: none"> <li>o those receiving the family element of Child Tax Credit,</li> <li>o those having a nil award because their income is too high,</li> </ul> </li> <li>- or, more recently, those who received Income Support, Income Based Job Seeker's Allowance, Income Based Employment Support Allowance or Pension Credit for the whole of the last tax year. If they say they are not on auto-renewals ask about what they did during the auto-renewals period this year. What did they receive from HMRC, what did they have to do?</li> </ul> <p><b>Was this year the first time you did not have to contact HMRC to renew your award?</b></p> <ul style="list-style-type: none"> <li>- If yes, how did you feel about being moved onto a system where your award is automatically renewed?</li> <li>- Does it suit your circumstances to have your award renewed automatically? Why/ why not? Do you prefer not having to renew each year? Why/ why not?</li> </ul> <p>Probe around: stability of their situation, level of award, what it is about the level of their award that makes them feel this (those with low awards might not want to have to contact HMRC every year, those with high awards might not want to risk having their</p>	<p>This section explores the participant's understanding and experiences of the auto-renewals system. It will aim to understand how auto-renewals impacts upon the claimants' management of their claim, especially in regards to notifying HMRC of changes of circumstances. Finally, it explores possible improvements to the system.</p> <p><u>NOTE: All participants should be auto-renewals customers. Please note that customers <u>will not be familiar with the term auto-renew/ auto-renewal.</u></u></p>

	<p>award terminated if they renew late).</p> <ul style="list-style-type: none"> <li>- If appropriate, ask: what if your award was higher/lower? What if your situation was more changeable?</li> <li>- did being moved to a system where your tax credits award is renewed automatically change the way you manage your claim?</li> </ul> <p>Probe around:</p> <ul style="list-style-type: none"> <li>- Notifying HMRC of changes of circumstances, how often and when</li> <li>- Checking their award notice</li> <li>- Contact HMRC when they receive their award notice?</li> </ul> <p><b>Do you remember receiving an Annual Review Notice this year? Can you tell me what you needed to do when you received it?</b></p> <p>Allow the participant to answer without prompting.</p> <p><b>Hand the participant the envelope with the Annual Review Notice and guidance and give them some time to read it.</b></p> <ul style="list-style-type: none"> <li>- How do you feel when you first open this?</li> <li>- Do you remember receiving this? What bits of this are familiar? What did you do with it when you received it? Why? When did you read it? Why?</li> <li>- What is this notice for? PROBE: awareness that they will not receive another award notice and that their auto renewal notice IS their actual award notice.</li> <li>- Do you think it's clear and easy to understand? Are there any parts that you think could be made clearer? How? Can you mark these parts with a highlighter please?</li> <li>- How do you feel about the language used? Is it easy or difficult to understand? Are there any words or sentences that cause confusion? Could you highlight these please?</li> <li>- How do you feel about the layout of the notice? Are there any parts you would change?</li> <li>- What actions should the notice prompt?</li> <li>- Is it important for you to check your Annual Review Notice? Why/ why not? Could there be any consequences if you don't check it?</li> </ul>	<p>The main aim here is, firstly, to find out if they report changes when they should and, secondly, if they report changes as they occur or wait to be prompted at the end of the year by HMRC.</p> <p>MODERATOR NOTE: Note the order participants look at the documents and initial reactions.</p>
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	<ul style="list-style-type: none"> <li>- What parts of the notice do you check? Why? Are there any parts that you don't need to check? Why? Can you please mark the parts you check?</li> <li>- What information do you need in order to check the form? Is the information handy/ readily available? If not, what would you do with the form?</li> <li>- Do you need to contact HMRC when you receive this notice? Why? Why not</li> <li>- How would you contact HMRC? By phone? Letter? Do you know the deadline for reporting if your circumstances are different to those shown in the review form? PROBE: How do you know that? Where did you hear that?</li> </ul> <p><b>If the amount recorded as your income on your Annual Review Notice was a little higher or lower than your actual income, would you need to contact HMRC?</b></p> <ul style="list-style-type: none"> <li>- Why? Why not?</li> </ul> <p>Would you need to report an income change of £6,000 a year? What about 12,000? (Illustrate with example if necessary) Why/ why not?</p> <p>How big would the difference need to be for it to have an impact on your award?</p> <p><b>Do you remember the guidance notes which came with the Annual Review Notice?</b></p> <p>Point the guidance notes out to the participant and give them a chance to read it</p> <ul style="list-style-type: none"> <li>- Do you remember reading these notes when you received your reward? Did you read all of them? Why did you/why not? How far/which parts did you read?</li> <li>- What were the main messages you took from the notes?</li> <li>- Were the notes helpful? Why/why not? What could be improved about them?</li> <li>- Probe: presentation, clarity? Was there too much information/not enough? What information were you missing? Are there any parts that you think could be made clearer? How? Can you mark these parts with a highlighter please? Where else did you go for information? Was this more helpful?</li> <li>- If you're unsure of what you need to do or what something means do you ask anyone for help? Who? HMRC, Friends, Family, JCP? Anyone else?</li> </ul> <p><b>Now thinking about each section of the guidance notes:</b></p>	
		<p>MODERATOR NOTE: Auto-renewal customers just receive an Annual Review notice sent out in an A5 size brown envelope between April and June (reply required renewals are sent in a white envelope).</p>



	<ul style="list-style-type: none"> <li>- What about section A: did you have any difficulties checking this? Did you have to correct anything?</li> <li>- And section B? Did this make clear to you whether or not you needed to contact HMRC? Did you? Were the notes helpful?</li> <li>- And what about section C? Did you check your income details? Was it easy/difficult? Why? Did this section help? Did you seek other help in order to work out your income? Were your details right? What did you do? Why?</li> <li>- What did you do with the leaflet? Did you keep it/throw it away? Why?</li> <li>- Would you have liked more information or less information on the guidance notes? What other information would you find useful? Why?</li> </ul> <p>FOR THOSE WHO CONTACTED HMRC DURING THE LAST RENEWAL PERIOD</p> <p><b>Did you contact HMRC when you received your renewals letter this year?</b></p> <ul style="list-style-type: none"> <li>- How did you contact them?</li> <li>- Why did you contact them?</li> <li>- If not, why not?</li> </ul> <p>If contact was to update HMRC on change of circumstances:</p> <ul style="list-style-type: none"> <li>- When did this change happen? If the change had occurred more than a month before they reported it try to find out why they waited until the renewals period? Do they need to be prompted by HMRC to report a change? When in the year would prompts be most helpful? What kind of prompts would they like to receive?</li> <li>- Is the renewals period the right time to report changes? What happens if you report changes before/ after the renewals period?</li> </ul> <p>If contact was not about a change of circumstances and they called to renew:</p> <ul style="list-style-type: none"> <li>- Can you remember the call? What was it about?</li> <li>- When you made the call did you get through to a person straight away or did you have to go through recorded messages first? If yes, what did these messages</li> </ul>	<p>NOTE: Probe for understanding that they only need to contact HMRC if they have a change of circumstances or the information on their award notice is incorrect.</p> <p>NOTE: This year, the income disregard has decreased from £25k to £10k – any changes of less than £10k will not affect awards.</p>
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<p>say? Did any of them apply to you? What did you do?</p> <ul style="list-style-type: none"> <li>- What was the outcome of this call?</li> </ul> <p>Is there anything you did this year that you wouldn't next year when you receive your award notice?</p> <p><b>FOR THOSE WHO DID NOT CONTACT HMRC DURING THE LAST RENEWAL PERIOD</b></p> <ul style="list-style-type: none"> <li>- Had any of your circumstances changed during that award period?</li> <li>- Do you need to do anything during the renewals period? Why/ why not?</li> <li>- Did you try to make a call to HMRC but were unable to get through?</li> <li>- Did you choose not to contact HMRC even though you thought you needed to? Why?</li> <li>- Is there anything you didn't do this year that you might do next year when you receive your award notice?</li> </ul> <p><b>Now let's discuss the renewals period last year. Was your claim automatically renewed that then as well?</b></p> <ul style="list-style-type: none"> <li>- If yes: how did the process compare? Was it exactly the same?             <ul style="list-style-type: none"> <li>o - If yes, did you do anything differently? What? Why? Did it help?                 <p>Probe: what did you do with the letter? How soon did you read it? (if applicable) What prompted you to eventually deal with the letter (if not immediate)? How soon did you notify HMRC (if applicable)? Did you feel more/less responsible for the claim that you did this year?</p> </li> <li>o - If no, how was it different? What did you do differently? What did you do the same? Why? Probe: receiving/filing the letter, reading the letter, responding to the letter (if applicable). Was what you did differently helpful or less helpful? What made the more recent claim process easier/more difficult?</li> </ul> </li> <li>- If no: how did being automatically renewed compare with the previous system? Did it</li> </ul>	<p>NOTE: Half of all renewals participants called HMRC during the last renewal period – if they did, try to find out whether this was because they did not understand that they were an auto-renewal customer or because they need to report a change. If the latter try to find out whether they had waited until the renewals period to report the change.</p> <p>Moderator note: Talking about renewals period of April-July 2010</p> <p>Try to ascertain whether or not the call was necessary</p>
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	<p>renew?</p> <ul style="list-style-type: none"> <li>- And is there anything you didn't do this year that you would do next year?</li> </ul> <p><b>Do you know if any of your friends or family who claim tax credits have awards that are not automatically renewed?</b></p> <ul style="list-style-type: none"> <li>- <b>If yes</b>, can you describe their circumstances for me? PROBE AROUND: working status, relationship status, number and age of children, types of tax credits received</li> <li>- Do you think automatic renewal of awards would suit their circumstances? Why/why not? PROBE VERY SENSITIVELY ON: Level of award and stability of circumstances</li> <li>- If no, can you think of any reasons why automatically renewed claims would not work for certain people?</li> </ul> <p><b>Can you think of how these issues might be overcome?</b></p> <p><b>If you were no longer eligible for tax credits or wanted to stop claiming, how would you go about terminating your award?</b></p> <ul style="list-style-type: none"> <li>- What would you do? Is there anything else you would need to do afterwards?</li> <li>- When would you need to do it?</li> <li>- Do you understand in what circumstances you would need to withdraw from the system?</li> <li>- Do you think, as someone with an automatically renewed award, you would remember to withdraw on time?</li> <li>- What would help you remember to withdraw?</li> <li>- And what would make it easier?</li> </ul>	
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Timings	Communications	Notes and Prompts
15 mins	<b>I'd now like to discuss the way HMRC uses the media to let customers know about tax credits. Do you recall any of their advertisements about tax credits?</b>	This section explores awareness of the current media campaign and the impact which these communications

	<p><b>Can you tell me about them?</b> (If no, work through the information <b>bulleted below</b> and give participant the stills from the tv ads</p> <ul style="list-style-type: none"> <li>- What kind of advert was it?</li> <li>- Where did you see it?</li> <li>- What time of year was it?</li> <li>- Do you remember the message of the advert?</li> <li>- Did you understand the purpose of the advert? Was the message clear? Why, why not?</li> <li>- Did anything in the advert apply to you? Why, why not?</li> <li>- Did the advert confuse you or help you?</li> <li>- Did you do anything about your tax credits claim after seeing the advert? Seek more information? Check your information was correct? Contact HMRC about your claim?</li> <li>- Did you talk with friends or family about the tax credits renewals adverts? What did you say? PROBE: positive or negative reactions</li> </ul> <p><b>Overall, are these adverts helpful for you as a customer who has their award automatically renewed? Why?</b></p> <ul style="list-style-type: none"> <li>- What's most/least useful about them?</li> <li>- Would they prompt you to do anything in relation to your claim? Would you check your details? Contact HMRC?</li> </ul> <p><b>Do these adverts make you want more information? Where do you go for information?</b></p> <ul style="list-style-type: none"> <li>- Probe: helpline, internet, Citizen's Advice Bureau, friends, family etc.</li> <li>- Where would you like to be able to find the information and advice you need?</li> </ul> <p><b>Did you see the self-help video on Directgov's website? There was a link to it on HMRC's website</b></p> <p>If yes;</p> <ul style="list-style-type: none"> <li>- What did you think about it? Probe around tone, visuals and content</li> <li>- Was it helpful? Any parts in particular? Was there any other information that</li> </ul>	<p>have on auto-renewals customers. It also looks at future communication needs.</p> <p>NOTE:</p> <ul style="list-style-type: none"> <li>- HMRC advertises during the tax credits renewals period (April – July)</li> <li>- Adverts are on TV and radio</li> <li>- Posters are issued to the Citizen Advice Bureau and other bodies</li> <li>- The adverts remind tax credits customers to complete their annual review and/or annual declaration forms ahead of the deadline</li> <li>- They ask customers to report changes of circumstances to HMRC</li> <li>- They remind customers that not doing so can cost them money, either through underpayment or overpayment</li> </ul>
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	<p>wasn't included that would have helped?</p> <p>If no: explain the concept: a video on the Directgov website which guides claimants through the different steps of the renewals process.</p> <ul style="list-style-type: none"> <li>- Does that should like a good idea? Would you use it? What kind of information would be particularly helpful to you?</li> </ul> <p><b>As a customer who has their award automatically renewed, is the message about the deadline important for you? Why/why not?</b></p> <ul style="list-style-type: none"> <li>- Do you feel the deadline applies to you in any way?</li> <li>- Does the deadline make you think about your claim or review it?</li> <li>- Does the message about a deadline confuse you? Did you seek further help/ who did you talk to?</li> <li>- Do you think you would look at your claim if there was no message about a deadline?</li> </ul> <p><b>What other sources of information/advertising would you find helpful? What would be the benefits/drawbacks of each?</b></p> <ul style="list-style-type: none"> <li>- Social media?</li> <li>- Letters/reminders? When? Why?</li> <li>- Emails?</li> <li>- Text messages?</li> <li>- Citizens Advice Bureau?</li> <li>- Key figures/community leaders? Such as?</li> <li>- Other?</li> </ul> <p><b>What source(s) of information would make you more confident about your tax credits claim?</b></p> <ul style="list-style-type: none"> <li>- Probe: why? Convenience? Authority? Trust?</li> </ul> <p><b>How would you say that HMRC's communications affect the way you check your forms? Why? How does your behaviour differ afterwards?</b></p> <ul style="list-style-type: none"> <li>- Do they prompt you to check your forms?</li> </ul>	
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	<ul style="list-style-type: none"> <li>- Do they make you check your forms more carefully? Make sure your forms are accurate?</li> <li>- Do you help you to understand which parts of the form you need check?</li> <li>- Do they make you more aware of the importance of checking your information is accurate? (E.g. overpayments, etc.)</li> <li>- Do they make you report changes of circumstances?</li> </ul> <p><b>Overall, what impact do HMRC’s media campaigns have on you as a customer who has their award automatically renewed?</b></p> <ul style="list-style-type: none"> <li>- Make things clearer or more confusing?</li> <li>- Make you act or don’t make you behave any differently?</li> </ul> <p><b>Are there any aspects of your tax credits claim which you would like more information about?</b></p> <ul style="list-style-type: none"> <li>- How to keep their claim correct?</li> <li>- Where to go for help?</li> <li>- Implications/consequences of incorrect claims</li> </ul> <p><b>As a customer who has a claim which is automatically renewed, do you want reminders about checking your claim and reporting changes of circumstances?</b></p> <ul style="list-style-type: none"> <li>- How often would you want to be reminded? Why?</li> <li>- Are there particular times of year when it would be helpful for you to be reminded? Beginning of the calendar year? End of tax year? Start/end of school year?</li> </ul> <p><b>How would you want HMRC to remind you?</b></p> <ul style="list-style-type: none"> <li>- Just by a letter? Or other form of personal communication? SMS? Email?</li> <li>- Media campaign? What type(s)?</li> </ul> <p><b>And if the process of managing tax credits changes, how do you think HMRC should inform people of this?</b></p> <ul style="list-style-type: none"> <li>- Letter only?</li> </ul>	
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	<ul style="list-style-type: none"> <li>- A media campaign as well? What would be useful?</li> </ul> <p><b>Finally, are there any other ways that you'd like HMRC to reach you and help you with tax credits?</b></p>	
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Timings	Conclusion and thanks	Notes and Prompts
5 mins	<ul style="list-style-type: none"> <li>- Thinking about everything we've discussed today, how do you think the process of automatic renewal of awards could be changed to make it easier for people to manage their claim?</li> <li>- Is there anything else you think is relevant and wish to discuss?</li> <li>- Thank participants; explain the next steps (e.g. what HMRC will do with the findings). THANK AND CLOSE. Reassure about confidentiality</li> </ul>	<p>Key messages, particularly interested in thoughts around understanding and experience of the auto-renewals process and changes of circumstances.</p> <p>Draws interview to a close.</p>



Appendix A – Contact with HMRC

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April 2010

April 2011

## HMRC – Tax Credits Renewals Research

### Groups 1-3: Reply-required Renewals - Discussion Guide – FINAL

#### **Objectives:**

This study aims to understand tax credits customers' behaviour around tax credits renewals. It will also explore how a shift towards auto-renewals might affect how customers manage their claim.

Key research questions:

- To explore attitudinal, motivational, knowledge, circumstantial and behavioural drivers that can influence customers' renewal behaviour.
- To explore customers' compliance with the tax credits renewal procedures following a change to the process.

Specific research questions:

- To explore customers' understanding of the auto-renewal process.
- To explore how automatically renewing awards affects customers' behaviour with regards to reporting changes of circumstances and contact with the HMRC tax credits helpline.
- To explore customers' understanding of renewal interventions, such as letters issued by HMRC relating to the renewal process.
- To explore how customers' renewal behaviour is influenced by the mode of contact.

HMRC would like to elicit the views of claimants who demonstrate different types of reporting behaviour. These groups are:

**Group 1:** Early Renewals: customers who renew before the second week of June.

**Group 2:** "Just in Time Renewals": customers who renew their tax credit award within the last two weeks of the renewal period (last two weeks of July).

**Group 3A:** Late Renewals: customers who failed to renew by the deadline but did so within 30 days following the renewal deadline

**Group 3B:** Tax Credits Award Terminated but Re-entered System on a New Award: customers who failed to renew by the deadline, had their claims terminated but later made a new claim in a new award.

**Group 4:** Tax Credits Award Terminated and did not Re-enter System: customers who do not renew their tax credit award and do not reapply to come back into the tax credits system.

**Group 5:** Auto-renewals: customers who have their claim renewed automatically and only need to contact HMRC if their circumstances have changed or are anticipated to change in the forthcoming year. Within this group, customers who made contact with HMRC during the renewal period and those who did not are both included.

**This guide is to be used for interviews with customers in Groups 1-3 customers who are currently on the reply required system.**

The incentive for a single depth is £30 and for a paired depth, £50.

Notes	Guide Sections	Guide Timings
<b>1. Introductions and background</b>	Sets the scene, reassures participants about the interview, confidentiality. Discuss the general work and life circumstances of the participant which provide useful background.	10 mins
<b>2. General attitudes to finances and understanding of tax credits</b>	Discusses the participant's approach to financial management and how tax credits fits into the household's income. It also explores the customer's understanding of what tax credits are and their experiences of making a claim.	10 mins
<b>3. Understanding of responsibilities in managing tax credits claims</b>	Looks at general tax credits management and understanding of the customer's responsibilities. It focuses on understanding of when they need to report changes of circumstances and their experience of doing this.	15 mins
<b>4. Experience of Reply Required Renewals and current communications</b>	Explores the participant's understanding and experiences of the reply-required renewals system. It will aim to understand the barriers, triggers and motivations for renewing and think about what can be done to encourage customers to renew earlier. This section will also gauge awareness of current communications and their impact.	20 mins
<b>5. Moving to auto-renewals</b>	Explores how the move to auto-renewals might affect the behaviour of current reply required customers. The Annual Review notice will be tested before customers are given details about the auto-renewal system in order to see how far they understand the messages and implications.	20 mins
<b>6. Future Communications</b>	Identifies communication needs if the system is changed to auto-renewals. It tests mock communications including notices and advertisements to understand how best communicate the change and encourage desirable behaviour.	10 mins
<b>7. Conclusions</b>	Identifies key messages and sums up.	5 mins

### Using this guide

We use several conventions to explain to you how this guide will be used. These are described below:

Timings	Questions	Notes and Prompts
5 mins	<p><b><u>Underlined</u> = Title:</b> This provides a heading for a sub-section</p> <p><b>Bold = Question or read out statement:</b> Questions that will be asked to the participant if relevant. Not all questions are asked during fieldwork based on the moderator's view of progress.</p> <ul style="list-style-type: none"> <li>▪ <b>Bullet = prompt:</b> Prompts are not questions – they are there to provide guidance to the moderator if required.</li> </ul>	This area is used to summarise what we are discussing, provides informative notes, and some key prompts for the moderator
How long it takes	Typically, the researcher will ask <b>questions</b> and use the prompts to guide where necessary. Not all questions or prompts will necessarily be used in an interview	

Timings	Key Questions	Notes and Prompts
10 mins	<p><b><u>Welcome and introduction</u></b></p> <ul style="list-style-type: none"> <li>- Thank participant for taking part</li> <li>- Introduce self, Ipsos MORI</li> <li>- Emphasise that we will be talking about their experiences of the tax credits system.</li> <li>- Confidentiality: reassure that all responses are anonymous and that information about individuals will not be passed on to anyone, including back to HMRC or any other Government Department</li> <li>- Explain outline of the research</li> <li>- Role of Ipsos MORI – independent research organisation (i.e. independent of GOVERNMENT), gather all opinions: all opinions valid. Remind that there are no right or wrong answers. Commissioned by HMRC to conduct the research.</li> <li>- Reassure that a claim for any current or future tax credits claim will not be affected in any way.</li> <li>- Get permission to digitally record – transcribe for quotes, no detailed attribution</li> </ul> <p><b><u>Personal Background</u></b></p> <p><b>I'd like to start by learning a little about you.</b></p> <ul style="list-style-type: none"> <li>- Can you just tell me a bit about you and your household? PROBE: Where they live, who they live with, how long they have lived there, number of adults in household, whether they have children? How old are they?</li> <li>- Are you working at the moment? What kind of work do you do? PROBE: For employer/s, number of employers, number of hours, how long they have been in each role, regularity of hours and income, sector, skills level, seasonality.</li> <li>- IF APPLICABLE: What about your partner – what kind of work do they do? Do they work full time/ part time? Number of hours?</li> </ul>	<p>Welcome: orientates participant, gets them prepared to take part in the interview.</p> <p>Outlines the 'rules' of the interview (including those we are required to tell them about under MRS and Data Protection Act guidelines).</p> <p>NOTE: Fine to mention HMRC at this stage</p> <p>NOTE: These background questions are important as they not only provide context but also indicate how likely the participant will need to report changes for their claim.</p> <p>If a paired depth, ask these questions to both participants.</p>

Timings	General attitudes to finances and understanding of tax credits	Notes and Prompts
10 mins	<p><b>I'd like start by talking a little about your finances. Can you tell me who is responsible for managing the household budget?</b></p> <p><b>How would you describe your approach to your finances?</b></p> <ul style="list-style-type: none"> <li>- Can you describe your weekly/ monthly incomings and outgoings?</li> <li>- How do you keep track of these? Do you keep any records? How often do you review your finances?</li> <li>- Where do your tax credits fit into your incomings? Who receives the tax credits money?</li> <li>- What do you use your Tax Credits money for?</li> <li>- Does your income vary throughout the year? If so, how?</li> <li>- What about income from benefits? Do you keep award notices from your benefits? PROMPT: Job Seekers Allowance, Income Support, Disability Living Allowance, Employment Support Allowance, Child Benefit PROBE: Do you deal with each benefit differently? If so, why?</li> </ul> <p><b>How much mail do you normally receive in a week?</b></p> <ul style="list-style-type: none"> <li>- Do you feel you receive a lot of mail? How much? How do you feel about dealing with mail? Is it easy/ difficult to keep on top of?</li> <li>- What do you normally do when you receive a bill? Do you read it straight away? Or do you file it away? Are there any bills you wouldn't read at all?</li> <li>- And what about bill-paying? Do you make sure you always pay on time, or are you a bit more relaxed about it? PROBE: When do you normally pay most of your bills (immediately? To deadline? Whenever you remember to? What proportion of bills do you think you pay late? Do you ever get reminders? How do you react to them?</li> <li>- What do you normally do when you receive letters from the government, or government agencies, relating to your finances e.g. benefits, tax credits? How do you feel about receiving these kinds of letters? How about responding to them? Do you feel confident about what you need to do or not?</li> </ul>	<p>This section will be used to understand the participant's approach to financial management. It will also explore the participant's understanding of tax credits, how their tax credits claim fits into the household budget and their experience of making a claim.</p> <p>MODERATOR NOTE: Try to obtain a brief description about whether they use a 'common pot', keep individual finances separate, use 'cash pots' or different bank accounts to allocate money for different purposes.</p> <p>MODERATOR: please try to get an understanding of what times of the year that income is most likely to change.</p> <p>MODERATOR NOTE: We need to obtain as much information about how respondents manage their benefit claims, how this differs from tax credits claims and if customers perceive a difference.</p>

	<p><b>How long you have been claiming tax credits?</b></p> <ul style="list-style-type: none"> <li>- Can you tell me how much you receive in tax credits?</li> <li>- Has the amount of tax credit you receive ever changed? PROBE: If yes, probe for what the change was. What do you think might have caused it to change?</li> </ul> <p><b>How easy/difficult do you find it to claim tax credits? What do you find particularly easy/difficult?</b></p> <ul style="list-style-type: none"> <li>- Do you find it easier or more difficult compared to claiming any other types of benefit? Why? Has it always been like this, or was it easier/more difficult when you first made the claim?</li> <li>- Did you ask anybody for any advice when you originally made a claim for tax credits? Who was this? Were they helpful? Why did you ask them? Would you do the same again? Where else might you have sought information?</li> <li>- Since originally making a claim, have you sought further advice about your claim? Do you feel you need more or less advice than at the beginning? And do you seek more or less advice?</li> <li>- Who do you seek advice about a claim from? Why do you ask these people/organisations for advice? What is it about this source of information that you trust? PROBE: If they did not seek advice, why not?</li> <li>- Do you understand how much tax credit you can claim? Is it important to you to understand how much you receive? Do you check to see if the amount of tax credits you are receiving is about right? How do you do this?</li> <li>- How much contact have you had with HMRC over the course of your claim? PROBE: Ask participant about frequency and channel. PROBE: How often do they access the HMRC website?</li> <li>- What was this contact about? To what extent did you get the help you needed? What else would it have been helpful for HMRC to tell you? PROBE: Why do you say this?</li> <li>- Has the amount of contact you have with HMRC changed over the course of your claim? How?</li> </ul>	
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Timings	Understanding of responsibilities in managing tax credits claims	Notes and Prompts
15 mins	<p><b>I'd now like to talk in a little more detail about managing your tax credits claim.</b></p> <p><b>Can you tell me about the contact you had with HMRC during your last award period. This is any contact throughout the whole award period between April 2010 and April 2011? Use the timeline in Appendix A.</b></p> <p><b>This may be difficult for some participants, but try to get an idea of how often they contacted HMRC and why. Also, did HMRC contact the participant?</b></p> <p>For each instance ask:</p> <ul style="list-style-type: none"> <li>- When did you contact HMRC?</li> <li>- What was the reason?</li> <li>- If updating a change of circumstances: how soon did you contact HMRC after the change occurred? Why was this? What, if anything, prompted them to contact HMRC?</li> <li>- When did HMRC contact you? Probe: Was this via a letter or phone call? What was the reason? Did you understand why HMRC were contacting you?</li> </ul> <p><b>Sometimes a change in your personal circumstances can affect the amount of your tax credits award. Can you tell me after what events in your life you might need to notify HMRC of a change of circumstances?</b></p> <p>MODERATOR PROMPT:</p> <ul style="list-style-type: none"> <li>- You stop or start living with a partner,</li> <li>- Cost of childcare changes, PROBE: child starting full time education</li> <li>- Not working for at least 16 or 30 hours a week, partner changed working hours</li> <li>- No longer being responsible for a child,</li> <li>- New birth,</li> <li>- Child no longer eligible, when they are no longer eligible? PROBE: child leaving full time education?</li> <li>- Change of income</li> <li>- Qualifying for extra help with tax credits on grounds of sickness or disability</li> </ul>	<p>This section aims to gauge the participant's awareness and understanding of their responsibilities as a claimant and their experience of informing HMRC of changes of circumstances. It also explores their experiences of the renewals system.</p> <p>MODERATOR NOTE: allow spontaneous recall of change of circumstances/claim renewal to be reported before prompting.</p> <p>WORKING HOURS: If you are responsible for a child, you are disabled or are aged over 50 (with certain benefits) or 60, you need to work for at least 16 hours a week, otherwise you need to work for at least 30 hours a week.</p> <p>NOTE: This year, the income disregard has decreased from £25k to £10k – any changes of less than £10k will not affect awards.</p> <p>MODERATOR NOTE: The change must be notified</p>

<ul style="list-style-type: none"> <li>- Moved home</li> </ul> <p><b>Are any of these more important to your level of award than others?</b></p> <p>If yes,</p> <ul style="list-style-type: none"> <li>- Which ones? Why?</li> <li>- Are there any that you would you not report?</li> <li>- Would you report changes that you thought would not change the amount of tax credits you received? What like? Why would/wouldn't you report them?</li> </ul> <p><b>Can you tell me how soon you need to inform HMRC of these changes after they occur?</b></p> <ul style="list-style-type: none"> <li>- How do you know this?</li> <li>- When do you normally update HMRC with changes? Why?</li> <li>- Do you think it is more important to report some changes in circumstance sooner than others?</li> </ul> <p><b>Can you tell me why it is important to update HMRC with changes of circumstances?</b></p> <ul style="list-style-type: none"> <li>- If think HMRC already knows. How would HMRC know this? [for any of above listed changes]</li> <li>- What pieces of information do you think HMRC already knows about you?</li> </ul> <p><b>Have you ever notified HMRC of a change of circumstances?</b></p> <ul style="list-style-type: none"> <li>- If yes:             <ul style="list-style-type: none"> <li>o What was the change?</li> <li>o Can you remember what triggered you to report it? The change itself (already knowing that you should report it/worry about overpayments)? HMRC? Something else?</li> <li>o How soon before/after the event did you report it? When in the year did you report it? NOTE: links to key dates e.g. child starting/leaving school, renewal period, self-assessment reporting deadline. NOTE: Explore whether they are proactive or reactive in reporting changes.</li> <li>o How did you notify HMRC of the change? <i>PROBE: phone, letter, etc.</i></li> </ul> </li> </ul>	<p>within 1 month of the date the change occurred. Except for certain circumstances, any increase can only be backdated for up to 3 months. Any reduction in tax credits will usually be backdated to the date of change.</p> <p>NOTE: around half of all participants will have experienced at least one overpayment. Please get some detail on this experience and the impact it had on the way they manage their claim and their relationship with HMRC, but try to keep this fairly brief and do not let the participant lose focus.</p>
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	<ul style="list-style-type: none"> <li>○ Did you call HMRC to report the change? How easy or difficult was it? Why?</li> <li>○ IF BY POST: How did you do this? Did you report the change on the Annual Declaration or another way?</li> <li>- If no,             <ul style="list-style-type: none"> <li>○ have your circumstances always been the same? Refer back to list of relevant changes of circumstances if necessary.</li> </ul> </li> <li>- Are there any things that might stop you from reporting changes as they happen? What like? Why does this make it more difficult to do it immediately?</li> <li>- Or might you have any reasons for not wanting to report it immediately? Why is that?</li> <li>- Have you ever forgotten to report a change of circumstances? What was the consequence of this?</li> <li>- Has there ever been a time when you've decided not to report a change? If yes, what was the change? And why did you decide not to report it?</li> <li>- Would you like to be able to report a change before it happens? For example, contacting HMRC before your child leaves school to tell them the date?</li> </ul> <p><b>How would you describe your experiences of calling the tax credits helpline?</b></p> <ul style="list-style-type: none"> <li>- For what purposes do you call the helpline? <i>PROBE</i>: Specific information? To update/confirm details? Specifically to speak to someone?</li> <li>- How long do you think an average call lasts?</li> <li>- Is it easy to get through? If no, why do you feel it isn't easy to get through? Do you keep trying? How many times?</li> <li>- What days/ times do you usually call? Has this changed? If yes, why?</li> <li>- Are the helpline hours convenient?</li> <li>- Are there any times of the year that you tend to make the most calls? When? Why is that?</li> <li>- Have you noticed any changes in the length of calls to the helpline over the past year? What do you think had caused this? How do you feel about this?</li> <li>- Have you received any calls from HMRC in the past year or so? When? Why did they call? How often do you receive calls from HMRC? How do you feel about</li> </ul>	<p>MODERATOR: A number of customers who renew using the Annual Declaration form use this to report changes of circumstances</p>
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	<p>this?</p> <p><b>Thinking about when you get through on the helpline...</b></p> <ul style="list-style-type: none"> <li>- Are you always put through to a person or do you need to go through recorded messages/options first? If the latter...</li> <li>- How do you feel about having to key in options/listen to messages?</li> </ul> <p><b>And thinking specifically about the recorded messages (if they have experienced them)...</b></p> <ul style="list-style-type: none"> <li>- What do you think of them? Do you listen to them carefully? Why/Why not?</li> <li>- Are the messages clear? Are they played too slow/too fast? Are they easy to understand? Do you listen to them carefully?</li> <li>- Do they provide you with useful information?</li> <li>- Do you trust the messages?</li> <li>- What do you do when you hear the messages? Probe: stay on the line, hang up and call back, hang and don't call back</li> <li>- If the message tells you what you wished to find out, are you satisfied? Do you still want to speak with a HMRC advisor? Why/why not?</li> <li>- Have you told friends or family about the messages?</li> </ul> <p><b>How would you describe the people you speak to on the helpline?</b></p> <ul style="list-style-type: none"> <li>- Are they nice? Friendly?</li> <li>- Do they seem to be knowledgeable about the system? If not, what makes you say this?</li> <li>- Are they able to help you with your queries? If not, why?</li> <li>- Do you trust them to deal with your call properly?</li> </ul> <p><b>Are you normally satisfied with the outcome of the call? Why/ why not? Do you know what might happen if you didn't inform HMRC of a change of circumstance?</b></p> <ul style="list-style-type: none"> <li>- Have you heard about overpayments and underpayments? What are they? What makes them happen? And what is the result of them?</li> </ul>	<p>MODERATOR NOTE: customers are being asked more security/compliance questions than previously. Those on high awards may have received some calls from HMRC, especially around the renewals period in the last two years.</p>
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	<ul style="list-style-type: none"> <li>- Have you ever received an overpayment or an underpayment?</li> <li>- If yes, do you know what caused this? What was the outcome? How did you feel about this? Did you change the way you manage your claim as a result of this? Why/ why not? What would have helped you avoid this situation?</li> <li>- Do you know of any other penalties HMRC might use if you don't keep them updated? Where did you hear about these? How do you feel about these?</li> </ul> <p><b>Thinking about your claim, what do you see as your responsibility? And what do you see as HMRC's responsibilities?</b></p> <ul style="list-style-type: none"> <li>- Who should check whether the details relating to your income have been recorded accurately? Why?</li> <li>- Would you be comfortable with HMRC updating these details for you, based on your PAYE data? Why/why not? <i>PROBE:</i> do they think HMRC would get it right? Would it be accurate? Why (not)?</li> <li>- How would you feel about not needing to report your income to HMRC? Would you be comfortable with this? Why? Why not?</li> <li>- Who should check whether the details relating to your personal circumstances have been recorded accurately? Why?</li> <li>- If think HMRC responsible, why do you think this?</li> <li>- What about changes of circumstances – who is responsible for making sure these are recorded correctly? If HMRC: How do you think HMRC would learn about your changes of circumstances?</li> </ul> <p>Overall, do you think you or HMRC are responsible for getting your tax credit claim right?<b>Can you tell me how you would go about ending your claim if you wanted to leave the tax credits system?</b></p> <p>Don't prompt here but try to find out whether or not they think they need to contact HMRC to terminate their claim or simply not renew at the start of the new award period.</p>	<p>Here, we will try to gauge awareness of the correct way to leave the system but we will not prompt the participant as we will come back to this issue later and will compare their responses.</p> <p>NOTE: Real Time Information (RTI) will enable PAYE data to be used within the tax credits system – therefore, theoretically, enabling HMRC to pre-populate income data with up to date income information.</p>
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Timings	Experience of reply required renewals	Notes and Prompts
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<p>25 mins</p>	<p><b>I would now like to talk to you about your experiences of renewing your tax credits claim</b></p> <p><b>What do you know about the renewals process?</b></p> <ul style="list-style-type: none"> <li>- When does it take place?</li> <li>- How does it work?</li> <li>- Do you know what the deadline for renewals is? PROBE: How do you know that? Where did you hear that?</li> <li>- What happen would happen if you didn't renew your claim by the deadline?</li> </ul> <p><b>What do you see as the purpose of the renewal process?</b></p> <p><b>Probe for understanding that:</b></p> <ul style="list-style-type: none"> <li>- tax credits are provisional until actual income and circumstances are confirmed at renewal [may reveal an overpayment if change of circumstances / income not correctly reported]</li> <li>- if don't renew, tax credits that are paid during the renewal period will become an overpayment</li> <li>- if don't renew award ceases. A new award will then be set up if they contact HMRC again after the renewal process has ended</li> </ul> <p><b>Do you remember receiving a renewals pack this year?</b></p> <p>PROBE:</p> <ul style="list-style-type: none"> <li>- When did you receive it?</li> <li>- What was in the pack?</li> </ul> <p><b>What do you need to do when you receive it?</b></p> <ul style="list-style-type: none"> <li>- Do you need check anything on the forms? What do you need to check?</li> <li>- Are you able to do this yourself or do you need information or help from someone else? Who? Partner? Someone else?</li> <li>- What information do you need to be able to check the form?</li> </ul>	<p>This section explores the participant's understanding and experiences of the reply-required renewals system. It will aim to understand the barriers, triggers and motivations for renewing and think about what can be done to encourage customers to renew earlier.</p> <p>NOTE: All participants should have to renew their claim annually in order to continue to receive it.</p> <p>NOTE: They should have received the renewals pack between April and June.</p> <p>MODERATOR NOTE: Note the order participants look at the documents and initial reactions.</p> <p>NOTE: The Annual Declaration is used to validate the customer's award for the previous tax year. The Annual Review form estimates the current year's award based on the information HMRC has about the customer.</p>
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<ul style="list-style-type: none"> <li>- Is the information handy/ readily available?</li> <li>- How soon after receiving your renewals pack do you check the forms? Straightaway? One or two weeks? A month? A couple of months? Longer? Why?</li> <li>- If you need to wait where do you put the form?</li> <li>- Do you do anything to remind yourself to complete the form? Why do you need a reminder? PROBE on the things that distract/cause claimant to forget. What do you to remind yourself?</li> </ul> <p><b>Do you seek help or more information when you're renewing your claim?</b></p> <p><b>If yes: Where do you go for help?</b></p> <ul style="list-style-type: none"> <li>- HMRC? How? Phone, website?</li> <li>- Friends or family?</li> <li>- Other websites? Which ones?</li> <li>- Jobcentre? CAB? Are these local centres?</li> <li>- Anywhere else?</li> </ul> <p>Probe: Has this changed over time?</p> <p><b>Do you need to contact HMRC when you receive your renewals pack?</b></p> <ul style="list-style-type: none"> <li>- How would you contact HMRC? By phone? Letter? Why?</li> <li>- [If called], did you use a mobile or landline? Why?</li> <li>- How soon after checking the form do you contact HMRC? Straightaway? One or two weeks? A month? A couple of months? Longer?</li> </ul> <p>If they wait longer than a week – <b>why do you wait to contact HMRC?</b> PROMPT IF NECESSARY:</p> <ul style="list-style-type: none"> <li>- Too busy?</li> <li>- Can't get through on the helpline? How long was the queue? How many times did you need to try before you got through?</li> <li>- Any other reason?</li> </ul>	<p>NOTE: Participants are categorised according to their renewals behaviour:</p> <p>Group 1 – Early renewals, are customers who renewed their claim by mid-June</p> <p>Group 2 – Just-in-time renewals, are customers who renewed their claim during the last two weeks of July</p> <p>Group 3A – Late renewals, are customers who renewed within 30 days after the deadline</p> <p>Group 3B – Terminated but re-entered, are customers</p>
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<p>Stimulus:1</p>	<ul style="list-style-type: none"> <li>- Was it easy/difficult to start receiving tax credits again? What prompted you to do this?</li> <li>- Do you think you'll do things differently in the next renewals period? What will you do differently? Why is that?</li> </ul> <p><b>ASK ALL: If you wanted to leave the tax credits system, what would you need to do you need to do?</b></p> <p>Do you need to do anything? Tell HMRC? When? <b>Have you ever seen or heard any advertisements about tax credits during the renewals period?</b></p> <p><b>Try to find out how much they remember before showing them the stills STIMULUS 1</b></p> <ul style="list-style-type: none"> <li>- Do you pay attention to these adverts or do you tend to ignore them?</li> <li>- Can you tell me what you remember about them?</li> <li>- What are the messages?</li> <li>- Where did you see or hear it?</li> <li>- When are these ads put on? Is this the best time to show them?</li> <li>- Have you ever been prompted to renew by the adverts?</li> </ul> <p><b>Did you see the self-help video on Directgov's website? There was a link to it on HMRC's website</b></p> <p>If yes;</p> <ul style="list-style-type: none"> <li>- What did you think about it? Probe around tone, visuals and content</li> <li>- Was it helpful? Any parts in particular? Was there any other information that wasn't included that would have helped?</li> </ul> <p>If no: explain the concept: a video on the Directgov website which guides claimants through the different steps of the renewals process.</p> <ul style="list-style-type: none"> <li>- Does that should like a good idea? Would you use it? What kind of information would be particularly helpful to you?</li> </ul> <p><b>Overall, what do you think of HMRC's adverts about Tax Credits?</b></p> <ul style="list-style-type: none"> <li>- Do they make an impact on you? How so?</li> <li>- Make things clearer or more confusing?</li> </ul>	<p>award to be repaid.</p> <p>If the customer contacts HMRC within a set number of days after the renewals deadline, their provisional current award is re-instated (Group 3A). Outside this window, a new award is set up (Group 3B).</p> <p><b>NOTE:</b></p> <ul style="list-style-type: none"> <li>- HMRC advertises during the tax credits renewals period (April – July)</li> <li>- Adverts are on TV and radio</li> <li>- Posters are issued to the Citizen Advice Bureau and other bodies</li> <li>- The adverts remind tax credits customers to complete their annual review and/or annual declaration forms ahead of the deadline</li> <li>- They ask customers to report changes of circumstances to HMRC</li> <li>- They remind customers that not doing so can</li> </ul>
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	<ul style="list-style-type: none"> <li>- Do you think they prompt you act or don't make you behave any differently?</li> </ul> <p><b>HMRC would like customers to renew as soon as possible after receiving their letter/pack, rather than at the last minute. Can you think of anything else HMRC could do which might encourage customers to renew their claim earlier?</b></p> <ul style="list-style-type: none"> <li>- More reminders? How? Letter, ads, somewhere else?</li> </ul>	<p>cost them money, either through underpayment or overpayment</p>
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Timings	Moving to Auto-renewals	Notes and Prompts
<p>20 mins</p> <p>Stimulus:2</p>	<p><b>Now I'd like to talk to you about a different system of tax credits renewals which HMRC are thinking of using called automatic renewals.</b></p> <p><b>Have you ever heard about automatic renewals?</b></p> <p><b>If yes:</b></p> <ul style="list-style-type: none"> <li>- Where did you hear about it? Friends or Family who have claims that are automatically renewed? Have you ever been on this system?</li> <li>- What do you know about them?</li> </ul> <p><b>STIMULUS 2 - Give the participant the Annual Review and guidance notes and give them time to read them.</b></p> <p><b>I'd like you to take a look at this and tell me what you think it means and what you would do if you received it.</b></p> <p><b>Give them some time to answer without prompting and observe them while they read, watch to see if they look at the guidance notes at all, and if so when and how much of the notice they read.</b></p> <p><b>What is this notice telling you?</b></p> <p>PROBE FOR UNDERSTANDING OF KEY MESSAGES</p> <ul style="list-style-type: none"> <li>- The Annual Review is the customer new award notice</li> <li>- That they need to check their details and inform HMRC of any changes</li> <li>- That they do not need to contact HMRC if their details are correct.</li> </ul> <p><b>Are there any parts of the notice or notes which you're unsure about?</b></p> <ul style="list-style-type: none"> <li>- Which part? Why?</li> </ul>	<p>This section explores how the move to auto-renewals might affect the behaviour of current reply required customers. The Annual Review notice will be tested before customers are given details about the auto-renewal system in order to see how far they understand the messages and implications.</p>



	<ul style="list-style-type: none"> <li>- How could this be made clearer?</li> <li>- Where there any words or terms that are difficult to understand?</li> </ul> <p><b>What would you need to do if you received this notice?</b></p> <ul style="list-style-type: none"> <li>- Would you check the Annual Review Notice? Why/ why not?</li> <li>- What parts of the notice would you check? Why? Are there any parts that you don't need to check?</li> </ul> <p><b>How would you check this information?</b></p> <ul style="list-style-type: none"> <li>- Do you need anything to be able to do this or would you just know?</li> <li>- What would you need?</li> <li>- Are these things that you can find easily?</li> </ul> <p><b>Would you need to make any calculations to check this notice?</b></p> <ul style="list-style-type: none"> <li>- What calculations would you need to make?</li> <li>- Where would you get the information so that you can do this? Is this easy to find?</li> <li>- How confident do you feel in making these kinds of calculations? Why?</li> </ul> <p><b>Would you need to contact HMRC when you receive this notice?</b></p> <ul style="list-style-type: none"> <li>- What would you need to contact them about?</li> <li>- If you needed to contact HMRC to report a change, how long would you have to do this?</li> <li>- How would you contact HMRC? By phone? Letter?</li> </ul> <p><b>If the amount recorded as your income on your Annual Review Notice was a little higher than your actual income, would you need to contact HMRC?</b></p> <ul style="list-style-type: none"> <li>- Why? Why not?</li> <li>- Would you need to call them if it was recorded as being £500 higher? £1,000</li> </ul>	
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	<p>higher? What about £12,000 higher?</p> <ul style="list-style-type: none"> <li>- How much does your income need to change by for it to have an impact on your award?</li> </ul> <p><b>Do you think there might be any consequences if you didn't check this notice?</b></p> <ul style="list-style-type: none"> <li>- What might happen?</li> <li>- Probe for awareness around overpayments, fines and terminated awards.</li> </ul> <p><b>What would you do with this notice once you've checked it?</b></p> <ul style="list-style-type: none"> <li>- Keep it? Where? For how long?</li> <li>- Throw it away?</li> <li>- Do you think you would need this notice again? When?</li> </ul> <p><b>In the new system that HMRC are thinking of using, this Annual Review Notice would replace the renewals pack you normally receive each year. It means that you would not need to complete an annual declaration form or renew your tax credits claim at the end of each award period. Your award would continue, based on the information HMRC has about you and you would only need to contact HMRC if the information on your new award is incorrect.</b></p> <p><b>What do you think about this?</b></p> <ul style="list-style-type: none"> <li>- Does this sound like a good idea or not? Why?</li> <li>- Can you think of any good points about this idea?</li> <li>- And any bad points?</li> <li>- Why do you think HMRC might be thinking of using this system?</li> </ul> <p><b>How would you feel about being moved onto this system?</b></p> <ul style="list-style-type: none"> <li>- Would you be happy about it? Unhappy? Why?</li> <li>- Would you be confident about managing your claim in this way? Why/ why not?</li> <li>- What about it would have the biggest impact on you?</li> </ul> <p><b>How do you think being on this system might affect the way you manage your claim?</b></p> <ul style="list-style-type: none"> <li>- What would you do differently? Why?</li> </ul> <p><b>Would you feel comfortable with not having to contact HMRC each year unless you</b></p>	
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<p><b>have a change of circumstances?</b></p> <ul style="list-style-type: none"> <li>- Why/ why not?</li> <li>- How do you feel about contacting HMRC?</li> <li>- Would you still want to contact them to confirm that your details are correct or would you be happy to do nothing?</li> <li>- How would you want to confirm that your details are correct?</li> </ul> <p><b>How would you feel about being able to call a number to leave a message confirming that your details are correct without speaking to a member of staff?</b></p> <ul style="list-style-type: none"> <li>- Is this something that you would want to do or not? Why/ why not?</li> <li>- Would calling HMRC make you feel more confident that your claim is correct?</li> </ul> <p><b>As customers would not need to complete an Annual Declaration in an automatic renewals system, HMRC might ask some customers to provide evidence that the information which they have provided HMRC with is correct after they receive their Annual Review</b></p> <ul style="list-style-type: none"> <li>- How would you feel about this? Why?</li> <li>- What kind of evidence do you think they might ask you for?</li> <li>- Would you be able to provide them with this kind of information?</li> </ul> <p><b>So, the main change with this system is that instead of having to renew each year after April you simply need to check your details are correct and only need to contact HMRC if they are wrong.</b></p> <p><b>What do you think you would need to do if your circumstances changed at another time of the year?</b></p> <ul style="list-style-type: none"> <li>- Why do you think that? <i>PROBE:</i> What they do about it, how they contact HMRC, how quickly they need to do it?</li> <li>- Do you think you <i>would</i> do this? Why? Why not?</li> </ul> <p><b>From what you know, can you think about this process as a whole and describe all the ways in which it differs from the current process?</b></p> <ul style="list-style-type: none"> <li>- <i>PROBE:</i> The renewals period, outside the renewals period; changes of circs and overpayments.</li> </ul> <p><b>And thinking about how you manage your claim now are there any things you think</b></p>	
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**you might do differently under the automatic renewals system?**

- *PROBE* on everything from receiving and filing the notice to contacting HMRC, mode of contact, to dealing with changes of circumstances.
- Why do you think this?
- Does this worry you/make you feel more comfortable?

**Comparing this automatic renewal system to the one you are currently on, which do you think:**

- Puts the greatest burden on you? Why?
- Is the easiest to understand? Why?
- Which are you more likely to pay attention to (in terms of communications and in terms of your award)?
- And which are you more likely to engage with (contacting HMRC, checking your information is correct)?
- Is more likely to result in you getting the right award? Why what if your circumstances change? What if they change a lot? Makes you more at risk of receiving an overpayment? Why? Would this/does this worry you?
- Why/ why not?

**And how do you think you would leave the tax credits system if your award was automatically renewed each year?**

- Would anything change? *CHECK for understanding that you can't just let it expire.*
- How would that affect you and the way you manage you claim?
- What would be the best way for you of leaving the system auto-renewals system? *PROBE:* Speak to someone? Would automatic phone options suffice? And what kind of confirmation would you want that you had left the system? A letter? A phone call?
- Does it concern you that you couldn't just let the claim expire? In what way? Why?

**Looking again at the Annual Review and guidance notes and thinking about what we've been discussing, can you think of how they can be made clearer for people**

	<p><b>to understand how the system has changed?</b></p> <p><b>PROBE AROUND</b></p> <ul style="list-style-type: none"> <li>- Key Messages, language, layout, actions for the customer</li> </ul>	
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Timings	Future communications	Notes and Prompts
10 mins	<p><b>Imagine that HMRC are about to introduce automatic renewals for all tax credits customers. How do you think they should notify them of this?</b></p> <ul style="list-style-type: none"> <li>- Would a letter be sufficient?</li> <li>- What about a media campaign? What would you find most useful? TV? Radio? Billboards? Anything else?</li> </ul> <p><b>And thinking about what you have learned about the auto-renewals system, what should the key messages of these letters or adverts be?</b></p> <ul style="list-style-type: none"> <li>- What are the most important things that have changed?</li> <li>- What are you still most confused about?</li> </ul> <p><b>What type of messages do you think have the most impact on you?</b></p> <ul style="list-style-type: none"> <li>- Messages that tell you about the possible consequences of what you do?</li> <li>- Ones that just give you information about what you should do?</li> <li>- Or messages that tell you what other people, who are like you are doing?</li> </ul> <p><b>Apart from the most important messages, what other information would you need? Try to think of as many things you'd want to know, or as many questions you'd want to ask as possible.</b></p> <ul style="list-style-type: none"> <li>- <i>Just gather top of mind data based on what they already know.</i></li> </ul> <p><b>And if you still needed more information, where would you go to look for it?</b></p> <ul style="list-style-type: none"> <li>- <i>PROBE:</i> Online? Which websites? Have they heard of directgov.uk? If yes, what</li> </ul>	<p>In this section, we will ask customers what how HMRC should communicate a change to auto-renewals and where they might seek information. We will also test mock ups of the notice as well as ads to find out how they might affect behaviour around reporting changes.</p>



- Can you rank them in order of importance?
- *ONCE THEY HAVE DONE THIS, PROBE WITH ANY OF THE FOLLOWING THAT THEY HAVE MISSED:*
  - o The system is changing
  - o Your claim will now be automatically renewed
  - o You need to check your information is correct (May-July)
  - o You only need to contact HMRC if your information is incorrect (May-July)
  - o If your circumstances change, tell HMRC immediately.
  - o If you don't tell HMRC of a change within 30 days you may get an overpayment.
- Give them STIMULUS 4 with all of the above on: **If you could only pick three messages, which would they be? And what order would you deliver the messages in?**
- Why these three? Is anything really important still missing?
- And why this order?

**Thinking overall about what we've discussed, what do you think is the best way to encourage people to check their information and to report changes? What do you think would have the biggest effect on you?**

- Threat of overpayment/terminated award?
- Reminder that everyone else is doing this?
- Something else?

**And what is the most effective way of communicating this?**

- Letter, TV, radio, other?
- Do you think this will need to change over time?

**Finally, thinking only about the message about reporting changes in circumstances, do you think it would be helpful to send out this message more than once a year in the auto-renewals system?**

- How often would help?
- And when would be the best times of year to do this? Probe: end of school year,

	<p>school holidays, run up to Christmas, etc.</p> <ul style="list-style-type: none"> <li>- Might certain media/messages that we've discussed be more effective at different times of year?</li> </ul> <p><b>Finally, are there any other ways that you'd like HMRC to reach you and help you with tax credits?</b></p> <ul style="list-style-type: none"> <li>- In the current system?</li> <li>- And what if your claim was automatically renewed?</li> </ul>	
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Timings	Conclusion and thanks	Notes and Prompts
5 mins	<ul style="list-style-type: none"> <li>- Thinking about everything we've discussed today, what do you think are the most important issues which HMRC should keep in mind if customers are moved to the new automatic renewals system? How should this change be communicated to customers?</li> <li>- Is there anything else you think is relevant and wish to discuss?</li> <li>- Thank participants; explain the next steps (e.g. what HMRC will do with the findings). THANK AND CLOSE. Reassure about confidentiality</li> </ul>	<p>Key messages particularly interested in thoughts around possible impact of the change to auto-renewals and how the change should be communicated to customers.</p> <p>Draws interview to a close.</p>



## Appendix A – Contact with HMRC

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April 2010

April 2011

## HMRC – Tax Credits Renewals Research

### Group 4: Terminated Awards - Discussion Guide – FINAL

#### **Objectives:**

This study aims to understand tax credits customers' behaviour around tax credits renewals. It will also explore how a shift towards auto-renewals might affect how customers manage their claim.

Key research questions:

- To explore attitudinal, motivational, knowledge, circumstantial and behavioural drivers that can influence customers' renewal behaviour.
- To explore customers' compliance with the tax credits renewal procedures following a change to the process.

Specific research questions:

- To explore customers' understanding of the auto-renewal process.
- To explore how automatically renewing awards affects customers' behaviour with regards to reporting changes of circumstances and contact with the HMRC tax credits helpline.
- To explore customers' understanding of renewal interventions, such as letters issued by HMRC relating to the renewal process.
- To explore how customers' renewal behaviour is influenced by the mode of contact.

HMRC would like to elicit the views of claimants who demonstrate different types of reporting behaviour. These groups are:

**Group 1:** Early Renewals: customers who renew before the second week of June.

**Group 2:** "Just in Time Renewals": customers who renew their tax credit award within the last two weeks of the renewal period (last two weeks of July).

**Group 3A:** Late Renewals: customers who failed to renew by the deadline but did so within 30 days following the renewal deadline

**Group 3B:** Tax Credits Award Terminated but Re-entered System on a New Award: customers who failed to renew by the deadline, had their claims terminated but later made a new claim in a new award.

**Group 4:** Tax Credits Award Terminated and did not Re-enter System: customers who do not renew their tax credit award and do not reapply to come back into the tax credits system.

**Group 5:** Auto-renewals: customers who have their claim renewed automatically and only need to contact HMRC if their circumstances have changed or are anticipated to change in the forthcoming year. Within this group, customers who made contact with HMRC during the renewal period and those who did not are both included.

This guide is to be used for interviews with customers in Group 4 customers who had their award terminated and did not re-enter the system

The incentive for a single depth is £30 and for a paired depth, £50.

Notes	Guide Sections	Guide Timings
<b>1. Introductions and background</b>	Sets the scene, reassures participants about the interview, confidentiality. Discuss the general work and life circumstances of the participant which provide useful background.	10 mins
<b>2. General attitudes to finances and understanding of tax credits</b>	Discusses the participant's approach to financial management and how tax credits used to fit into the household's income. It also explores the customer's understanding of what tax credits are and their experiences of making a claim.	10 mins
<b>3. Understanding of responsibilities in managing tax credits claims</b>	Looks at general tax credits management and understanding of the customer's responsibilities. It focuses on understanding of when needed to report changes of circumstances and their experience of doing this.	15 mins
<b>4. Experience of Reply Required Renewals and current communications</b>	Explores the participant's understanding and experiences of the reply-required renewals system. It will aim to understand the reasons for the participant not renewing. This section will also gauge awareness of current communications and their impact.	20 mins
<b>5. Moving to auto-renewals</b>	Explores how the move to auto-renewals might affect the behaviour of current reply required customers. The Annual Review notice will be tested before customers are given details about the auto-renewal system in order to see how far they understand the messages and implications.	20 mins
<b>6. Future Communications</b>	Identifies communication needs if the system is changed to auto-renewals. It tests mock communications including notices and advertisements to understand how best communicate the change and encourage desirable behaviour.	10 mins
<b>7. Conclusions</b>	Identifies key messages and sums up.	5 mins

#### Using this guide

We use several conventions to explain to you how this guide will be used. These are described below:

Timings	Questions	Notes and Prompts
5 mins	<p><b><u>Underlined</u> = Title:</b> This provides a heading for a sub-section</p> <p><b>Bold = Question or read out statement:</b> Questions that will be asked to the participant if relevant. Not all questions are asked during fieldwork based on the moderator's view of progress.</p> <ul style="list-style-type: none"> <li>▪ <b>Bullet = prompt:</b> Prompts are not questions – they are there to provide guidance to the moderator if required.</li> </ul>	This area is used to summarise what we are discussing, provides informative notes, and some key prompts for the moderator
How long it takes	Typically, the researcher will ask <b>questions</b> and use the prompts to guide where necessary. Not all questions or prompts will necessarily be used in an interview	

Timings	Key Questions	Notes and Prompts
10 mins	<p><b><u>Welcome and introduction</u></b></p> <ul style="list-style-type: none"> <li>- Thank participant for taking part</li> <li>- Introduce self, Ipsos MORI</li> <li>- Emphasise that we will be talking about their experiences of the tax credits system.</li> <li>- Confidentiality: reassure that all responses are anonymous and that information about individuals will not be passed on to anyone, including back to HMRC or any other Government Department</li> <li>- Explain outline of the research</li> <li>- Role of Ipsos MORI – independent research organisation (i.e. independent of Government), gather all opinions: all opinions valid. Remind that there are no right or wrong answers. Commissioned by HMRC to conduct the research.</li> <li>- Reassure that any future tax credits claim will not be affected in any way.</li> <li>- Get permission to digitally record – transcribe for quotes, no detailed attribution</li> </ul> <p><b><u>Personal Background</u></b></p> <p><b>I'd like to start by learning a little about you.</b></p> <ul style="list-style-type: none"> <li>- Can you just tell me a bit about you and your household? PROBE: Where they live, who they live with, how long they have lived there, number of adults in household, whether they have children? How old are they?</li> <li>- Are you working at the moment? What kind of work do you do? PROBE: For employer/s, number of employers, number of hours, how long they have been in each role, regularity of hours and income, sector, skills level, seasonality.</li> <li>- IF APPLICABLE: What about your partner – what kind of work do they do? Do they work full time/ part time? Number of hours?</li> </ul>	<p>Welcome: orientates participant, gets them prepared to take part in the interview.</p> <p>Outlines the 'rules' of the interview (including those we are required to tell them about under MRS and Data Protection Act guidelines).</p> <p>NOTE: Fine to mention HMRC at this stage</p> <p>NOTE: These background questions are important as they not only provide context but also indicate how likely the participant will need to report changes for their claim.</p> <p>If a paired depth, ask these questions to both participants.</p>

Timings	General attitudes to finances and understanding of tax credits	Notes and Prompts
10 mins	<p><b>I'd like start by talking a little about your finances. Can you tell me who is responsible for managing the household budget?</b></p> <p><b>How would you describe your approach to your finances?</b></p> <ul style="list-style-type: none"> <li>- Can you describe your weekly/ monthly incomings and outgoings?</li> <li>- How do you keep track of these? Do you keep any records? How often do you review your finances?</li> <li>- Does your income vary throughout the year? If so, how?</li> <li>- What about income from benefits? Do you keep award notices from your benefits? PROMPT: Job Seekers Allowance, Income Support, Disability Living Allowance, Employment Support Allowance, Child Benefit PROBE: Do you deal with each benefit differently? If so, why?</li> </ul> <p><b>How much mail do you normally receive in a week?</b></p> <ul style="list-style-type: none"> <li>- Do you feel you receive a lot of mail? How much? How do you feel about dealing with mail? Is it easy/ difficult to keep on top of?</li> <li>- What do you normally do when you receive a bill? Do you read it straight away? Or do you file it away? Are there any bills you wouldn't read at all?</li> <li>- And what about bill-paying? Do you make sure you always pay on time, or are you a bit more relaxed about it? PROBE: When do you normally pay most of your bills (immediately? To deadline? Whenever you remember to? What proportion of bills do you think you pay late? Do you ever get reminders? How do you react to them?</li> <li>- What do you normally do when you receive letters from the government, or government agencies, relating to your finances e.g. benefits, tax credits? How do you feel about receiving these kinds of letters? How about responding to them? Do you feel confident about what you need to do or not?</li> </ul> <p><b>I understand that you no longer claim tax credits, is that right?</b></p> <ul style="list-style-type: none"> <li>- When did you stop claiming tax credits?</li> <li>- Can you tell me why you stopped claiming? If no longer eligible: What changed?</li> </ul>	<p>This section will be used to understand the participant's approach to financial management. It will also explore the participant's understanding of tax credits, how their tax credits claim used to fit into the household budget, their experience of making a claim and why they left the system</p> <p>MODERATOR NOTE: Try to obtain a brief description about whether they use a 'common pot', keep individual finances separate, use 'cash pots' or different bank accounts to allocate money for different purposes.</p> <p>MODERATOR: please try to get an understanding of what times of the year that income is most likely to change</p> <p>MODERATOR NOTE: We need to obtain as much information as possible about how respondents manage their benefit claims, how this differs from tax credits claims and if customers perceive a difference.</p> <p>NOTE: Try to find out why they decided to stop claiming tax credits and ascertain whether they stopped because they were no longer eligible or</p>

	<p>If no longer wanted to claim: why? What caused this?</p> <ul style="list-style-type: none"> <li>- When you claimed tax credits, how did your tax credits fit into your incomings? Who used to receive the tax credits money?</li> <li>- What did you use your Tax Credits money for?</li> <li>- How are you managing without this money now?</li> <li>- How long did you claim tax credits for? PROBE: did you take a break from claiming tax credits in the past?</li> </ul> <p><b>How easy/difficult did you find it to claim tax credits? What did you find particularly easy/difficult?</b></p> <ul style="list-style-type: none"> <li>- Did you find it easier or more difficult compared to claiming any other types of benefits? Why? Was it always been like that, or was it easier/more difficult when you first made the claim?</li> <li>- Did you ask anybody for any advice when you originally made a claim for tax credits? Who was this? Were they helpful? Why did you ask them? Would you do the same again? Where else might you have sought information?</li> <li>- How about while you were managing your claim? Did you need any help or advice?</li> <li>- Who did you seek advice about a claim from? Why did you ask these people/organisations for advice? What is it about this source of information that you trust? PROBE: If they did not seek advice, why not?</li> <li>- Did you understand how much tax credit you can claim? Was it important to you to understand how much you received? Did you check to see if the amount of tax credits you are receiving was about right? How did you do this?</li> <li>- How much contact did you have with HMRC over the course of your claim? PROBE: Ask participant about frequency and channel. PROBE: How often did they access the HMRC website?</li> <li>- What was this contact about? To what extent did you get the help you needed? What else would it have been helpful for HMRC to tell you? PROBE: Why do you say this?</li> <li>- Did the amount of contact you have with HMRC changed over the course of your claim? How?</li> </ul>	<p>because they no longer wanted to manage a claim</p>
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Timings	Understanding of responsibilities in managing tax credits claims	Notes and Prompts
15 mins	<p><b>I'd now like to talk in a little more detail about you experiences of managing your tax credits claim.</b></p> <p><b>When was the last year you made a tax credits claim?</b></p> <p>Moderator – for most participants this will be April 2010-April 2011 but for a few it will be the previous year – April 2009- April 2010</p> <p><b>Can you tell me about the contact you had with HMRC during your last award period. This is any contact throughout the whole award period? Use the timeline in Appendix A.</b></p> <p><b>This may be difficult for some participants, but try to get an idea of how often they contacted HMRC and why. Also, did HMRC contact the participant?</b></p> <p>For each instance ask:</p> <ul style="list-style-type: none"> <li>- When did you contact HMRC?</li> <li>- What was the reason?</li> <li>- If updating a change of circumstances: how soon did you contact HMRC after the change occurred? Why was this? What, if anything, prompted them to contact HMRC?</li> <li>- When did HMRC contact you? Probe: Was this via a letter or phone call? What was the reason? Did you understand why HMRC were contacting you?</li> </ul> <p><b>Sometimes a change in your personal circumstances can affect the amount of your tax credits award. Can you tell me after what events in your life you might need to notify HMRC of a change of circumstances?</b></p> <p>MODERATOR PROMPT:</p> <ul style="list-style-type: none"> <li>- You stop or start living with a partner,</li> <li>- Cost of childcare changes, PROBE: child starting full time education</li> <li>- Not working for at least 16 or 30 hours a week, partner changed working hours</li> <li>- No longer being responsible for a child,</li> <li>- New birth,</li> <li>- Child no longer eligible, when they are no longer eligible? PROBE: child leaving</li> </ul>	<p>This section aims to gauge the participant's awareness and understanding of their responsibilities as a claimant and their experience of informing HMRC of changes of circumstances. It also explores their experiences of the renewals system.</p> <p>MODERATOR NOTE: allow spontaneous recall of change of circumstances/claim renewal to be reported before prompting.</p> <p>WORKING HOURS: If you are responsible for a child, you are disabled or are aged over 50 (with certain benefits) or 60, you need to work for at least 16 hours a week, otherwise you need to work for at least 30 hours a week.</p> <p>NOTE: This year, the income disregard has decreased from £25k to £10k – any changes of less than £10k will not affect awards.</p> <p>MODERATOR NOTE: The change must be notified</p>

	<p>full time education?</p> <ul style="list-style-type: none"> <li>- Change of income</li> <li>- Qualifying for extra help with tax credits on grounds of sickness or disability</li> <li>- Moved home</li> </ul> <p><b>Can you tell me how soon you would need to inform HMRC of these changes after they occur?</b></p> <ul style="list-style-type: none"> <li>- How do you know this?</li> <li>- When did you normally update HMRC with changes? Why?</li> <li>- Do you think it is more important to report some changes in circumstance sooner than others?</li> </ul> <p><b>Did you ever notify HMRC of a change of circumstances?</b></p> <p>If yes:</p> <ul style="list-style-type: none"> <li>- What was the change?</li> <li>- Can you remember what triggered you to report it? The change itself (already knowing that you should report it/worry about overpayments)? HMRC? Something else?</li> <li>- How soon before/after the event did you report it? When in the year did you report it? NOTE: links to key dates e.g. child starting/leaving school, renewal period, self-assessment reporting deadline. NOTE: Explore whether they are proactive or reactive in reporting changes.</li> <li>- How did you notify HMRC of the change? PROBE: phone, letter, etc.</li> <li>- Did you call HMRC to report the change? How easy or difficult was it? Why?</li> <li>- IF BY POST: How did you do this? Did you report the change on the Annual Declaration or another way?</li> </ul> <p>If no,</p> <ul style="list-style-type: none"> <li>- Were your circumstances always the same?</li> </ul> <p>Everyone:</p> <ul style="list-style-type: none"> <li>- Were there any things that might have stopped you from reporting changes as they happened? What like? Why did this make it more difficult to do it</li> </ul>	<p>within 1 month of the date the change occurred. Except for certain circumstances, any increase can only be backdated for up to 3 months. Any reduction in tax credits will usually be backdated to the date of change.</p> <p>NOTE: around half of all participants will have experienced at least one overpayment. Please get some detail on this experience and the impact it had on the way they manage their claim and their relationship with HMRC, but try to keep this fairly brief and do not let the participant lose focus.</p> <p>MODERATOR: A number of customers who renew using the Annual Declaration form use this to report changes of circumstances</p>
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	<p>immediately?</p> <ul style="list-style-type: none"> <li>- Or might you have had any reasons for not wanting to report it immediately? Why is that?</li> <li>- Did you ever forget to report a change of circumstances? What was the consequence of this?</li> <li>- Was there ever a time when you decided not to report a change? If yes, what was the change? And why did you decide not to report it?</li> <li>- Do you think it would have been helpful if you could report changes before they happened? For example, contacting HMRC before your child leaves school to tell them the date?</li> </ul> <p><b>How would you describe your experiences of calling the tax credits helpline?</b></p> <ul style="list-style-type: none"> <li>- For what purposes did you call the helpline? <i>PROBE</i>: Specific information? To update/confirm details? Specifically to speak to someone?</li> <li>- How long did an average call last?</li> <li>- Was it easy to get through? If no, why? Did you keep trying? How many times?</li> <li>- What days/ times did you usually call? Why?</li> <li>- Were the helpline hours convenient?</li> <li>- Were there any times of the year that you tended to make the most calls? When? Why was that?</li> <li>- Did you notice any changes in the length of calls to the helpline over the past year or so? What do you think had caused this? How did you feel about this?</li> <li>- Did you receive any calls from HMRC in the past year or so? When? Why did they call? How often did you receive calls from HMRC? How did you feel about this?</li> </ul> <p><b>Thinking about when you got through on the helpline...</b></p> <ul style="list-style-type: none"> <li>- Were you always put through to a person or did you need to go through recorded messages/options first? If the latter...</li> <li>- How did you feel about having to key in options/listen to messages?</li> </ul> <p><b>And thinking specifically about the recorded messages (if they have experienced</b></p>	<p>MODERATOR NOTE: customers are being asked more security/compliance questions than previously. Those on high awards may have received some calls from HMRC, especially around the renewals period in the last two years.</p>
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<p>them)...</p> <ul style="list-style-type: none"> <li>- What do you think of them? Did you listen to them carefully? Why/Why not?</li> <li>- Were the messages clear? Were they played too slow/too fast? Were they easy to understand? Did you listen to them carefully?</li> <li>- Did they provide you with useful information?</li> <li>- Did you trust the messages?</li> <li>- What did you do when you heard the messages? Probe: stay on the line, hang up and call back, hang and don't call back</li> <li>- If the message told you what you wished to find out, were you satisfied? Did you still want to speak with a HMRC advisor? Why/why not?</li> <li>- Did you ever tell friends or family about the messages?</li> </ul> <p><b>How would you describe the people you spoke to on the helpline?</b></p> <ul style="list-style-type: none"> <li>- Were they nice? Friendly?</li> <li>- Did they seem to be knowledgeable about the system? If not, what makes you say this?</li> <li>- Were they able to help you with your queries? If not, why?</li> <li>- Did you trust them to deal with your call properly?</li> <li>- Were you normally satisfied with the outcome of the call? Why/ why not?</li> </ul> <p><b>Do you know what might have happened if you didn't inform HMRC of a change of circumstance?</b></p> <ul style="list-style-type: none"> <li>- Have you heard about overpayments and underpayments? What are they? What makes them happen? And what is the result of them?</li> <li>- Have you ever received an overpayment or an underpayment?</li> <li>- If yes, do you know what caused this? What was the outcome? How did you feel about this? Did you change the way you manage your claim as a result of this? Why/ why not? What would have helped you avoid this situation?</li> <li>- Do you know of any other penalties HMRC might use if you don't keep them updated? Where did you hear about these? How do you feel about these?</li> </ul> <p><b>Thinking about your claim, what did you see as your responsibility? And what did</b></p>	<p>Here, we will try to gauge awareness of the correct way to leave the system but we will not prompt the participant as we will come back to this issue later and will compare their responses.</p> <p>NOTE: Real Time Information (RTI) will enable PAYE data to be used within the tax credits system – therefore, theoretically, enabling HMRC to pre-populate income data with up to date income information.</p>
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	<p><b>you see as HMRC’s responsibilities?</b></p> <ul style="list-style-type: none"> <li>- Who should check whether the details relating to your income have been recorded accurately? Why?</li> <li>- Would you have been comfortable with HMRC updating these details for you, based on your PAYE data? Why/why not? <i>PROBE</i>: do they think HMRC would get it right? Would it be accurate? Why (not)?</li> <li>- How would you have felt about not needing to report your income to HMRC? Would you have been comfortable with this? Why? Why not?</li> <li>- Who should check whether the details relating to your personal circumstances have been recorded accurately? Why?</li> <li>- If think HMRC responsible, why do you think this?</li> <li>- What about changes of circumstances – who was responsible for making sure these were recorded correctly? If HMRC: How do you think HMRC would learn about your changes of circumstances?</li> <li>- Overall, did you think you or HMRC were responsible for getting your tax credit claim right?</li> </ul>	
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Timings	Experience of reply required renewals	Notes and Prompts
25 mins	<p><b>I would now like to talk to you about your experiences of renewing a tax credits claim</b></p> <p><b>What do you know about the renewals process?</b></p> <ul style="list-style-type: none"> <li>- When does it take place?</li> <li>- How does it work?</li> <li>- Do you know what the deadline for renewals is? <i>PROBE</i>: How do you know that? Where did you hear that?</li> <li>- What happens if you don’t renew your claim by the deadline? Probe around terminated awards</li> </ul>	<p>This section explores the participant’s understanding and experiences of the reply-required renewals system. It will aim to understand the barriers, triggers and motivations for renewing and think about what can be done to encourage customers to renew earlier.</p> <p><i>NOTE</i>: All participants in this group left the system by not renewing their claim – try to find out why they left the system and why they did not contact HMRC to terminate.</p>

<p><b>What do you see as the purpose of the renewal process?</b></p> <p><b>Probe for understanding that:</b></p> <ul style="list-style-type: none"> <li>- tax credits are provisional until actual income and circumstances are confirmed at renewal [may reveal an overpayment if change of circumstances / income not correctly reported]</li> <li>- if don't renew, tax credits that are paid during the renewal period will become an overpayment</li> <li>- if don't renew award ceases. A new award will then be set up if they contact HMRC again after the renewal process has ended</li> </ul> <p><b>Do you remember the last renewals pack you received?</b></p> <p>PROBE:</p> <ul style="list-style-type: none"> <li>- When did you receive it? Probe for month and year.</li> <li>- What was in the pack?</li> </ul> <p><b>What did you need to do when you received it?</b></p> <ul style="list-style-type: none"> <li>- Did you need check anything on the forms? What did you need to check?</li> <li>- Were you able to do this yourself or did you need information or help from someone else? Who? Partner? Someone else?</li> <li>- What information did you need to be able to check the form?</li> <li>- Was the information handy/ readily available?</li> <li>- How soon after receiving your renewals pack did you check the forms? Straightaway? One or two weeks? A month? A couple of months? Longer? Why?</li> <li>- If you needed to wait where did you put the form?</li> <li>- Did you do anything to remind yourself to complete the form? Why did you need a reminder? PROBE on the things that distract/cause claimant to forget. What did you do to remind yourself?</li> </ul> <p><b>Did you ever seek help or more information when you were renewing your claim?</b></p>	<p>NOTE: They should have received the renewals pack between April and June.</p>
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<p><b>If yes: Where did you go for help?</b></p> <ul style="list-style-type: none"> <li>- HMRC? How? Phone, website?</li> <li>- Friends or family?</li> <li>- Other websites? Which ones?</li> <li>- Jobcentre? CAB? Are these local centres?</li> <li>- Anywhere else?</li> </ul> <p><b>Did you need to contact HMRC when you received your last renewals pack?</b></p> <ul style="list-style-type: none"> <li>- Why/ why not?</li> <li>- What did you do?</li> </ul> <p><b>If you no longer want to receive tax credits do you need to do anything with your renewal pack?</b></p> <ul style="list-style-type: none"> <li>- What do you need to do?</li> <li>- How would you do this?</li> <li>- Is not renewing your claim the correct way to leave the tax credits system? Why do you say that?</li> </ul> <p><b>When you decided not to renew your claim, did you have any contact with HMRC about this?</b></p> <ul style="list-style-type: none"> <li>- What contact did you have? What was it about?</li> <li>- How did you go about ending your claim? Can you talk me through what happened?</li> <li>- How did you feel about this?</li> </ul> <p><b>What happened next?</b></p> <ul style="list-style-type: none"> <li>- When did you stop receiving payments?</li> <li>- Did you have any further contact with HMRC? How? What was this about? How did you feel about this?</li> </ul>	<p>NOTE: Group 4 participants did not complete renew their claim or contact HMRC to end it. Try to find out both why they did this and whether they are aware that they should have contacted HMRC even if they no longer wanted to claim tax credits.</p>
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<p>Stimulus:1</p>	<ul style="list-style-type: none"> <li>- Would you claim tax credits again? Why/ why not?</li> </ul> <p><b>If you started to claim tax credits again, do you know what process you would need to go through?</b></p> <ul style="list-style-type: none"> <li>- Would you be able to re-start your old claim or make a new one?</li> <li>- Do you know if tax credits payments are backdated? How far back do you think they can backdate?</li> <li>- Have you looked into any this?</li> </ul> <p><b>Comms</b></p> <p><b>Have you ever seen or heard any advertisements about tax credits during the renewals period?</b></p> <p><b>Try to find out how much they remember before showing them the stills STIMULUS 1</b></p> <ul style="list-style-type: none"> <li>- Do you pay attention to these adverts or do you tend to ignore them?</li> <li>- Can you tell me what you remember about them?</li> <li>- What are the messages?</li> <li>- Where did you see or hear it?</li> <li>- When are these ads put on? Is this the best time to show them?</li> <li>- Have you ever been prompted to renew by the adverts?</li> </ul> <p><b>Did you see the self-help video on Directgov’s website? There was a link to it on HMRC’s website</b></p> <p>If yes;</p> <ul style="list-style-type: none"> <li>- What did you think about it? Probe around tone, visuals and content</li> <li>- Was it helpful? Any parts in particular? Was there any other information that wasn’t included that would have helped?</li> </ul> <p>If no: explain the concept: a video on the Directgov website which guides claimants through the different steps of the renewals process.</p> <ul style="list-style-type: none"> <li>- Does that should like a good idea? Would you use it? What kind of information would be particularly helpful to you?</li> </ul>	<p>NOTE:</p> <ul style="list-style-type: none"> <li>- HMRC advertises during the tax credits renewals period (April – July)</li> <li>- Adverts are on TV and radio</li> <li>- Posters are issued to the Citizen Advice Bureau and other bodies</li> <li>- The adverts remind tax credits customers to complete their annual review and/or annual declaration forms ahead of the deadline</li> <li>- They ask customers to report changes of</li> </ul>
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	<p><b>PROBE FOR UNDERSTANDING OF KEY MESSAGES</b></p> <ul style="list-style-type: none"> <li>- The Annual Review is the customer new award notice</li> <li>- That they need to check their details and inform HMRC of any changes</li> <li>- That they do not need to contact HMRC if their details are correct.</li> </ul> <p><b>Are there any parts of the notice or notes which you're unsure about?</b></p> <ul style="list-style-type: none"> <li>- Which part? Why?</li> <li>- How could this be made clearer?</li> <li>- Where there any words or terms that were difficult to understand?</li> </ul> <p><b>What would you need to do if you received this notice?</b></p> <ul style="list-style-type: none"> <li>- Would you check the Annual Review Notice? Why/ why not?</li> <li>- What parts of the notice would you check? Why? Are there any parts that you don't need to check?</li> </ul> <p><b>How would you check this information?</b></p> <ul style="list-style-type: none"> <li>- Do you need anything to be able to do this or would you just know?</li> <li>- What would you need?</li> <li>- Are these things that you can find easily?</li> </ul> <p><b>Would you need to make any calculations to check this notice?</b></p> <ul style="list-style-type: none"> <li>- What calculations would you need to make?</li> <li>- Where would you get the information so that you can do this? Is this easy to find?</li> <li>- How confident do you feel in making these kinds of calculations? Why?</li> </ul> <p><b>Would you need to contact HMRC when you receive this notice?</b></p>	
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	<ul style="list-style-type: none"> <li>- What would you need to contact them about?</li> <li>- If you needed to contact HMRC to report a change, how long would you have to do this?</li> <li>- How would you contact HMRC? By phone? Letter?</li> </ul> <p><b>If the amount recorded as your income on your Annual Review Notice was a little higher than your actual income, would you need to contact HMRC?</b></p> <ul style="list-style-type: none"> <li>- Why? Why not?</li> <li>- Would you need to call them if it was recorded as being £500 higher? £1,000 higher? What about £12,000 higher?</li> <li>- How much does your income need to change by for it to have an impact on your award?</li> </ul> <p><b>Do you think there might be any consequences if you didn't check this notice?</b></p> <ul style="list-style-type: none"> <li>- What might happen?</li> <li>- Probe for awareness around overpayments, fines and terminated awards.</li> </ul> <p><b>What would you do with this notice once you've checked it?</b></p> <ul style="list-style-type: none"> <li>- Keep it? Where? For how long?</li> <li>- Throw it away?</li> <li>- Do you think you would need this notice again? When?</li> </ul> <p><b>In the new system that HMRC are thinking of using, this Annual Review Notice would replace the renewals pack you normally receive each year. It means that tax credits customers would not need to complete an annual declaration form or renew their tax credits claim at the end of each award period. Their award would continue, based on the information HMRC has about them and they would only need to contact HMRC if the information on their new award is incorrect.</b></p>	
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	<p><b>What do you think about this?</b></p> <ul style="list-style-type: none"> <li>- Does this sound like a good idea or not? Why?</li> <li>- Can you think of any good points about this idea?</li> <li>- And any bad points?</li> <li>- Why do you think HMRC might be thinking of using this system?</li> </ul> <p><b>How would you have felt about being on this system?</b></p> <ul style="list-style-type: none"> <li>- Would you have been happy about it? Unhappy? Why?</li> <li>- Would you have been confident about managing your claim in this way? Why/ why not?</li> <li>- What about it would have had the biggest impact on you?</li> </ul> <p><b>How would being on this system have affected you?</b></p> <ul style="list-style-type: none"> <li>- Would anything have been different? What?</li> <li>- Do you think you would still be claiming tax credits if you were on this system? Why?</li> <li>- Probe for understanding that on this system their award would have continued rather than being terminated.</li> </ul> <p><b>Do you think you would have felt comfortable with not having to contact HMRC each year unless you had a change of circumstances?</b></p> <ul style="list-style-type: none"> <li>- Why/ why not?</li> <li>- How did you feel about contacting HMRC?</li> <li>- Would you still have wanted to contact them to confirm that your details were correct or would you have been happy to do nothing?</li> <li>- How would you want to confirm that your details are correct?</li> </ul> <p><b>How would you feel about being able to call a number to leave a message</b></p>	
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	<p><b>confirming that your details are correct without speaking to a member of staff?</b></p> <ul style="list-style-type: none"> <li>- Is this something that you would want to do or not? Why/ why not?</li> <li>- Would calling HMRC make you feel more confident that your claim is correct?</li> </ul> <p><b>As customers would not need to complete an Annual Declaration in an automatic renewals system, HMRC might ask some customers to provide evidence that the information which they have provided HMRC with is correct after they receive their Annual Review</b></p> <ul style="list-style-type: none"> <li>- How would you feel about this? Why?</li> <li>- What kind of evidence do you think they might ask you for?</li> <li>- Would you be able to provide them with this kind of information?</li> </ul> <p><b>So, the main change with this system is that instead of having to renew each year after April you simply need to check your details are correct and only need to contact HMRC if they are wrong.</b></p> <p><b>What do you think you would need to do if your circumstances changed at another time of the year?</b></p> <ul style="list-style-type: none"> <li>- Why do you think that? <i>PROBE:</i> What they do about it, how they contact HMRC, how quickly they need to do it?</li> <li>- Do you think you <i>would</i> do this? Why? Why not?</li> </ul> <p><b>From what you know, can you think about this process as a whole and describe all the ways in which it differs from the process you went through?</b></p> <ul style="list-style-type: none"> <li>- <i>PROBE:</i> The renewals period, outside the renewals period; changes of circs and overpayments.</li> </ul> <p><b>And thinking about how you might manage your claim - are there any things you think you might do differently under the automatic renewals system?</b></p> <ul style="list-style-type: none"> <li>- <i>PROBE</i> on everything from receiving and filing the notice to contacting HMRC, mode of contact, to dealing with changes of circumstances.</li> <li>- Why do you think this?</li> </ul>	
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	<ul style="list-style-type: none"> <li>- Would this worry you/make you feel more comfortable?</li> </ul> <p><b>Comparing this automatic renewal system to the one you were on, which do you think:</b></p> <ul style="list-style-type: none"> <li>- Puts the greatest burden on you? Why?</li> <li>- Is the easiest to understand? Why?</li> <li>- Which are you more likely to pay attention to (in terms of communications and in terms of your award)?</li> <li>- And which are you more likely to engage with (contacting HMRC, checking your information is correct)?</li> <li>- Is more likely to result in you getting the right award? Why what if your circumstances change? What if they change a lot? Makes you more at risk of receiving an overpayment? Why? Would this/does this worry you?</li> <li>- Why/ why not?</li> </ul> <p><b>And how do you think you would leave the tax credits system if your award was automatically renewed each year?</b></p> <ul style="list-style-type: none"> <li>- Would anything change? <i>CHECK for understanding that you can't just let it expire.</i></li> <li>- How would that affect have affected you?</li> <li>- What would be the best way for you of leaving the system auto-renewals system? <i>PROBE: Speak to someone? Would automatic phone options suffice? And what kind of confirmation would you want that you had left the system? A letter? A phone call?</i></li> <li>- Does it concern you that you couldn't just let the claim expire? In what way? Why?</li> </ul> <p><b>Looking again at the Annual Review and guidance notes and thinking about what we've been discussing, can you think of how they can be made clearer for people to understand how the system has changed?</b></p>	
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	<p><b>PROBE AROUND</b></p> <ul style="list-style-type: none"> <li>- Key Messages, language, layout, actions for the customer</li> </ul>	
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Timings	Future communications	Notes and Prompts
10 mins	<p><b>Imagine that HMRC are about to introduce automatic renewals for all tax credits customers. How do you think they should notify them of this?</b></p> <ul style="list-style-type: none"> <li>- Would a letter be sufficient?</li> <li>- What about a media campaign? What would you find most useful? TV? Radio? Billboards? Anything else?</li> </ul> <p><b>And thinking about what you have learned about the auto-renewals system, what should the key messages of these letters or adverts be?</b></p> <ul style="list-style-type: none"> <li>- What are the most important things that have changed?</li> <li>- What are you still most confused about?</li> </ul> <p><b>What type of messages do you think have the most impact on you?</b></p> <ul style="list-style-type: none"> <li>- Messages that tell you about the possible consequences of what you do?</li> <li>- Ones that just give you information about what you should do?</li> <li>- Or messages that tell you what other people, who are like you are doing?</li> </ul> <p><b>Apart from the most important messages, what other information would you need? Try to think of as many things you'd want to know, or as many questions you'd want to ask as possible.</b></p> <ul style="list-style-type: none"> <li>- <i>Just gather top of mind data based on what they already know.</i></li> </ul> <p><b>And if you still needed more information, where would you go to look for it?</b></p> <ul style="list-style-type: none"> <li>- <i>PROBE:</i> Online? Which websites? Have they heard of directgov.uk? If yes, what does it offer?</li> </ul>	<p>In this section, we will ask customers what how HMRC should communicate a change to auto-renewals and where they might seek information. We will also test mock ups of the notice as well as ads to find out how they might affect behaviour around reporting changes.</p>

<p>Stimulus:3</p>	<ul style="list-style-type: none"> <li>- On paper? Where would you look for it? Library? Citizen’s Advice Bureau?</li> <li>- In person? CAB? Friends? Family?</li> <li>- On the phone? Would a phonenumber with automatic information be enough, or would you want to speak to someone?</li> </ul> <p><b>What would be the best time of year to tell customers about these changes?</b></p> <ul style="list-style-type: none"> <li>- Why?</li> <li>- Should the media campaign come before or after the letters?</li> </ul> <p><b>Now we’d like to look at some specific ideas for ways of communicating the key messages about moving customers to automatic renewals.</b></p> <p><b>STIMULUS 3 - Go through each version of the notice and guidance ask:</b></p> <ul style="list-style-type: none"> <li>- What do you think of this? What are your first impressions?</li> <li>- Why do you think HMRC might include this [point to warning box] on the notice?</li> <li>- What do you think about the words that are used? Can you think of how it could be changed?</li> <li>- How would you feel if HMRC sent you something like this? Interested? Worried? Not bothered?</li> <li>- LOCALISED MESSAGE; Does the message about your nearest city feel local enough for you? How local should it be? County? City? Town? Which, if any, would have the greatest impact on you?</li> <li>- What if it said “X number of the people in <i>England</i> have reported changes...”? Is that relevant to you? How does it make you feel?</li> <li>- Where do you think is the best place to put this message? On the notice? On the guidance notes? How about on the envelope they’re sent it?</li> </ul>	
<p>Stimulus:4</p>	<p><b>Now let’s think about adverts, like on the TV and radio, or on billboards and in newspapers and magazines – what messages do you think HMRC needs to communicate? What do you think these should be?</b></p> <ul style="list-style-type: none"> <li>- Can you rank them in order of importance?</li> <li>- ONCE THEY HAVE DONE THIS, PROBE WITH ANY OF THE FOLLOWING</li> </ul>	

	<p><i>THAT THEY HAVE MISSED:</i></p> <ul style="list-style-type: none"> <li>o The system is changing</li> <li>o Your claim will now be automatically renewed</li> <li>o You need to check your information is correct (May-July)</li> <li>o You only need to contact HMRC if your information is incorrect (May-July)</li> <li>o If your circumstances change, tell HMRC immediately.</li> <li>o If you don't tell HMRC of a change within 30 days you may get an overpayment.</li> </ul> <ul style="list-style-type: none"> <li>- Give them STIMULUS 4 with all of the above on: <b>If you could only pick three messages, which would they be? And what order would you deliver the messages in?</b></li> <li>- Why these three? Is anything really important still missing?</li> <li>- And why this order?</li> </ul> <p><b>Thinking overall about what we've discussed, what do you think is the best way to encourage people to check their information and to report changes? What do you think would have the biggest effect on you?</b></p> <ul style="list-style-type: none"> <li>- Threat of overpayment/terminated award?</li> <li>- Reminder that everyone else is doing this?</li> <li>- Something else?</li> </ul> <p><b>And what is the most effective way of communicating this?</b></p> <ul style="list-style-type: none"> <li>- Letter, TV, radio, other?</li> <li>- Do you think this will need to change over time?</li> </ul> <p><b>Finally, thinking only about the message about reporting changes in circumstances, do you think it would be helpful to send out this message more than once a year in the auto-renewals system?</b></p> <ul style="list-style-type: none"> <li>- How often would help?</li> <li>- And when would be the best times of year to do this? Probe: end of school year, school holidays, run up to Christmas, etc.</li> <li>- Might certain media/messages that we've discussed be more effective at different</li> </ul>	
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	<p>times of year?</p> <p><b>Finally, are there any other ways that you'd like HMRC to reach you and help you with tax credits?</b></p> <ul style="list-style-type: none"> <li>- In the current system?</li> <li>- And what if your claim was automatically renewed?</li> </ul>	
<b>Timings</b>	<b>Conclusion and thanks</b>	<b>Notes and Prompts</b>
5 mins	<ul style="list-style-type: none"> <li>- Thinking about everything we've discussed today, what do you think are the most important issues which HMRC should keep in mind if customers are moved to the new automatic renewals system? How should this change be communicated to customers?</li> <li>- Is there anything else you think is relevant and wish to discuss?</li> <li>- Thank participants; explain the next steps (e.g. what HMRC will do with the findings). THANK AND CLOSE. Reassure about confidentiality</li> </ul>	<p>Key messages particularly interested in thoughts around possible impact of the change to auto-renewals, particularly in terms of terminated awards and how the change should be communicated to customers.</p> <p>Draws interview to a close.</p>



Appendix A – Contact with HMRC

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April 2010

April 2011

## HMRC – Tax Credits Renewals Research

### Group 5: Auto-Renewals - Discussion Guide – WAVE 2 INTERVIEWS

#### **Objectives:**

This study aims to understand tax credits customers' behaviour around tax credits renewals. It will also explore how a shift towards auto-renewals might affect how customers manage their claim.

Key research questions:

- To explore attitudinal, motivational, knowledge, circumstantial and behavioural drivers that can influence customers' renewal behaviour.
- To explore customers' compliance with the tax credits renewal procedures following a change to the process.

Specific research questions:

- To explore customers' understanding of the auto-renewal process.
- To explore how automatically renewing awards affects customers' behaviour with regards to reporting changes of circumstances and contact with the HMRC tax credits helpline.
- To explore customers' understanding of renewal interventions, such as letters issued by HMRC relating to the renewal process.
- To explore how customers' renewal behaviour is influenced by the mode of contact.

HMRC would like to elicit the views of claimants who demonstrate different types of reporting behaviour. These groups are:

**Group one:** Early Renewals: customers who renew before the second week of June.

**Group two:** "Just in Time Renewals": customers who renew their tax credit award within the last two weeks of the renewal period (last two weeks of July).

**Group three:** Late Renewals: customers who failed to renew by the deadline but did so within 30 days following the renewal deadline; Tax Credits Award Terminated but Re-entered System on a New Award: customers who failed to renew by the deadline, had their claims terminated but later made a new claim in a new award.

**Group four:** Tax Credits Award Terminated and did not Re-enter System: customers who do not renew their tax credit award and do not reapply to come back into the tax credits system.

**Group five:** Auto-renewals: customers who have their claim renewed automatically and only need to contact HMRC if their circumstances have changed or are anticipated to change in the forthcoming year. Within this group, customers who made contact with HMRC during the renewal period and those who did not are both included.

**This guide is to be used for interviews with Group 5 customers who are already part of the auto-renewals system. Interviews will take between an hour and an hour and a half.**

**The incentive for a single depth is £30 and for a paired depth, £50.**

Notes	Guide Sections	Guide Timings
<b>1. Introductions and background</b>	Sets the scene, reassures participants about the interview, confidentiality. Discuss the general work and life circumstances of the participant which provide useful background.	10 mins
<b>2. General attitudes to finances and understanding of tax credits</b>	Discusses the participant's approach to financial management and how tax credits fits into the household's income. It also explores the customer's understanding of what tax credits are and their experiences of making a claim.	15 mins
<b>3. Understanding of responsibilities and experience of renewing tax credits claims</b>	Looks at general tax credits management and understanding of the customer's responsibilities. It focuses on understanding of when they need to report changes of circumstances and their experience of doing this. It also introduces the subject of renewals and any experience the customer has of renewing their claim.	20 mins
<b>4. Understanding and experience of the auto-renewal process</b>	Goes through the journey from when the customer was first notified that they would be moved onto auto-renewals and their understanding of this and the impact that this has had on how they manage their claim. It also looks at their experience of the last renewal period and the extent to which they understand what they need to do. Finally, it explores how auto-renewals could affect different types of customers and how any issues might be overcome.	25 mins
<b>5. Communications</b>	Gauges awareness of the current media campaign and the extent to which this has an impact on auto-renewals customers. It also identifies trusted sources of information and assistance with tax credits claims. Finally, it discusses future media campaign for auto-renewals.	15 mins
<b>6. Conclusions</b>	Identifies key messages and sums up.	5 mins

### Using this guide

We use several conventions to explain to you how this guide will be used. These are described below:

Timings	Questions	Notes and Prompts
5 mins	<p><b><u>Underlined</u> = Title:</b> This provides a heading for a sub-section</p> <p><b>Bold = Question or read out statement:</b> Questions that will be asked to the participant if relevant. Not all questions are asked during fieldwork based on the moderator's view of progress.</p> <ul style="list-style-type: none"> <li>▪ <b>Bullet = prompt:</b> Prompts are not questions – they are there to provide guidance to the moderator if required.</li> </ul>	This area is used to summarise what we are discussing, provides informative notes, and some key prompts for the moderator
How long it takes	Typically, the researcher will ask <b>questions</b> and use the prompts to guide where necessary. Not all questions or prompts will necessarily be used in an interview	

Timings	Key Questions	Notes and Prompts
10 mins	<p><b><u>Welcome and introduction</u></b></p> <ul style="list-style-type: none"> <li>- Thank participant for taking part</li> <li>- Introduce self, Ipsos MORI</li> <li>- Emphasise that we will be talking about their experiences of the tax credits system.</li> <li>- Confidentiality: reassure that all responses are anonymous and that information about individuals will not be passed on to anyone, including back to HMRC or any other Government Department</li> <li>- Explain outline of the research</li> <li>- Role of Ipsos MORI – independent research organisation (i.e. independent of GOVERNMENT), gather all opinions: all opinions valid. Remind that there are no right or wrong answers. Commissioned by HMRC to conduct the research.</li> <li>- Reassure that a claim for any current or future tax credits claim will not be affected in any way.</li> <li>- Get permission to digitally record – transcribe for quotes, no detailed attribution</li> </ul> <p><b><u>Personal Background</u></b></p> <p><b>I'd like to start by learning a little about you.</b></p> <ul style="list-style-type: none"> <li>- Can you just tell me a bit about you and your household? PROBE: Where they live, who they live with, how long they have lived there, number of adults in household, whether they have children? How old are they?</li> <li>- Are you working at the moment? What kind of work do you do? PROBE: For employer/s, number of employers, number of hours, how long they have been in each role, regularity of hours and income, sector, skills level, seasonality.</li> <li>- IF APPLICABLE: What about your partner – what kind of work do they do? Do they work full time/ part time? Number of hours?</li> </ul>	<p>Welcome: orientates participant, gets them prepared to take part in the interview.</p> <p>Outlines the 'rules' of the interview (including those we are required to tell them about under MRS and Data Protection Act guidelines).</p> <p>NOTE: Fine to mention HMRC at this stage</p> <p>NOTE: These background questions are important as they not only provide context but also indicate how likely the participant will need to report changes for their claim.</p> <p>If a paired depth, ask these questions to both participants.</p>

Timings	General attitudes to finances and understanding of tax credits	Notes and Prompts
15 mins	<p><b>I'd like start by talking a little about your finances. Can you tell me who is responsible for managing the household budget?</b></p> <p><b>How would you describe your approach to your finances?</b></p> <ul style="list-style-type: none"> <li>- Can you describe your weekly/ monthly incomings and outgoings?</li> <li>- How do you keep track of these? Do you keep any records? How often do you review your finances?</li> <li>- Where do/did your tax credits fit into your incomings? Who receives/ received the tax credits money?</li> <li>- What do you use your Tax Credits money for?</li> <li>- Does your income vary throughout the year? If so, how?</li> <li>- What about income from benefits? Do you keep award notices from your benefits? PROMPT: Job Seekers Allowance, Income Support, Disability Living Allowance, Employment Support Allowance, Child Benefit PROBE: Do you deal with each benefit differently? If so, why?</li> </ul> <p><b>How much mail do you normally receive in a week?</b></p> <ul style="list-style-type: none"> <li>- Do you feel you receive a lot of mail? How much? How do you feel about dealing with mail? Is it easy/ difficult to keep on top of?</li> <li>- What do you normally do when you receive a bill? Do you read it straight away? Or do you file it away? Are there any bills you wouldn't read at all?</li> <li>- And what about bill-paying? Do you make sure you always pay on time, or are you a bit more relaxed about it? PROBE: When do you normally pay most of your bills (immediately? To deadline? Whenever you remember to? What proportion of bills do you think you pay late? Do you ever get reminders? How do you react to them?</li> <li>- What do you normally do when you receive letters from the government, or government agencies, relating to your finances e.g. benefits, tax credits? How do you feel about receiving these kinds of letters? How about responding to them? Do you feel confident about what you need to do or not?</li> </ul>	<p>This section will be used to understand the participant's approach to financial management. It will also explore the participant's understanding of tax credits, how their tax credits claim fits into the household budget and their experience of making a claim.</p> <p>MODERATOR NOTE: Try to obtain a brief description about whether they use a 'common pot', keep individual finances separate, use 'cash pots' or different bank accounts to allocate money for different purposes.</p> <p>MODERATOR NOTE: We need to obtain as much information about how respondents manage their benefit claims, how this differs from tax credits claims and if customers perceive a difference.</p>

	<p><b>Can you describe, in your own words, what tax credits are?</b></p> <ul style="list-style-type: none"> <li>- What do you think tax credits are for?</li> <li>- IF MENTION OTHER BENEFITS EARLIER: Are tax credits different to other benefits? If yes, how are they different?</li> <li>- PROBE: Other benefits are fixed amounts? Need to go in to claim face-to-face for other benefits? More contact with benefits agency than with HMRC to claim? Purpose of the benefit?</li> <li>- Which tax credit(s) are you claiming? PROBE; do you receive help with your childcare through tax credits (childcare element)?</li> </ul> <p><b>How long you have been claiming tax credits?</b></p> <ul style="list-style-type: none"> <li>- Can you tell me how much you receive in tax credits?</li> <li>- Has the amount of tax credit you receive ever changed? PROBE: If yes, probe for what the change was. What do you think might have caused it to change?</li> </ul> <p><b>How easy/difficult did you find it to claim tax credits? What did you find particularly easy/difficult?</b></p> <ul style="list-style-type: none"> <li>- Do you find it easier or more difficult compared to claiming any other types of benefit? Why?</li> <li>- Did you ask anybody for any advice when you made a claim for tax credits?</li> <li>- Who do you seek advice about a claim from? Why do you ask these people/organisations for advice? What is it about this source of information that you trust? PROBE: If they did not seek advice, why not?</li> <li>- Do you understand how much tax credit you can claim? Is it important to you to understand how much you receive? Do you check to see if the amount of tax credits you are receiving is about right? How do you do this?</li> <li>- How much contact have you had with HMRC over the course of your claim? PROBE: Ask participant about frequency and channel. PROBE: How often do they access the HMRC website?</li> <li>- What was this contact about? To what extent did you get the help you needed? What else would it have been helpful for HMRC to tell you? PROBE: Why?</li> <li>- Has the amount of contact you have with HMRC changed over the course of your claim? How?</li> </ul>	
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Timings	Understanding of responsibilities and experience of renewing tax credits claims	Notes and Prompts
20 mins	<p><b>I'd now like to talk in a little more detail about managing your tax credits claim.</b></p> <p><b>Can you tell me about the contact you had with HMRC from April 2010. This is any contact throughout the whole award period last year? Use the timeline in Appendix A.</b></p> <p><b>This may be difficult for some participants, but try to get an idea of how often they contacted HMRC and why.</b></p> <p>For each instance ask:</p> <ul style="list-style-type: none"> <li>- When did you contact HMRC?</li> <li>- What was the reason?</li> <li>- If updating a change of circumstances: how soon did you contact HMRC after the change occurred? Why was this? What, if anything, prompted them to contact HMRC?</li> </ul> <p><b>Sometimes a change in your personal circumstances can affect the amount of your tax credits award. Can you tell me after what events in your life you might need to notify HMRC of a change of circumstances?</b></p> <p>MODERATOR PROMPT:</p> <ul style="list-style-type: none"> <li>- You stop or start living with a partner,</li> <li>- Cost of childcare changes, PROBE: child starting full time education</li> <li>- Not working for at least 16 or 30 hours a week, partner changed working hours</li> <li>- No longer being responsible for a child,</li> <li>- New birth,</li> <li>- Child no longer eligible, when they are no longer eligible? PROBE: child leaving full time education?</li> <li>- Change of income</li> <li>- Qualifying for extra help with tax credits on grounds of sickness or disability</li> <li>- Moved home</li> </ul>	<p>This section aims to gauge the participant's awareness and understanding of their responsibilities as a claimant and their experience of informing HMRC of changes of circumstances. It also explores their experiences of the renewals system.</p> <p>MODERATOR NOTE: all participants will have been through the auto-renewal process this year (their award will have been automatically renewed). In previous years, they may have been required to contact HMRC to renew their award.</p> <p>MODERATOR NOTE: allow spontaneous recall of change of circumstances to be reported before prompting.</p> <p>WORKING HOURS: If you are responsible for a child, you are disabled or are aged over 50 (with certain benefits) or 60, you need to work for at least 16 hours a week, otherwise you need to work for at least 30 hours a week.</p>

<p><b>Are any of these more important to your level of award than others?</b></p> <p>If yes,</p> <ul style="list-style-type: none"> <li>- Which ones? Why?</li> <li>- Are there any that you would you not report?</li> <li>- Would you report changes that you thought would not change the amount of tax credits you received? What like? Why would/wouldn't you report them?</li> </ul> <p><b>Can you tell me how soon you need to inform HMRC of these changes after they occur?</b></p> <ul style="list-style-type: none"> <li>- How do you know this?</li> <li>- When do you normally update HMRC with changes? Why?</li> <li>- Do you think it is more important to report some changes in circumstance sooner than others?</li> </ul> <p><b>Can you tell me why it is important to update HMRC with changes of circumstances?</b></p> <ul style="list-style-type: none"> <li>- If think HMRC already knows. How would HMRC know this? [for any of above listed changes]</li> <li>- What pieces of information do you think HMRC already knows about you?</li> </ul> <p><b>Have you ever notified HMRC of a change of circumstances?</b></p> <ul style="list-style-type: none"> <li>- If yes, what triggered you to do this? The change itself (already knowing that you should report it)? HMRC? Something else? How soon before/after the event did you report it? NOTE: Explore whether they are proactive or reactive in reporting changes. Did you call HMRC to report the change? How easy or difficult was it? Why? What was the change? When in the year did you report it? NOTE: links to key dates e.g. child starting/leaving school, renewal period, self-assessment reporting deadline.</li> <li>- If no, have your circumstances always been the same? Refer back to list of relevant changes of circumstances if necessary.</li> </ul>	<p>MODERATOR NOTE: The change must be notified within 1 month of the date the change occurred. Except for certain circumstances, any increase can only be backdated for up to 3 months. Any reduction in tax credits will usually be backdated to the date of change.</p> <p>NOTE: around half of all participants will have experienced at least one overpayment. Please get some detail on this experience and the impact it had on the way they manage their claim and their relationship with HMRC, but try to keep this fairly brief and do not let the participant lose focus.</p>
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	<ul style="list-style-type: none"> <li>- Is there any reason why you wouldn't report changes as they happen? What like? What makes it more difficult to do it immediately?</li> <li>- Has there ever been a time when you've decided not to report a change? If yes, what was the change? And why did you decide not to report it?</li> <li>- Would you like to be able to report future changes in personal circumstances? Why? Why not?</li> </ul> <p><b>How would you describe your experiences of calling the tax credits helpline?</b></p> <ul style="list-style-type: none"> <li>- Is it easy to get through? If no, why do you feel it isn't easy to get through? Do you keep trying? How many times?</li> <li>- What days/ times do you usually call?</li> <li>- Are the helpline hours convenient?</li> <li>- Are there any times of the year that you tend to make the most calls? When? Why is that?</li> <li>- When you call are you always put through to a person or do you need go through recorded messages and options first? If the latter, how do you feel about this? Do the recorded messages provide you with useful information? If yes, do you still want to speak with a HMRC adviser?</li> </ul> <p><b>How would you describe the people you speak to on the helpline?</b></p> <ul style="list-style-type: none"> <li>- Are they nice? Friendly?</li> <li>- Do they seem to be knowledgeable about the system?</li> <li>- Are they able to help you with your queries?</li> <li>- Are you normally satisfied with the outcome of the call? Why/ why not?</li> </ul> <p><b>Do you have internet access at home?</b></p> <p><b>IF YES:</b></p> <ul style="list-style-type: none"> <li>- How would you feel about being able to manage your claim and update your circumstances online?</li> <li>- What would be the benefits of this?</li> <li>- And the drawbacks? Can you access a computer easily? Do you have one at</li> </ul>	
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	<p>home? Do you feel confident using a computer?</p> <ul style="list-style-type: none"> <li>- Is this something you would do, or would you still prefer to use phone/ mail? Why? If they'd use both, for which actions would they find online more useful, and for which would they continue to use phone/mail? Why?</li> </ul> <p><b>IF NO:</b></p> <ul style="list-style-type: none"> <li>- Do you have access to the internet at a different location? Probe: a friend or family member's house? Library? Internet café?</li> <li>- How easy or difficult would it be for you to access the internet?</li> <li>- How would you feel about managing your claim and update your circumstances online?</li> <li>- Do you think there would be any benefits of this?</li> <li>- And the drawbacks? Do you feel confident using a computer?</li> <li>- Is this something you would do, or would you still prefer to use phone/ mail? Why? If they'd use both, for which actions would they find online more useful, and for which would they continue to use phone/mail? Why?</li> </ul> <p><b>Thinking about your claim, what do you see as your responsibility? And what do you see as HMRC's responsibilities?</b></p> <ul style="list-style-type: none"> <li>- Who should check whether the details relating to your income have been recorded accurately? Why?</li> <li>- Who should check whether the details relating to your personal circumstances have been recorded accurately? Why?</li> <li>- If think HMRC responsible, why do you think this?</li> <li>- What about changes of circumstances – who is responsible for making sure these are recorded correctly? If HMRC: How do you think HMRC would learn about your changes of circumstances?</li> <li>- Do you think you or HMRC are responsible for getting your tax credit claim right?</li> </ul> <p><b>Can you tell me what might happen if you didn't inform HMRC of a change of</b></p>	<p>NOTE: All participants should be on the auto-renewals system but many will have previous experience of the renewals process.</p>
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	<p><b>circumstance?</b></p> <ul style="list-style-type: none"> <li>- Have you heard about overpayments and underpayments? What are they? What makes them happen? And what is the result of them?</li> <li>- Have you ever received an overpayment or an underpayment?</li> <li>- If yes, do you know what caused this? What was the outcome? How did you feel about this? Did you change the way you manage your claim as a result of this? Why/ why not? What would have helped you avoid this situation?</li> <li>- Do you know of any other penalties HMRC might use if you don't keep them updated? Where did you hear about these? How do you feel about these?</li> </ul> <p><b>I am now going to talk to you about the renewals process.</b></p> <p><b>Have you heard of the renewals process?</b></p> <ul style="list-style-type: none"> <li>- What do you know about it?</li> <li>- When does it take place?</li> <li>- Do you know what the deadline for renewals is? PROBE: How do you know that? Where did you hear that?</li> </ul> <p><b>What do you think the renewals process is for?</b></p> <p>Probe for understanding that:</p> <ul style="list-style-type: none"> <li>- Tax credit awards are estimated until actual income and circumstances are confirmed at renewal [may reveal an overpayment if change of circumstances / income not correctly reported]</li> </ul> <p><b>Have you ever had to renew your tax credits claim?</b></p> <ul style="list-style-type: none"> <li>- If yes, when was this?</li> <li>- What did you have to do?</li> <li>- How easy/ difficult did you find the process? If more than once, was it easier the first time? Why? Why not?</li> </ul>	<p>NOTE: Penalties of up to £300 can be levied if a customer does not keep HMRC up-to-date their circumstances.</p>
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Timings	Understanding and experiences of the auto-renewal process	Notes and Prompts
25 mins	<p><b>I understand that your tax credits claim is automatically renewed each year - is that right?</b></p> <ul style="list-style-type: none"> <li>- What does it mean to say that your award is automatically renewed?</li> </ul> <p>If they do not understand/ unaware of automatic renewals, explain that this means they do not need to complete an annual declaration form or renew their tax credits at the end of each award period. Their award continues, based on the information HMRC has about them and they only need to contact HMRC if the information on their new award is incorrect.</p> <ul style="list-style-type: none"> <li>- PROBE: awareness of process; spontaneous recall of key aspects:               <ul style="list-style-type: none"> <li>o Check form</li> <li>o Report changes</li> <li>o No need to contact HMRC information on notice is correct</li> </ul> </li> <li>- Awareness that auto-renewal occurs for:               <ul style="list-style-type: none"> <li>o those receiving the family element of Child Tax Credit,</li> <li>o those having a nil award because their income is too high,</li> </ul> </li> <li>- or, more recently, those who received Income Support, Income Based Job Seeker's Allowance, Income Based Employment Support Allowance or Pension Credit for the whole of the last tax year. If they say they are not on auto-renewals ask about what they did during the auto-renewals period this year. What did they receive from HMRC, what did they have to do?</li> </ul> <p><b>Was this year the first time you did not have to contact HMRC to renew your award?</b></p> <ul style="list-style-type: none"> <li>- If yes, how did you feel about being moved onto a system where your award is automatically renewed?</li> <li>- Does it suit your circumstances to have your award renewed automatically? Why/ why not? Do you prefer not having to renew each year? Why/ why not?</li> </ul> <p>Probe around: stability of their situation, level of award, what it is about the level of their award that makes them feel this (those with low awards might not want to have to</p>	<p>This section explores the participant's understanding and experiences of the auto-renewals system. It will aim to understand how auto-renewals impacts upon the claimants' management of their claim, especially in regards to notifying HMRC of changes of circumstances. Finally, it explores possible improvements to the system.</p> <p><u>NOTE: All participants should be auto-renewals customers. Please note that customers <u>will not be familiar with the term auto-renew/ auto-renewal.</u></u></p>

	<p>contact HMRC every year, those with high awards might not want to risk having their award terminated if they renew late).</p> <ul style="list-style-type: none"> <li>- If appropriate, ask: what if your award was higher/lower? What if your situation was more changeable?</li> <li>- did being moved to a system where your tax credits award is renewed automatically change the way you manage your claim?</li> </ul> <p>Probe around:</p> <ul style="list-style-type: none"> <li>- Notifying HMRC of changes of circumstances, how often and when</li> <li>- Checking their award notice</li> <li>- Contact HMRC when they receive their award notice?</li> </ul> <p><b>Do you remember receiving an Annual Review Notice this year? Can you tell me what you needed to do when you received it?</b></p> <p>Allow the participant to answer without prompting.</p> <p><b>Hand the participant the envelope with the Annual Review Notice and guidance and give them some time to read it.</b></p> <ul style="list-style-type: none"> <li>- How do you feel when you first open this?</li> <li>- Do you remember receiving this? What bits of this are familiar? What did you do with it when you received it? Why? When did you read it? Why?</li> <li>- What is this notice for? PROBE: awareness that they will not receive another award notice and that their auto renewal notice IS their actual award notice.</li> <li>- Do you think it's clear and easy to understand? Are there any parts that you think could be made clearer? How? Can you mark these parts with a highlighter please?</li> <li>- How do you feel about the language used? Is it easy or difficult to understand? Are there any words or sentences that cause confusion? Could you highlight these please?</li> <li>- How do you feel about the layout of the notice? Are there any parts you would change?</li> <li>- What actions should the notice prompt?</li> <li>- Is it important for you to check your Annual Review Notice? Why/ why not? Could</li> </ul>	<p>The main aim here is, firstly, to find out if they report changes when they should and, secondly, if they report changes as they occur or wait to be prompted at the end of the year by HMRC.</p> <p>MODERATOR NOTE: Note the order participants look at the documents and initial reactions.</p>
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	<p>there be any consequences if you don't check it?</p> <ul style="list-style-type: none"> <li>- What parts of the notice do you check? Why? Are there any parts that you don't need to check? Why? Can you please mark the parts you check?</li> <li>- What information do you need in order to check the form? Is the information handy/ readily available? If not, what would you do with the form?</li> <li>- Do you need to contact HMRC when you receive this notice? Why? Why not</li> <li>- How would you contact HMRC? By phone? Letter? Do you know the deadline for reporting if your circumstances are different to those shown in the review form? PROBE: How do you know that? Where did you hear that?</li> </ul> <p><b>If the amount recorded as your income on your Annual Review Notice was a little higher or lower than your actual income, would you need to contact HMRC?</b></p> <ul style="list-style-type: none"> <li>- Why? Why not?</li> </ul> <p>Would you need to report an income change of £6,000 a year? What about 12,000? (Illustrate with example if necessary) Why/ why not?</p> <p>How big would the difference need to be for it to have an impact on your award?</p> <p><b>Do you remember the guidance notes which came with the Annual Review Notice?</b></p> <p>Point the guidance notes out to the participant and give them a chance to read it</p> <ul style="list-style-type: none"> <li>- Do you remember reading these notes when you received your reward? Did you read all of them? Why did you/why not? How far/which parts did you read?</li> <li>- What were the main messages you took from the notes?</li> <li>- Were the notes helpful? Why/why not? What could be improved about them?</li> <li>- Probe: presentation, clarity? Was there too much information/not enough? What information were you missing? Are there any parts that you think could be made clearer? How? Can you mark these parts with a highlighter please? Where else did you go for information? Was this more helpful?</li> <li>- If you're unsure of what you need to do or what something means do you ask</li> </ul>	
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MODERATOR NOTE: Auto-renewal customers just receive an Annual Review notice sent out in an A5 size brown envelope between April and June (reply required renewals are sent in a white envelope).



	<ul style="list-style-type: none"> <li>- When you made the call did you get through to a person straight away or did you have to go through recorded messages first? If yes, what did these messages say? Did any of them apply to you? What did you do?</li> <li>- What was the outcome of this call?</li> </ul> <p>Is there anything you did this year that you wouldn't next year when you receive your award notice?</p> <p>FOR THOSE WHO DID NOT CONTACT HMRC DURING THE LAST RENEWAL PERIOD</p> <ul style="list-style-type: none"> <li>- Had any of your circumstances changed during that award period?</li> <li>- Do you need to do anything during the renewals period? Why/ why not?</li> <li>- Did you try to make a call to HMRC but were unable to get through?</li> <li>- Did you choose not to contact HMRC even though you thought you needed to? Why?</li> <li>- Is there anything you didn't do this year that you might do next year when you receive your award notice?</li> </ul> <p><b>Now let's discuss the renewals period last year. Was your claim automatically renewed that then as well?</b></p> <ul style="list-style-type: none"> <li>- If yes: how did the process compare? Was it exactly the same?             <ul style="list-style-type: none"> <li>o - If yes, did you do anything differently? What? Why? Did it help? Probe: what did you do with the letter? How soon did you read it? (If applicable) What prompted you to eventually deal with the letter (if not immediate)? How soon did you notify HMRC (if applicable)? Did you feel more/less responsible for the claim that you did this year?</li> <li>o - If no, how was it different? What did you do differently? What did you do the same? Why? Probe: receiving/filing the letter, reading the letter, responding to the letter (if applicable). Was what you did differently helpful or less helpful? What made the more recent claim process easier/more difficult?</li> </ul> </li> </ul>	<p>NOTE: Half of all renewals participants called HMRC during the last renewal period – if they did, try to find out whether this was because they did not understand that they were an auto-renewal customer or because they need to report a change. If the latter try to find out whether they had waited until the renewals period to report the change.</p> <p>Moderator note: Talking about renewals period of April-July 2010</p> <p>Try to ascertain whether or not the call was necessary</p>
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	<ul style="list-style-type: none"> <li>- Is there anything you did this year that you wouldn't do next year when you auto-renew?</li> <li>- And is there anything you didn't do this year that you would do next year?</li> </ul> <p><b>Do you know if any of your friends or family who claim tax credits have awards that are not automatically renewed?</b></p> <ul style="list-style-type: none"> <li>- <b>If yes</b>, can you describe their circumstances for me? PROBE AROUND: working status, relationship status, number and age of children, types of tax credits received</li> <li>- Do you think automatic renewal of awards would suit their circumstances? Why/why not? PROBE VERY SENSITIVELY ON: Level of award and stability of circumstances</li> <li>- If no, can you think of any reasons why automatically renewed claims would not work for certain people?</li> </ul> <p><b>Can you think of how these issues might be overcome?</b></p> <p><b>If you were no longer eligible for tax credits or wanted to stop claiming, how would you go about terminating your award?</b></p> <ul style="list-style-type: none"> <li>- What would you do? Is there anything else you would need to do afterwards?</li> <li>- When would you need to do it?</li> <li>- Do you understand in what circumstances you would need to withdraw from the system?</li> <li>- Do you think, as someone with an automatically renewed award, you would remember to withdraw on time?</li> <li>- What would help you remember to withdraw?</li> <li>- And what would make it easier?</li> </ul>	
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Timings	Communications	Notes and Prompts
15 mins	<p><b>I'd now like to discuss the way HMRC uses the media to let customers know about tax credits. Do you recall any of their advertisements about tax credits?</b></p> <p><b>Can you tell me about them?</b> (If no, work through the information <b>bulleted below</b> and give participant the stills from the tv ads)</p> <ul style="list-style-type: none"> <li>- What kind of advert was it?</li> <li>- Where did you see it?</li> <li>- What time of year was it?</li> <li>- Do you remember the message of the advert?</li> <li>- Did you understand the purpose of the advert? Was the message clear? Why, why not?</li> <li>- Did anything in the advert apply to you? Why, why not?</li> <li>- Did the advert confuse you or help you?</li> <li>- Did you do anything about your tax credits claim after seeing the advert? Seek more information? Check your information was correct? Contact HMRC about your claim?</li> <li>- Did you talk with friends or family about the tax credits renewals adverts? What did you say? PROBE: positive or negative reactions</li> </ul> <p><b>Overall, are these adverts helpful for you as a customer who has their award automatically renewed? Why?</b></p> <ul style="list-style-type: none"> <li>- What's most/least useful about them?</li> <li>- Would they prompt you to do anything in relation to your claim? Would you check your details? Contact HMRC?</li> </ul> <p><b>Do these adverts make you want more information? Where do you go for information?</b></p> <ul style="list-style-type: none"> <li>- Probe: helpline, internet, Citizen's Advice Bureau, friends, family etc.</li> </ul>	<p>This section explores awareness of the current media campaign and the impact which these communications have on auto-renewals customers. It also looks at the messages developed during the reply required fieldwork.</p> <p>NOTE:</p> <ul style="list-style-type: none"> <li>- HMRC advertises during the tax credits renewals period (April – July)</li> <li>- Adverts are on TV and radio</li> <li>- Posters are issued to the Citizen Advice Bureau and other bodies</li> <li>- The adverts remind tax credits customers to complete their annual review and/or annual declaration forms ahead of the deadline</li> <li>- They ask customers to report changes of circumstances to HMRC</li> <li>- They remind customers that not doing so can cost them money, either through underpayment or overpayment</li> </ul>

	<ul style="list-style-type: none"> <li>- Where would you like to be able to find the information and advice you need?</li> </ul> <p><b>Did you see the self-help video on Directgov’s website? There was a link to it on HMRC’s website</b></p> <p>If yes;</p> <ul style="list-style-type: none"> <li>- What did you think about it? Probe around tone, visuals and content</li> <li>- Was it helpful? Any parts in particular? Was there any other information that wasn’t included that would have helped?</li> </ul> <p>If no: explain the concept: a video on the Directgov website which guides claimants through the different steps of the renewals process.</p> <ul style="list-style-type: none"> <li>- Does that sound like a good idea? Would you use it? What kind of information would be particularly helpful to you?</li> </ul> <p><b>As a customer who has their award automatically renewed, is the message about the deadline important for you? Why/why not?</b></p> <ul style="list-style-type: none"> <li>- Do you feel the deadline applies to you in any way?</li> <li>- Does the deadline make you think about your claim or review it?</li> <li>- Does the message about a deadline confuse you? Did you seek further help/ who did you talk to?</li> <li>- Do you think you would look at your claim if there was no message about a deadline?</li> </ul> <p><b>What other sources of information/advertising would you find helpful? What would be the benefits/drawbacks of each?</b></p> <ul style="list-style-type: none"> <li>- Social media?</li> <li>- Letters/reminders? When? Why?</li> <li>- Emails?</li> <li>- Text messages?</li> <li>- Citizens Advice Bureau?</li> <li>- Key figures/community leaders? Such as?</li> <li>- Other?</li> </ul>	
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<p><b>What source(s) of information would make you more confident about your tax credits claim?</b></p> <ul style="list-style-type: none"> <li>- Probe: why? Convenience? Authority? Trust?</li> </ul> <p><b>How would you say that HMRC’s communications affect the way you check your forms? Why? How does your behaviour differ afterwards?</b></p> <ul style="list-style-type: none"> <li>- Do they prompt you to check your forms?</li> <li>- Do they make you check your forms more carefully? Make sure your forms are accurate?</li> <li>- Do you help you to understand which parts of the form you need check?</li> <li>- Do they make you more aware of the importance of checking your information is accurate? (E.g. overpayments, etc.)</li> <li>- Do they make you report changes of circumstances?</li> </ul> <p><b>Overall, what impact do HMRC’s media campaigns, such as TV advertising, have on you as a customer who has their award automatically renewed?</b></p> <ul style="list-style-type: none"> <li>- Make things clearer or more confusing?</li> <li>- Make you act or don’t make you behave any differently?</li> </ul> <p><b>Are there any aspects of your tax credits claim which you would like more information about?</b></p> <ul style="list-style-type: none"> <li>- How to keep their claim correct?</li> <li>- Where to go for help?</li> <li>- Implications/consequences of incorrect claims</li> </ul> <p><b>Now I’d like you to look at some ideas for changing the Annual Review and guidance notes to help communicate the key messages about the system for automatically renewing claims.</b></p> <p><b>STIMULUS 3a-3d - Go through each version of the notice and guidance ask:</b></p> <ul style="list-style-type: none"> <li>- What do you think of this? What are your first impressions?</li> </ul>	<p>NOTE: Please refer to the stimulus pack. This should include .....</p> <p>Please observe non-verbal reactions and behaviours</p>
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	<ul style="list-style-type: none"> <li>- Why do you think HMRC might include these [point to warning boxes] on the notice?</li> <li>- What do you think about the words that are used? Can you think of how it could be changed?</li> <li>- How would you feel if HMRC sent you something like this? Interested? Worried? Not bothered?</li> <li>- How do you feel about the number of messages that are used? Too many? Not enough? About right? Which messages are most important? Which are least important?</li> <li>- SIGNATURE BOX; How would you feel about having to sign your Annual Review? Do you think it would make you behave any differently? Do you think you would sign it if you didn't need to send it to HMRC? If you did sign it, what would you do with it afterwards?</li> <li>- Would you need to contact HMRC when you receive this notice? Probe: What would you need to contact them about? If you needed to contact HMRC to report a change, how long would you have to do this? How would you contact HMRC? By phone? Letter?</li> </ul> <p><b>Still thinking about the Annual Review and Guidance I just showed you, what other information would you need? Try to think of as many things you'd want to know, or as many questions you'd want to ask as possible.</b></p> <ul style="list-style-type: none"> <li>- <i>Just gather top of mind data based on what they already know.</i></li> </ul> <p><b>And if you still needed more information, where would you go to look for it?</b></p> <ul style="list-style-type: none"> <li>- <i>PROBE:</i> Online? Which websites? Have they heard of directgov.uk? If yes, what does it offer?</li> <li>- On paper? Where would you look for it? Library? Citizen's Advice Bureau?</li> <li>- In person? CAB? Friends? Family?</li> <li>- On the phone? Would a phonenumber with automatic information be enough, or would you want to speak to someone?</li> </ul> <p><b>How would you feel about being able to call a number to leave a message confirming that your details are correct without speaking to a member of staff?</b></p>	<p>of participants on receiving the stimulus.</p>
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	<ul style="list-style-type: none"> <li>- Is this something that you would want to do or not? Why/ why not?</li> <li>- Would calling HMRC make you feel more confident that your claim is correct?</li> </ul> <p><b>Thinking overall about what we've discussed, what do you think is the best way to encourage people to check their information and to report changes? What do you think would have the biggest effect on you?</b></p> <ul style="list-style-type: none"> <li>- Threat of overpayment/terminated award?</li> <li>- Information about what you need to do and whether or not you need to call HMRC?</li> <li>- Something else?</li> </ul> <p><b>And what is the most effective way of communicating this?</b></p> <ul style="list-style-type: none"> <li>- Letter, TV, radio, other?</li> <li>- Do you think this will need to change over time?</li> </ul> <p><b>Finally, thinking only about the message about reporting changes in circumstances, do you think it would be helpful to send out this message more than once a year in the auto-renewals system?</b></p> <ul style="list-style-type: none"> <li>- How often would help?</li> <li>- And when would be the best times of year to do this? Probe: end of school year, school holidays, run up to Christmas, etc.</li> <li>- How would you want HMRC to remind you? Might certain media/messages that we've discussed be more effective at different times of year? Probe: letter, TV adverts, email.</li> </ul> <p><b>Finally, are there any other ways that you'd like HMRC to reach you and help you with tax credits?</b></p>	
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Timings	Conclusion and thanks	Notes and Prompts
5 mins	<ul style="list-style-type: none"> <li>- Thinking about everything we've discussed today, how do you think the process of automatic renewal of awards could be changed to make it easier for people to manage their claim?</li>   <li>- Is there anything else you think is relevant and wish to discuss?</li>   <li>- Thank participants; explain the next steps (e.g. what HMRC will do with the findings). THANK AND CLOSE. Reassure about confidentiality</li> </ul>	<p>Key messages, particularly interested in thoughts around understanding and experience of the auto-renewals process and changes of circumstances.</p> <p>Draws interview to a close.</p>



Appendix A – Contact with HMRC

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April 2010

April 2011

# Appendix B – Current Communications

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Example - S10 auto layout

Helpline 8.00am to 8.00pm 0845 300 3900  
Minicom/Textphone 0845 300 3909

015022-00000000-002

MR FRANK PEACH  
MRS PAULINE PEACH  
1 ANY STREET  
ANYTOWN  
ANYWHERE  
XX00 0XX

TAX CREDIT OFFICE  
PRESTON  
PR1 0SD

Date: 12/04/2010

Check before 31/07/2010

Please keep this for your records

**Tax credits – Annual Review for year ended 05/04/2010**  
Your tax credits award for 06/04/2009 to 05/04/2010

MR FRANK PEACH  
MRS PAULINE PEACH

National Insurance number AB 34 56 78 D  
National Insurance number CD 56 56 66 B

We told you that we would be contacting you to review your tax credits award. We want to:

- make sure we paid you the correct amount for the award period shown above, and
- ask you to make a tax credits claim for 2010–2011.

We need you to review your personal circumstances during the whole award period shown above and check your income.

If you need to tell us about anything once you have completed your Annual Review, **please phone us straight away**. If you do not have anything to tell us **you need do nothing more**.

We will decide on 31/07/2010 that:

- The final amount of your tax credits award for the period 06/04/2009 to 05/04/2010 is nil. The level of your income meant that your award was reduced to nothing.
  - Your tax credits award for 2010–2011 will be as shown in the **Payments** section.
- If later, you think those decisions are wrong, you will have 30 days from 31/07/2010 to appeal. If you do think something is wrong, you do not have to wait until then to contact us.

## Step A

### Check your personal circumstances at the start of your award period were correct and complete

The Notes tell you what to look for when you are checking and who can get extra amounts of tax credits.

#### At the start of your award period, 06/04/2009:

You claimed tax credits as a couple.

##### MR FRANK PEACH

Date of birth: 11/06/1965  
Lived in the United Kingdom.  
Usually worked in the United Kingdom.  
Total hours worked in a week: 33

##### MRS PAULINE PEACH

Date of birth: 14/10/1975  
Lived in the United Kingdom.  
Usually worked in the United Kingdom.  
Total hours worked in a week: 10

#### Your qualifying children and young people

##### HAYLEY PEACH

Date of birth: 15/02/1993

##### JONATHAN PEACH

Date of birth: 05/07/1995

**Your childcare costs** – childcare providers must be registered or approved, see the Notes.

You had no qualifying childcare costs.

## Step B

### Check that the changes in your personal circumstances listed below, are correct and complete

The Notes tell you the changes in your personal circumstances that may affect your award.

You have not told us about any changes in your personal circumstances that may have affected your award. The information we held throughout the award period from 06/04/2009 to 05/04/2010 is as shown in Step A.

## Step C

### Complete your Annual Review

Work out your total joint income for 2009-2010. Use the Working Sheets in the Notes to help you. If you do not know your actual income, the Notes tell you how to estimate your income now. If you do estimate your income, you will need to do Steps 1 and 2 again when you know your actual income. You must do this by 31/07/2010.

If the details at Steps A and B are not correct and complete, or if any of your personal circumstances have changed since 05/04/2009, please:

- phone us **now** to tell us about any changes; and
- tell us your total joint income for 2009-2010.

If the details at Steps A and B are correct and complete, and your personal circumstances have not changed since 05/04/2009, do Steps 1 and 2.

**Step 1** Is your total joint income for 2009-2010 less than £58231.00?

- Yes** Please phone us **now** with your total joint income figure.
- No** Go to Step 2.

**Step 2** Is your total joint income for 2010-2011 likely to be less than £58231.00?

- Yes** Please phone us **now** with your estimated income for 2010-2011.
- No** **Your Annual Review is now complete and you do not need to do anything else.**  
We will finalise your 2009-2010 award as shown on page 1 and your award for 2010-2011 is shown in the **Payments** section.

#### Warning

If we do not hear from you by 31/07/2010, we will treat this Annual Review as correct and complete for the award period shown. We will also regard you as having claimed tax credits for the year 2010-2011 based on this information. If you do not want this to happen please write to us. If we later find this information was incorrect or incomplete, you may have to pay back any tax credits overpaid. You may also have to pay a penalty.

## Payments

If the information on this form is correct and complete, we have worked out that your award for 2010-2011 will be as shown below.

If you think any of these details are wrong, please contact us.

<b>Total</b>	<u>£0.00</u>
<b>Minus</b>	
Payments already made by us	£0.00
Amount due to you	<u>£0.00</u>

## What to do with your Annual Review

There are three steps you need to follow to renew your tax credits claim. Once you have followed these three steps you will know what information we have used to work out your award. If any of this information is wrong or your circumstances have changed, you need to tell us straight away.

If the information is correct and you have no changes to report, you do not need to do anything more. We will continue paying you using this information.

### Step A - check your personal circumstances

You need to check that the following are shown correctly:

- you (and your partner, if you have one)
- where you live
- your work details
- your benefits
- if you get the disability or severe disability element, if you are entitled
- your qualifying children and young people
- if you get the child disability or severe disability element, if you are entitled
- your childcare costs.

If any of the details are incorrect you must tell us straight away.

### Step B - check your changes

Your Annual Review shows the changes you told us about through the year. Please check that they are correct and tell us straight away if they are not.

You must also tell us within one month if you have any of the changes listed below.

**If you do not tell us about these changes, you could build up an overpayment that you have to pay back. You may also have to pay a penalty.**

#### Changes in your family

- you claimed as an individual but are now married or living with a partner
- you claimed as part of a couple but have separated or your partner has died
- you or your partner, if you have one are put on remand or get a custodial sentence
- a child or young person
  - leaves the family to live elsewhere
  - is serving a custodial sentence of more than four months
  - dies
  - starts to claim tax credits or certain other benefits in their own right
  - leaves or starts full-time non-advanced education or approved training before their 20th birthday
  - starts to have training provided under their work contract
  - starts paid work of 24 hours or more a week
  - stops being registered with a Careers service, Connexions, Ministry of Defence or equivalent
  - gets married.

#### Changes to where you live

You, or your partner if you have one:

- leave the UK permanently
- go abroad for a period of more than 8 weeks, or 12 weeks if it is because you or a member of your family is ill
- lose your right to reside in the UK.

continued >>>

#### Help

If you would like more help:

- go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)
- phone our Helpline on **0845 300 3900**
- textphone our Helpline (for people with hearing or speech difficulties) on **0845 300 3909**
- write to us at:  
Tax Credit Office  
Preston  
PR1 0SB

For our opening hours go to [www.hmrc.gov.uk/contactus](http://www.hmrc.gov.uk/contactus)

#### Disability and severe disability elements

You may get the disability or severe disability elements of Working Tax Credits if you meet three qualifying conditions:

- Condition 1 - usually work 16 hours or more a week
- Condition 2 - have a disability putting you at a disadvantage in getting a job
- Condition 3 - get or have recently got a qualifying sickness or disability related benefit

For more information go to [www.hmrc.gov.uk/tc956.pdf](http://www.hmrc.gov.uk/tc956.pdf)

#### Disability or severe disability element for children

You may get the disability or severe disability element of Child Tax Credit if:

- you get Disability Living Allowance or the Highest Rate Care Component for your child
- the child is registered blind or came off the blind register in the 28 weeks before you claimed tax credits

#### Qualifying children and young people

You can claim Child Tax Credit for a child until 31 August after their 16th birthday. You can also claim for a young person aged between 16 and under 20 if they are in full-time non-advanced education or on an approved training course. This may include a school, college or apprenticeship but not a university.

### Changes in a disability

- you, or your partner if you have one, no longer qualifies for the disability or severe disability element
- a child or young person no longer qualifies for the disability or severe disability element.

### Changes to your work or benefits

You, or your partner if you have one:

- stop working
- change your usual working hours to less than 16 or 30 hours a week (for couples with children, it is your joint working hours that count towards the 30 hours but one of you must work 16 hours or more)
- get the disability element of WTC and start working less than 16 hours a week
- are on strike for more than 10 consecutive days
- start or stop getting Income Support, income-based Jobseeker's Allowance, or Pension Credit

### Changes to your childcare

- your provider is no longer registered or approved
- you start using a relative to look after your child, in the child's home
- your child reaches age 15 (or 16 if they are disabled)
- you stop paying for childcare
- your costs go down by £10 a week or more for at least four weeks in a row.

For more information about childcare costs or to check if your childcare provider qualifies, see our leaflet *Help with the costs of childcare (WTC5)* available at [www.hmrc.gov.uk/leaflets/wtc5.pdf](http://www.hmrc.gov.uk/leaflets/wtc5.pdf) or phone our Helpline.

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## Step C – check your income details

You should work out your income for the year 2010-2011. If it is different from the figure on your Annual Review, you must tell us straight away.

If you don't have actual figures you can give us an estimate. You must tell us your actual income figure as soon as you can.

If you need help working out your income, go to [www.hmrc.gov.uk/taxcredits/start/claiming/income-hours](http://www.hmrc.gov.uk/taxcredits/start/claiming/income-hours)

### Income details

If you are an employee, your P45, P60 or final payslip will help you.

If you are self-employed you can use the figure on your Tax Return for 2010-11. If you haven't filled in your Tax Return for 2010-11 you should estimate your profits. When you know the actual amount, please tell us.

### Benefits in kind from your employer

Usually your employer will give you these details on form P11D or P9D. If you haven't got one, ask your employer about the cash equivalent of your benefits in kind.

### Taxable Social Security benefits

If you got any of the benefits listed opposite, you need to add them to your income.

If you're not sure what benefits you got, or how much, please contact your Social Security office or Jobcentre Plus.

### Other income

If you have other income, for example, interest on savings or State Pension, you need to include them.

Do not include other income if it is:

- less than £300
- a maintenance payment
- a student or grant loan.

### Help with childcare costs

You can get help towards your childcare costs if your childcare provider is registered or approved. If you are not sure, please ask them. You may still get help if you use other childcare, such as an after school club.

If your childcare costs go up for at least four weeks in a row, you should tell us as soon as possible. You may be entitled to more money.

### Taxable Social Security benefits

- Bereavement Allowance
- contribution-based Employment and Support Allowance
- Carer's Allowance
- contribution-based Jobseeker's Allowance
- Incapacity Benefit paid after 28 weeks of incapacity

### Customers with particular needs

We have a range of services for people with disabilities, including guidance in Braille, audio and large print.

Most of our leaflets and factsheets are also available in large print. Please contact our Helpline if you need these services.

### Your rights and obligations

To find out what you can expect from us and what we can expect from you go to [www.hmrc.gov.uk/charter](http://www.hmrc.gov.uk/charter) and have a look at *Your Charter*.

These notes are for guidance only and reflect the position at the time of writing. They do not affect any right of appeal.

#### Issued by

HM Revenue & Customs

Customer Information Team April 2011

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MMN

# Appendix C – Message Testing: Stage One

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CHANGE OF PROCESS – PLEASE REFER TO THE GUIDANCE



Helpline  
0845 300 3900

Minicom/Textphone

MR P PAN  
MS W DARLING  
1 ANY STREET  
ANY TOWN  
ANYWHERE  
XX00 0XX

TAX CREDIT OFFICE  
PRESTON  
PR1 0SD

Date: 10/10/11

**Check before 14/11/2011**

**Please keep this for your records**

## Tax credits – Annual Review for year ended 05/04/2010

Your tax credits award for 02/04/2009 to 01/04/2010

Mr P Pan  
Ms W Darling

National Insurance Number: AB 33 33 33 D  
National Insurance Number :CD 22 22 22 B

We told you that we would be contacting you to review your tax credits award. We want to:

- make sure we paid you the correct amount for the award period shown above, and
- ask you to make a tax credits claim for 2010–2011.

We need you to review your personal circumstances during the whole award period shown above and check your income.

If you need to tell us about anything once you have completed your annual Review, **please phone us straight away**. If you do not have anything to tell us **you need do nothing more**.

We will decide on 05/05/2010 that:

- the final amount of your tax credits award for the period 06/04/2009 to 05/04/2010 is £9999.99. The level of your income meant that your award was reduced to nothing.
- Your tax credits award for 2010–2011 will be as shown in the **Payments** section.

If later, you think those decisions are wrong, you will have 30 days from 05/05/2010 to appeal.

If you do think something is wrong, you do not have to wait until then to contact us.

### Your rights and obligations

Your *Charter* explains what you can expect from us and what we expect from you.

For more information go to [www.hmrc.gov.uk/charter](http://www.hmrc.gov.uk/charter)

TC603R

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## Step A

### Check your personal circumstances at the start of your award period were correct and complete

The notes tell you what to look for when you are checking and who can get extra amounts of tax credits.

#### At the start of your award period, 06/04/2010:

You claimed tax credits as a couple.

##### MR PETER PAN

Date of birth: 14/03/1904  
Lived in the United Kingdom.  
Usually worked in the United Kingdom.  
Total hours worked in a week: 33

##### MS WENDY DARLING

Date of birth: 06/04/1905  
Lived in the United Kingdom.  
Usually worked in the United Kingdom.  
Total hours worked in a week: 10

#### Your qualifying children and young people

##### TINKER BELL

Date of birth: 21/01/1935

##### TIGER LILLY

Date of birth: 26/06/1940

**Your child care costs** – childcare providers must be registered or approved, see the notes.

You had no qualifying child care costs.

## Step B

### Check that the changes in your personal circumstances listed below, are correct and complete

The notes tell you the changes in your personal circumstances that may affect your award.

#### These are the changes we hold for the period from 06/04/2009 to 05/04/2010.

We have only shown the changes that may have affected your award.

##### MR PETER PAN

12/02/2009 Total hours worked in a week changed to: 40

##### MS WENDY DARLING

20/06/2009 Total hours worked in a week changed to: 16  
24/11/2009 Total hours working in a week reduced to nil.  
01/12/2009 Total hours worked in a week changed to: 18

#### Your qualifying children and young people

##### TINKER BELL

01/04/2010 You are no longer responsible for this child for tax credits purposes.

##### TC603R

Qualitative research to explore tax credits customers' renewal behaviour  
Appendix C1 –Stage one of message testing: Annual Review Form

## TIGER LILLY

20/06/2009 Started being cared for by a registered or approved child care provider.  
12/02/2010 Stopped being cared for by a registered or approved child care provider.

**Your child care costs** – childcare providers must be registered or approved, see the notes.

20/06/2009 You told us that your average weekly child care costs were £60.00.  
12/02/2010 You told us that your average weekly child care costs were nil.  
15/03/2010 You told us that your average weekly child care costs were £100.00.

## Step C Complete your Annual Review

Work out your total joint income for 2009–2010. If you do not know your actual income, the notes tell you how to estimate your income now. If you do estimate your income, you will need to do Steps 1 and 2 again when you know your actual income. You must do this by 31/01/2011.

If the details at Steps A and B **are not** correct and complete, or if any of your personal circumstances have changed since 06/04/2009, please:

- phone us **now** to tell us about any changes, **and**
- tell us your income and your partner's income for 2009-2010.

If the details at Steps A and B **are** correct and complete, and your personal circumstances have not changed since 06/04/2009, do Steps 1 and 2.

**Step 1** Is your total joint income for 2009-2010 less than £9999.99?  
**Yes** please phone us **now** with your income and your partner's income figures.  
**No** go to Step 2.

**Step 2** Is your total joint income for 2010-2011 likely to be between £9999.99 and £15000.00?  
**No** please phone us **now** with your estimated income for 2010–2011.  
**Yes Your Annual Review is now complete and you do not need to do anything else.**  
We will finalise your 2009–2010 award as shown on page 1 and your award for 2010–2011 is shown in the **Payments** section.

### Warning

**If we do not hear from you by 31/07/2010**, we will treat this annual Review as correct and complete for the award period shown. We will also regard you as having claimed tax credits for the year 2010-2011 based on this information. If you do not want this to happen, please write to us. If we later find this information was incorrect or incomplete, you may have to pay back any tax credits overpaid.

You may also have to pay a penalty.

## Payments

If the information on this form is correct and complete, we have worked out that your award for 2010-2011 will be as shown below.

If you think any of these details are wrong, please contact us.

Child tax Credit	£2408.66
<b>Total</b>	<b>£2408.66</b>

**Minus**

Payments already made by us

£641.26

Potential payment

**£1767.40**

- this may change because we cannot work out the exact amount until your actual income and circumstances for the whole tax year 2010-2011 are known. We will then make a final decision on the amount of your award and pay any amount we owe you.

Amount due to you

**£1767.40**

## Tax credits payments

**We will continue to make payments in the same way as before. Any changes in your personal circumstances may affect the amount of payments shown below:**

A payment of £37.51 will be made on DD/mm/CCYY.

Your payments will then change to £172.07 every week until 02/04/2011.

Example

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Customer Information Team April 2011

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You may get the disability element of Working Tax Credits if you meet all **three qualifying conditions**:

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You should work out your income for the year 2010-11. If you are part of a couple, we need to know about the total household income for you and your partner. If it is outside of the range shown on your Annual Review, you must tell us straight away. If you don't have actual figures you can give us an estimate. You must tell us your actual income figure as soon as you can and no later than 31 January.

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- phone our Helpline on **0845 300 3900**
- textphone our Helpline (for people with hearing or speech difficulties) on **0845 300 3909**
- write to us at:  
Tax Credit Office  
Preston  
PR1 0SB.

For our opening hours go to [www.hmrc.gov.uk/contactus](http://www.hmrc.gov.uk/contactus)

### Have you made more than one claim?

If you made more than one tax credits claim in the year, you will get a renewal pack for each claim.

### Claiming as a couple

We treat you as a couple if you are married, or in a civil partnership unless you are legally separated or your separation is likely to be permanent.

We treat you as a couple if you are living with someone as if you are married, or in a civil partnership. We still treat you as a couple if you are living apart temporarily, for example, one of you is working away.

### Disability element

You may get the disability element of Working Tax Credits if you meet all **three qualifying conditions**:

- Condition 1 - usually work 16 hours or more a week.
- Condition 2 - have a disability putting you at a disadvantage in getting a job.
- Condition 3 - get or have recently got a qualifying sickness or disability related benefit.

You may get the disability element of Child Tax Credit if:

- your child gets Disability Living Allowance
- your child is registered blind or came off the blind register in the 28 weeks before you claimed tax credits.

### Severe disability element

If you or your child gets the highest rate care component of Disability Living Allowance you may get a severe disability element.

For more information go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)

### Changes to where you live

You (or your partner if you have one):

- leave the UK permanently
- go abroad for a period of more than 8 weeks, or 12 weeks if it is because you or a member of your family is ill or has died
- lose your right to reside in the UK.

### Changes to your work or benefits

You (or your partner if you have one):

- stop working or are laid off
- change your usual working hours to less than 16 or 30 hours a week (for couples with children, it is your joint working hours that count towards the 30 hours but one of you must work 16 hours or more)
- get the disability element of Working Tax Credits and start working less than 16 hours a week
- get Working Tax Credit and your maternity leave lasts longer than 39 weeks
- are on strike for more than 10 consecutive days
- start or stop getting Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, or Pension Credit
- get the childcare element of Working Tax Credit and start working less than 16 hours a week.

### Changes to your childcare

- you start using a provider who is not registered or approved
- you start using a relative to look after your child, in the child's home
- your child reaches age 15 (or 16 if they are disabled)
- you stop paying for childcare
- your average weekly costs fall by £10 or more, because you pay less or because you get vouchers or payments from a government scheme or from your employer, including vouchers through salary sacrifice. If you pay fixed weekly costs, only tell us if your actual costs go down by £10 or more each week for four weeks in a row.

## Step C – check your income details

You should work out your income for the year 2010-11. If you are part of a couple, we need to know about the total household income for you and your partner. If it is outside of the range shown on your Annual Review, you must tell us straight away. If you don't have actual figures you can give us an estimate. You must tell us your actual income figure as soon as you can and no later than 31 January.

If you need help working out your income and want full details of what income to include and any deductions you can make, go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)

### Income details

If you are an employee, your P45, P60 or final payslip will help you.

If you are self-employed you can use the figure on your Tax Return for 2010-11. If you haven't filled in your Tax Return for 2010-11 you should estimate your profits. You must tell us your actual income figure as soon as you can and no later than 31 January.

### Benefits in kind from your employer

Usually your employer will give you these details on form P11D or P9D. If you haven't got one, ask your employer about the cash equivalent of your benefits in kind.

### Taxable Social Security benefits

If you got any of the benefits listed opposite, you need to add them to your income. If you're not sure what benefits you got, or how much, please contact your local Department for Work and Pensions office or Jobcentre Plus.

### Other income

If you have other income, for example, interest on savings or State Pension, you need to include them.

Do not include other income if it is:

- less than £300 (this is your joint other income if you are claiming as a couple)
- a maintenance payment
- a student grant or loan.

### Qualifying children and young people

You can claim Child Tax Credit for a child until 31 August after their 16th birthday. You can also claim for a young person aged between 16 and under 20 if they are in full-time non-advanced education or on an approved training course. For more information go to [www.hmrc.gov.uk/leaflets/wtc2.pdf](http://www.hmrc.gov.uk/leaflets/wtc2.pdf)

### Help with childcare costs

You can get help towards your childcare costs if your childcare provider is registered or approved. If you are not sure, please ask them. You may still get help if you use other childcare, such as an after school club.

If your childcare costs go up by £10 or more for at least four weeks in a row, you should tell us as soon as possible. You may be entitled to more money.

For more information about childcare costs or to check if your childcare provider qualifies, go to [www.hmrc.gov.uk/leaflets/wtc5.pdf](http://www.hmrc.gov.uk/leaflets/wtc5.pdf)

### Taxable social security benefits

- Bereavement Allowance
- contribution-based Employment and Support Allowance
- Carer's Allowance
- contribution-based Jobseeker's Allowance
- Incapacity Benefit paid after 28 weeks of incapacity.

### Customers with particular needs

We have a range of services for people with disabilities, including guidance in Braille, audio and large print.

All of our leaflets and factsheets are also available in large print. Please contact us if you need these services.

### Your rights and obligations

Your Charter explains what you can expect from us and what we expect from you. For more information go to [www.hmrc.gov.uk/charter](http://www.hmrc.gov.uk/charter)

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### Issued by

HM Revenue & Customs

Customer Information Team April 2011

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MMN

**Tax credits are flexible and change when your life changes.  
Call HMRC if you have a change to report.**

# CHANGE OF PROCESS – WHAT TO DO WITH YOUR ANNUAL REVIEW

There are three steps you need to follow to renew your tax credits claim. Once you have followed these three steps you will know what information we have used to work out your award. If any of this information is wrong or your circumstances have changed, you need to tell us straight away.

**If the information is correct and you have no changes to report, you do not need to do anything more. If you are still entitled to tax credits, we will continue paying you using this information.**

You may have been asked to respond to your Annual Review in previous years but this year if the information is correct and you have no changes to report you **do not** need to contact us. We will not send you any further award notices unless you report a change.

## Step A – check your personal circumstances

You need to check that the following were correct at the start of your award period:

- if you claimed as a single person or jointly as a couple
- where you live
- work details - including the number of hours you worked
- any benefits you got
- if you get the disability or severe disability element
- if you have any qualifying children and young people
- if you get the disability or severe disability element for your child
- your childcare costs.

If you told us about any changes we show them at Step B. If any of the details are incorrect, you must tell us straight away.

## Step B – check your changes

Your Annual Review shows the changes you told us about through the year. Please check that they are correct and tell us straight away if they are not.

For a full list of changes you must tell us about go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)

Here are some of the changes you must tell us about within one month.  
**If you do not tell us about these changes, you could build up an overpayment that you have to pay back. You may also have to pay a penalty.**

### Changes in your family

- you claimed as an individual but are now married, in a civil partnership or living with a partner as if you are married or in a civil partnership
- you claimed as part of a couple but have separated or your partner has died
- you (or your partner if you have one) are put on remand or get a custodial sentence
- a child or young person
  - leaves the family to live elsewhere
  - is serving a custodial sentence of more than four months
  - dies
  - starts to get tax credits or benefits in their own right for example, Income Support, Incapacity Benefit or income-based Jobseeker's Allowance
  - stops being registered as blind
  - leaves full-time non-advanced education or approved training before age 20
  - starts paid work of 24 hours or more a week
  - starts to have training provided under a work contract or education provided as part of a job
  - stops being registered with a careers service, Connexions, Ministry of Defence or similar organisation
  - gets married or starts living with a partner.

### Help

If you would like more help:

- go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)
- phone our Helpline on **0845 300 3900**
- textphone our Helpline (for people with hearing or speech difficulties) on **0845 300 3909**
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- your child is registered blind or came off the blind register in the 28 weeks before you claimed tax credits.

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- are on strike for more than 10 consecutive days
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You should work out your income for the year 2010-11. If you are part of a couple, we need to know about the total household income for you and your partner. If it is outside of the range shown on your Annual Review, you must tell us straight away. If you don't have actual figures you can give us an estimate. You must tell us your actual income figure as soon as you can and no later than 31 January.

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Do not include other income if it is:

- less than £300 (this is your joint other income if you are claiming as a couple)
- a maintenance payment
- a student grant or loan.

If your circumstances have not changed, you do not need to call HMRC

### Qualifying children and young people

You can claim Child Tax Credit for a child until 31 August after their 16th birthday. You can also claim for a young person aged between 16 and under 20 if they are in full-time non-advanced education or on an approved training course. For more information go to [www.hmrc.gov.uk/leaflets/wtc2.pdf](http://www.hmrc.gov.uk/leaflets/wtc2.pdf)

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All of our leaflets and factsheets are also available in large print. Please contact us if you need these services.

### Your rights and obligations

*Your Charter* explains what you can expect from us and what we expect from you. For more information go to [www.hmrc.gov.uk/charter](http://www.hmrc.gov.uk/charter)

These notes are for guidance only and reflect the position at the time of writing. They do not affect any right of appeal.

### Issued by

HM Revenue & Customs

Customer Information Team April 2011

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MMN

## Which messages are most important?

- The system is changing
- Your claim will now be automatically renewed
- You need to check your information is correct
- You only need to contact HMRC if your information is incorrect
- If your circumstances change, tell HMRC immediately.
- If you don't tell HMRC of a change within 30 days you may get an overpayment.

# Appendix D – Message Testing: Stage Two

## Contents

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Minicom/Textphone

MR P PAN  
MS W DARLING  
1 ANY STREET  
ANY TOWN  
ANYWHERE  
XX00 0XXTAX CREDIT OFFICE  
PRESTON  
PR1 0SD

Date: 10/10/11

## WE HAVE CHANGED THE WAY WE RENEW YOUR TAX CREDITS

**Check before 14/11/2011**

**Please keep this for your records**

### Tax credits – Annual Review for year ended 05/04/2010

Your tax credits award for 02/04/2009 to 01/04/2010

Mr P Pan  
Ms W Darling

National Insurance Number: AB 33 33 33 D  
National Insurance Number :CD 22 22 22 B

We told you that we would be contacting you to review your tax credits award. We want to:

- make sure we paid you the correct amount for the award period shown above, and
- ask you to make a tax credits claim for 2010–2011.

We need you to review your personal circumstances during the whole award period shown above and check your income.

If you need to tell us about anything once you have completed your annual Review, **please phone us straight away**. If you do not have anything to tell us **you need do nothing more**.

We will decide on 05/05/2010 that:

- the final amount of your tax credits award for the period 06/04/2009 to 05/04/2010 is £9999.99. The level of your income meant that your award was reduced to nothing.
- Your tax credits award for 2010–2011 will be as shown in the **Payments** section.

If later, you think those decisions are wrong, you will have 30 days from 05/05/2010 to appeal.

If you do think something is wrong, you do not have to wait until then to contact us.

#### Your rights and obligations

*Your Charter* explains what you can expect from us and what we expect from you.

For more information go to [www.hmrc.gov.uk/charter](http://www.hmrc.gov.uk/charter)

## Step A

### Check your personal circumstances at the start of your award period were correct and complete

The notes tell you what to look for when you are checking and who can get extra amounts of tax credits.

#### At the start of your award period, 06/04/2010:

You claimed tax credits as a couple.

##### MR PETER PAN

Date of birth: 14/03/1904  
Lived in the United Kingdom.  
Usually worked in the United Kingdom.  
Total hours worked in a week: 33

##### MS WENDY DARLING

Date of birth: 06/04/1905  
Lived in the United Kingdom.  
Usually worked in the United Kingdom.  
Total hours worked in a week: 10

#### Your qualifying children and young people

##### TINKER BELL

Date of birth: 21/01/1935

##### TIGER LILLY

Date of birth: 26/06/1940

**Your child care costs** – childcare providers must be registered or approved, see the notes.

You had no qualifying child care costs.

## Step B

### Check that the changes in your personal circumstances listed below, are correct and complete

The notes tell you the changes in your personal circumstances that may affect your award.

#### These are the changes we hold for the period from 06/04/2009 to 05/04/2010.

We have only shown the changes that may have affected your award.

##### MR PETER PAN

12/02/2009 Total hours worked in a week changed to: 40

##### MS WENDY DARLING

20/06/2009 Total hours worked in a week changed to: 16  
24/11/2009 Total hours working in a week reduced to nil.  
01/12/2009 Total hours worked in a week changed to: 18

#### Your qualifying children and young people

##### TINKER BELL

01/04/2010 You are no longer responsible for this child for tax credits purposes.



## TIGER LILLY

20/06/2009 Started being cared for by a registered or approved child care provider.  
12/02/2010 Stopped being cared for by a registered or approved child care provider.

**Your child care costs** – childcare providers must be registered or approved, see the notes.

20/06/2009 You told us that your average weekly child care costs were £60.00.  
12/02/2010 You told us that your average weekly child care costs were nil.  
15/03/2010 You told us that your average weekly child care costs were £100.00.

## Step C Complete your Annual Review

Work out your total joint income for 2009–2010. If you do not know your actual income, the notes tell you how to estimate your income now. If you do estimate your income, you will need to do Steps 1 and 2 again when you know your actual income. You must do this by 31/01/2011.

If the details at Steps A and B **are not** correct and complete, or if any of your personal circumstances have changed since 06/04/2009, please:

- phone us **now** to tell us about any changes, **and**
- tell us your income and your partner's income for 2009-2010.

If the details at Steps A and B **are** correct and complete, and your personal circumstances have not changed since 06/04/2009, do Steps 1 and 2.

**Step 1** Is your total joint income for 2009-2010 less than £9999.99?  
**Yes** please phone us **now** with your income and your partner's income figures.  
**No** go to Step 2.

**Step 2** Is your total joint income for 2010-2011 likely to be between £9999.99 and £15000.00?  
**No** please phone us **now** with your estimated income for 2010–2011.  
**Yes Your Annual Review is now complete and you do not need to do anything else.**  
We will finalise your 2009–2010 award as shown on page 1 and your award for 2010–2011 is shown in the **Payments** section.

### Warning

**If we do not hear from you by 31/07/2010**, we will treat this annual Review as correct and complete for the award period shown. We will also regard you as having claimed tax credits for the year 2010-2011 based on this information. If you do not want this to happen, please write to us. If we later find this information was incorrect or incomplete, you may have to pay back any tax credits overpaid.

You may also have to pay a penalty.

## Payments

If the information on this form is correct and complete, we have worked out that your award for 2010-2011 will be as shown below.

If you think any of these details are wrong, please contact us.

Child tax Credit	£2408.66
<b>Total</b>	<b>£2408.66</b>

**Minus**

Payments already made by us

£641.26

Potential payment

**£1767.40**

- this may change because we cannot work out the exact amount until your actual income and circumstances for the whole tax year 2010-2011 are known. We will then make a final decision on the amount of your award and pay any amount we owe you.

Amount due to you

**£1767.40**

## Tax credits payments

**We will continue to make payments in the same way as before. Any changes in your personal circumstances may affect the amount of payments shown below:**

A payment of £37.51 will be made on DD/mm/CCYY.

Your payments will then change to £172.07 every week until 02/04/2011.

## Your declaration

**Please sign this box to verify that your details are correct. Store this form safely as we may need to inspect it at a later date.**

I, Peter Pan, declare that the details presented in this form are correct.

SIGNATURE

DATE

I, Wendy Darling, declare that the details presented in this form are correct.

SIGNATURE

DATE

**Remember, if your circumstances have not changed,  
you do not need to call HMRC**

Please keep this for your records



Helpline  
Minicom/Textphone

0845 300 3900  
0845 300 3909

For our opening hours go to  
[www.hmrc.gov.uk/contactus](http://www.hmrc.gov.uk/contactus)

MR P PAN  
MS W DARLING  
1 ANY STREET  
ANY TOWN  
ANYWHERE  
XX00 0XX

TAX CREDIT OFFICE  
PRESTON  
PR1 0SD

Date: 01/11/11

## WE HAVE CHANGED THE WAY WE RENEW YOUR TAX CREDITS

Check this notice before 29/11/2011

### Tax credits – Annual Review for year ended 05/04/2010

Your tax credits award for 02/04/2009 to 01/04/2010

Mr P Pan  
Ms W Darling

National Insurance Number: AB 33 33 33 D  
National Insurance Number :CD 22 22 22 B

We told you that we would be contacting you to review your tax credits award. We want to:

- make sure we paid you the correct amount for the award period shown above, and
- ask you to make a tax credits claim for 2010–2011.

We need you to review your personal circumstances during the whole award period shown above and check your income.

If you need to tell us about anything once you have completed your annual Review, **please phone us straight away**. If you do not have anything to tell us **you need do nothing more**.

We will decide on 05/05/2010 that:

- the final amount of your tax credits award for the period 06/04/2009 to 05/04/2010 is £9999.99. The level of your income meant that your award was reduced to nothing.
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**Tax credits are flexible and change when your life changes.  
Call HMRC if you have a change to report.**

## Step A

### Check your personal circumstances at the start of your award period were correct and complete

The notes tell you what to look for when you are checking and who can get extra amounts of tax credits.

#### At the start of your award period, 06/04/2010:

You claimed tax credits as a couple.

##### MR PETER PAN

Date of birth: 14/03/1904

Lived in the United Kingdom.

Usually worked in the United Kingdom.

Total hours worked in a week: 33

##### MS WENDY DARLING

Date of birth: 06/04/1905

Lived in the United Kingdom.

Usually worked in the United Kingdom.

Total hours worked in a week: 10

#### Your qualifying children and young people

##### TINKER BELL

Date of birth: 21/01/1935

##### TIGER LILLY

Date of birth: 26/06/1940

**Your child care costs** – childcare providers must be registered or approved, see the notes.

You had no qualifying child care costs.

## Step B

### Check that the changes in your personal circumstances listed below, are correct and complete

The notes tell you the changes in your personal circumstances that may affect your award.

#### These are the changes we hold for the period from 06/04/2009 to 05/04/2010.

We have only shown the changes that may have affected your award.

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12/02/2009 Total hours worked in a week changed to: 40

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24/11/2009 Total hours working in a week reduced to nil.

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## Please keep this for your records

### Your qualifying children and young people

#### TINKER BELL

01/04/2010 You are no longer responsible for this child for tax credits purposes.

#### TIGER LILLY

20/06/2009 Started being cared for by a registered or approved child care provider.

12/02/2010 Stopped being cared for by a registered or approved child care provider.

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You may also have to pay a penalty.

**If you don't tell HMRC that your details are wrong then you might receive an overpayment, a fine or even have your award stopped altogether.**

## Please keep this for your records

### Payments

If the information on this form is correct and complete, we have worked out that your award for 2010-2011 will be as shown below.

If you think any of these details are wrong, please contact us.

Child tax Credit	<u>£2408.66</u>
<b>Total</b>	<b>£2408.66</b>

### Minus

Payments already made by us	<u>£641.26</u>
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Potential payment	<b>£1767.40</b>
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- this may change because we cannot work out the exact amount until your actual income and circumstances for the whole tax year 2010-2011 are known. We will then make a final decision on the amount of your award and pay any amount we owe you.

Amount due to you	<b>£1767.40</b>
-------------------	-----------------

### Tax credits payments

**We will continue to make payments in the same way as before. Any changes in your personal circumstances may affect the amount of payments shown below:**

A payment of £37.51 will be made on DD/mm/CCYY.

Your payments will then change to £172.07 every week until 02/04/2011.

**If your circumstances have not changed, you do not need to call HMRC**

MR P PAN  
MS W DARLING  
1 ANY STREET  
ANY TOWN  
ANYWHERE  
XX00 0XX

TAX CREDIT OFFICE  
PRESTON  
PR1 0SD

Date: 01/11/11

## WE HAVE CHANGED THE WAY WE RENEW YOUR TAX CREDITS

Check this notice before 29/11/2011

### Tax credits – Annual Review for year ended 05/04/2010

Your tax credits award for 02/04/2009 to 01/04/2010

Mr P Pan  
Ms W Darling

National Insurance Number: AB 33 33 33 D  
National Insurance Number: CD 22 22 22 B

We told you that we would be contacting you to review your tax credits award. We want to:

- make sure we paid you the correct amount for the award period shown above, and
- ask you to make a tax credits claim for 2010–2011.

We need you to review your personal circumstances during the whole award period shown above and check your income.

If you need to tell us about anything once you have completed your annual Review, **please phone us straight away**. If you do not have anything to tell us **you need do nothing more**.

We will decide on 05/05/2010 that:

- the final amount of your tax credits award for the period 06/04/2009 to 05/04/2010 is £9999.99. The level of your income meant that your award was reduced to nothing.
- Your tax credits award for 2010–2011 will be as shown in the **Payments** section.

If later, you think those decisions are wrong, you will have 30 days from 05/05/2010 to appeal.

If you do think something is wrong, you do not have to wait until then to contact us.

#### Your rights and obligations

Your *Charter* explains what you can expect from us and what we expect from you. For more information go to [www.hmrc.gov.uk/charter](http://www.hmrc.gov.uk/charter)

**Call HMRC immediately if you have a change to report.**

## Step A

### Check your personal circumstances at the start of your award period were correct and complete

The notes tell you what to look for when you are checking and who can get extra amounts of tax credits.

#### At the start of your award period, 06/04/2010:

You claimed tax credits as a couple.

##### MR PETER PAN

Date of birth: 14/03/1904

Lived in the United Kingdom.

Usually worked in the United Kingdom.

Total hours worked in a week: 33

##### MS WENDY DARLING

Date of birth: 06/04/1905

Lived in the United Kingdom.

Usually worked in the United Kingdom.

Total hours worked in a week: 10

#### Your qualifying children and young people

##### TINKER BELL

Date of birth: 21/01/1935

##### TIGER LILLY

Date of birth: 26/06/1940

**Your child care costs** – childcare providers must be registered or approved, see the notes.

You had no qualifying child care costs.

## Step B

### Check that the changes in your personal circumstances listed below, are correct and complete

The notes tell you the changes in your personal circumstances that may affect your award.

#### These are the changes we hold for the period from 06/04/2009 to 05/04/2010.

We have only shown the changes that may have affected your award.

##### MR PETER PAN

12/02/2009 Total hours worked in a week changed to: 40

##### MS WENDY DARLING

20/06/2009 Total hours worked in a week changed to: 16

24/11/2009 Total hours working in a week reduced to nil.

01/12/2009 Total hours worked in a week changed to: 18

**Reporting changes quickly saves paper, time and money**



## Your qualifying children and young people

### TINKER BELL

01/04/2010 You are no longer responsible for this child for tax credits purposes.

### TIGER LILLY

20/06/2009 Started being cared for by a registered or approved child care provider.

12/02/2010 Stopped being cared for by a registered or approved child care provider.

**Your child care costs** – childcare providers must be registered or approved, see the notes.

20/06/2009 You told us that your average weekly child care costs were £60.00.

12/02/2010 You told us that your average weekly child care costs were nil.

15/03/2010 You told us that your average weekly child care costs were £100.00.

## Step C Complete your Annual Review

Work out your total joint income for 2009–2010. If you do not know your actual income, the notes tell you how to estimate your income now. If you do estimate your income, you will need to do Steps 1 and 2 again when you know your actual income. You must do this by 31/01/2011.

If the details at Steps A and B **are not** correct and complete, or if any of your personal circumstances have changed since 06/04/2009, please:

- phone us **now** to tell us about any changes, **and**
- tell us your income and your partner's income for 2009-2010.

If the details at Steps A and B **are** correct and complete, and your personal circumstances have not changed since 06/04/2009, do Steps 1 and 2.

**Step 1** Is your total joint income for 2009-2010 less than £9999.99?  
**Yes** please phone us **now** with your income and your partner's income figures.  
**No** go to Step 2.

**Step 2** Is your total joint income for 2010-2011 likely to be between £9999.99 and £15000.00?  
**No** please phone us **now** with your estimated income for 2010–2011.  
**Yes Your Annual Review is now complete and you do not need to do anything else.**  
We will finalise your 2009–2010 award as shown on page 1 and your award for 2010–2011 is shown in the **Payments** section.

### Warning

**If we do not hear from you by 31/07/2010**, we will treat this annual Review as correct and complete for the award period shown. We will also regard you as having claimed tax credits for the year 2010-2011 based on this information. If you do not want this to happen, please write to us. If we later find this information was incorrect or incomplete, you may have to pay back any tax credits overpaid.

You may also have to pay a penalty.

**If you don't tell HMRC that your details are wrong then you might receive an overpayment, a fine or even have your award stopped altogether.**

## Payments

If the information on this form is correct and complete, we have worked out that your award for 2010-2011 will be as shown below.

If you think any of these details are wrong, please contact us.

Child tax Credit	£2408.66
<b>Total</b>	<b>£2408.66</b>

### Minus

Payments already made by us	£641.26
Potential payment	<b>£1767.40</b>
– this may change because we cannot work out the exact amount until your actual income and circumstances for the whole tax year 2010-2011 are known. We will then make a final decision on the amount of your award and pay any amount we owe you.	
Amount due to you	<b>£1767.40</b>

## Tax credits payments

**We will continue to make payments in the same way as before. Any changes in your personal circumstances may affect the amount of payments shown below:**

A payment of £37.51 will be made on DD/mm/CCYY.  
Your payments will then change to £172.07 every week until 02/04/2011.

## Your declaration

**Please sign this box to verify that your details are correct. Store this form safely as we may need to inspect it at a later date.**

I, Peter Pan, declare that the details presented in this form are correct.

SIGNATURE

DATE

I, Wendy Darling, declare that the details presented in this form are correct.

SIGNATURE

DATE

**Remember, if your circumstances have not changed,  
you do not need to call HMRC**

# WE HAVE CHANGED THE WAY WE RENEW YOUR TAX CREDITS – WHAT TO DO

There are three steps you need to follow to renew your tax credits claim. Once you have followed these three steps you will know what information we have used to work out your award. If any of this information is wrong or your circumstances have changed, you need to tell us straight away.

**If the information is correct and you have no changes to report, you do not need to do anything more. If you are still entitled to tax credits, we will continue paying you using this information.**

You may have been asked to respond to your Annual Review in previous years but this year if the information is correct and you have no changes to report you **do not** need to contact us. We will not send you any further award notices unless you report a change.

## Step A – check your personal circumstances

You need to check that the following were correct at the start of your award period:

- if you claimed as a single person or jointly as a couple
- where you live
- work details - including the number of hours you worked
- any benefits you got
- if you get the disability or severe disability element
- if you have any qualifying children and young people
- if you get the disability or severe disability element for your child
- your childcare costs.

If you told us about any changes we show them at Step B. If any of the details are incorrect, you must tell us straight away.

## Step B – check your changes

Your Annual Review shows the changes you told us about through the year. Please check that they are correct and tell us straight away if they are not.

For a full list of changes you must tell us about go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)  
Here are some of the changes you must tell us about within one month.

**If you do not tell us about these changes, you could build up an overpayment that you have to pay back. You may also have to pay a penalty.**

### Changes in your family

- you claimed as an individual but are now married, in a civil partnership or living with a partner as if you are married or in a civil partnership
- you claimed as part of a couple but have separated or your partner has died
- you (or your partner if you have one) are put on remand or get a custodial sentence
- a child or young person
  - leaves the family to live elsewhere
  - is serving a custodial sentence of more than four months
  - dies
  - starts to get tax credits or benefits in their own right for example, Income Support, Incapacity Benefit or income-based Jobseeker's Allowance
  - stops being registered as blind
  - leaves full-time non-advanced education or approved training before age 20
  - starts paid work of 24 hours or more a week
  - starts to have training provided under a work contract or education provided as part of a job
  - stops being registered with a careers service, Connexions, Ministry of Defence or similar organisation
  - gets married or starts living with a partner.

### Help

If you would like more help:

- go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)
- phone our Helpline on **0845 300 3900**
- textphone our Helpline (for people with hearing or speech difficulties) on **0845 300 3909**
- write to us at:  
Tax Credit Office  
Preston  
PR1 0SB.

For our opening hours go to [www.hmrc.gov.uk/contactus](http://www.hmrc.gov.uk/contactus)

### Have you made more than one claim?

If you made more than one tax credits claim in the year, you will get a renewal pack for each claim.

### Claiming as a couple

We treat you as a couple if you are married, or in a civil partnership unless you are legally separated or your separation is likely to be permanent.

We treat you as a couple if you are living with someone as if you are married, or in a civil partnership. We still treat you as a couple if you are living apart temporarily, for example, one of you is working away.

### Disability element

You may get the disability element of Working Tax Credits if you meet **all three qualifying conditions**:

- Condition 1 - usually work 16 hours or more a week.
- Condition 2 - have a disability putting you at a disadvantage in getting a job.
- Condition 3 - get or have recently got a qualifying sickness or disability related benefit.

You may get the disability element of Child Tax Credit if:

- your child gets Disability Living Allowance
- your child is registered blind or came off the blind register in the 28 weeks before you claimed tax credits.

### Severe disability element

If you or your child gets the highest rate care component of Disability Living Allowance you may get a severe disability element.

For more information go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)

## Changes to where you live

You (or your partner if you have one):

- leave the UK permanently
- go abroad for a period of more than 8 weeks, or 12 weeks if it is because you or a member of your family is ill or has died
- lose your right to reside in the UK.

## Changes to your work or benefits

You (or your partner if you have one):

- stop working or are laid off
- change your usual working hours to less than 16 or 30 hours a week (for couples with children, it is your joint working hours that count towards the 30 hours but one of you must work 16 hours or more)
- get the disability element of Working Tax Credits and start working less than 16 hours a week
- get Working Tax Credit and your maternity leave lasts longer than 39 weeks
- are on strike for more than 10 consecutive days
- start or stop getting Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, or Pension Credit
- get the childcare element of Working Tax Credit and start working less than 16 hours a week.

## Changes to your childcare

- you start using a provider who is not registered or approved
- you start using a relative to look after your child, in the child's home
- your child reaches age 15 (or 16 if they are disabled)
- you stop paying for childcare
- your average weekly costs fall by £10 or more, because you pay less or because you get vouchers or payments from a government scheme or from your employer, including vouchers through salary sacrifice. If you pay fixed weekly costs, only tell us if your actual costs go down by £10 or more each week for four weeks in a row.

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## Step C – check your income details

You should work out your income for the year 2010-11. If you are part of a couple, we need to know about the total household income for you and your partner. If it is outside of the range shown on your Annual Review, you must tell us straight away. If you don't have actual figures you can give us an estimate. You must tell us your actual income figure as soon as you can and no later than 31 January.

If you need help working out your income and want full details of what income to include and any deductions you can make, go to [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)

### Income details

If you are an employee, your P45, P60 or final payslip will help you.

If you are self-employed you can use the figure on your Tax Return for 2010-11. If you haven't filled in your Tax Return for 2010-11 you should estimate your profits. You must tell us your actual income figure as soon as you can and no later than 31 January.

### Benefits in kind from your employer

Usually your employer will give you these details on form P11D or P9D. If you haven't got one, ask your employer about the cash equivalent of your benefits in kind.

### Taxable Social Security benefits

If you got any of the benefits listed opposite, you need to add them to your income.

If you're not sure what benefits you got, or how much, please contact your local Department for Work and Pensions office or Jobcentre Plus.

### Other income

If you have other income, for example, interest on savings or State Pension, you need to include them.

Do not include other income if it is:

- less than £300 (this is your joint other income if you are claiming as a couple)
- a maintenance payment
- a student grant or loan.

### Qualifying children and young people

You can claim Child Tax Credit for a child until 31 August after their 16th birthday. You can also claim for a young person aged between 16 and under 20 if they are in full-time non-advanced education or on an approved training course. For more information go to [www.hmrc.gov.uk/leaflets/wtc2.pdf](http://www.hmrc.gov.uk/leaflets/wtc2.pdf)

### Help with childcare costs

You can get help towards your childcare costs if your childcare provider is registered or approved. If you are not sure, please ask them. You may still get help if you use other childcare, such as an after school club.

If your childcare costs go up by £10 or more for at least four weeks in a row, you should tell us as soon as possible. You may be entitled to more money.

For more information about childcare costs or to check if your childcare provider qualifies, go to [www.hmrc.gov.uk/leaflets/wtc5.pdf](http://www.hmrc.gov.uk/leaflets/wtc5.pdf)

### Taxable social security benefits

- Bereavement Allowance
- contribution-based Employment and Support Allowance
- Carer's Allowance
- contribution-based Jobseeker's Allowance
- Incapacity Benefit paid after 28 weeks of incapacity.

### Customers with particular needs

We have a range of services for people with disabilities, including guidance in Braille, audio and large print.

All of our leaflets and factsheets are also available in large print. Please contact us if you need these services.

### Your rights and obligations

*Your Charter* explains what you can expect from us and what we expect from you. For more information go to [www.hmrc.gov.uk/charter](http://www.hmrc.gov.uk/charter)

These notes are for guidance only and reflect the position at the time of writing. They do not affect any right of appeal.

### Issued by

HM Revenue & Customs

Customer Information Team April 2011

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