

HM Revenue and Customs Mid-Size Business Survey 2015

Research Report 421



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1. Executive summary

1.1 Introduction and background

HM Revenue and Customs (HMRC) has developed a new strategic approach for mid-size business customers, with the aim of providing a more effective and targeted service to improve customer service, and through this, engagement. This research explores mid-size businesses' customer experience of HMRC, measures general perceptions of HMRC and tax administration, and assesses the impact of operational and policy changes. The research was mixed method: a quantitative survey¹ provided robust measures, while qualitative research explored issues arising in the survey and looked in more depth at areas of particular interest.

1.2 Customer experience

Half (51%) of mid-size businesses rated their overall experience of dealing with HMRC over the past 12 months positively. However, there were a number of differences by type of business:

- Mid-size businesses that had *only* used digital channels were more likely to be positive about their overall experience than those that had used both digital and non-digital channels of contact (68% compared with 46%). Businesses with significantly more employees were less likely to be positive about their overall experience (34% of those with 250+ employees).
- It is worth noting that businesses that only use digital channels were more likely to have fewer employees than those that use both digital and non-digital channels. However, even when controlling for the number of employees, digital only channel users were more likely to be positive than those that used digital and non-digital channel.

The most important driver of a good customer experience for mid-size businesses was HMRC getting the tax transaction right – 56% rated HMRC positively on this dimension. Other important dimensions were how good HMRC was perceived to be in resolving queries or issues (50% positive) and the acceptability of time taken to reach the end result (42% positive).

1.3 Health of the tax administration service

There is widespread agreement among mid-size businesses that HMRC treated them fairly (74%), and as honest (82%), but not that HMRC minimises the cost, time and effort it takes to deal with tax affairs (37%). Overall, over half (56%) found it easy to deal with their tax affairs. Notably, 73% of digital-only users reported that it was easy to deal with their tax affairs, compared to 52% of those that used both digital and non-digital channels. A good customer experience tends to enhance businesses' views of the tax administration service.

1.4 Reputation of HMRC

Mid-size businesses were asked about their perceptions of HMRC, in terms of their broader views of HMRC as an organisation. Fewer than half (46%) of mid-size businesses expressed confidence in the way HMRC does its job. Notably, businesses that reported positive views of how HMRC administers the tax system were also more likely to express confidence in the way HMRC does its job.

¹ Throughout percentages may not add to exactly 100% due to rounding, and unless otherwise stated, all differences reported are significant to the 95% confidence level. Ratings of customer experience and general perceptions were asked on a five point scale, with 4 and 5 referred to as 'positive', 3 as 'neutral' and 1 and 2 as 'negative'. Please refer to Section 2.4 for further information on the analysis and reporting of the survey findings.

1.5 Compliance

Mid-size businesses were asked about their perceptions of and attitudes towards tax avoidance among businesses similar to theirs. Two thirds (66%) thought that tax avoidance was not very, or not at all, widespread among businesses similar to theirs. Most reported that tax avoidance was always unacceptable (46%), or mostly unacceptable depending on the circumstances (31%). Furthermore, 56% thought those businesses that avoid tax will be challenged, and over three-quarters that HMRC is dealing more firmly (37%) or as firmly (41%) with tax avoidance than a few years ago.

There is no direct link between a good customer experience and positive views towards compliance, however, there is a link between *lack of confidence* in HMRC and less positive views towards compliance.

1.6 Mid-size businesses and growth

A quarter (25%) of businesses reported some form of growth in the last 12 months. Most commonly this was an increase in turnover (11%), or an increase in the number of employees (9%). Businesses with significantly more employees were more likely to have reported growth.

Most businesses (85%) were planning some growth activity in the next few years. Most often this was to upskill their workforce (71%), their leadership capability (63%) or in an area relating to trade² (60%).

HMRC were usually not perceived to be a facilitator of, or a barrier to, growth. The UK and global economic climate, and new leadership within the business, are often seen as facilitators by mid-size businesses. Barriers are wide-ranging, but include difficulties in recruiting a skilled workforce, competition and financial regulations.

Generally, businesses that had experienced growth over the previous 12 months did not seek support. When they did so, this was most likely to be from a tax agent or professional advisor, and not from Government sources.

1.7 Policy changes

- Of the recent policy changes that were asked about, awareness of reduction in Corporation Tax (CT) was highest (52% had heard of this and knew something about it, and 24% had heard of it but knew nothing further).
- A third (33%) knew something about the increase in the rates of Research and Development (R&D) tax credits, with a further 16% having heard about this but not knowing anything further. Similar levels of awareness were reported for the increase in Annual Investment Allowance (AIA).
- Businesses had most often heard about these changes through their regular tax advisor (47%).

Awareness of the three recent changes to VAT measured in the survey was low, although higher among businesses with an annual turnover of more than £100 million. The qualitative discussions suggested that low awareness was mainly due to businesses seeing the changes as not relevant to them.

² This relates to where businesses reported planning to expand into new markets, develop and launch new products/services and/or start trading internationally.

2. Introduction and background

2.1 Context

Research commissioned by HMRC in Autumn 2012³ produced insights into distinct characteristics and behaviours of mid-size businesses, and highlighted the significant contribution they make to the UK economy, not least in terms of their growth potential. These insights led HMRC to recognise mid-size businesses as a distinct customer group in order to better respond to the specific needs of businesses within this population. Consequently HMRC developed a new business model⁴ for mid-size business customers, with the aim of providing a more effective and targeted service to improve customer engagement.

The mid-size business unit became operational in April 2014, and covers approximately 140,000 active businesses. HMRC currently defines mid-size businesses as those with CT or Income Tax Self-Assessment turnover above £10 million; and/or more than 20 employees. There are additional criteria assessing a business's complexity which also qualify a business as mid-sized, for example, if it has more than 10 partners. The strategic approach adopted for these businesses focuses on the customer and aims to provide tailored temporary support during business 'life' events (e.g. opening operations outside the UK, acquiring or merging with another business). The business unit will also focus on promoting incentives and reliefs to mid-size customers to support business growth.

2.2 Research aim and objectives

This research provides robust and balanced evidence on customer experience and perceptions of the tax administration system, in order to evaluate the mid-size business model. It will also produce a number of key measures to feed into HMRC's new Performance Management Framework. More specifically it aimed to:

- Understand and track mid-size businesses' experience of dealing with HMRC and overall perceptions of HMRC, including aspects of the tax administration system;
- Identify where customer experience and the business model could be improved; and
- Help assess the impact of HMRC operational and policy changes.

2.3 Research methodology

The research involved quantitative and qualitative research among mid-size businesses. The qualitative research was designed to explore issues arising in the quantitative research and to look in more depth at issues of particular interest, especially around positive / negative customer experiences and growth. Full details of the method are given in the Appendix.

2.3.1 Quantitative research

2,006 interviews were conducted using a representative, random probability design. The sample was drawn from HMRC's own records of businesses that met the definition of a mid-size business⁵. Fieldwork was conducted by telephone between 26 October and 18 December 2015.

The individual interviewed on behalf of the business was the person with overall responsibility for tax matters. The questionnaire collected information on the characteristics of mid-size businesses, their management of tax obligations, attitudes towards compliance and their interactions with HMRC. Where businesses reported having had at least one interaction with HMRC in the past 12 months, the

³ <https://www.gov.uk/government/publications/understanding-mid-size-businesses>

⁴ <https://www.gov.uk/mid-size-businesses>

⁵ Self-employed businesses were excluded due to their likelihood of overlap with other customer groups (who may be covered by other research).

questionnaire also collected their views about their experience, focussing on the totality of their experience over the previous 12 months.

2.3.2 Qualitative research

Qualitative research was carried out following the quantitative survey to provide a more in-depth understanding of the issues covered in the survey and better illustrate some of the survey's findings. These discussions focussed on three key areas; businesses' experience of dealing with HMRC, ways in which HMRC could better support business growth and views of changes to the tax system). In total, 20 telephone interviews were conducted with participants who took part in the quantitative research which each lasted approximately 30 minutes. Fieldwork took place during January 2016. The sample was selected to reflect a mix of businesses in terms of size, customer experiences (purposively sampling businesses with either good or bad experiences) and experiences of growth. The interviews provided in depth insight into findings from the survey with purposely selected businesses, rather than exploring population variation by size or sector.

2.4 Analysis and reporting

All qualitative interviews were digitally recorded and analysed using 'Matrix Mapping'⁶, TNS BMRB's approach to the fine-grain analysis of qualitative material. The quantitative data was analysed using specialist computer software, including tests for "significant differences", i.e. meaningful differences that were unlikely to have occurred by chance within the sample. Subgroup analysis was performed to explore any difference among groups within the sample, i.e. different sizes of business. The following points should be borne in mind when reading this report:

- Percentages for single-response questions do not always add up to exactly 100% due to the effect of rounding;
- Unless otherwise stated, all differences reported are statistically significant to the 95% confidence level. This means that we can be 95% confident that the differences observed are genuine differences, and have not just occurred by chance;
- Ratings of customer experience and general perceptions of HMRC were asked on a five point scale. Scores of 4 and 5 (out of 5) are referred to as 'positive', 3 is 'neutral' and 1 and 2 are 'negative';
- Zero per cent is indicated in tables using '-' and figures above zero but below 0.5 per cent are indicated using '*'; and
- Base sizes for each result reported are shown with the charts. A result with a base size of fewer than 100 should be interpreted with caution and the findings should be viewed as indicative only⁷.

⁶ This involves the rigorous and systematic charting of the data across the three topics covered in the interviews. More detail about this is provided in the Appendix.

⁷ Table 10.6 indicates the unweighted base sizes for many subgroups.

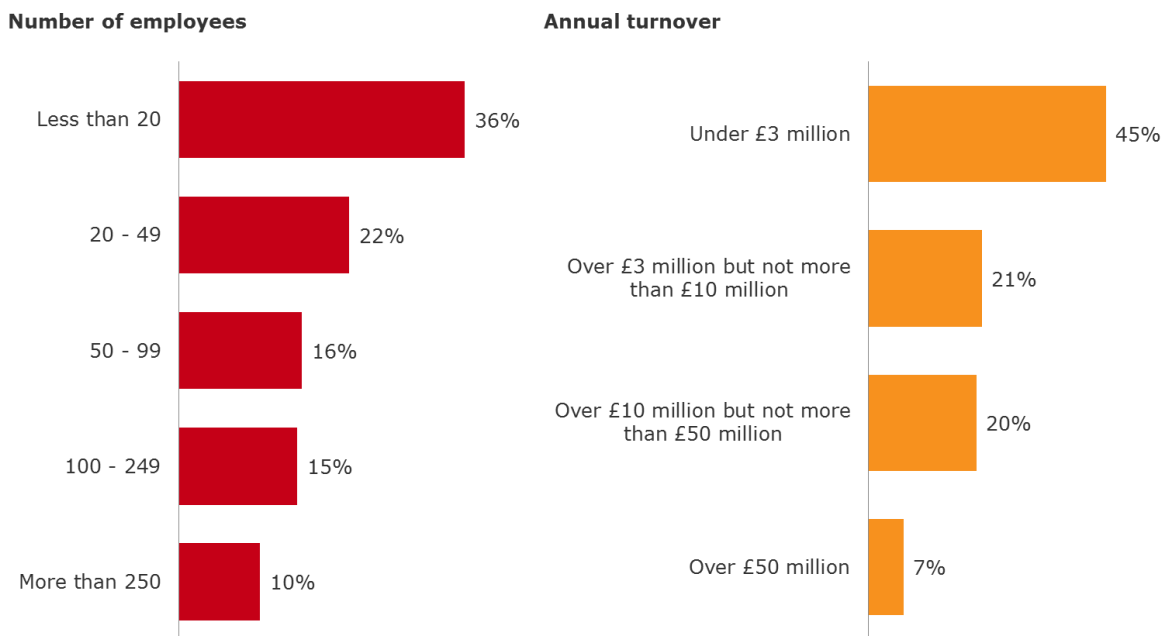
3. Business characteristics and interactions

This section examines the demographic profile of mid-size businesses, the taxes they paid and their interactions with HMRC, to provide context for the remaining sections and to introduce key subgroups.

3.1 Demographic profile

HMRC’s operational definition of a mid-size business is one that has annual turnover above £10 million and/or 20 or more employees. HMRC also classifies businesses that are part of a corporate group which collectively meets these criteria as mid-size. Particularly complex businesses are also included in this population and defined through indicators including businesses that have 10 or more partners. All sampled businesses were within the remit of the newly formed mid-size business unit. Chart 3.1 shows the distribution of these businesses according to their reported turnover and employee figures.

Chart 3.1 Distribution of businesses by turnover and number of employees



Q3 Could you just tell me the approximate number of people employed by your business - including yourself? Q5 What is your annual turnover?
 Base: All businesses (n=2006)

Overall, 36% of mid-size businesses had fewer than 20 employees, and 10% had more than 250. There was a similar skew by annual turnover, where 45% had turnover of less than £3 million decreasing to 7% with turnover of more than £50 million. Other notable characteristics of the population included that:

- 85% were UK owned, 11% foreign owned and the remaining 3% were jointly UK and foreign owned;
- 61% were part of a group (19% the group owner, 10% an owner subsidiary, 32% a subsidiary) and 39% were a single entity⁸;
- 93% were companies and 7% partnerships;
- 22% provided a professional service, and 17% were in manufacturing;
- 43% sold goods or services or licenced products outside of the UK; and

⁸ 'Group' refers to a collection of businesses that function as a single economic entity while 'single entity' refers to standalone businesses.

- 14% had been trading for less than 5 years, 59% between 5 and 20 years, and 27% for more than 20 years.

3.2 Taxes paid

The most commonly reported taxes paid were payroll (PAYE/NICs⁹) (89%) and VAT¹⁰ (83%). Three in five said they paid CT¹¹ (62%). Just over a quarter (26%) paid customs taxes (26%) and fewer than 12% paid environmental, stamp or transport taxes, excise duties, or made Construction Industry Scheme (CIS) payments.

Key business characteristics, such as size and operations, affected the types of tax paid. The largest businesses (those with 250+ employees) were most likely to have paid PAYE/NICs (99%), VAT (91%) and CT (70%), while – as we would expect - businesses that sold goods and services or licenced products outside of the UK were more likely to have paid customs taxes (48%).

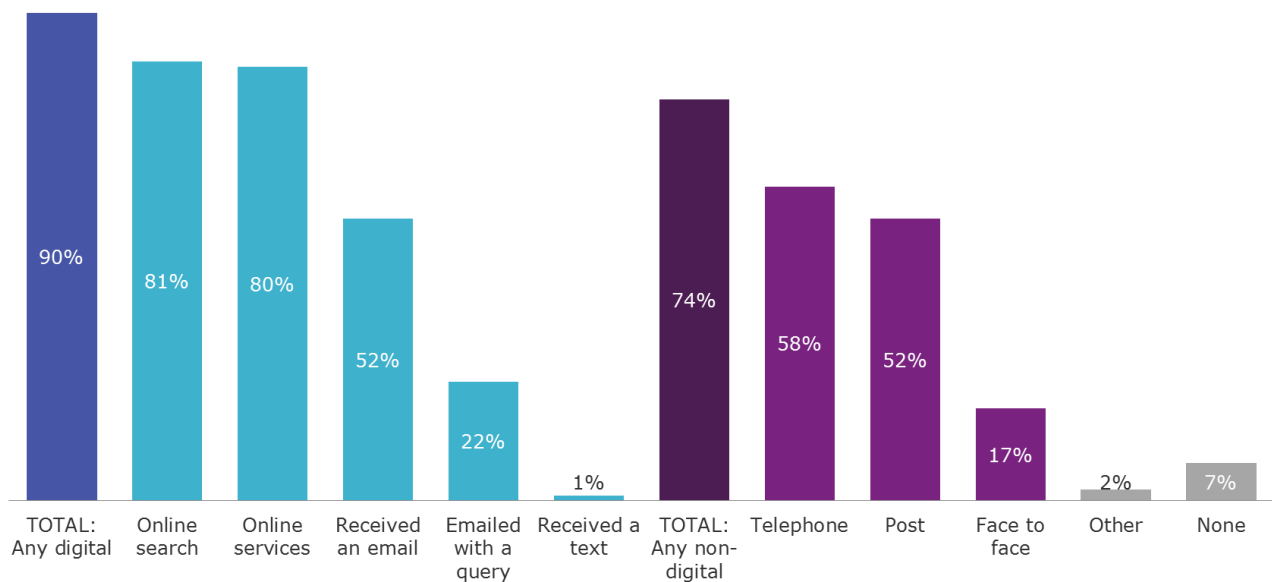
3.3 Use of an agent

The majority (80%) of mid-size businesses said they used a professional agent to assist them in dealing with their accounts, payroll and tax. Use of an agent was less common among businesses with more than 250 employees (74%) and businesses that had been trading for more than 20 years (75%).

3.4 Channels and services used to deal with HMRC

Overall, 60% of businesses said they provided or received information to or from HMRC in relation to taxes paid or NICs made. Fewer (42%) requested information or assistance from HMRC. Chart 3.2 shows the channels businesses used to interact with HMRC.

Chart 3.2 Channels businesses used to make and/or receive contact with HMRC



Q8 In which of the following ways have you had any dealings with Revenue and Customs over the last 12 months? Base: All businesses (n=2006)

Most businesses communicated with HMRC using a combination of digital and non-digital channels (71%). Only 19% used digital channels exclusively, which were more likely to be smaller businesses (24% with <20 employees reducing to 9% with 250+ employees). Three per cent of businesses used *only* non-digital channels.

⁹ Payroll and National Insurance contributions

¹⁰ Value Added Tax

¹¹ Corporation Tax

As part of its digital service HMRC offers customers the ability to email them for some types of query, as an alternative to using the telephone or post. In the last 12 months, 22% of mid-size businesses surveyed utilised this service, which was higher among larger employers (40% with 250+ employees).

HMRC's online services were rated well among those that had used them, with 73% giving a positive rating, but positivity tended to be lower among larger employers (61% with 250+ employees rated them positively). HMRC's online services were rated more positively among businesses that only used digital channels (85%) compared to those that also used the telephone (68%).

The positive assessment of online services (particularly in comparison with other channels) was reiterated in the qualitative research. For example, one business described their experience of online services as positive because they save them time. They complete VAT returns, monthly sales and RTI online and find these simple and efficient processes. Smooth online services can mean businesses do not have to phone HMRC.

"I find [online] easier, I only need to go through two or three different web pages before I find the one I want. It doesn't waste their time and it doesn't waste my time."

(50-99 employees, £10-50mil turnover)

Online services were found by some businesses to be easy to use. For example, a business that regularly contacts HMRC to verify sub-contractors for CIS by phone and online, describes this process particularly positively and as simple and easy to use.

"I do [VAT online]. Yes I don't really have any issues with that...I log on each month online, I input all the information, it always tallies to what we need it to tally to and then they take the payment out of their account." (50-99 employees, £10-50mil turnover)

The email enquiry service was rated positively by 51% of those that used it. For example, in the qualitative work a business described how email services can provide timely and prompt advice. They made a mistake on a P11D submission and wrote a letter to inform HMRC of the error. HMRC corresponded quickly by email and phone to agree an amount for the business to pay so that the issue was resolved quickly and easily. This was reported by the business to be more convenient than using the phone service:

"The telephone number will either be the wrong one or it's out of date or it doesn't work." (250+ employees, £50-100mil turnover).

Compared to other services the telephone helplines were rated relatively poorly by customers that used them. Only 32% rated them positively, with 44% giving a negative rating (24% giving the most negative rating of 1 out of 5, and 20% 2 out of 5). Businesses with significantly more employees rated telephone contact more negatively (53% among those with 250+ employees).

3.5 Business Tax Account¹²

Business Tax Account is an online service provided by HMRC that brings together key services, help and information, and enables a business to see an online overview of their main taxes. Two in five (38%) mid-size businesses used Business Tax Account in the last 12 months, which was lower among smaller businesses (33% with annual turnover of <£3m).

Similar to online services in general, Business Tax Account was rated positively by mid-size businesses, with 72% giving it a positive rating (21% giving the most positive rating of 5 out of 5, and 51% 4 out of

¹² Known and referred to as "Your Tax Account" at the time of the research.

5). Again positivity tended to be lower among larger businesses (61% with 250+ employees rated it positively).

4. Customer experience

This section examines mid-size business's experiences of interacting with HMRC over the last 12 months, and identifies what aspects contribute most to a positive customer experience.

4.1 Overall rating of experience

Half (51%) of mid-size businesses reported a positive overall experience in dealings with HMRC. A further third (34%) expressed a neutral score, while 1 in 7 (15%) rated their overall experience negatively. Differences within the mid-size business population were:

- Businesses with significantly more employees tended to be less positive, with 34% of those with 250+ employees reporting that their experience had been positive, compared to 56% of those with <20 employees;
- Businesses that were part of a group were less likely to be positive (47% compared with 56% of single entities);
- Those that had only used digital channels of contact were more positive than those that had used a mix of digital and non-digital channels (68% compared with 46%); and
- Businesses that had requested information or assistance from HMRC were much less likely to be positive (39%), with 21% giving a negative rating of their overall experience.

These subgroup differences are reflected in many of the individual dimensions of customer experience.

4.2 Comparison with past experiences

Customers were asked to compare their experiences over the last 12 months with experiences over the 12 months prior to this. This is self-reported, and based upon customers' perceptions rather than previous data.

The majority of businesses (58%) reported that their experience had stayed the same. However, more reported that their experience had improved (20%) than thought it had got worse (13%).

Overall experience was strongly correlated with perceptions of whether businesses' experiences with HMRC had improved or got worse:


- 27% of businesses that reported a positive overall experience also said that their experience had improved compared to the previous 12 months; and
- 45% of those that had a negative overall experience said that their experience had got worse. Just five per cent of those that gave a negative overall experience rating reported that their experience had improved over the past 12 months.

In line with findings for overall experience, customers that had used a mix of digital and non-digital contact channels were more likely to perceive that their experience had worsened over the last 12 months when compared with those that used digital channels only (16% compared to 6%). Findings from the qualitative work show that businesses often viewed digital channels positively where they were perceived to be simple and easy to use and where they save businesses time. For instance, if they do not have to call HMRC and they therefore have more time to focus on other tasks and priorities.

4.3 Key driver analysis

Key driver analysis (KDA)¹³ was conducted to understand how performance ratings for each of the areas of customer experience affected the overall customer experience scores customers gave. This helped in identifying the relative importance of different aspects of the service in affecting customers’ perceptions of their overall experience. The results from the KDA are shown in Table 4.1. They indicate that HMRC “getting the tax transaction right” and “resolving any queries and issues promptly and efficiently” are key to providing a good quality service for mid-size businesses.

Table 4.1 Relative impact of dimensions of experience on overall experience

Relative importance	Dimensions of customer experience	Positive ratings
 <p>Most important</p>	HMRC getting the tax transaction right	56%
	Resolving queries/issues	50%
	Acceptability of time taken	42%
	Quality of information looked for/received	57%
	Being clear on what steps to take	59%
	Ease of finding information	42%
	Being clear when process is complete	56%
	Least important	Access to taxation specialists when required

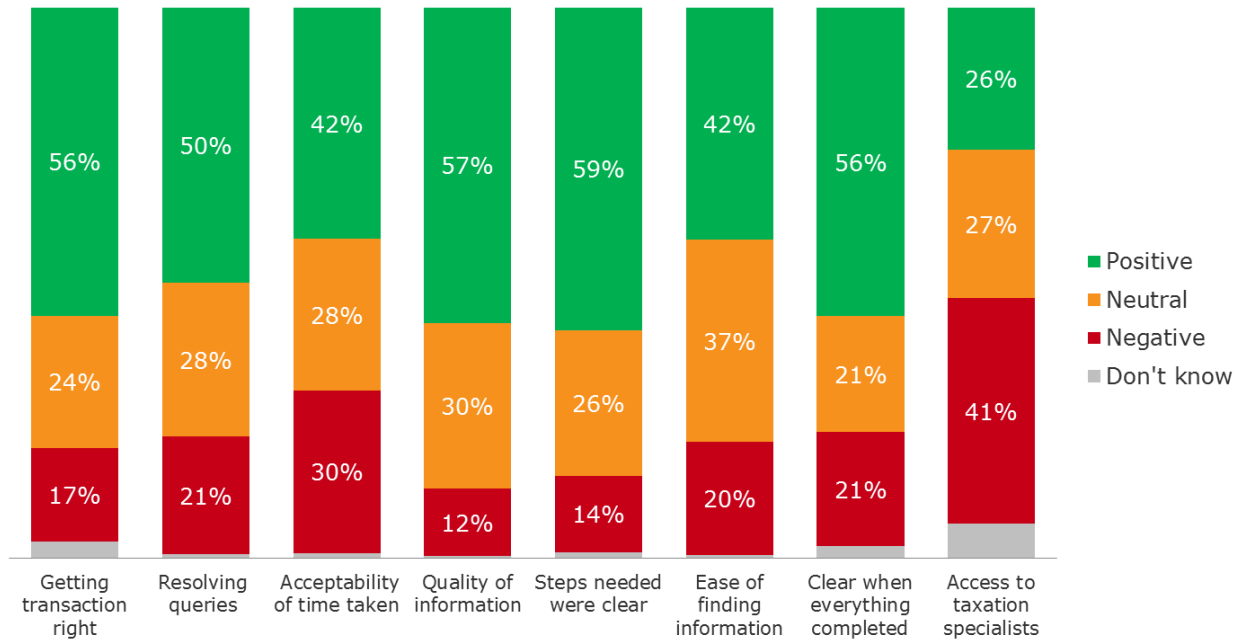
Base: All businesses with interactions, excludes not applicable – (n = 672 - 1824)

4.4 Dimensions of customer experience

Chart 4.2 shows the ratings given by mid-size businesses for each of the dimensions of customer experience.

¹³ This is a form of multivariate analysis used to identify the relative importance of ratings of each of the other dimensions of customer experience in ratings of overall experience. Further information is given in Section 10.1.5.

Chart 4.2 Dimensions of customer experience



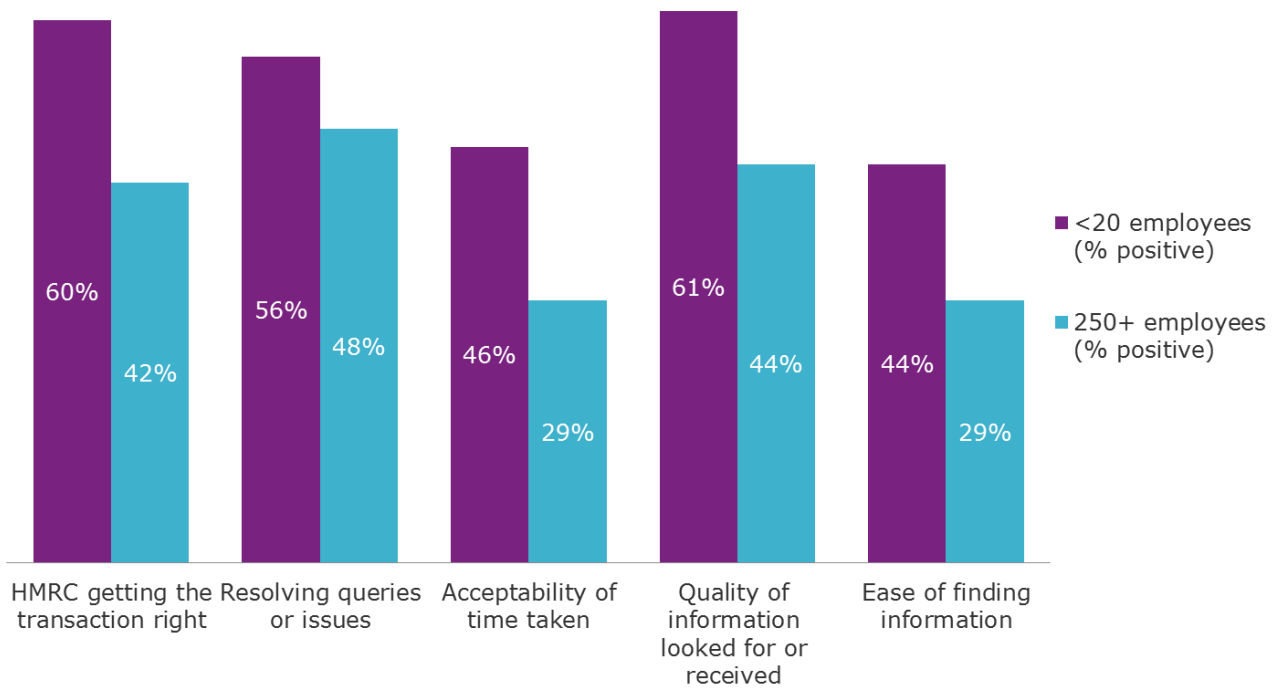
Q14 Overall, on a scale of 1 to 5, where 5 is very good and 1 is very poor, how good or poor were Revenue and Customs at getting tax transactions right? Q12 How would you rate the quality of info you have looked for/received? Q15 How good/poor were HMRC at resolving queries/issues? Q16 How acceptable was the time taken to reach the end result? Q11 How easy was it to find information? Q13 HMRC made clear what steps I needed to take; HMRC made it clear when everything was completed; HMRC provided access to taxation specialists. Base: All businesses with interactions, excludes not applicable – Transaction (n=1694), Resolution (n=1573), Time taken (n=1674), Quality of info (n=1824), Steps (n=1733), Finding info (n=1773), Completion (n=1450), Access (n=672)

Just over half (56%) of mid-size businesses gave positive ratings for HMRC **getting the tax transaction right**. Further illustrating that this is the most important driver of overall customer experience there was a high correlation between it and ratings of overall experience. Those that rated this dimension negatively were four times more likely to rate their overall experience negatively (58% compared to 15% overall).

Similar differences across subgroups were found for HMRC **getting the transaction right** as for overall experience; businesses with significantly more employees and those using both digital and non-digital channels were less positive. 71% of businesses that only used digital channels of contact rated HMRC positively for getting the tax transaction right, compared to 52% of those that used both digital and non-digital channels. There is some overlap between these groups: businesses with significantly more employees are less likely to only use digital channels. However, businesses with fewer employees that had used both digital and non-digital channels were more likely to give a negative score than businesses of the same size that had only used digital channels, suggesting that the overlap between the two groups does not fully account for this pattern.

As shown in Chart 4.3, businesses with fewer than 20 employees were consistently more positive, across many dimensions of customer experience, than those with those with 250 or more. This may be because mid-size businesses with a higher number of employees were more likely to have more complex tax affairs.

Chart 4.3 Differences in ratings of experience by size of business

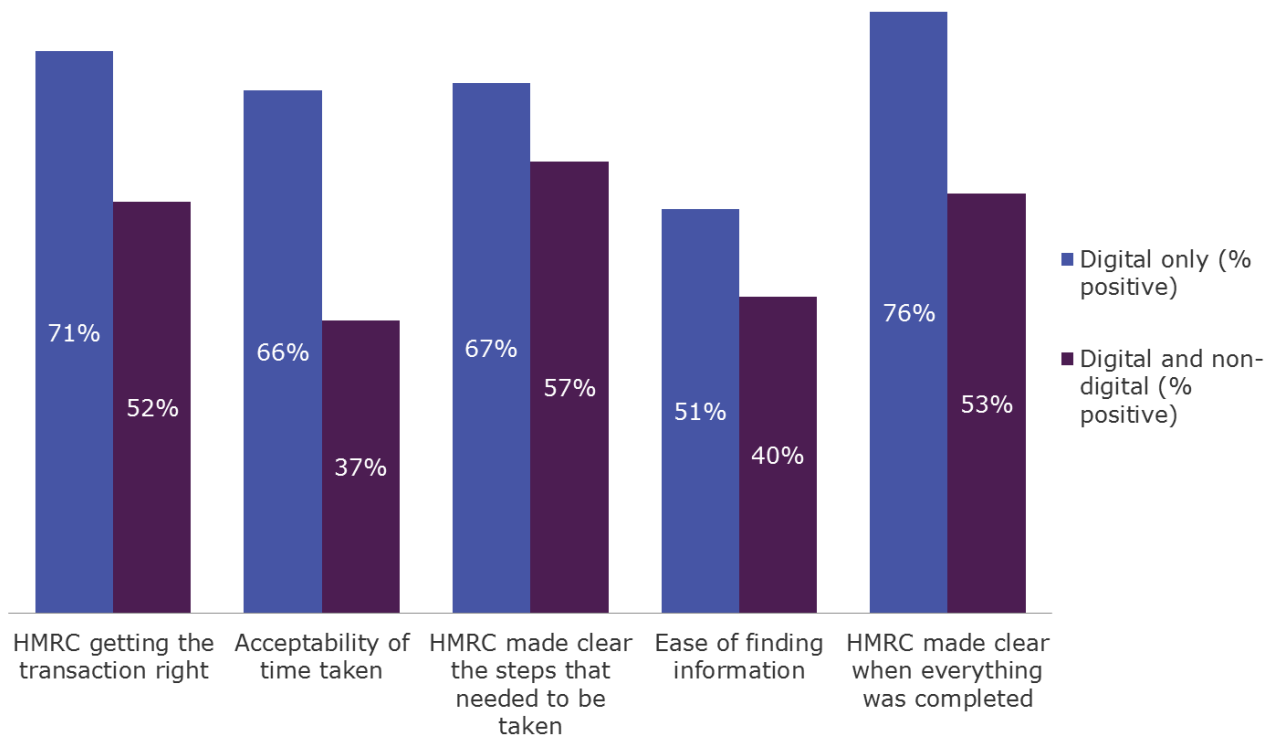


Q14 Overall, on a scale of 1 to 5, where 5 is very good and 1 is very poor, how good or poor were Revenue and Customs at getting tax transactions right? Q15 On a scale of 1 to 5, where 5 is very good and 1 is very poor, how good or poor were Revenue and Customs at resolving any queries or issues? Q16 Generally during your dealings with Revenue and Customs over the last 12 months, how acceptable was the time taken to reach the end result? Q12 How would you rate the quality of information you have looked for or received from Revenue and Customs over the last 12 months? Q11 On a scale of 1 to 5, where 5 is very easy and 1 is very difficult, how easy or difficult was it to find any information you needed for your business on tax issues from Revenue and Customs? Base: All businesses with interactions, excludes not applicable - Transactions <20 employees (n = 464) 250+ employees (n = 278 employees), Resolution <20 employees (n = 394) 250+ employees (n = 277), Time taken <20 employees (n = 433) 250+ employees (n = 279), Quality <20 employees (n = 506), 250+ employees (n = 289), Ease <20 employees (n = 482), 250+ employees (n = 285)

Businesses that were part of a group were less likely to be positive across a number of dimensions, including HMRC **getting the tax transaction right** (53% of groups giving a positive score, compared to 59% of single entities), and the **acceptability of time taken** (39% of groups giving a positive score, compared to 48% of single entities). This may be related to the fact that larger employers were more likely to be part of a group than smaller employers.

Channel usage also affected customers’ perceptions of dealing with HMRC. The findings suggest that those using only digital channels of contact tended to have a more positive overall customer experience. Aside from HMRC getting the tax transaction right, digital only channel users were also more positive about many other dimensions of experience. This is shown in Chart 4.4.

Chart 4.4 Differences in ratings of experience between digital only channel users, and digital and non-digital channel users



Q14 Overall, on a scale of 1 to 5, where 5 is very good and 1 is very poor, how good or poor were Revenue and Customs at getting tax transactions right? Q16 Generally during your dealings with Revenue and Customs over the last 12 months, how acceptable was the time taken to reach the end result? Q11 On a scale of 1 to 5, where 5 is very easy and 1 is very difficult, how easy or difficult was it to find any information you needed for your business on tax issues from Revenue and Customs? Q13 Please tell me how strongly you agree or disagree with each of the following statements about any of your dealings with Revenue and Customs in the last 12 months: Revenue and Customs made clear what steps I needed to take, Revenue and Customs made it clear when everything was completed Base: All businesses with interactions, excludes not applicable – Time taken digital only (n = 230) digital and non-digital (n = 1387), Clarity of steps digital only (n = 278), digital and non-digital (n = 1401), Ease digital only (n = 313), digital and non-digital (n = 1405), Clarity of completion digital only (n = 194), digital and non-digital (n = 1208)

In particular, those that reported using the telephone to make or receive contact were less likely to be positive regarding HMRC **getting tax transactions right** (50%) and the **acceptability of time taken** (36%).

Customers who reported having *emailed* HMRC with a query gave less positive scores across three dimensions: HMRC **getting the tax transaction right** (50%), the **acceptability of time taken** (35%), and the **quality of information** (50%). However, many of those who reported having had email contact with HMRC had *also* used the telephone. This reflects the finding that businesses using multiple channels to interact with HMRC were less likely to be positive. Customers that had used **both** email and telephone channels of contact were less likely to be positive across several customer experience dimensions compared to those who had used either email only *or* the telephone only.

This pattern may be linked to the finding that businesses that requested information or assistance from HMRC were less likely than average to give positive overall ratings, and for a number of specific dimensions of experience:

- HMRC getting the tax transaction right (46%);
- Resolving any queries or issues (44%);
- Acceptability of time taken (32%);
- Quality of information looked for or received (48%);
- Ease of finding information (34%); and
- HMRC made it clear when everything was completed (49%).

Other characteristics also impacted on individual dimensions of experience among the mid-size business population:

- Generally, businesses that reported some type of growth over the last 12 months, and businesses that reported plans for growth over the next two to three years, reported similar experience to the rest of the surveyed population. However, those that reported growth were less positive about the **quality of information** (50%).
- Broadly speaking, the age of the business had little impact on businesses perceptions of customer experience. However businesses that were established less than five years ago were more positive than those established more than twenty years ago for the **ease of finding information** (47% and 34% respectively).

The qualitative discussions enabled an exploration of the reasons for businesses being more or less positive about aspects of the service they had received from HMRC over the last 12 months. One business described their dissatisfaction with HMRC's ability to resolve an issue; they became frustrated after contacting HMRC about a problem with the upload of their Intrastat data and receiving incorrect information about the cause of this issue. HMRC were unable to help and therefore the business was forced to seek advice and resolve the issue internally. The respondent felt that HMRC was unhelpful and did not set a good example in this case:

"You struggle to get an answer to the question, which is a relatively specific question... You would expect the person at the HMRC end of the conversation to go, 'okay, I know exactly what you mean, this is what you need to do', or 'this is how you would treat it'. Which as a company is frustrating because we're trying to do the right thing but we're not sure we're getting good quality information." (20-49 employees, up to £10mil turnover)

As discussed in Section 3.4 many respondents had positive experiences of online services, reporting that they save time and are easy to use. One business was positive about online services providing an audit trail which helps them with compliance (because it acts as a data depository) and felt confident that the systems are secure:

"HMRC registered services and online system works very well. It's very controlled, it's easy to understand and obviously all web based so it's easy to get access to it. The log on information gives you confidence that you can trust them - there's a lot of authentication built into it to give you a sense of control and that the information is confidential." (100-249 employees, £100-150mil turnover)

However, errors and inconsistencies cost businesses time and effort. This business recently had a call from HMRC concerning an overdue PAYE balance, but their online account showed them to be in credit. They disputed the query and triggered an investigation. This forced them to collate and submit paperwork which took time and effort, and the issue remained unresolved at the time of the interview.

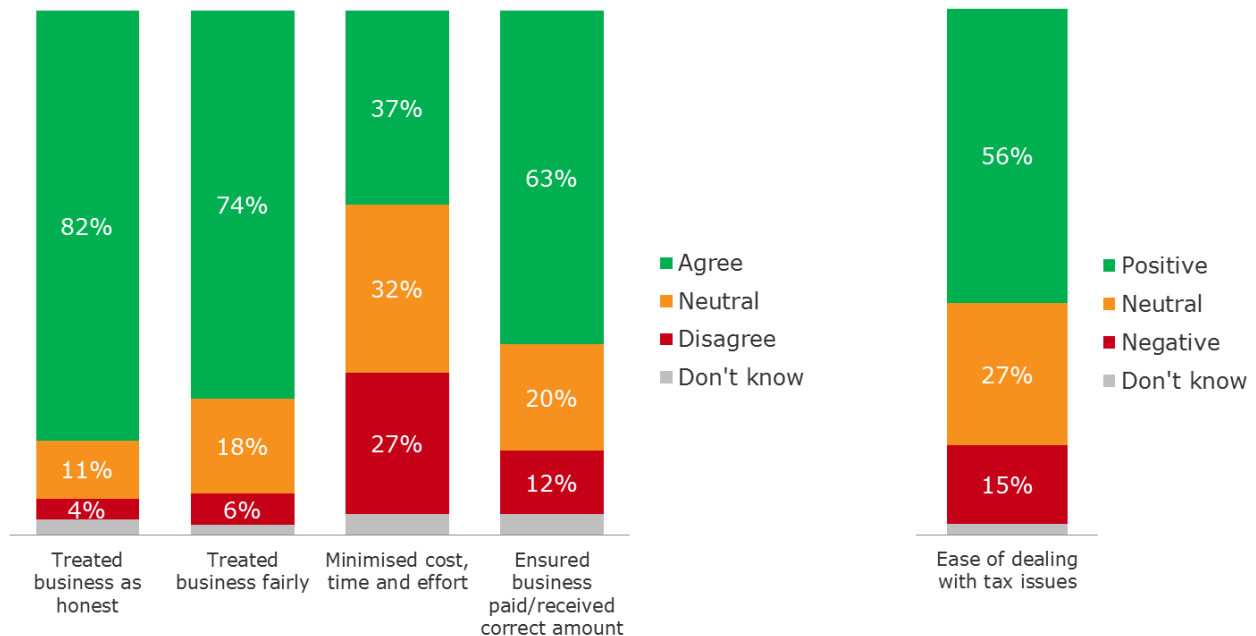
In another example, a business described how lack of information from HMRC had cost them time and money. A business made a non-statutory enquiry into the documentation required for a removal of goods to another member state. A form is required for this and the business contacted HMRC by letter to ask what documentation their customer needed to provide for the removal. HMRC responded that they were not prepared to answer the questions, and therefore the business was forced to pay professional advisors. They do not expect to gain further clarity until their next VAT inspection.

"I'm going to have to pay an accountancy firm to help me fill out the form, so that will probably cost me £4,000 - £5,000 to do that because the way that they write stuff is just so difficult and really unclear."
(250+ employees, £100-150mil turnover)

5. Health of the tax administration service

This section examines customers' perceptions of how HMRC administers the tax system. Chart 5.1 summarises the results.

Chart 5.1 Ratings of HMRC relating to the health of tax administration service



Q20 Please tell me how strongly you agree or disagree with the following statements: Revenue and Customs treated my business fairly, Revenue and Customs ensured that my business only paid and received the correct amount of taxes, Revenue and Customs minimised the cost, time and effort it took to deal with my business' tax affairs, Revenue and Customs treated my business as honest Q22 Over the last 12 months how easy or difficult have you found it to deal with your business' tax issues? Base: All businesses with interactions, excludes not applicable - Honest (n=1737), Fairly (n=1758), Minimised cost (n=1623), Correct amount (n=1735), Ease (n=1722)

5.1 HMRC treats business as honest

Over eight in ten (82%) mid-size businesses agreed that they had been treated as honest, while 11% reported a neutral score and four per cent disagreed. In particular, those that rated their overall experience positively were more likely to perceive that HMRC treated its customers honestly (93%), compared to those with a negative overall experience (53%). Businesses with higher annual turnover (£100m+) were less likely to agree (70%).

5.2 HMRC treats business fairly

Three quarters (74%) of businesses reported that HMRC treated their business fairly. Two out of five (18%) reported neutral scores while six per cent disagreed. Businesses with higher annual turnover (£100m+) were less likely to report fair treatment (55%), compared to those with lower annual turnover (75% with <£3m).

5.3 Ensured businesses paid/received correct amount of taxes

Overall 63% of mid-size businesses agreed that HMRC ensured that they paid and received the correct amount of tax, while 12% disagreed. The remaining 20% reported a neutral opinion. Businesses with more than 250 employees were less likely to agree that HMRC ensures their tax affairs were correct (55%). Digital-only users were more likely to agree that HMRC ensured their tax affairs were correct (70%) than those who used a mix of both digital and non-digital channels. Mid-size businesses that rated

HMRC positively for getting tax transactions right were more likely to be positive about HMRC ensuring their business paid and received the correct amount of tax – 81% compared to 24% who rated it negatively.

The qualitative work provided insight into the nature of dissatisfaction with this dimension. A query about the amount of tax due can cost businesses time and money, particularly where it takes time to resolve the query. For example a business described an experience where there was a discrepancy between what they believed they had paid HMRC for PAYE/NICS and what HMRC had on record. They phoned and wrote to HMRC many times to try and resolve this issue and were told to 'net off' the difference between the figures. They went into debt to pay this and therefore incurred interest and were 'out of pocket' for 9 months. This issue also cost the business time. They also found it frustrating having to speak to a different person each time and re-explain the situation. The information they received from HMRC was reported to be poor, inconsistent and at times they were given incorrect advice. The issue was finally resolved in 2015 but they have found a similar issue occurring in 2016.

"You can imagine how happy I am. This must have been weeks of my life, weeks. Literally, I am on hold probably for between 20 and 30 minutes each time. Or I had someone saying that he had no more time for me and hung up on me as well." (100-249 employees, £10-50mil turnover)

5.4 Ease of dealing with tax issues

Just over half (56%) of mid-size businesses found it easy to deal with their tax affairs in the past 12 months. While 15% said it had been difficult, almost twice as many (27%) reported a neutral opinion.

Further to this, larger businesses (250+ employees) were less positive (47%) compared to smaller businesses (with fewer than 20 employees) (60%). Digital-only users were more positive (73%) than those that used a mix of digital and non-digital channels (52%) and in particular, customers that used the telephone were less likely to be positive (49%).

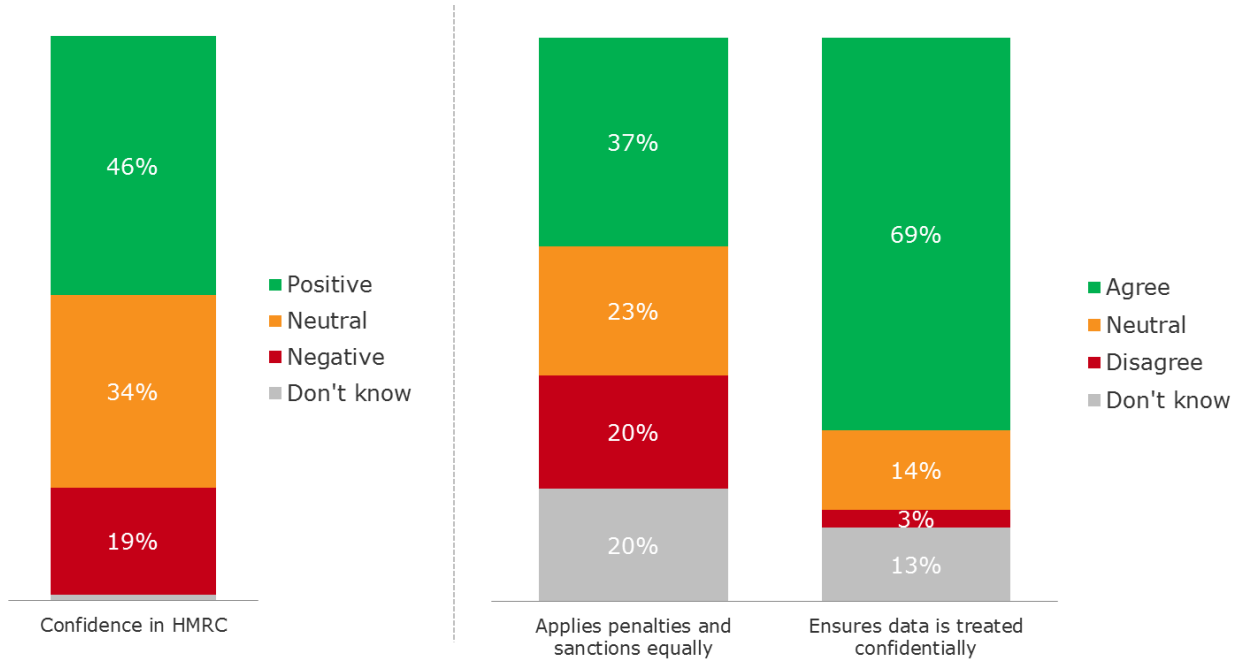
5.5 Minimising time and cost it takes to deal with tax affairs

Mid-size businesses gave HMRC relatively low ratings for minimising the time, cost and effort to deal with tax affairs. Only a small proportion (37%) agreed with the statement while similar proportions of businesses were neutral (32%) and disagreed (27%). Businesses with more than 250 employees were less likely to agree with the statement (29%), whereas digital-only users were more likely to agree (48%) compared to those who used a mix of both digital and non-digital channels (35%). Moreover, those that rated acceptability of time taken positively were more likely to agree (62% compared to 12% that rated acceptability of time taken negatively), as were those that rated getting tax transactions right positively (55% compared to 9% that rated it negatively).

6. Reputation of HMRC

This section examines businesses' broader views of HMRC as an organisation including businesses' confidence in the way HMRC does its job. Chart 6.1 summarises the results.

Chart 6.1 Ratings of reputation measures



Q27 Please tell me how strongly you agree or disagree with the following statements: Revenue and Customs applies penalties and sanctions equally for all of its customers, Revenue and Customs ensures customers' data and personal information is treated confidentially Q31 How confident are you in the way Revenue and Customs are doing their job? Base: All businesses (n=2006)

6.1 Confidence in HMRC

Fewer than half (46%) of businesses expressed confidence in the way HMRC does its job. A further third (34%) were neutral while 19% were not confident. Confidence was higher amongst those businesses that had a positive overall experience of dealing with HMRC over the last 12 months: those who had a positive overall experience of dealing with HMRC were almost twelve times as likely to express confidence in the way HMRC does its job, in comparison to those that had a negative overall experience. Positive views about the health of the tax administration system also contributed to confidence in the way HMRC does its job, as shown in Table 6.2.

Table 6.2 Differences in percentages reporting confidence in HMRC by different experience dimensions

Dimensions	Percentage reporting confidence in HMRC	
	Of those that rated dimension positively	Of those that rated dimension negatively
Overall customer experience	70%	6%
Being treated as honest	54%	11% ¹⁴
Being treated fairly	57%	14% ¹⁵
Time, cost and effort involved in dealing with tax	73%	16%
Ease of dealing with tax affairs	61%	17%
Paid/received correct taxes	61%	16%

Base: All businesses (n=72 - 1298)

6.2 Applies penalties and sanctions equally

Overall, 37% of mid-size businesses agreed that HMRC applies penalties and sanctions equally for all of its customers, while 23% reported neutral scores and 20% disagreed. Again, positive views of fairness contribute to a perception of equal treatment:

- Those that rated HMRC positively for treating their business fairly were more positive (44% compared to 22%¹⁶ that rated it negatively).
- Those that rated HMRC positively for treating their business as honest were more positive (42% compared to 17%¹⁷ that rated it negatively).

Notably, those that agreed that HMRC applies penalties and sanctions equally were more likely to report confidence in the way HMRC does its job (65%, compared with 19% of those that disagreed).

6.3 Ensures data is treated confidentially

Seven in ten (69%) businesses agreed that HMRC ensured customers' data and personal information was treated confidentially. Small proportions (14%) were neutral or disagreed (3%). Those that agreed with this statement were more likely to also express confidence in the way HMRC does its job (54% expressed confidence who also agreed with the statement, compared with 12%¹⁸ of those that disagreed).

¹⁴ Figure is indicative only as base size is 72.

¹⁵ Figure is indicative only as base size is 96.

¹⁶ Figure is indicative only as base size is 96.

¹⁷ Figure is indicative only as base size is 72.

¹⁸ Figure is indicative only as base size is 67.

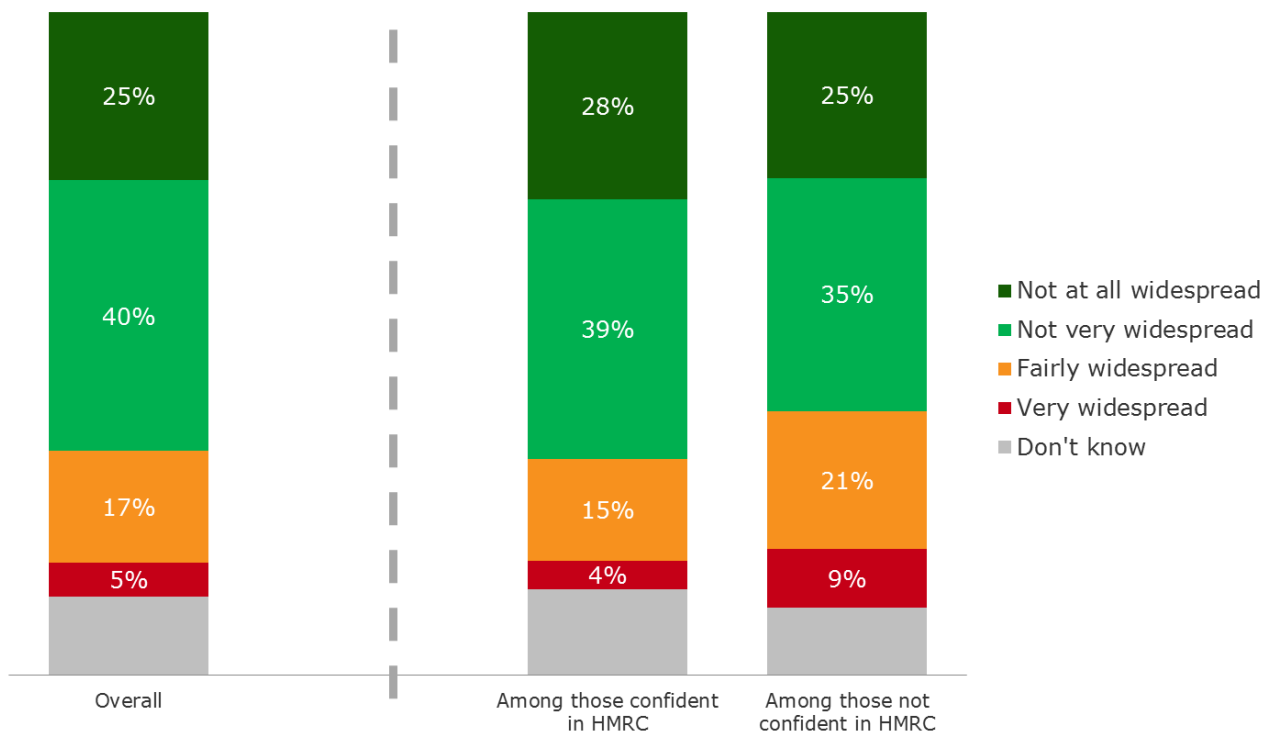
7. Compliance

This section examines perceptions of and attitudes towards compliance, based around tax avoidance.

7.1 Perceptions of how widespread tax avoidance is

Overall, two thirds (66%) of mid-size businesses thought that tax avoidance¹⁹ was not widespread among businesses similar to theirs. One in five (22%) thought that it was widespread, while 13% either answered “don’t know” or did not answer this question. Further detail is shown in Chart 7.1.

Chart 7.1 Perceptions of how widespread tax avoidance is



Q32 In your view, how widespread do you think tax avoidance is among businesses similar to yours? Base: All businesses - Overall (n=2006), Confident in HMRC (894), Not confident in HMRC (383)

Those that reported having less confidence in HMRC overall were more likely to perceive tax avoidance to be widespread (30%). This correlation is also seen across the other measures of compliance, suggesting that general views and perceptions of HMRC can impact on attitudes to compliance. Notably, however, there is little correlation between overall customer experience and perceptions of compliance, indicating that customers’ general views are more important than their personal experiences in this regard.

Those that reported having experienced growth (see Chapter 8 for further discussion on growth) over the last 12 months (27%) and, in particular those that had opened operations outside UK and/or started trading internationally (32%), were also more likely than average to perceive tax avoidance to be widespread.

¹⁹ This was defined in the survey as follows: “Tax avoidance is exploiting the tax rules to gain a tax advantage that Parliament didn’t intend, in other words, operating within the letter, but not the spirit of the law. [And if necessary:] This is different to tax evasion. Tax evasion is illegal activity, where individuals or businesses deliberately omit, conceal or misrepresent information so they can reduce their tax liabilities.”

7.2 Acceptability of tax avoidance

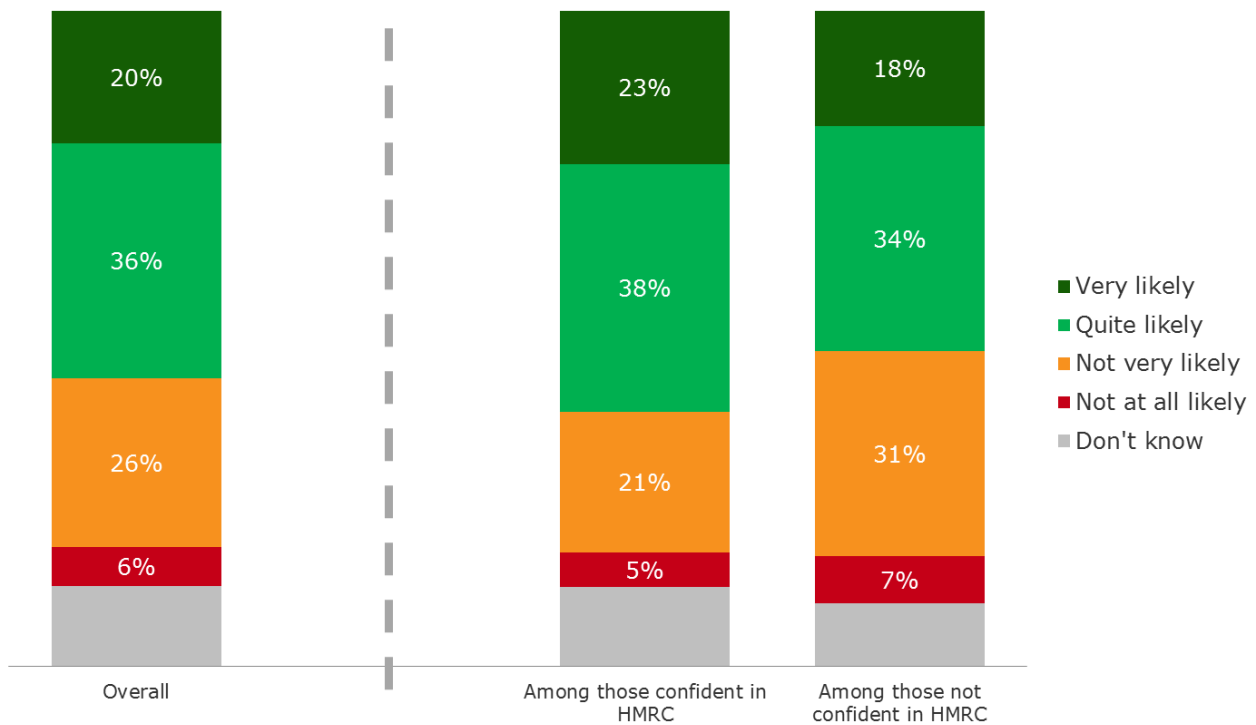
Just under half (46%) of mid-size businesses stated that tax avoidance is always unacceptable, with a further 31% saying that it is mostly unacceptable but that it depends on the circumstances. However, 19% agreed that it was acceptable: 16% reported that avoidance is mostly acceptable, but that it depends on the circumstances, whilst three per cent said that it is always acceptable.

Again, there is a relationship between customers' general perceptions and their attitudes towards compliance. Those that disagreed that HMRC applied penalties and sanctions equally were more likely to say that tax avoidance is acceptable than those who agreed with the statement (26% compared with 17%). Similarly, those that reported *not* having confidence in HMRC overall were more likely to say that tax avoidance is acceptable than those with greater confidence in HMRC (25% compared with 17%).

7.3 Likelihood of those avoiding tax being challenged by HMRC

Mid-size businesses were asked how likely it would be for businesses similar to theirs that avoid paying tax to be challenged by HMRC. Overall, just over half (56%) said that it was likely, while 32% thought that it was unlikely. Again, confidence in HMRC correlated with customers' views, with a total of 61% of those confident in HMRC agreeing that it was likely, compared to 52% of those that reported that they were not confident in HMRC. Further detail is given in Chart 7.2.

Chart 7.2 Likelihood of those avoiding tax being challenged by HMRC



Q34 How likely would you say it is for businesses similar to yours that avoid paying tax to be challenged by Revenue and Customs? Base: All businesses - Overall (n=2006), Confident in HMRC (894), Not confident in HMRC (383)

7.4 How firmly HMRC deals with tax avoidance now compared to a few years ago

More than a third (37%) of mid-sized businesses thought that HMRC deals more firmly with tax avoidance now than it was a few years ago, and just three per cent thought that HMRC deals less firmly than it did. The majority (41%) reported that HMRC deals equally firmly now as it did previously.

Furthermore, those that perceived HMRC to be dealing more firmly with tax avoidance were more likely to agree that businesses that avoid tax are likely to be challenged by HMRC. Sixty-seven per cent of those that said HMRC deals more firmly with tax avoidance now agreed that it is likely that businesses that avoid tax would be challenged compared with 27% who thought it was unlikely.

8. Mid-size businesses and growth

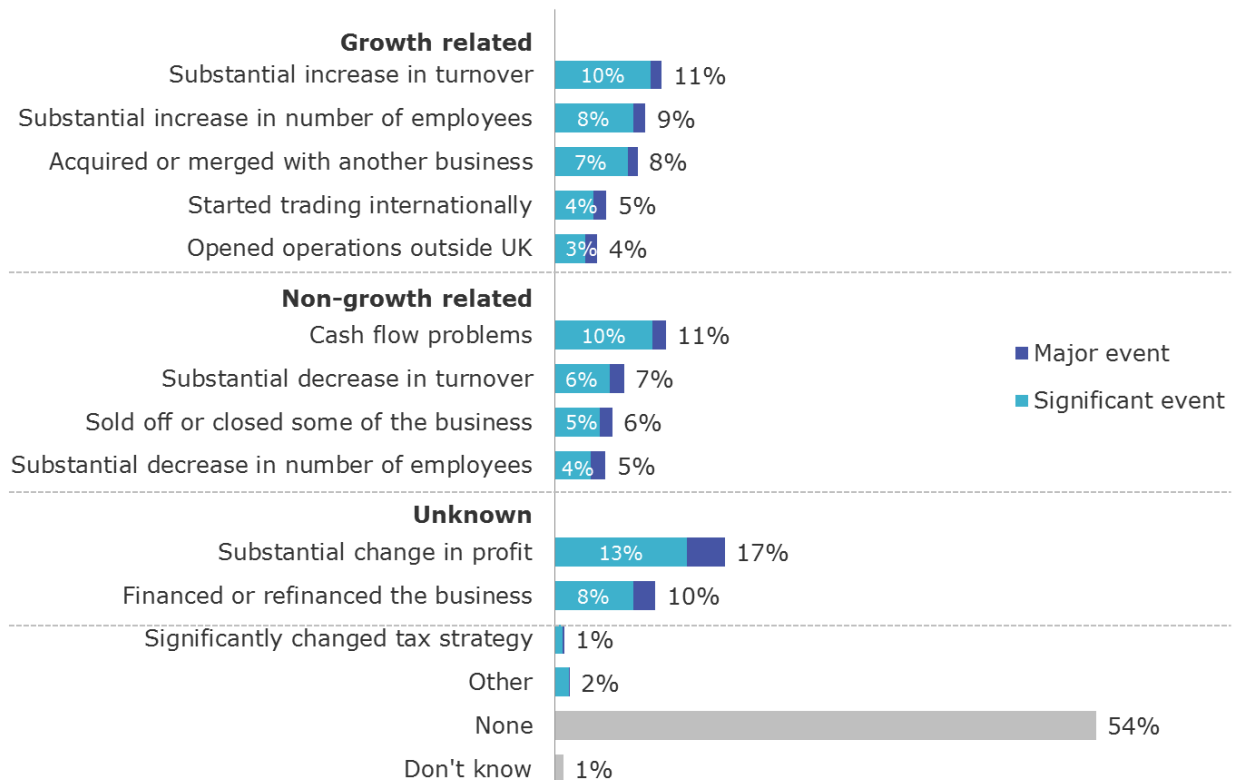
This section examines the major events businesses experienced in the last 12 months and what support, if any, they received. It also explores if and how businesses plan to grow in the next few years.

8.1 Major 'life' events experienced by mid-size businesses

Nearly half (46%) of businesses had experienced at least one major 'life' event in the last 12 months, although low proportions of mid-size businesses experienced individual events (as shown in Chart 8.1). Where businesses had experienced four or more major events, they were asked which two had been most significant. If three events or fewer were mentioned, all were classed as significant. Given that relatively few businesses had experienced four or more events, each event was deemed to be 'significant' for the majority of businesses that reported it.

Overall, 25% of businesses reported experiencing at least one event related to growth in the last 12 months. This was most often an increase in turnover (11%) or employees (9%). Small proportions commenced international trade (5%) or opened operations abroad (4%), while eight per cent acquired or merged with another business.

Chart 8.1 Major events experienced in last 12 months



Q23 Which, if any, of the following major events has your business experienced over the last 12 months?
Base: All businesses (n=2006)

Larger businesses were more likely to report a major event related to growth: more businesses with 250 or more employees (37%) reported growth compared to businesses with fewer the 20 employees (20%). The differences for individual life events are shown in Table 8.2.

Table 8.2 Differences in percentages reporting experiencing major events related to growth by business size

Major event relating to growth	<20 employees	250+ employees
Increase in turnover	8%	16%
Increase in employees	4%	20%
Merger or acquisition	5%	18%
Opened operations outside UK	3%	8%

Base: All businesses - <20 employees (n=613), 250+ employees (n=298)

8.2 Future growth ambitions

The majority of mid-size businesses (85%) reported they were planning at least one growth activity in the next few years, most commonly upskilling their workforce (71%) and/or their leadership capability (63%). Six in ten (60%) businesses planned to grow in an area related to trade, including developing and launching a new product or service (47%), expanding into a new market (45%) or commencing international trade (7%). Around half (48%) were planning capital investment.

Almost all businesses (94%) that reported growth also planned to grow in the next few years. Similarly almost all businesses with more than 250 employees (94%) planned to grow, compared to 76% with fewer than 20 employees. This difference according to numbers of employees was most stark for plans to upskill workforce/leadership (91% of those with more than 250 employees vs. 64% with fewer than 20 employees) and capital investment (61% vs. 36% respectively).

Businesses in the manufacturing sector were also much more likely to have plans for growth:

- Any growth plans (94%)
- Upskill workforce or leadership capability (85%);
- Capital investment (68%);
- Develop and launch new products or services (71%); and
- Expand into new markets (60%).

Overall, only 15% of mid-size businesses had *no* plans to grow in any of these areas, which was higher among businesses with fewer than 20 employees (24%).

8.3 Facilitators of and barriers to growth

Amongst the mid-size businesses in the follow-up qualitative sample were a number of businesses that had grown over the previous year and/or were expecting to grow in the next few years. Three key factors were discussed as facilitating growth:

- An improvement in the UK and world economic climate. This provided businesses with the impetus to grow, by investing in the business in terms of: increased marketing spend, increased employment and the development of new clients both in the UK and overseas;
- New leadership within the business that brought about a change in focus. This included re-focusing the business on core profitable elements, increasing efficiency, improving relationships with existing clients and a more outward focus on business generation; and
- An improved financial environment, including: better currency exchange rates, the lower rate of CT, Patent Box, and improved R&D Tax Credits.

Despite the growth reported by many mid-size businesses, there remained concerns among businesses spoken to in the qualitative work that growth would continue to be challenged by a series of barriers. These included:

- Difficulties in recruiting a skilled workforce;
- Navigating a very competitive market;
- The impact of international sanctions on the ability to export to specific countries;
- Concerns that the improved economic climate observed was fragile;
- Dealing with the complexities of the tax system and specifically the complexity of the duty regime when importing goods from abroad; and
- Specific financial concerns in terms of the impact of the apprenticeship levy and the mismatch between paying VAT to HMRC and receiving VAT from clients (see Section 9.4.1).

Overall, while tax affairs and HMRC were occasionally mentioned, both were very minor considerations compared to the other barriers and facilitators discussed; and they were often 'last minute' thoughts, or the result of prompting from the interviewer:

"One of our licensing businesses has benefited from Patent Box claims on our Corporation Tax...I would put them in the category of nice-to-haves rather than being real driving factors for the company's growth." (100-249 employees, turnover over £200mil)

8.4 Sources of help and assistance

Types of assistance sought by businesses varied according to events. The majority of businesses did not seek assistance when their turnover increased (62% did not) or employee numbers increased (68% did not). If help was sought when turnover increased it was most often from a tax agent (14%) or other professional service (21%). Government sources, including HMRC, were not widely used (1%). A similar pattern was evident for those who sought help when their employee numbers increased. Seven per cent of those seeking assistance in this case did so from a tax agent, while 22% were helped by another professional service. Only two per cent sought help from Government sources, including HMRC.

Dealing with an acquisition or merger required external assistance more often, but again (of those who sought assistance) this was most likely to be from a tax agent (22%) or other professional service (58%), rather than a Government source (4%). Similarly, the majority of businesses that opened operations outside of the UK sought assistance. In these cases help most often came from a tax agent (29%) or other professional service (48%), with Government sources (14%) more commonly used than for other events.

Just over half of businesses (55%) that started trading internationally did not seek external help. Among those that did seek assistance with this event, sources were most varied: tax agent (14%), other professional service (18%) and any Government department (15%).

Businesses spoken to in the qualitative work had sought help with growth plans from tax agents, banks, academics and UK Trade and Investment (UKTI).

Asked whether HMRC was seen as a source of support for growth, or whether businesses had discussed growth plans with HMRC, none of the businesses in the qualitative research recalled seeking or receiving any form of advice / support about growth. Businesses had either carried out their own research or taken advice from their accountant, tax agent, bankers or external specialists. HMRC was not seen as an organisation that supports business growth; the perception was that HMRC was unapproachable and solely a tax-collecting agency.

"You don't feel as though they are a support, you feel they are more of a like an ... unfriendly organisation... When you are dealing with HMRC ... it's very scary, you're scared to death of doing something wrong." (20-49 employees, turnover under £3m)

8.5 Role of HMRC in providing support

In considering the possibility of seeking support for growth from HMRC, the qualitative discussions suggested that mid-size businesses tended to fall into one of three groups.

Firstly, there were those businesses that were not interested in dealing with HMRC for anything other than managing their tax affairs. This was primarily because they saw HMRC as a tax collecting agency. Some businesses interviewed in the qualitative research had sought guidance on other issues and found HMRC unhelpful, which reinforced their perception of HMRC fulfilling only a tax-collecting role.

A second group wanted HMRC to provide financial support for growth, either in the form of tax breaks or by reducing current levels of taxation. Although respondents found it difficult to be specific about the changes they required, suggestions included reducing the burden of National Insurance contributions and the Apprenticeship levy for employers, and further reductions in CT. A business also mentioned that measures such as Patent Box were 'nice-to-haves' but not substantial enough to make a significant difference. Enhancing these may assist with business growth:

"HMRC is a tick box exercise in a way. I mean there's certain forms and things that you, and requirements that you have to do, and so they would maybe increase your allowances if your business is growing. But they don't necessarily change, so I don't really see that there would be anything they could help with." (250+ employees, turnover £100m - £150m)

A third group would make use of growth support from HMRC if it was available. However, as the idea of asking HMRC for support had not been considered, it was difficult for businesses to articulate what support they would like specifically. Businesses realised that HMRC would not be able to provide tax advice but thought that information about non-UK tax regimes for those companies operating abroad, or considering doing so, would be useful. Other suggestions for growth support included:

- A checklist of 'issues to consider' for those considering growing their business;
- Information about how and where to raise capital;
- Advice about how to ensure that invoices are paid swiftly and that they receive the money they are owed as quickly as possible; and
- Initial advice and support in starting to operate abroad, dealing with: non-UK tax regimes, managing the complexities of the import and export process, understanding the customs duty process, and countries that potentially pose problems when exporting.

8.6 How could HMRC provide growth support for mid-size businesses?

In the qualitative work, many businesses were positive about the offer of proactive support by HMRC but felt that this support would need to be suitably tailored and resourced appropriately to be useful and effective. Businesses assumed that support would most likely be in the form of information provided on HMRC's website. If the information was useful and easily accessible they would use it.

"Any input that we can get, we would gladly receive." (20-49 employees, turnover under £3m)

Businesses were familiar with HMRC's website, however, and while information which was sought regularly was generally easy to find, accessing new topics was said to be difficult and businesses reported struggling to find the information they needed. This was said to be compounded by an inadequate search engine. Similarly, there were mixed opinions across the qualitative interviewees about contacting HMRC for information by telephone, as illustrated by the differing quotes below:

"They're always there to answer our questions and I don't think I've ever come away with them not helping." (50-99 employees, turnover £10-£50m)

"There are times when you feel like an inconvenience to them, asking them the question... It's the response you get, very much feels like you're asking the most basic of questions and why don't you know that." (20-49 employees, turnover up to £10m)

Few respondents mentioned email as a suggested channel for HMRC to provide support, and those that did were concerned about the volume of unsolicited emails they already receive. While they generally recognise any emails that are sent to them from HMRC, the view was that they tended to be generic. While potentially useful, businesses described how it takes time to read through HMRC's unsolicited emails to decide whether they were relevant. Emailing HMRC for information and support for growth was also mentioned by a couple of businesses. While in principle the idea was welcomed, they were concerned about how long it would take to get a reply and whether this would provide sufficiently useful information.

"Any other business if you were trying to interact with them and they said, 'oh I can't even respond to your email for 35 days [as HMRC does]', you'd just say 'oh I'd never bother dealing with you again'." (250+ employees, turnover £100-150m)

Irrespective of the communication medium, mid-size businesses wanted support and information to be provided swiftly. Many respondents felt that the time they spend dealing with HMRC is time they could be developing their business.

"You can't really expect to take an hour out of my day to ask a question." (250+ employees, turnover £100-£150m)

Any assistance on growth from HMRC needs to be clearly advertised and easily accessible, as most businesses were not aware they could seek support from HMRC. Businesses suggested that it was also paramount that the parameters were made clear, in particular whether they can provide tailored guidance rather than generic information. For example businesses' responses in the qualitative interviews raised questions around:

- What types of support would be available
- What types of questions HMRC would be able to answer
- How detailed the information would be, i.e. generic or specific
- How tailored the information would be to their business
- How HMRC's offer would differ from the services provided by their accountants and external advisers that they currently use when discussing business growth
- How mid-size businesses should contact HMRC, i.e. by email, telephone, on-line chat, etc.

While respondents had few suggestions as to how a growth support service might be made more clearly available, they tended to focus on TV advertising (such as the advert for Employment Allowance, which was very well recognised), clear notifications in HMRC emails, a clear 'contact us' facility in their online accounts, or direct mail marketing²⁰.

"I've never really seen [HMRC] at all for advice in that sense. So if they were to provide those kind of services then I guess advertise them a little bit better so that it would be more on my radar; okay we could ask HMRC as well." (250+ employees, turnover over £100m - £150m)

²⁰ It was noted by some of the businesses that mailshots are now more likely to be seen as important given the exponential rise in emails that they receive and which tend to be skipped over unless they are clearly important.

Finally, while specific support for growth was welcomed by some respondents, support for growth can also be provided by streamlining HMRC's services and ensuring that systems work flawlessly. As one respondent said:

"I think the way that we do things and the improvement of [HMRC's online services] gives myself and the company time to do other things. The time efficiency has definitely increased which means we can focus on other things." (50-99 employees, turnover £10 -£50mil)

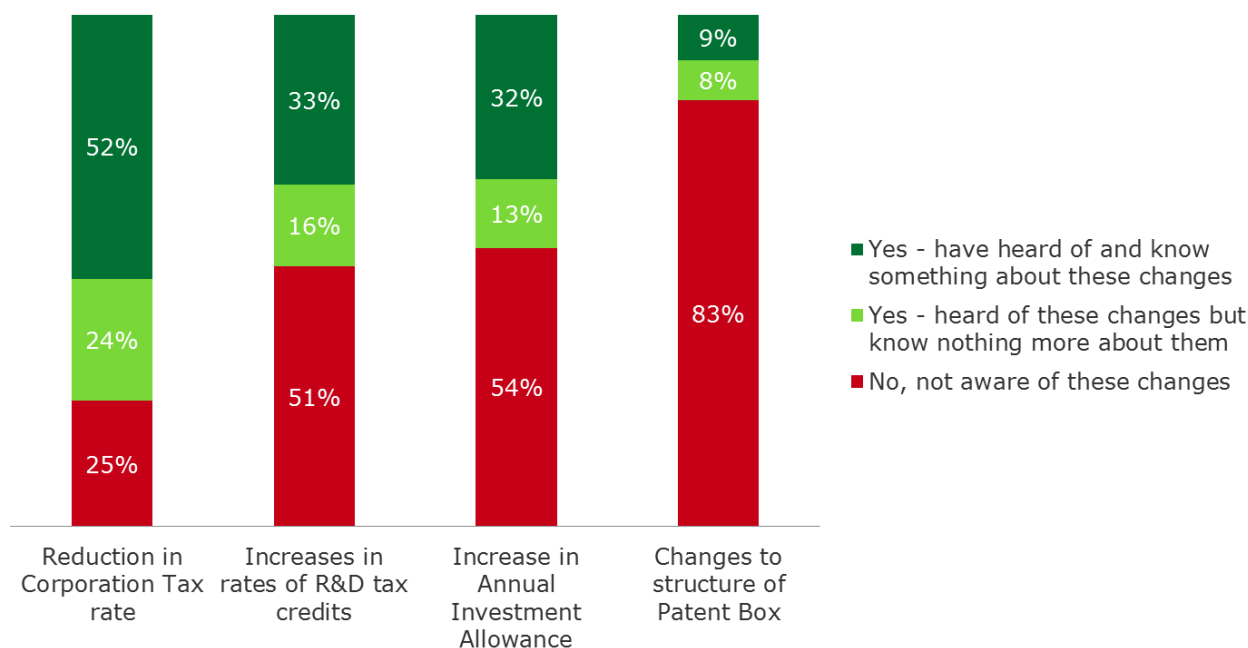
9. Policy changes

This section explores the awareness and impact of a number of recent changes to tax policy²¹.

9.1 Awareness, knowledge and impact of general policy changes

Awareness of general changes to tax policy varied according to the change (Chart 9.1).

Chart 9.1 Awareness of general policy changes



Q37 Are you aware of...?

Base: CT/AIA - All businesses (n=2006), R&D/Patent box - All companies (n=1740)

Around half (52%) of mid-size businesses had heard of and knew something about the reduction in the rate of CT. A further quarter (24%) had heard of it but knew nothing more about it, and the remaining quarter (25%) had not heard of it at all. Awareness and knowledge was higher among businesses:

- That paid CT (56%);
- With a higher turnover (62% with turnover £10m+);
- That are part of a group (59%);
- With plans to grow into new markets (57%);
- With plans to develop new products (56%); and
- With plans for capital investment (56%).

Just under half (46%) that knew something about the CT rate change reported that it had had a positive impact on the businesses' competitive position, which was higher among businesses that paid CT (54%).

²¹ The changes were: the reduction in the Corporation Tax rate, the increase in the Annual Investment Allowance (AIA), the increases in the rates of R&D tax credits, the changes to the structure of the Patent Box, the changes to VAT and prompt payment discounts (PPD), the change that any VAT due on supplies of digital services to consumers in other EU Member States is determined by where the consumer is located and the introduction of the VAT Mini One Stop Shop, also known as MOSS, to simplify VAT registration and payment for these digital services.

A third (33%) of mid-size businesses had heard of and knew something about the increase in the rates of **Research and Development tax credits**. A further 16% had heard of them but knew nothing more about them and the remaining half (51%) had not heard of them at all. As may be expected, awareness and knowledge was higher among businesses that tax credits were targeted at, including businesses:

- That traded internationally (41%);
- Reporting some growth in the last 12 months (40%);
- With plans to grow into new markets (42%);
- With plans to develop new products (42%);
- With plans for capital investment (38%); and
- In the manufacturing sector (48%).

Just over half (53%) that knew something about the change reported that it had had a positive impact on the business's competitive position. This was higher among international traders (63%) and manufacturers (67%).

A third (32%) of mid-size businesses had heard of and knew something about the increase in the **Annual Investment Allowance (AIA)**. A further 13% had heard of it but knew nothing more about it and the remaining 54% had not heard of it at all. Awareness and knowledge was higher among businesses:

- With a higher turnover (48% with turnover £100m+);
- That traded internationally (36%); and
- With plans for capital investment (39%).

Four in ten (40%) businesses that knew something about the change reported that it had had a positive impact on the business's competitive position. This was higher among businesses with a higher turnover (62% with turnover £100m+) and that planned capital investment (51%).

Only one in ten (9%) mid-size businesses had heard and knew something about the changes to the structure of the **Patent Box**, with a further one in ten (8%) hearing of it but knowing nothing more about it and the majority (83%) had not heard of it at all. It is worth noting that not all businesses will make use of Patents, and therefore may not need to stay aware of policy changes in this area. Awareness and knowledge was higher among businesses:

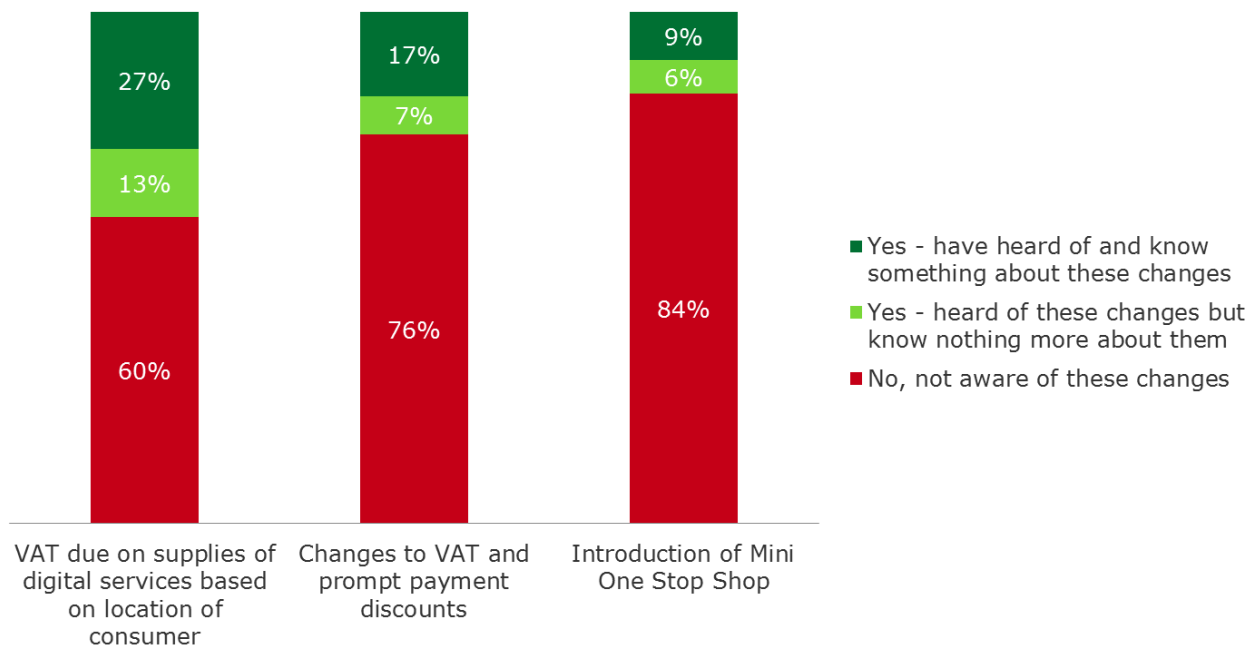
- With a higher turnover (17% with turnover £100m+);
- That traded internationally (12%);
- With plans to grow into new markets (11%); and
- In the manufacturing sector (16%).

Businesses more often learned of these policy changes through their regular tax adviser or agent (47%). Less frequently, changes were learned of through the press (15%), HMRC (12%) or through a specialist firm (11%).

9.2 Awareness and knowledge of policy changes to VAT

Awareness of the three recent changes to VAT which were measured through the survey was generally low (Chart 9.2).

Chart 9.2 Awareness of VAT policy changes



Q40 Are you aware of...?
Base: All businesses (n=2006)

Just over a quarter (27%) had heard of and knew something about the change on VAT due on supplies of digital services²², and a further 13% had heard of it but knew nothing about it. Only 17% were aware and had some knowledge of the changes to VAT and prompt payment discounts (PPD), with a further 7% having heard of it only. The introduction of the VAT Mini One Stop Shop (MOSS), to simplify VAT registration and payment for these digital services, was not widely known; only nine per cent knew something about it and six per cent had heard of it but knew nothing further. There were no differences in awareness according to whether the business reported paying VAT or not.

Awareness and knowledge of these VAT changes was higher among businesses with turnover of more than £100 million annually:

- VAT due on digital services dependent on location of consumer (40%);
- PPD (28%); and
- MOSS (26%).

More international traders knew something about the changes to VAT due on digital services (33%) and the introduction of the VAT Mini One Stop Shop (13%).

²² The change means that any VAT due on supplies of digital services to consumers in other EU Member States is determined by where the consumer is located

Among the qualitative interviews there was minimal awareness of changes to VAT due on supplies of digital services and the introduction of the VAT MOSS. This is likely to be because none of the businesses interviewed considered these changes to be relevant to them. Awareness of PPDs was also low, again likely to be because the majority of businesses considered that it was not relevant to them. In some cases this was because the majority of their sales and purchases were VAT exempt, in others it was because they were using a VAT payment plan or the business was finding it difficult to be paid irrespective of whether there was a modest PPD.

"...it's hard enough to get paid on time, let alone get paid early, even if there's a discount." (100-249 employees, turnover over £100m - £150m)

However, there were two businesses in the follow-up qualitative research that used PPDs and in one case they had a significant impact on their business.

"The discounts are significant yes, so we'll pay some suppliers very quickly indeed, because again it's retail, the margin on the products can be very low so you need to be obtaining those discounts to generate a return that covers our overheads as well as the sale....there can be a difference in making a loss on a sale." (100-249 employees, turnover over £50m - £100m)

9.3 Communications about changes to VAT

It was clear that businesses in the qualitative work were not generally aware of the recent changes to VAT covered in the survey. The interviews included discussions about how to raise awareness of changes to VAT. Businesses tended to want information that was relevant to their business. In their view, the constant flow of irrelevant material reduces the salience of the messages being sent and they were increasingly skip-read or ignored. Businesses perceived HMRC to know a great deal about their business and so considered that it should not be difficult to tailor information, at minimum to their business sector.

"I would [read HMRC emails] if they were specific in terms of "these are tax changes" as opposed to lots of emails about all kinds of things." (100-249 employees, turnover £50m - £100m)

Businesses thought that the following were good communication channels to ensure relevant information is directed to them:

- Business's online accounts;
- Agents and accountants;
- Accounting software providers, including notifications within the software;
- Relevant leaflets in HMRC correspondence (i.e. tailored information inserts); and
- More generally, finance sections in the media.

Businesses were also keen to point out that VAT communications - as with other communications from HMRC - should be jargon-free and written in plain English, highlighting any key actions required and the potential impact on the business.

"If it's clear that this email is changes to some part of tax then I would look at it to see what is it; what's happening; does it affect me?" (100-249 employees, turnover £50m - £100m)

9.4 What aspect of the tax system they would change

If businesses could change one area of the tax system, they most often mentioned changes to the National Insurance rate or threshold (27%), anything to do with VAT (20%) and anything to do with the Corporation Tax rate (15%). The R&D tax credits rate was mentioned less frequently overall (7%) but more often by manufacturers (12%).

In the qualitative work, seven businesses were interviewed who wanted to see changes to VAT and four businesses who wanted to see changes to National Insurance, in order to explore their views in more detail.

9.4.1 Views about VAT

Mid-size businesses tended to have strong views about VAT and how it affected their business. In particular, VAT was seen as complicated, with too many rules and potentially an administrative burden where the business is dealing with a wide range of products and VAT rates. This was further complicated for businesses operating outside of the UK as VAT rates vary across Europe.

"VAT is complicated and irrespective of anybody saying otherwise, it is complicated. There are so many nuances, so many subtle little wrinkles here and there that can affect what you do with one item and what you do with another item." (20-49 employees, turnover under £3m)

"I guess we see [the complexities] because we're buying from a number of different suppliers across a number of different countries we have a whole range of VAT rates and different VAT rules and things like that going through our accounts, and it just feels like quite a big administration burden to make sure that we're using the right rates in the right places all the time and whether there could be some way of aligning those across Europe would, I think, make a lot of people's lives a lot easier." (100-249 employees, turnover £100-150m)

Finding answers to VAT questions was also said to be difficult:

"What would be nice would be to have an easier way to actually find the answers to the questions you've got [about VAT]. That I think is one of the greatest difficulties, trying to get an answer to, probably what are straightforward questions." (20-49 employees, turnover under £3m)

The way in which HMRC calculates VAT due was said to be out of synchronisation with some businesses' financial cycle. This can mean that businesses have to pay VAT to HMRC before they have received it themselves. In one instance, the business was borrowing money through an overdraft facility in order to pay HMRC, repaying their overdraft when they received the VAT from their customers.

The process of managing VAT online was reported to generally work well, though one business noted that it can be difficult to reclaim all of the VAT paid, as suppliers often provide insufficient information on their invoices.

Mid-size businesses had a few recommendations for changes to VAT which they considered would have some impact on growth:

- Reduce the overall rate of VAT;
- Simplify VAT so that it is easier to determine the item VAT rate;
- Access to VAT training;
- Further streamline the VAT reporting system and bring payments in line with the business cycle; and
- Provide easier and quicker access to questions and queries about VAT.

10. Appendix: Methodology

10.1 Quantitative research

10.1.1 Sample design

The survey was intended to consist of approximately 1,950 interviews, and the sample came from the HMRC database of mid-size businesses. Population counts from HMRC were used to inform the sample design; the design balanced the need to ensure precise results at the overall level while ensuring that different groups were represented and that analysis could be conducted between key subgroups. In order to ensure that the obtained sample had a good spread of larger businesses, businesses with a high turnover were oversampled. Turnover correlates highly with employee numbers; this would therefore also boost the number of businesses with higher numbers of employees. The design also aimed to boost the number of interviews achieved with partnerships so that these results could be analysed alone. Following data collection, data were weighted to account for the sample design (as well as non-response), to ensure that results are representative of the mid-size business population. Table 10.1 shows the final sample design used for the survey compared with the number of interviews that would be achieved within each group if the sampling was fully proportionate to the overall mid-size business population.

Table 10.1 Final sample design

	Study design (estimated number of interviews in each cell)	Interviews if the design was fully proportionate
Partnerships	217	122
Company (missing turnover)	347	438
Company <£3m	520	711
Company £3m-£9.9m	260	295
Company £10m-£49.9m	260	315
Company £50m+	347	69
Total	1951	1950

In order to ensure that the obtained sample also had a good spread by other key analytical categories the population was stratified by region, employee number, foreign ownership, age, operating structure and sector prior to sample selection within each of the turnover categories.

Under Data Protection Act requirements, an opt out stage was included for the drawn sample. This involved sending a letter to all selected respondents and inviting them to call a free phone number, write or email if they did not want to take part in the survey. Two weeks were allowed between mail out of the letter and the start of fieldwork, but respondents were allowed to opt out at any point during fieldwork, including when they were contacted for interview. Participation in the research was voluntary and respondents could refuse to take part for any reason. Opt out levels were approximately 1%.

Interviews were conducted with the person with overall responsibility for tax matters, such as the director responsible for the firm finances and tax affairs, on behalf of the sampled business. Before fieldwork began, an electronic look-up was conducted to find the names of individuals within the business who would be most appropriate to speak to, in order to improve the efficiency of the interviewing process. However, names were not available in all cases, and, additionally, interviewers were allowed to accept referrals if it was not possible to speak to this individual.

10.1.2 Questionnaire

The questionnaire was developed by HMRC and TNS BMRB to address the research objectives. The draft questionnaires were then subject to three levels of testing:

- Desk review by the research team using TNS BMRB’s Questionnaire Appraisal Framework²³;
- Cognitive testing of key questions with customers; and
- A pilot study.

The questionnaire begins with screening sections and ends with demographic questions. The majority of the questionnaire consists of modules on customer experience, health of the tax administration system, reputation, attitudes towards compliance and recent tax policy changes. The topics included in the questionnaire are detailed in Table 10.2. Where individuals reported having had no interactions with HMRC on behalf of the sampled business over the past 12 months, they were not asked questions on customer experience or the health of the tax administration system.

Table 10.2 Questionnaire structure

Topic	Question
Customer interactions	<ul style="list-style-type: none"> ■ Taxes paid ■ Channels of contact used ■ HMRC services used ■ Assessment of service used
Customer experience	<ul style="list-style-type: none"> ■ Ease of finding information ■ Rating the quality of information looked for or received ■ Ease of navigation: <ul style="list-style-type: none"> ■ Whether Revenue and Customs made it clear what steps were needed ■ Whether they made it clear when everything was completed ■ Whether they provided access to taxation specialists when needed ■ How good or poor Revenue and Customs were at getting the tax transaction right ■ How good or poor Revenue and Customs were at resolving any queries or issues ■ Acceptability of time taken to reach the end result ■ Overall rating of customer experience ■ How experiences in the last 12 months compared with the previous 12 months
Health of the tax administration system	<ul style="list-style-type: none"> ■ Whether treated fairly ■ Whether Revenue and Customs ensured they paid and received the correct amount ■ Whether Revenue and Customs minimised the cost, time and effort to deal with tax affairs ■ Whether Revenue and Customs treated them as honest ■ Ease of dealing with tax issues
Life events	<ul style="list-style-type: none"> ■ Which life events the business had experienced in the past 12 months ■ What the two most significant events were ■ Channels of assistance in dealing with the major life events

²³ The Questionnaire Appraisal Framework (QAF) is a systematic approach to examining potential issues with the wording and/or structure of questions, in order to ensure that questions can be administered correctly and answered easily by respondents. The TNS BMRB Questionnaire Appraisal Framework (QAF) is based on the QAS-99 framework (see: <http://appliedresearch.cancer.gov/areas/cognitive/qas99.pdf>), but has been adapted to be more tailored and relevant to social research.

	<ul style="list-style-type: none"> ■ Rating of the support received from HMRC in regards to the major life events
Reputation	<ul style="list-style-type: none"> ■ Whether Revenue and Customs applies penalties and sanctions equally ■ Whether Revenue and Customs ensures personal information is treated confidentially ■ Confidence in the way Revenue and Customs are doing their job
Compliance	<ul style="list-style-type: none"> ■ How widespread they think tax avoidance is ■ Views on acceptability of tax avoidance ■ Likelihood of getting caught ■ Whether Revenue and Customs deals more firmly or less firmly now with customers that avoid paying tax than it did a few years ago
Policy	<ul style="list-style-type: none"> ■ Awareness and knowledge of policy changes to CT, AIA and R&D tax credits and the structure of the Patent Box ■ How became aware of these changes ■ Impact of the changes to CT, AIA and R&D tax credits ■ Awareness and knowledge of policy changes to VAT and PPD, in relation to digital services and the VAT Mini One Stop Shop ■ What aspect of the tax system they would change

10.1.3 Data collection

The quantitative interviews were carried out with the aid of Computer Assisted Telephone Interviewing (CATI), meaning the questionnaire was displayed and responses captured on-screen. Interviewing was carried out in the controlled environment of the research agency's dedicated telephone interviewing centres. Rigorous interview quality control procedures prescribed in ISO 20252 were followed, including a supervisor listening into interviews remotely on a systematic basis.

Interviews were conducted between 26 October and 18 December 2015 and took an average of 22 minutes. The final achieved sample comprised 2,006 mid-size businesses. Overall the estimated response rate was 43%. Table 10.3 summarises the fieldwork outcomes.

Table 10.3 Fieldwork outcomes

Outcome	N
Sample issued (S)	6016
Interviews (I)	2006
Unknown respondent eligibility (UO)	2885
Resolved sample	1235
Unresolved sample	1650
Not eligible - removed from eligible base (NE)	189
Non-working numbers - removed from eligible base (DW)	936
Estimated eligibility - EI	91%
Estimated response rate - RR	43.2%
Usable sample % - US	81%

- Estimated eligibility - EI = number eligible divided by number for whom eligibility is known, among working numbers = $I / (I + NE)$
- Estimated response rate - RR = interviews divided by estimated number of eligible records = $I / (I + EI*UO)$
- Usable sample % - US = $1 - ((NE + DW) / S)$

10.1.4 Data weighting

A two-step weighting approach was used. The first step involved the calculation of a design weight based on the estimated sampling probability. The design weight was applied to the dataset, and then the weighted data was calibrated so that it was representative of the population being sampled.

The population figures needed to be amended to account for duplicate companies. Furthermore, when conducting the survey some of the businesses were no longer found to be eligible (having closed down or moved outside of the UK). The survey eligibility rates were also used to adjust the population totals as shown in Table 10.4.

Table 10.4 Deduplication and survey eligibility

Sample group	% Remaining after deduplication	% Observed eligible in survey	% Valid after deduplication and eligibility check
Partnerships	100%	98%	98%
Company (missing turnover)	95%	94%	89%
Company <£3m	98%	97%	95%
Company £3m-£9.9m	98%	99%	97%
Company £10m-£49.9m	98%	98%	96%
Company £50m+	94%	98%	92%

The population from which the sample was drawn is shown alongside the final population estimate was calculated by adjusting the sample group populations to reflect these rates (Table 10.5).

Table 10.5 Sample group population and estimated survey population distribution by structure and turnover

Sample group	Sample group population distribution	Estimated survey population distribution
Partnerships	9,024	8,876
Company (missing turnover)	32,338	28,842
Company <£3m	52,487	49,751
Company £3m-£9.9m	21,767	21,171
Company £10m-£49.9m	23,218	22,178
Company £50m+	5,118	4,720
Total	143,952	135,538

All cases were allocated a sampling probability which was calculated as the product of two separate components: the proportion of sample group population that were sampled; and the proportion of usable sampled cases.

Usable cases were defined as those cases for which a telephone number was found.

The design weight is the inverse of the estimated sampling probability (i.e. 1 divided by the sampling probability).

Data was rim weighted²⁴ by turnover and age of business at the analysis stage to correct for over-sampling certain groups and any differential response by sub group.

The first column of Table 10.6 shows the actual number of interviews conducted by sub group i.e. before weighting was applied. The second column shows the number after corrective weighting was applied.

Table 10.6 Unweighted and weighted number of interviews

	Interviews completed (unweighted)	Weighted number of interviews
T turnover (from sample)		
Unknown	274	427
Under £3m	711	804
£3m-£4.9m	144	130
£5m-£6.9m	109	97
£7m-£8.9m	83	77
£9m-£9.9m	43	41
£10m-£49.9m	332	358
£50m-£99.9m	191	45
£100m-£149.9m	67	15
£150m-£200m	21	5
Over £200m	31	7
Employees (from sample)		
Unknown	1015	1158
Less than 20	120	140
20-49	205	209
50-99	219	204
100-249	238	205
250+	209	90
Sector (from sample)		
Unknown	339	386
Agriculture or fishing	26	18
Construction	99	94
Education	96	117

²⁴ Rim weighting is an iterative process that generates the most efficient way of weighting data by multiple factors.

Finance and Insurance	58	63
Health or social work	85	72
Hotels and restaurants	33	30
Manufacturing	335	336
Mining, electricity or gas and water supply	12	13
Real Estate	29	27
Renting or business activities	309	281
Transport storage and communication	55	47
Wholesale and retail	206	175
Any other activity	324	346
Age of business (from sample)²⁵		
Unknown	3	2
Less than 5 years	170	259
5-7 years	169	246
8-10 years	189	259
11-15 years	336	359
16-20 years	213	235
More than 20 years	660	514
Sampling group		
Partnerships	266	131
Company (missing turnover)	274	427
Company <£3m	576	737
Company £3m-£9.9m	314	314
Company £10m-£49.9m	272	328
Company £50m+	304	68

The design effect based on the weighting of the sample is estimated at 1.24.

10.1.5 Key Driver Analysis (KDA)

Key Driver Analysis is a multivariate analysis technique that indicates the relative importance of each dimension of customer experience to ratings of overall experience.

The relative importance scores are derived using multiple linear regression. This technique is used to model the overall service rating which customers give, and how this score differs based on their rating of different aspects of their interaction with HMRC. As this analysis allows for multiple variables to be included in the model at the same time, it is used to measure the change in overall service rating when only one variable is changed and all others are held constant.

As this analysis allows for multiple variables to be included in the model at the same time, it is used to measure the change in overall service rating when only one variable is changed and all others are held constant.

²⁵ Age of business was only available for companies, so these figures do not include partnerships.

The analysis is run as an iterative process, following the calculation of the correlation between the dependent variable (rating of overall experience) and the independent variables (the other dimensions of customer experience).

10.2 Qualitative research

Small scale follow-up qualitative research was conducted to identify the experiences or beliefs which underlie and drive respondents' ratings, as well as drawing out insights about how issues might usefully be addressed.

Twenty depth telephone interviews lasting approximately 30 minutes were conducted with mid-size businesses between 18th January and 2nd February 2016. This method was used both because it is more convenient for respondents and because it is a more cost effective method than face-to-face interviews. Respondents received £50 to thank them for their participation. Participation was voluntary, confidential and anonymous.

The sample consisted of 1,441 telephone survey respondents who had agreed to be re-contacted by TNS BMRB. Respondents were recruited by the TNS specialist in-house recruitment team and contacted via telephone. Respondents were recruited to ensure a range of views and perspectives were included across the following:

- Number of employees;
- Turnover;
- Positive and negative experiences of using HMRC's services;
- Growth plans (growing business, businesses with growth potential, and businesses with no plans for growth);
- Businesses who would like changes to National Insurance or VAT; and
- Family businesses.

The topic guide consisted of three sections and explored businesses':

- Positive and negative experiences of HMRC's services (e.g. the email enquiry service, telephone service and online services);
- Experiences of support for growth and how respondents thought HMRC can better support businesses which are growing and planning to grow; and
- Views and attitudes to the recent tax policy changes raised in the survey.

All interviews were audio recorded with the consent of the participants. Matrix mapping was conducted and the data were thematically organised from the recordings and transcripts. This involves the rigorous and systematic mapping of data from the interviews to key themes and topics. Matrix mapping draws on a number of sources of evidence (the recordings, transcripts and recall) and comprises of:

- A process-driven element, using the recordings to understand how the issues breakdown into themes and sub-themes and how these apply across different groups of businesses;
- More intuitive elements to consider, for example, behavioural issues, how to enhance service quality etc., and involves brainstorm sessions, led by the project director; and
- A final element which draws the two together, and provides a rounded picture of the issues under exploration.

10.2.1 Qualitative sample frame

The following businesses were excluded from the sample selection:

- Those who did not agree to be re-contacted by TNS BMRB
- Charities and trusts (as they were not a population of interest for depth interviews)

PRIMARY QUOTAS²⁶			
Businesses with positive or negative experiences 50% of sample (10 interviews)	Positive experience (min 5 interviews) = 8 COMPLETED <ul style="list-style-type: none"> Overall experience = very good OR Changes over the last 12 months (a lot better) OR Minimised cost, time, effort to me (agree strongly) OR Finding information (very easy) (At least one of the above)		Negative experience (min 5 interviews) = 6 COMPLETED <ul style="list-style-type: none"> Overall experience (very poor) OR Changes over the last 12 months (a lot worse) OR Minimised cost, time, effort to me (disagree strongly) OR Finding information (very difficult) (At least one of the above)
Growth businesses 50% of sample (10 interviews)	GROUP 1: Growing businesses (min 4 interviews) = 8 COMPLETED CHANGES IN THE LAST 12 MONTHS (increased turnover, increase in employees, change in profit, opened operations outside the UK, started trading internationally, importing/exporting, new country or market) (At least one of the above)	GROUP 2: Growth potential (min 4 interviews) = 8 COMPLETED PLANS FOR FUTURE (increase turnover/new markets, increase size of workforce, new products, trading internationally) (At least one of the above)	GROUP 3: No growth plans (min 2 interviews) = 4 COMPLETED CHANGES IN THE LAST 12 MONTHS (none of these) AND PLANS FOR FUTURE (none of these)
SECONDARY QUOTAS			
Family businesses	Aim to recruit at least 3 = 9 COMPLETED <ul style="list-style-type: none"> Yes 		
Would like changes to the NI or VAT system	Aim to recruit at least 6 = 11 COMPLETED <ul style="list-style-type: none"> Anything to do with VAT OR = 7 COMPLETED Employer National Insurance rate or threshold; Employer National Insurance rules or eligibility; Employer National Insurance existing reliefs = 4 COMPLETED 		
TERTIARY QUOTAS			
Partnerships	Recruit a mix <ul style="list-style-type: none"> Min 2 partnerships = 2 COMPLETED 		
Use of agent	Recruit a mix <ul style="list-style-type: none"> Min 2 who do NOT use an agent = 5 COMPLETED 		

²⁶ Based on question responses from the survey fieldwork

Whether they sought external help with a life event	Recruit a mix <ul style="list-style-type: none"> • Min 2 who asked HMRC for help = 3 COMPLETED
Monitor	
Number of employees	Recruit a mix <ul style="list-style-type: none"> • Under 20 = 2 COMPLETED • 20-49 = 6 COMPLETED • 50-99 = 2 COMPLETED • 100-249 = 6 COMPLETED • 250+ = 4 COMPLETED
Turnover	Recruit a mix <ul style="list-style-type: none"> • Under £3mil = 4 COMPLETED • £3 mil - £10 mil = 4 COMPLETED • £10 mil - £50 mil = 4 COMPLETED • £50 mil - £100 mil = 4 COMPLETED • £100mil - £150 mil = 3 COMPLETED • £150 mil - £200 mil = 0 COMPLETED • £200 mil + = 1 COMPLETED
Taxes paid	Recruit a mix CORP TAX/PAYE/VAT/CUSTOMS/Excise Duties/Stamp taxes/Construction Industry Scheme/Transport/Environmental/any Other tax included