



HM Revenue
& Customs

Research report

Customer Views on P2 & P800 Prototypes

Ipsos MORI

July 2015

Customer views on P2 and P800 prototypes

About HMRC Process Transformation

HMRC Process Transformation is Directorate within HMRC and is principally concerned with overseeing and bringing together a Portfolio of Programmes which will help transform HMRC business, led by customer understanding.

HMRC Process Transformation will deliver changes to processes, structure and systems needed to deliver better services to customers and enable savings from within HMRC.

Contents

Research requirement (background to the project).....3
When the research took place3
Who did the work (research agency)3
Method, Data and Tools used, Sample3
Main Findings4

© Crown Copyright 2015 - Published by Her Majesty’s Revenue and Customs.
Disclaimer: The views in this report are the authors’ own and do not necessarily reflect those of HM Revenue & Customs.

Customer views on P2 and P800 prototypes

Research requirement (background to the project)

HMRC commissioned Ipsos MORI to explore PAYE customers' responses to two prototype letters, one a P2 coding notice and the other a P800 tax calculation. The development of both prototypes was informed by previous research studies. This small study was primarily designed to provide a final check to ensure the prototype letters were clear with no major omissions or points of confusion.

The overall study objectives were to gain insight on the following:

- Ease of understanding – in terms of comprehension and clarity of the text/language.
- Ability to understand the calculation/information provided.
- Views on the overall look and feel of the letters.
- Omissions, ambiguities or confusing content or layout.
- Suggestions for improving the letters further; any additions required.
- Understanding customers' likely behaviour in response to the letter.

When the research took place

The research took place in July 2015 in London.

Who did the work (research agency)

Ipsos MORI in collaboration with the HMRC project team.

Method, Data and Tools used, Sample

A total of four focus groups (totalling 29 respondents) were conducted with two key groups of PAYE customers, including:

- 2 groups with mixed income and who had a pension (those aged 60 plus).
- 2 groups with mixed income and who were higher rate taxpayers.

Customer views on P2 and P800 prototypes

Participants were recruited by a specialist field team using free-find methods. A purposive sampling approach was adopted, whereby key quotas are set and participants are recruited according to these using a screening document.

Fieldwork was undertaken by specialist qualitative researchers at Ipsos MORI. All data was recorded securely and analysed using a rigorous inductive analytic approach – whereby data is synthesised into thematic headings and interrogated for patterns and themes. Qualitative research aims to understand the range of views and factors underpinning these. It does not seek to provide statistical or numeric information.

Main Findings

Ipsos MORI tested customers' reactions to the layout and usability of the P2 and P800 prototypes, their understanding of the content and language used, and areas for improvement. The key findings were as follows:

Views on the overall look and feel of the prototype letters

- Customers felt that the overall look and feel of both letters was much better than the types of letters they had previously received from HMRC.
- Although the prototype letters were noticeably different in style from previous letters received, this change was not thought to impact on perceptions of legitimacy.
- The letters were described as user friendly, clear, easy to read and modern in style.
- The use of larger fonts and colour in headings made it easy to read the letters and to understand the key messages.
- Customers were easily able to identify contact options for both the P2 and the P800.

Ability to understand the calculation/ information provided

- It was felt that HMRC was trying to be transparent in the way that it presented information and calculations – which was appreciated.
- Customers were able to understand the content of the information and calculations provided in both the P2 and P800. The key messages were very clear. Customers were able to understand the information provided and what would happen next/what was required of them.
- However, customers did experience problems understanding some of the detail, for example, customers were often unclear what adjustments and deductions were. This was usually clarified on reading the notes.

Customer views on P2 and P800 prototypes

- The notes and explanations were found easy to navigate and helpful. The content of the notes on State Pension (P2) and Adjustments (P800) caused the most difficulty. This was usually a result of clarity of language.
- Figures included as part of the explanation on the P800 (final page) were not always fully understood. Importantly, the link between this information and the main calculation table was not always made.

Omissions, ambiguities or confusing content or layout

- Mostly participants found both the P2 and P800 letters easy to follow and to understand.
- Lack of understanding about tax codes means customers did not always understand the purpose and significance of the P2. This impacted on their ability to understand the information provided.
- The purpose of the P800 was very clear – customers were aware that they had made an under/over payment; the period in which this occurred; and what they were required to do next. However, despite being able to understand the calculation, customers wanted clarity on why the under/over payment had occurred, for example, who had made the ‘mistake’ and why.
- There were only a few places where the content or location of content was confusing (e.g. the P800 note on income tax rates appears to be part of the Car Fuel Benefit note).
- The omission of a telephone number on the P800 was identified spontaneously. Customers expressed a strong preference for a telephone number to be provided – it was felt to be polite and add greater authenticity to the letter. .

Understanding customer likely behaviour in response to the letter

- Receiving a letter from HMRC and the content can be stressful – customers want an answer as quickly as possible to alleviate concern.
- Where questions relate to a customer’s personal tax situation, they want to communicate directly with a person in HMRC, whether by email, face time or web chat. They want something that is personalised and quick. The website is seen as too general for personalised enquiries.
- When faced with queries in relation to the P2 and P800, customers often said they would contact their employer as a first port of call.

Customer views on P2 and P800 prototypes

- There was a degree of reluctance to call HMRC because of prior experience and recent publicity around long call response times. However, calling HMRC is a 'knee jerk' response to dealing with queries and is seen as the main way to receive personalised advice. Customers say they would be happy to use alternative personalised options – including a web chat or online account if this was available.