

Extended Hours for Compliance Activities

HM Revenue and Customs Research Report 531

August 2018





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Published by HM Revenue and Customs, February 2019
www.hmrc.gov.uk

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1 Executive Summary

Background and aims

- 1.1 HMRC carries out interventions – also known as tax enquiries or compliance checks – to make sure that customers pay the right amount of tax at the right time. An intervention can take place by telephone, but more commonly they involve an HMRC officer visiting the site or business premises. HMRC commissioned this research to explore the potential for extending their working hours for interventions beyond the standard working week, providing more choice for mid-size businesses, small businesses, individuals and agents acting on behalf of clients.
- 1.2 This research was designed to answer the following key questions:
- Do different customers (individuals, small businesses, and mid-sized businesses) and their agents (including those of wealthy individuals) welcome the opportunity for intervention work to take place outside normal hours?
 - Do different customers and their agents welcome the opportunity to conduct meetings with HMRC, speak by telephone or use other digital channels outside normal working hours during the course of an intervention?
 - How might different customers and their agents respond to being asked to deal with HMRC outside normal working hours to progress an intervention? Are there any circumstances which would make this more or less acceptable?
 - Would customers and their agents welcome out of hours contact on specific types of interventions?
- 1.3 Sixty qualitative depth interviews were conducted by telephone between April and June 2018 with two key audiences: tax agents (30 interviews) and customers (30 interviews, stratified by individuals, small and mid-sized businesses). Some participants had experienced an intervention before, while others had not.

Working patterns and engagement with HMRC

- 1.4 Many businesses that were interviewed worked overtime on a regular basis, particularly, although not exclusively, in the evenings. Numerous agents interviewed had busy times in and around January and/or April – some reported routinely working evenings or even weekends in these months. However, few agents reported working evenings or weekends outside these times. There was evidence that where agents had clients working in the construction sector or manual trades, they tended to work more out of hours, as their clients would be likely to be on-site during normal office hours.
- 1.5 With regards to communication with HMRC, contact with individuals tended to be HMRC led, and primarily via post, with some phone calls; direct contact was rare outside of an intervention.
- 1.6 Small businesses communicated with HMRC primarily by phone, backed by postal communication, and sometimes email. In some cases, small businesses expressed an appetite for email communication but explained that this had not been permitted for them. Direct contact with HMRC was infrequent (often exclusively via an agent), and not a major part of the workload of the person concerned.

- 1.7 Mid-sized businesses and agents utilised a wider range of communication channels, including telephone, letters, and, where permitted, email. They often had routine contact with HMRC, and often employed specialist administrative staff.

Experiences of interventions

- 1.8 Some of the businesses and individuals with experience of interventions raised issues about how the intervention was carried out by HMRC. These issues focused mainly on difficulties contacting HMRC, lack of flexibility to individual circumstances, or a lack of clear information. HMRC led delays on turnaround times and lack of flexibility with regards to digital channels were particular sources of frustration.
- 1.9 There were however very few concerns about *when* the intervention was conducted. Further, many businesses found the whole intervention process quite easy and straightforward. For agents it tended to be a matter of routine; in these cases, the main concerns (if any) tended to be around difficulty contacting HMRC, or delays to casework.

What is the appetite for extended hours contact?

- 1.10 Most customers and agents did not react strongly (either positively or negatively) to the idea of HMRC offering further choice by extending its hours of service for interventions. Perhaps the most common viewpoint, especially among agents, was not to object to the idea, but to say that they would probably rarely use it themselves. This suggests the range of users of an HMRC extended hours service for interventions is likely to be quite narrow. However, there was a small group who felt they would find extended hours working very useful, and they tended to have a positive reaction to the concept from the start.
- 1.11 Small businesses and sole traders would find extended hours interventions the most useful. While mid-sized businesses were similar to small businesses in outlook, they tended to have dedicated administrative staff that were not the owner, and who therefore were not as prepared to work out-of-hours. Most agents felt they were unlikely to use the service, and those that would voluntarily use it felt that their use of the service would be highly seasonal (January and April).
- 1.12 Agents were likely to have more negative views on the idea of an extended hours service, particularly when its likely impacts on the existing service were discussed. Concerns typically focused on the impact of an HMRC extended hours service for interventions on their own working hours, although some did believe that some of their clients would want the service.
- 1.13 Across all types of interviewee, many of those otherwise sceptical about the concept would co-operate if it were occasional and well justified (e.g. when a penalty might result, or where it was client-led). There was also some indication that the availability of the service might cause some individuals and small businesses to cease to use tax agents; this was mentioned independently by both an agent and some businesses.
- 1.14 There was some confusion regarding HMRC's activities; customers with less experience of HMRC were often unable to distinguish between HMRC's interventions function and other HMRC services such as the helpline; this was particularly the case when respondents had not been involved in an intervention, or where the prior intervention had been dealt with exclusively by an agent. If this type of confusion between different HMRC services occurred in the

circumstances of an interview with supporting explanations given, it is likely that similar confusion would also occur were the service to be introduced.

- 1.15 Customers and agents were largely negative towards working in this way being a *requirement* and expected it should be a 'customer-led' initiative. There were concerns among businesses that any objection to an HMRC request to deal with a compliance matter during extended hours might be treated as suspicious by HMRC, leading to a negative impact on the pending investigation.

What does this mean for HMRC in terms of providing more choice?

- HMRC will need to prepare for seasonal variations in terms of take-up of extended hours among agents (January-April);
- HMRC will need to communicate / promote any changes to the intended users clearly (particularly to manage expectations that the helpline will not necessarily be available for longer hours); and
- HMRC will need to consider that many customers would want compliance activity outside normal working hours to be on a non-compulsory basis. It is also worth noting that a minority of customers said that they would assume that any HMRC suggestion of a particular time was compulsory, unless the communication made clear that asking for an alternative time would not be taken into account in any subsequent investigation.

Digital methods of communication

- 1.16 There was widespread enthusiasm for the adoption of secure file transfer systems, and significant, if less enthusiastic, interest in other digital means of communication (webchat, video conferencing) although many customers and agents were simply focused on gaining permission to use ordinary email in a wider range of circumstances. SMS and social media were widely dismissed as not being appropriate means of communication during an intervention by nearly all agents, and most customers.
- 1.17 Several advantages to using new methods for transferring data were suggested by customers and agents. These were felt to be faster, often more secure than existing methods, and likely to save time and money compared to using post. They also overcome the issue of file size limit when transferring documents over email; this was highlighted as a source of frustration with existing arrangements by some. It also avoids the widely reported issue of documents getting lost in the post.
- 1.18 Views differed on what measures HMRC would need to take to convince customers and agents of security. Some customers explicitly said that they would only trust an HMRC in-house solution; but some placed more trust in known 'brand name' services such as DropBox.
- 1.19 However, in order to alleviate concerns about security, customers and agents expect transparent information on third parties being used, their credentials, and any security protocols in place. Further, a number of customers recommended having a unique login and verification process. In addition to this, reassurance that new systems have been piloted and/or tested was felt to be important to reassure customers and agents.
- 1.20 There was a small group of customers and agents who did not see why new methods were needed, and that a system which worked currently should not be modified. These tended to be

(but were not exclusively) agents working alone or in small firms, and working for individuals or small businesses. A wider group did say that they preferred to pick up the phone to speak to someone, particularly when they had a query about an intervention, but most said they would still be open to options that led to an improved service.

2 Background

- 2.1 HMRC carries out interventions – also known as tax enquiries or compliance checks – to make sure that customers pay the right amount of tax at the right time. An intervention can take place by telephone, but more commonly they involve an HMRC officer visiting the site or business premises. In advance of the intervention, HMRC will explain what they are checking and what information or documents they will need to review during the intervention. An intervention will often involve the following checks (adapted as appropriate depending on whether the customer is an individual, business or agent):
- Taxes paid by the customer;
 - Accounts and tax calculations;
 - Self-Assessment tax returns;
 - Company Tax Returns; or
 - PAYE records and returns, if people are employed by the business.
- 2.2 The current HMRC business model means most intervention-related business is conducted between 08:30 and 17:00 Monday to Friday, although for some individuals and small businesses advertised working hours have already been extended into weekends.
- 2.3 HMRC commissioned primary research to explore the potential for extending their working hours for interventions beyond the standard working week for mid-size businesses, small businesses, individuals and agents (including agents of wealthy individuals). Interventions at large businesses are managed by a separate directorate and were not in the scope of this research.
- 2.4 HMRC are also considering extending the use of digital methods of communication and data exchange with individuals and employers subject to interventions. Currently a large proportion of interventions are carried out by phone and post, with some use of email. The research also covered these issues.
- 2.5 HMRC's strategic objectives lie at the heart of these potential changes to working practices; moving towards more flexible ways of engaging with customers will ensure HMRC continues to:
- Transform tax and payments for their customers; and
 - Design and deliver a professional, efficient and engaged organisation

Research Objectives

- 2.6 Before any formal changes are made to the working hours, HMRC required a more in-depth understanding of whether different customers and their agents would welcome the opportunity for intervention work to take place outside normal hours, and for digital methods of communication and data exchange to be more widely used.
- 2.7 This research was designed to answer the following key questions:
- Do different customers (individuals, small businesses, and mid-sized businesses) and their agents (including those of wealthy individuals) welcome the opportunity for intervention work to take place outside normal hours?

- Do different customers and their agents welcome the opportunity to conduct meetings with HMRC, speak by telephone or use other digital channels outside normal working hours during the course of an intervention?
- How might different customers and their agents respond to being asked to deal with HMRC outside normal working hours to progress an intervention? Are there any circumstances which would make this more or less acceptable?
- Would customers and their agents welcome out of hours contact on specific types of interventions?

Methodology

- 2.8 A qualitative methodology was felt to be the most appropriate to ensure the project aims and objectives were met. Depth interviews allow for in-depth analysis of the reasoning behind customers' opinions and decisions, among the different customer segments and agents.
- 2.9 Qualitative depth interviews were conducted by telephone with two key audiences: tax agents and customers. Tax agents were split into four groups according to their main client base and customers were split into three groups (in line with HMRC's customer segmentation): individuals, small businesses and mid-sized businesses.
- 2.10 Interviews were structured by whether customers/agents had any experience of a compliance intervention or not. For those with no experience of an intervention, the interview centred around a hypothetical discussion. This group were provided with details on what an intervention might entail during the interview.
- 2.11 The sample for individuals and businesses was sourced from HMRC records, covering all sectors of the economy. The sample for agents was purchased by IFF Research from a commercial sample provider (MarketLocation) and was supplemented by a free find exercise targeting the UK's top 100 providers of tax consultancy.
- 2.12 By design, individuals were only targeted if they had experienced an intervention in the last two years, and thus had some insight into HMRC's activities. However, for agents and businesses, participants were sought both with and without recent experience of interventions. It proved difficult to locate practising tax agents who had not experienced an intervention in the last two years; as a result, three fewer in this group were interviewed than planned (8 instead of 11).
- 2.13 Sixty telephone interviews were conducted in total – 30 with tax agents, and 30 with HMRC customers, including individuals and businesses. Tables 2.1 and 2.2 show the profile of those who participated in the research.

Table 2.1 Tax Agents (ranging from top 10 firms to sole traders)

Main client type	Experienced an intervention	
	Yes	No
Individuals	5	2
Wealthy	6	1
Small Businesses	5	2
Mid-sized Businesses	6	3
TOTAL	22	8

Table 2.2 Individuals, small businesses and mid-sized businesses

Type of organisation	Experienced an intervention	
	Yes	No
Individual	6	n/a
Wealthy	n/a	
Small Business	9	6
Mid-sized Business	4	5
TOTAL	19	11

2.14 The telephone interviews were conducted between April and June 2018 by IFF Research. Interviews were on average 30 minutes in length.

2.15 When interviewing businesses and agents, IFF's recruitment and interviewing team sought to talk to those in senior roles, to gain the best insight into the organisation's relationship with HMRC. For the small and mid-sized businesses this included Managing Directors, Finance Directors and Owners. For tax agents this included Partners, Owners, Directors and Head of Tax.

Interpretation of findings

2.16 The findings show the spread of opinions among the research participants. The nature of qualitative research means there can often be a wide range of differing views but where possible this report draws out commonalities and differences by the different types of customers and agents.

2.17 While qualitative research will provide rich detail on individual circumstances and experiences, the aim of qualitative research is not to generalise findings to the wider population. Findings should therefore be interpreted in this context and should not be taken as representative of all agents and customers of HMRC.

3 Understanding working patterns and responsibilities to HMRC

Working hours

- 3.1 Most of the agents and businesses worked standard office hours (9AM-5PM), or similar. A few worked wider ranging hours, particularly small businesses. However, these were often not regular hours - some explained that they are sometimes required to work later in the evening and work over a weekend on an ad hoc basis.

"It's full on – I started work today at 6AM, and I'll work until 7PM tonight – it's 24/7 call-out, but I'm not working all the time... It might be a Sunday or a Saturday... But it's flexible hours. I am my own boss. I can get going early in the morning if I want to finish at 5PM."

Small Business, Agricultural Machinery, South West, No intervention

- 3.2 It is important to note that for many businesses, although the business operated longer hours, senior or administrative staff may only work 9AM to 5PM. Typically only in the smallest businesses did the person responsible for liaison with HMRC work non-office hours.

"The factories are open 24 hours from Sunday at 9PM to Friday at 9PM – but office hours are Monday to Friday, 7:30AM to 5:00PM."

Mid-size Business, Glass Products, Yorkshire and the Humber, No intervention

- 3.3 Many businesses and agents did mention working overtime, particularly in the evenings. Numerous agents had busy times in and around January and/or April – some reported routinely working evenings or even weekends in these months. However, few reported working evenings or weekends outside these times.

"From December to January [I work] a lot more hours to deal with the end of January tax rush. I can be working until 10PM."

Agent for small businesses, Wales, Intervention

- 3.4 One agent mentioned where they had clients working in the construction sector or manual trades, they tended to work more out of hours, as their clients would be likely to be on-site during normal office hours.
- 3.5 Businesses and individual customers were asked at what times of day or week they would be most likely to deal with financial or tax matters, and agents were asked when they might deal with intervention work. Most explained that they do it as and when required, however, a few dedicated time at the end of each month, and others specified that they would actually schedule a specific time only when a tax return is due. The scheduled time might be during a particular afternoon, or spending a few hours on a Sunday morning – but there was no particular pattern.

"Afternoons, after 2:30PM. It's usually toward the end of the week."

Small Business, Data/Information Management, Scotland, Intervention

- 3.6 Agents were asked how much of their time was spent dealing with HMRC interventions on behalf of their clients. Most agents struggled to give even an approximate answer, as it typically varied considerably over time; one agent explained that some weeks they could have a few

enquiries to deal with and other weeks have none. Another agent reported that typically they would not have more than five large cases in a year, but that when they do they can spend up to a week's worth of work on it, depending on the complexity of the case.

- 3.7 Among those that did provide an average length of time, responses were again wide ranging, from spending between 10 per cent and 75 per cent of their day dealing with tax enquiries or HMRC interventions. Some others said a couple of hours a day or week.

Existing communication with HMRC

- 3.8 With regards to communication with HMRC, contact with individuals tended to be HMRC led, and primarily via post, with some phone calls. For individuals, direct contact was rare outside of an intervention.
- 3.9 Small businesses communicated with HMRC primarily by phone, backed by postal communication, and sometimes email. In some cases, small businesses expressed an appetite for email communication but explained that this had not been permitted for them. Direct contact with HMRC was infrequent (often exclusively via an agent), and not a major part of the workload of the person concerned.

"I put all the data onto the platform, then my accountant deals with everything else. They submit the tax return. I have a meeting with them [once a year], make sure everything is good and they've not missed anything."

Small Business, Agricultural Machinery, South West, No intervention

- 3.10 Mid-sized businesses and agents utilised a wider range of communication channels, including telephone, letters and where permitted email. They often had routine contact with HMRC, and often employed specialist administrative staff.

Experiences of interventions

- 3.11 Some of the businesses and individuals with experience of interventions raised issues about how the intervention was carried out by HMRC. These issues focused mainly on difficulties contacting HMRC, lack of flexibility to individual circumstances, or a lack of clear information.
- 3.12 As the quote shows below, one small business was asked to ring-fence two days of time for the intervention (VAT related) which they found disruptive, particularly as the enquiry only took half a day in total. They would have liked to know more about what the intervention entailed, perhaps not recognising the fact HMRC cannot disclose full details of an enquiry (to ensure the customer does not retrospectively change records).

"We said at the time that our affairs are so simple we couldn't conceive it would take two days but they said that was what they had allocated. That was slightly disruptive... They also didn't tell us what it [was] for, other than that it was a VAT enquiry. We got a letter which told us to prepare our paperwork going back 18 months."

Small Business, Data/Information Management, Scotland, Intervention

- 3.13 That said, many businesses found the whole intervention process quite easy and straightforward. For agents it tended to be a matter of routine; in these cases, the main concerns (if any) tended to be around difficulty contacting HMRC, or delays to casework.

“Yes, on the whole [it fits around schedules], we’re given a reasonable amount of time to respond, and if meetings are arranged it tends to be in a fair bit of time. In terms of communication it is OK.”

Agent for wealthy individuals, East of England, No intervention (in last two years)

“[The problem is] when they take 6 months to reply on an issue and then demand a reply within 20 days.”

Agent for mid-sized businesses, East of England, Intervention

- 3.14 There was very little spontaneous demand for contacting HMRC outside normal office hours during these initial discussions with agents and customers, although this did come up in one case.

“Whenever I tried to ring, there was a high call volume – it took two weeks to get hold of them. They shut when I finish work and [sometimes] you’re on hold for a period of time.”

Individual, South East, Intervention

- 3.15 More commonly, however, the issues cited related to modes and methods of communication; there was particular dissatisfaction in some quarters regarding HMRC’s reliance on postal communication, and the difficulty in making contact by phone.

“We had a letter dated 1st April asking for a reply by 1st May but it didn’t arrive until 10th April. This is a regular occurrence. Things are held up and sent 2nd class.”

Agent for wealthy individuals, South East, Intervention

“The last intervention we did, we wanted to send the information [to HMRC] electronically, but they wouldn’t accept it, so they came to pick it up, which was bizarre.”

Agent for wealthy individuals, North West, Intervention

- 3.16 There was a clear division in experience between customers who had been permitted to use email to communicate with HMRC during their intervention, and those who had not. Some customers also spontaneously mentioned that they would have liked to use other methods of communication during their intervention, such as webchat.

“Oh, [it was] very easy. They [HMRC] wrote letters and pdf-ed them and sent them to us by email as well as popping them in the post. That was fine. It meant we got things quickly...”

Agent for individuals, South West, Intervention

“[It was] nothing major. We just had to provide information; it was done via email on the whole. [HMRC] just asked for information... they were looking at why a VAT return didn’t follow the pattern and we had to provide copies of invoices... Email works fine, I prefer it to letters, less to do, less hassle.”

Small Business, Estate Agent, South East, No intervention (in last two years)

4 What is the appetite for extended hours activity?

Perceptions of HMRC's existing working hours

- 4.1 Most agents, businesses and individuals believed HMRC work “normal office hours” Monday to Friday, although specific hours mentioned varied, with many saying that they start work around 8 or 9AM and finish between 4 and 5PM. Most small businesses and individuals had little direct contact with HMRC, and tended to emphasise that this was a guess; by contrast, agents and mid-sized businesses tended to talk about their own experiences:

“I generally cannot get hold of HMRC office before 10 o'clock in the morning and after 4 o'clock, and Fridays are impossible to get hold of people.”

Agent for wealthy individuals, London, Intervention

- 4.2 Some mentioned having dealt with specific case workers who worked slightly different hours, for example 7AM to 3PM.

Initial reaction to the idea of an extended hours service

- 4.3 Customers and agents, generally speaking, did not react strongly (either positively or negatively) to the idea of HMRC offering further choice by extending its hours of service for interventions. Perhaps the most common viewpoint, especially among agents, was not to object to the idea, but to say that they would probably rarely use it themselves. For many agents and businesses, as outlined in chapter 3, the relevant staff who would have contact with HMRC do not work outside office hours.

“It won't make a lot of difference to our clients... but if you're a self-employed builder and need to be on site, you can't just stop the job for [a tax matter], so I can see the advantages there.”

Agent for small businesses, London, No intervention

“I probably wouldn't [use the service] to be honest...In 11 years I don't think I've ever had to ring them up for anything myself...If I've got any queries [my accountant] usually goes online... she'll find me the answer.”

Small Business, Vehicle Leasing, West Midlands, Intervention

- 4.4 However, there were some customers who did immediately say that it would be very helpful to them – particularly, although not exclusively, small businesses. As noted previously, mid-size businesses tended to have dedicated administrative staff working office hours, and therefore saw fewer benefits unless they routinely worked overtime.

“I think that would be very useful. During the day, I'm doing day to day stuff, and quite often I get to the end of the day and think that [HMRC business] is something I should have done but it's too late.”

Mid-sized business, Engineering, South East, No intervention

“If you are on the front line, 9AM to 5PM is key, and you don't need interruptions [from interventions] Monday to Friday.”

Small business, Management Consultancy, London, Intervention

"It would increase flexibility, especially during the busy periods leading up to year ends when we're spending more time in the office. It could be a seasonal thing."

Agent for small businesses, Yorkshire, No intervention (in the last two years)

- 4.5 Further, a few agents mentioned that they felt the service would be useful to their clients, even if not useful to themselves.

"It depends on the enquiry, but I think if you've got... a very anxious client there are... situations which can create problems... the client could end up having to pay out a considerable amount of tax, penalties and all the rest of it. So, from their point of view having to wait from a Friday to the following Monday you can understand that... if you could avoid it and you could actually speak to someone at the weekend and get something resolved then, it would be useful..."

Agent for individuals, South East, No intervention (in last two years)

- 4.6 Not many customers/agents were actively opposed to the concept from the start; but there were a few who were immediately strongly against the idea.

"If you [refused an extended hours appointment] they would throw it straight back at you if you made a complaint about not being able to get hold of them."

Small Business, Accountancy, East Midlands, Intervention

- 4.7 It is worth noting that the extended hours service might cause some businesses to stop using tax agents, since in some cases avoiding the disruption of having to contact HMRC during office hours was reported to be among the key reasons for employing an agent. One agent also hinted during an interview that it had occurred to them that a loss of business might be a consequence.

"Any issue would have been dealt with quicker and it would have been cheaper, because the chances are I could have dealt with it myself, without having someone else like an accountant getting involved... it would have been welcome."

Small Business, Management Consultancy, London, Intervention

Reaction to potential issues surrounding extended hours operation

- 4.8 Customers/agents were also asked to consider a few issues surrounding the practical implementation of extended hours working, and how these might impact on them. Many customers initially assumed that there would be no impact on existing service in office hours, or that the proposals would involve an overall increase in staffing, and therefore a general reduction in turnaround times or greater availability to take phone calls during the day. This does highlight that when introducing the service there is a requirement for HMRC to manage expectations among all customers and agents over what service levels will be provided.

4.9 Potential issues explored during the interviews included:

- Currently, interventions are allocated to individual case workers, who are the central point of contact for each case. However, if a case worker were to regularly work out-of-hours, it is likely that rather than increase their overall hours of work, they would work fewer hours at other times. If this were the case, this would mean that an agent or HMRC customer who works office hours would be unable to contact that specific individual at certain times during office hours or on certain days, or would have to contact another person about the case.
- If regular working out-of-hours is put in place, in the interests of efficient use of time, HMRC might want to propose scheduled meetings, site visits and phone calls during these times, even if the customer or agent had not requested this.

4.10 Reactions to the issue of working with multiple members of staff or being unable to call the caseworker at specific times in the working week were mixed, although in both cases tended to be more negative than positive. Small businesses and individuals were not generally worried about these impacts, but several agents and mid-sized businesses (those with more frequent experience of interventions) did express concerns, in some cases relating specifically to larger investigations.

“The benefit of having one person is their intimate knowledge of the case. I would just call and expect them to pick it up.”

Agent for wealthy individuals, South East, Intervention

“It is really difficult trying to explain a case to someone who doesn't know anything about it and has not been working on it, particularly if it's a complex one.”

Agent for small businesses, North West, Intervention

4.11 Reaction to the possibility of HMRC suggesting scheduled activities out-of-hours was much more polarised. While a few customers who actively wanted routine extended hours service were happy with this idea, a wider group would be content if it was occasional.

“That's very good. The more flexible they are, the better. Dealing with HMRC outside of working hours would be preferred in every circumstance.”

Small Business, Management Consultancy, London, Intervention

“On occasion, I would consider it: if it was client driven, or if the HMRC contact said [they were] going on holiday so let's sort before I go, then yes, I would do at say 7PM if [there are] valid reasons.”

Mid-sized Business, Accountancy, East Midlands, No intervention

4.12 However, a substantial number of customers and agents were negative about this idea, and felt HMRC should not suggest working outside normal office hours, unless necessary. Results suggested that a not insignificant minority would resent this, and some agents might refuse to co-operate, particularly if the timing was HMRC rather than client-led.

“It might be useful in exceptional circumstances [but] I don't really want to work outside of my regular working hours.”

Small Business, Storage, London, Intervention

"I object to this. We work 9AM to 5:30PM, and don't want to work outside normal hours. We have families."

Agent for small businesses, South East, Intervention

- 4.13 Very few agents said that they would charge more to clients for out-of-hours visits. Agents were more likely to state that they would refuse to attend out-of-hours (on the grounds that they did not want to work outside office hours) than to charge more for this service. One agent did point out that if they were to charge more in the context of an intervention, this cost would fall upon their clients' insurers, rather than directly on the client.

Timings of extended hours contact

- 4.14 There were no clear patterns with regards to when extended hours would be most appropriate; evenings were most often mentioned as useful times for contact, especially (although not exclusively) among agents who felt they would be likely to use the service when working overtime in busy months. Some customers did prefer Saturdays and a handful mentioned Sundays. Early mornings were not mentioned as a preferred time by any customers/agents.
- 4.15 Although a couple of people did mention working early mornings, they did not specifically mention that this would be a good time for HMRC contact. Of course, the relatively small sample of businesses and individuals interviewed (24 and 6 respectively) for this qualitative research means that it cannot be excluded that in reality a proportion of businesses or individuals would prefer early mornings.

"We normally finish around 5, so by the time I get home it's normally about half past 6, so any time toward 7 would be good."

Individual, Scaffolder, London, Intervention

"Ideally 4pm to 7pm if it's phone calls or meetings - so we are inconvenienced in terms of doing a bit of overtime, but the business doesn't suffer."

Mid-size business, Laboratory Testing, East Midlands, Intervention

"Weekends would be useful, but would it be used? I'd only use it at weekends if a letter came through the door which demanded immediate action."

Individual, South East, Intervention

Types of extended hours contact

- 4.16 Customers showed no clear pattern regarding the types of extended hours contact which they would prefer, and did not see a connection between the move to extended hours and the use of new digital channels. Many assumed in the first instance that a move to extended hours working would mean the extension of HMRC staff availability to take phone calls regarding queries on interventions during evenings and/or weekends. Some did suggest that the method of pro-active contact from HMRC should be less intrusive in the evenings, for example email; however, there was no clear pattern here.
- 4.17 There was a certain level of confusion regarding HMRC's activities; customers with less experience of HMRC were often unable to distinguish – despite the details read out by interviewers in the topic guide – between HMRC's interventions function and other HMRC

services such as the helpline. If confusion occurred in these circumstances, it is likely that this type of confusion would also occur if the service is introduced. This makes it particularly important that changes are promoted to the intended users clearly.

- 4.18 Customers were specifically asked about site visits and this was the most controversial idea raised; some customers who worked only office hours strongly disliked the idea, pointing out that HMRC visiting their offices outside working hours would be impractical since they would be closed at that time, and it would be difficult to open specifically for an HMRC appointment. However, others felt this would actually be the most useful thing HMRC could do out of hours for those businesses that did want contact out of regular office hours.

"I sometimes have to have a client meeting on a Saturday morning, with clients who find it too difficult to get in during [office hours], so that could be practical."

Agent for small businesses, South West, Intervention

- 4.19 It is important to consider that one reason for the strength of negative reaction from some customers could be that when HMRC is engaged in an intervention, businesses and individuals in particular might worry that to dispute the timing of an appointment requested by HMRC might be considered to be evidence that they are not being fully co-operative with the investigation. As one business said when asked if they would accept an HMRC offer of an appointment outside office hours.

"You wouldn't have a choice. When they shout you jump!"

Small Business, Estate Agent, South East, No intervention

- 4.20 It might therefore be necessary to give credible assurances if any scheduled activity was suggested outside normal working hours on a non-compulsory basis that asking for an alternative time would not be taken into account in any subsequent investigation.

5 Digital methods of communication

Email and secure email

- 5.1 Customers and agents expressed a clear appetite for the ability to utilise ordinary email more to communicate with HMRC. Agents reported that this was already available in some cases where authorised, and certainly the authorisation of email use was strongly linked to satisfaction, both explicitly (by some agents) and in terms of the comparative experience of those who said they were using email to communicate with HMRC.
- 5.2 Email was seen to be a quick and convenient method. In terms of extended hours contact specifically, it was felt to be a less intrusive means of communication as it could be undertaken anywhere and at any time. Some customers felt that they would not need other digital modes of contact.
- 5.3 Several stated they would be happy using secure email on the government gateway, however, there were some mixed experiences of this; some strongly disliked the government gateway interface while others were very happy with it. For example, one small business considered it fit for purpose and was enthusiastic about extending its use, whereas one agent for mid-sized businesses said they had difficulties using the gateway and were frustrated that it does not always work.

"We've not really had any need to think about things like DropBox, as the government gateway works well."

Small business, Data/Information Management, Scotland, Intervention

- 5.4 Some did say that they did not see why a separate secure email service would be needed, and that HMRC's normal email systems should be made secure if they were not already. Although the question was not directly asked, this does indicate that some customers might be unaware of the general issues that exist regarding the security of normal emails.

Webchat

- 5.5 Webchat was generally thought of positively for simple queries whereby an immediate response was required, although a few were unsure whether it would actually have this shorter response time since they presumed it would be the same people they were trying to contact by phone who might be equally busy regardless of the method of contact.

"[Webchat is] a great idea... anything that expedites communication or makes it more timely is a useful thing... Webchat is instant, you get the right information as quickly as possible."

Agent for small businesses, Yorkshire and the Humber, No intervention

- 5.6 However, regarding interventions specifically, a few agents highlighted the lack of audit trail as a major drawback which would prevent them using a webchat service, although, one small business suggested that transcripts could be routinely sent afterwards, so this barrier could easily be overcome.
- 5.7 For agents, keeping a record is important; whereas for businesses and individuals less so. There were no other notable differences here between agents, individuals or businesses.

"I'm not sure that [webchat] would lend itself to enquiry work because it can be quite important to have an audit trail of what was said and who said what and what was done. I'm not sure that webchat would allow a record of conversation to be retained."

Agent for mid-sized businesses, South West, Intervention

Skype

- 5.8 Most customers and agents would be open to utilising video conferencing such as Skype. Some felt it would be more time efficient than a face-to-face meeting, however, a couple would feel less comfortable with this type of platform as they are not familiar with it. A few (generally individuals and small businesses) said they do not have the facilities for video conferencing, and this will need to be taken into account if this service is used.

"You can instantly have a face to face chat with the relevant person at a convenient time for both parties without anybody having to get in a car and go to a meeting somewhere...if you've just got a question regarding the intervention...it's good to talk."

Mid-size business, Glass products, Yorkshire and the Humber, No intervention

SMS

- 5.9 SMS was almost universally agreed not to be an attractive method of communication to most as it was felt to be informal and raised questions about security.

"I'm going to sound like a real old person here but I don't think that's appropriate for investigations."

Agent for mid-sized businesses, West Midlands, Intervention

- 5.10 However, some individuals could see a limited use for SMS for example for urgent alerts, such as to let them know when a penalty is due to be paid.

Social Media

- 5.11 Similarly to SMS, social media platforms such as Facebook or Twitter were not looked on favourably by most due to a perception that they were not "professional", as well as concerns about security.

"Facebook, no, because of the stuff that has gone on recently, it is not the safest place."

Individual, South East, Intervention

"Facebook – absolutely no. Anyone who tries to transmit anything of a confidential nature is being very foolhardy with their material – and the same with other social media... and text as well. If [HMRC] texted me, I'd actually request they changed media... You can't verify who's on the other end."

Small business, Accountancy, South West, Intervention

- 5.12 A couple of agents did mention that Facebook could be beneficial for individual taxpayers, and this was supported by two individuals saying they would be happy using Facebook to communicate with HMRC.

Data transfer services

- 5.13 Customers and agents were also asked for their views on HMRC introducing new digital services for submitting data or documents. An SFTP¹ (secure file transfer) service for transferring documents was felt to be appealing to most and most would be likely to use it, across all audiences without much variation. Enthusiasm for this change was quite widespread, substantially more so than for any other change tested, including for example one participant who had previously stated that ‘nothing’ would move him over to digital methods of contact in other respects.

“Yes, I use DropBox for documents that are of a certain size...we have an SFTP server that our customers and our suppliers transfer larger files to us...so I would be comfortable using those.”

Mid-sized business, Automotive Engineering, West Midlands, Intervention

- 5.14 Several others stated that they currently use DropBox or cloud-based systems for other business purposes, and would welcome the opportunity to use this or similar services with HMRC.

“That would be great. It means you can transfer it quickly and without breaching confidentiality. My professional institute uses Dropbox. They send me large files and I can access them easily.”

Agent for wealthy individuals, East Midlands, No intervention

“Well, we [already] use SFTP and DropBox sites for our clients submitting to us...so we're familiar with the technology and we would, in theory, be happy to use it for our admissions. It's certainly something we trust as a process for our business and so no reason why we wouldn't use it to submit to HMRC.”

Agent for mid-sized businesses, South East, No intervention

- 5.15 However, some would prefer to use email to transfer data or documents to HMRC as they are more familiar with this method. As previously mentioned, responses indicated that some businesses and individuals were unaware of the security issues surrounding email attachments, something which would of course reduce the appeal of alternative secure services.

“I would probably still just use email. It's just as secure. I would personally be quicker at using that method.”

Mid-size business, Construction, South East, Intervention

- 5.16 Several advantages to using new methods for transferring data were suggested by customers and agents. It was felt to be fast, often considered more secure than existing methods, and likely to save time and money compared to post. It overcomes the issue of file size limit when transferring documents over email – which was highlighted as a source of frustration by some. It also avoids the widely reported issue of documents getting lost in the post.

¹ Secure File Transfer Protocol, a service which allows files to be transferred securely between two individuals or companies without the risk of interception. The most widely known such service is DropBox, although there are others.

- 5.17 However, as with the other channels discussed previously, HMRC would need to ensure appropriate security measures are in place. Some staff may need training on using it, which was felt to be a short-term drawback. One agent had negative views of HMRC's prior record of implementing cloud-based workspaces.

"HMRC has [tried] this before and it hasn't worked. Good idea in principle but failed because of IT issues and the system wasn't intuitive."

Agent for mid-sized businesses, South West, Intervention

- 5.18 Participants were explicitly asked if there are any digital transfer services they regard as more secure than others, and what HMRC could do which would reassure them regarding the security of new methods. Views did differ on what measures HMRC would need to take to convince them of security. Some customers and agents explicitly would only trust a HMRC in-house solution; but some placed more trust in known 'brand name' services such as DropBox – therefore it may be worth considering offering both. The detail of this split between those happier with 'official' and 'brand name' systems on security grounds is unclear; it is not associated with any particular characteristic – for example one agent did not have any concerns as they have trust in HMRC, whereas another agent far less so. It may come down to personal preference, need for 'credibility' with clients, or level of expertise in IT.

"No concerns about security - it's HMRC."

Agent for wealthy individuals, London, Intervention

"The Government doesn't have a good track record of introducing software that works or is particularly secure."

Agent for individuals, London, No intervention

- 5.19 However, in order to alleviate concerns about security, it is clear that HMRC do need to ensure the appropriate security protocols are in place. Transparent information on third parties being used and their credentials/security protocol was suggested by customers.

"Maybe a blurb for the company that they're using and how it works, so that people fully understand...and an explanation would make me feel more confident [that it's secure]."

Mid-sized business, Construction, South East, Intervention

- 5.20 A couple of customers and agents recommended having a unique login and verification process. In addition to this, reassurance that it has been piloted and/or tested was felt to be important.

"It would be fantastic if it was up and running smoothly, but there needs to be no security issues. Historically [new HMRC] systems are usually full of errors, I'd allow others to find the problems but I will be a second phase adopter... I haven't got time to be a guinea pig."

Agent for small businesses, London, No intervention

"GDPR certificate, so that HMRC take the responsibility. If the potential penalties and loss of reputation is someone else's then that's fine."

Agent for individuals, London, No intervention

Future engagement

- 5.21 Customers' reasons for adopting new digital methods to communicate with HMRC typically focused on speed and cost savings. Primarily, most agents in favour of change were keen to eliminate communication by post, which was seen as expensive and slow.
- 5.22 Many (although usually still cautious about the specifics of implementation) were quite keen to realise the potential for efficiency savings, especially agents and mid-size businesses with a high volume of communication with HMRC, or those who had experienced communication difficulties in previous interventions.
- 5.23 Some disadvantages were identified too; some new methods were widely seen as too informal, especially by agents, although webchat, Skype or secure email were not generally criticised for this.

"Text or something like that as a default method... I would be resistant to that and I would probably complain... For me personally there's a level of... seriousness to any investigation that I think you've got to be careful you don't dilute... It's a serious time, it can be a very worrying and stressful time and I think [the client] need to have that reassurance that everything is being done properly."

Agent for mid-sized businesses, West Midlands, Intervention

- 5.24 User confidence and technical knowledge could also be a barrier for some digital methods, particularly video conferencing.

"I am not up with the latest tech. I don't have time to do it all, so I go with what I know. I do use Twitter. It can be done and you can get a quicker response. I think it would help, but I will need guidance."

Agent for wealthy individuals, West Midlands, Intervention

- 5.25 Some customers and agents simply felt that existing systems worked and therefore should not be changed, or that HMRC should focus on addressing issues with existing services.

"My main concern would be that the Revenue [might spread] its resources too thinly... My preference is telephone contact. I would be somewhat upset if telephone contact was to be pared back to enable the ability to have Webchat, or Facebook pages, or Google groups... I would be greatly aggrieved if that happened."

Mid-sized business, Automotive Engineering, West Midlands, Intervention

- 5.26 There was also a small group of customers and agents who did not see why new methods were needed, and that a system which worked currently should not be modified. These tended to be (but were not exclusively) agents working alone or in small firms, and working for individuals or small businesses. A wider group said that they preferred to pick up the phone to speak to someone, particularly when they have a query about an intervention, but most said they would still be open to options that led to an improved service.

"Secure email to transfer data is [fine]... but from the point view of thrashing issues out, being able to pick up the phone to the officer and just nail down the issues would speed things up."

Agent for mid-sized businesses, London, Intervention

5.27 Overall, agents were the more sceptical audience for all new methods of communication; but there was no pattern found by their groups of customers.

6 Conclusions

Do different customers and their agents welcome the opportunity for site visits to take place outside normal working hours?

- 6.1 There was a relatively muted reaction across all agents and customers to the concept. Very few “write it off” as an idea – but they did not always see an immediate benefit for them and their businesses/clients.
- 6.2 Individuals and smaller businesses (particularly where admin staff / owners work out of hours) were the most positive towards the opportunity.
- 6.3 To a lesser extent some agents who were particularly busy towards the end of the fiscal year (January-April) were also more positive towards the opportunity.
- 6.4 However, any change will need to be promoted clearly – there are some expectations that extended hours during interventions will mean it will be easier to contact HMRC through general helplines at different times of the day.

Do different customers and their agents welcome the opportunity to conduct meetings with HMRC, speak by telephone or use other digital channels outside normal working hours during the course of a compliance check, intervention or enquiry?

- 6.5 There was a strong appetite for more communication through digital means during an enquiry, particularly among agents. The opportunity to engage with HMRC through digital file transfer was positively welcomed. Indeed, there were wide ranging experiences among agents over use of email / secure file transfer – those able to use these services were generally much happier.
- 6.6 Webchat and video conferencing would be welcomed by some, but many are simply seeking greater use of email if possible.
- 6.7 Security fears over new digital channels can usually be overcome if appropriate reassurances are provided by HMRC.

How do different customers and their agents respond to being asked to deal with HMRC outside normal working hours to progress an open compliance intervention? Are there any circumstances which would make this more or less acceptable?

- 6.8 Being *required* to deal with HMRC through extended hours received a negative reaction from many agents and customers, unless they actively wanted it for their own convenience in any case. Further, a minority of agents were very negative towards the idea in *all* circumstances.
- 6.9 However, several customers and agents consider it reasonable in an urgent situation, most often defined in relation to avoiding pending fines or penalties.
- 6.10 On balance, there was a working assumption that it should be a ‘customer-led’ initiative, available on request, rather than required by HMRC.

Would customers and their agents welcome extended hours contact on specific types of interventions / regimes?

- 6.11 Agents and businesses with experience of interventions agreed that extended hours interventions would be most appropriate with regards to simpler cases – where less case history is required. This means it would be easier for different officers to ‘pick up’ the case at different times.
- 6.12 It was also seen to be appropriate with regards to ‘urgent’ interventions – most often defined by agents and customers as those being related to penalties or money owed deadlines.
- 6.13 Further, a minority of agents are open to this way of working for pragmatic reasons – for example they might consider extended hours work as a ‘favour’ to clients to speed up resolution of an intervention.

Annex A: Recruitment Screener

ASK TELEPHONIST

- S1 **Good morning / afternoon. My name is <NAME> and I'm calling from IFF Research, regarding a piece of research we're carrying out for HMRC, about proposed changes to their working practices.**

IF INDIVIDUAL OR BUSINESS WITH CONTACT (HASCON = 1 AND SAMTYPE ≠ 1): **Please can I speak to <CONTACT> (<CONTACTROLE> at <COMPANY>)?**

IF BUSINESS WITHOUT CONTACT (SAMTYPE = 2 OR 3 AND HASCON = 2): **Please can I speak to your finance director, or the person who would deal with tax issues at the organisation (<COMPANY>)?**

IF AGENT (SAMTYPE = 1): **Please can I speak to someone at your firm who deals with HMRC compliance interventions (that could be <CONTACT>, <CONTACTROLE> at <COMPANY>)?**

Respondent answers phone	1	CONTINUE
Transferred to respondent	2	
Hard appointment	3	MAKE APPOINTMENT
Soft Appointment	4	
Engaged / No reply / Answer phone	5	CALL BACK
Refusal	6	CLOSE
Not available in deadline	7	
Fax Line	8	
Dead line	10	
Request reassurance email	11	COLLECT EMAIL ADDRESS THEN CONTINUE OR MAKE APPOINTMENT

WHEN SPEAKING TO NAMED CONTACT

- S2 **Good morning / afternoon. My name is <NAME> and I'm calling from IFF Research, an independent market research agency.**

We are conducting an important research study on behalf of HMRC [IF INDIVIDUAL OR BUSINESS (SAMTYPE = 2 TO 4): which you should have received a letter about]. They are considering making some practical changes to how they work and interact with [IF INDIVIDUAL (SAMTYPE = 4):individual tax payers using self-assessment][IF BUSINESS OR AGENT (SAMTYPE = 1 TO 3):tax paying businesses], and with their agents[IF AGENT (SAMTYPE = 1): regarding compliance interventions], and want us to find out how these changes might be received, and whether they would be useful.

As part of this research we are looking to conduct telephone interviews to ask about your role relative to HMRC, your experience of interacting with HMRC, if any, and your views on HMRC's proposed changes.

I should say that everything discussed during interviews would be completely confidential, and it would not be possible for HMRC to identify any individual or organisation that takes part.

The interview would take place at a time that is convenient for you and would take around 30 minutes to complete. Choosing to take part would not impact on your current or future dealings with HMRC in any way.

Would you be willing to take part in the research?

Yes	1	CONTINUE
No	2	THANK AND CLOSE

REASSURANCES TO USE IF NECESSARY

The sample has been provided to us from HMRC's records, with the strongest possible legal safeguards in place. *ONLY IF NECESSARY*: IFF Research are legally bound by the Market Research Society's Code of Conduct to use this data only for the purposes of this research, and cannot pass it to anyone else.

The interview will take around 30 minutes to complete.

Any information you give us will be used for research purposes only. Participation would not impact on any current or future dealings with HMRC in any way.

[IF BUSINESS OR INDIVIDUAL (SAMTYPE = 2 TO 4):Your details were obtained from HMRC's records as a person or organisation they have worked with, or might work with in future, in the course of their work. *ONLY IF NECESSARY*: For example, you might have been involved in some way in a compliance intervention.]

[IF AGENT (SAMTYPE = 1):Your details were obtained from business databases, supplemented in some cases by publicly available information from your own website.]

All data will be reported in aggregate form and your answers will not be reported to our client in any way that would allow you or your organisation to be identified.

Your data is safe with IFF Research; we are ISO27001 accredited for data security and regularly inspected as part of that. All our data is stored on secure servers in the UK, and we observe strict rules for keeping interview responses confidential.

IFF Research is a member of the Market Research Society and as such has to comply with its Code of Practice, which is available to view on the MRS website.

This isn't part of any compliance intervention– your answers will not be passed to HMRC in any way that would allow you or your organisation to be identified.

If respondent wishes to confirm validity of survey or get more information about aims and objectives, they can call:

MRS: Market Research Society on 0800 975 9596.

IFF: <email> <phone>

HMRC: <email> <phone>

This call may be recorded for quality and training purposes only.

That's great. I need to check a few things first, to make sure you are eligible for the research.

IF INDIVIDUAL (SAMTYPE = 4)

S2A **Do you deal with your tax affairs personally, or through a tax agent, accountant or advisor?**

READ OUT. SINGLE CODE.

Personally	1	CONTINUE
Tax agent, accountant or advisor	2	
Don't know	3	
Refused	4	

ASK ALL

S3 IF AN INDIVIDUAL (SAMTYPE = 4): **Can I just confirm, are you <CONTACT>?**

IF A BUSINESS OR AGENT (SAMTYPE = 1 TO 3): **Can I just confirm, are you an employee, director, business partner or owner of <COMPANY>?**

Yes	1	IF A BUSINESS OR INDIVIDUAL CONTINUE TO S4 IF AN AGENT, GO TO S7
No (even if claim to be authorised to speak on their behalf)	2	SEEK REFERRAL / THANK AND CLOSE

IF A SMALL OR MEDIUM SIZED BUSINESS, OR AN INDIVIDUAL (SAMTYPE = 2 TO 4)

- S4 **If HMRC were to contact [IF INDIVIDUAL (SAMTYPE = 4): *you*][IF SMALL OR MEDIUM SIZED BUSINESS (SAMTYPE = 2 OR 3): *your business*] about tax issues, would you expect to be among the main people dealing with that on a practical basis, for example having meetings or sending them letters or emails?**

READ OUT. SINGLE CODE.

Yes / Probably	1	CONTINUE TO S5
IF SMALL OR MEDIUM SIZED BUSINESS (SAMTYPE = 2 OR 3): No, someone else in business	2	SEEK REFERRAL / THANK AND CLOSE
No , [IF INDIVIDUAL (SAMTYPE = 4): <i>my</i>][IF SMALL OR MEDIUM SIZED BUSINESS (SAMTYPE = 2 OR 3): <i>our</i>] advisor / accountant / tax agent would deal with it	3	GO TO S4A
Don't know	4	THANK AND CLOSE

IF SMALL OR MEDIUM SIZED BUSINESS AND TAX AGENT WOULD DEAL WITH HMRC (SAMTYPE = 2 OR 3 AND S4 = 3)

- S4A **Would you be among the main people communicating with your advisor / accountant / tax agent about any issues that came up regarding HMRC's work?**

Yes / Probably	1	CONTINUE TO S5
No, someone else in business	2	SEEK REFERRAL / THANK AND CLOSE
Don't know	3	THANK AND CLOSE

IF A SMALL OR MEDIUM SIZED BUSINESS (SAMTYPE = 2 OR 3)

S5 How many employees do you have in your business, excluding sub-contractors and employees based outside the UK? A rough estimate is fine.

PROMPT AS NECESSARY. SINGLE CODE.

None (Sole trader)	1	CONTINUE TO SIZEQUOTA
1-9	2	
10-19	3	
20-49	4	
50 to 99	5	
100 to 249	6	
250 or more	7	THANK AND CLOSE
Don't know	8	

IF MAY BE RECLASSIFIED TO SMALL BUSINESS FROM MEDIUM BUSINESS (SAMTYPE = 3 AND S5 = 1 TO 3)

S5A Just for the purposes of determining if your business is eligible for interview, does the business have a turnover of more than £10m?

Yes	1	CONTINUE
No	2	
Don't know	3	

SIZEQUOTA DUMMY VARIABLE, DO NOT ASK
SINGLE CODE.

Sole trader	1	S5 = 1 AND S5A ≠ 1
Micro	2	S5 = 2 AND S5A ≠ 1
Small	3	S5 = 3 AND S5A ≠ 1
Medium	4	(S5 = 4, 5, 6 OR 7 OR S5A = 1)

CHECK QUOTAS. IF IN QUOTA CONTINUE. OTHERWISE THANK AND CLOSE.

SAMTYPEQUOTA DUMMY VARIABLE, DO NOT ASK
SINGLE CODE.

Agent	1	SAMTYPE = 1
Small Business	2	SIZEQUOTA = 1 TO 3
Mid-sized Business	3	SIZEQUOTA = 4
Individual	4	SAMTYPE = 4

CHECK QUOTAS. IF IN QUOTA CONTINUE. OTHERWISE THANK AND CLOSE.

IF A SMALL OR MEDIUM SIZED BUSINESS (SAMTYPE = 2 OR 3)

S6 Is your business a partnership of any kind?

PROMPT AS NECESSARY. SINGLE CODE.

No	1	CONTINUE
Yes, General Partnership	2	
Yes, Limited Partnership	3	
Yes, Limited Liability Partnership	4	

IF AGENT (SAMTYPE = 1)

S7 How many clients does your firm (<COMPANY>) provide tax agent services to?

PROMPT AS NECESSARY. SINGLE CODE.

None	1	THANK AND CLOSE
1 to 9	2	RECORD RESPONSE FOR INFORMATION. CONTINUE.
10 to 49	3	
50 to 249	4	
250 or more	5	
Don't know	6	THANK AND CLOSE

IF AGENT (SAMTYPE = 1)

S8 Personally, which of the following best describes the majority of your clients?

READ OUT. SINGLE CODE.

Individuals	1	CONTINUE
Small businesses	2	
Mid-sized businesses	3	
Wealthy customers	4	
Other	5	THANK AND CLOSE
DO NOT READ OUT: Don't know	6	THANK AND CLOSE

IF AGENT AND NOT WEALTHY CLIENTS (SAMTYPE = 1 AND S8 ≠ 4)

S8A Thinking specifically about your own work, are any of your clients high net worth or 'wealthy' individuals?

Yes	1	CHECK QUOTAS. IF IN QUOTA CONTINUE, OTHERWISE THANK AND CLOSE.
No	2	
Don't know	3	CONTINUE
Refused	4	CONTINUE

S8QUOTA DUMMY VARIABLE, DO NOT ASK
SINGLE CODE.

Individuals		S8 = 1 and S8A ≠ 1
Small businesses		S8 = 2 and S8A ≠ 1
Mid-sized businesses		S8 = 3 and S8A ≠ 1
Wealthy customers		S8 = 4 or S8A = 1

CHECK QUOTAS. IF IN QUOTA CONTINUE. OTHERWISE THANK AND CLOSE.

IF AGENT (SAMTYPE = 1)

- S9 **Have you personally been involved in a HMRC compliance intervention, or tax intervention, on behalf of a client, within the last two years?**

Yes	1	CHECK QUOTA IF IN QUOTA CONTINUE
No	2	CHECK QUOTA / SEEK REFERRAL IF QUOTA FULL IF IN QUOTA CONTINUE
Don't know	3	THANK AND CLOSE
Refused	4	THANK AND CLOSE

IF SMALL OR MEDIUM SIZED BUSINESS, OR INDIVIDUAL HAS BEEN INVOLVED IN COMPLIANCE INTERVENTION (FROM SAMPLE) (SAMTYPE = 2 TO 4 AND IFLAG = 1)

- S10 **HMRC did tell us that you were / your organisation was subject to a tax enquiry or intervention to check compliance with tax rules in the last two years. HMRC have given us no details of what issues the tax enquiry or intervention involved or its outcome, and we won't be asking about it today. We would, however, want to talk about your experience of communicating with HMRC during that time.**

Do you recall the intervention?

Yes	1	CHECK QUOTA IF IN QUOTA CONTINUE, OTHERWISE THANK AND CLOSE
No	2	CHECK QUOTA / SEEK REFERRAL IF QUOTA FULL IF IN QUOTA CONTINUE, OTHERWISE THANK AND CLOSE.
Involved in a current intervention	3	THANK AND CLOSE
Don't know	4	
Refused	5	

ASK ALL

S11 How would you describe your understanding of tax issues? Would you say...?

READ OUT. SINGLE CODE.

Very good	1	RECORD FOR MONITORING CONTINUE
Fairly good	2	
Neither good nor poor	3	
Fairly poor	4	
Very poor	5	
Don't know	6	
Prefer not to say	7	

ASK ALL

S12 Great, thank you – you're eligible to take part in the research.

When would be convenient for you to take part in a telephone discussion? It would take about 30 minutes.

INTERVIEWER: FIELDWORK IS TAKING PLACE BETWEEN 13TH APRIL AND 17TH MAY, AND INTERVIEWING HOURS ARE TBC

INTERVIEWER: RECORD DETAILS BELOW

Personal name	
Job Title (if applicable)	
Phone number	
Alternative phone number (if applicable)	
Email address (double check spelling)	
Business name (if applicable)	
Interview date and time	
Any other details / instructions	

ASK ALL

- S13 Many thanks for agreeing to take part. You should receive a confirmation email from us providing the date and time of the interview. If you're unable to take part, or have any further questions about the research, please do let us know by contacting the research team on <email> or by calling 020 7250 3035.**

Annex B: Topic Guide (Agents)

A Introduction (5 minutes)

- Introduce self
- Introduce IFF Research – an independent research company, working on a study for HMRC.
- Double-check identity of respondent is as booked.
- Introduce study – the aim is to produce a report which will be used to help HMRC decide how, in the future, they will communicate with taxpayers, businesses and their agents during tax enquiries and interventions, and help them to improve the service they provide. This includes considering the potential for the further use of digital channels of communication, and also the potential for changes in the timing of communications.
- Purpose of this element of study - this interview is part of a wider piece of work which will also include interviews with other types of business, with individual taxpayers using self-assessment, and with tax agents.
- Reassure – the questions are designed for a wide range of situations, and it is not a problem if you're unable to answer a question; we can just move on.
- Confidentiality and source of sample
 - We found your company's details through business databases, supplemented by publicly available information on your website.
- State that the phone call will be recorded – get permission to digitally record – and transcribe for quotes, but no-one will be identifiable from this.
- Interview will take around 30 minutes, although it may vary depending on your answers.

A1 NOT ASKED FOR AGENTS

A2 **What range of clients do you usually represent regarding their tax affairs?**

IF NOT MENTIONED, PROMPT WITH INDIVIDUALS, SMALL / MID-SIZE BUSINESSES, WEALTHY.

A3 NOT ASKED FOR AGENTS

A4 NOT ASKED FOR AGENTS

B Understanding working patterns (5 minutes)

In this research, we'll be asking about working practices, so first we just want to get a feel for how you work, and why.

B1 So, what are your workplace's normal working hours, in practice?

How much do those hours vary from week to week? Why?

- *ENSURE COVER DAYS OF WEEK, TIMES OF DAY*

B2 NOT ASKED FOR AGENTS

B3 What proportion of your daily routine is spent dealing with tax enquiries or HMRC interventions on behalf of your clients? What times of day or week would that work typically be?

- *ENSURE COVER DAYS OF WEEK, TIMES OF DAY*

B4 THERE IS NO B4

B5 THERE IS NO B5

C Responsibilities to HMRC (4 minutes)

Now I'd like to talk a bit more about how your organisation currently deals with HMRC.

C1 What channels do you use to communicate with HMRC currently, thinking about the last two years? How about for transferring data?

- *ENSURE CHECKED REGARDING DIGITAL CHANNELS: SKYPE, FACEBOOK, TEXT, WEBCCHAT, SMS MESSAGING*

C1A Do you generally keep client documents of the type you might need to send to HMRC electronically, on paper, or both? (NOTE WE JUST NEED A QUICK ANSWER HERE, NOT GOING INTO REASONS – PLEASE RECORD ON FRAMEWORK)

C2 THERE IS NO C2

C3 NOT ASKED FOR AGENTS

D Experience of HMRC interventions (5 minutes)

IF INTERVENTION SAMPLE. OTHERS GO TO SECTION E.

You did tell us when we called previously that your organisation represented a client regarding a tax enquiry or intervention to check compliance with tax rules in the last two years. We understand you would not want to discuss details of the investigation, but we would like to talk about your experience of communicating with HMRC during that time.

D1 Can I just confirm that you remember working on a recent tax enquiry or intervention?

TAKE YES/NO ANSWER. IF NO, CONTINUE TO SECTION E.

D2 First thinking about discussions with HMRC, did the schedule of meetings, phone calls, and emails with HMRC involved in the intervention fit round your working patterns?

- **Were there any of these which you found particularly difficult / easy to fit in?**
- **Would you have preferred to have used different channels to communicate?**
- *ENSURE NEW DIGITAL CHANNELS CONSIDERED - WEBCHAT OR LIVE ELECTRONIC MESSENGER, VIDEO-CONFERENCING (E.G. SKYPE), FACEBOOK, TEXT BASED CHAT, SMS MESSAGING, PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY).*

D3 How about the timing of any submission of information you needed to make to HMRC?

D4 Having gathered the information required, how easy or difficult did you find it to transfer the information to HMRC? Why?

D5 Would you have preferred any of the communication with HMRC relating to the enquiry or intervention to be timed differently, in terms of times of day, or days of the week?

- *IF YES: Which specific types of communication? At what times?*
- *IF YES: Do you think the enquiry or intervention could have been completed more quickly, or would it be more a matter of convenience from your point of view?*

D6 THERE IS NO D6

E Discussion of additional hours (7 minutes)

Now I'd like to ask some general questions about proposed changes to HMRC's working hours. For the purposes of this section, I'd like you to imagine that your organisation might be involved in a tax enquiry or intervention at some point in the future.

- E1 What hours do you think HMRC currently normally work, for dealing with tax enquiries and interventions?

PROBE, BEFORE READING OUT:

The current HMRC business model means that most enquiry work is carried out between the hours of 8:30am and 5:30pm, between Monday to Friday. The working week has already been extended to evenings and weekends for some individuals and small business compliance activities.

The next few questions will explore whether you would welcome the opportunity for compliance activities to take place outside normal working hours and the potential advantages and disadvantages of this.

- E2 What are your initial thoughts on the possibility of HMRC extending their working hours for dealing with tax enquiries or interventions?

- Would you find this service useful?
- How likely do you think you would be to ask to use it, if offered?
- Are there any particular circumstances when you would prefer to deal with HMRC outside normal working hours? *PLEASE PROBE IF THEY SAY 'URGENT' SITUATIONS REGARDING WHAT THESE SITUATIONS MIGHT BE.*

IF ADDITIONAL HOURS CONSIDERED POSITIVE (IF NOT GO TO E4):

- E3 Now to consider this in a bit more detail, what specific additional hours and/or days would be most or least useful to you during a tax enquiry or intervention?

- What types of contact would be most useful out of hours? *ENSURE SITE VISITS, PHONE MEETINGS, PHONE CALLS, EMAIL RESPONSE, SMS MESSAGING, PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY) MENTIONED.*
- Are there any types of contact which would be less useful out-of-hours?
- *IF NOT MENTIONED:* Could HMRC visit your premises out-of-hours? Would you be willing for them to contact you during these hours, rather than you contacting them?

- E4 **What potential advantages or disadvantages might there be of HMRC extending their working hours for your organisation?**

WAIT FOR SPONTANEOUS ANSWER AND THEN PROMPT ALL WITH:

- **What if the out-of-hours contact had to be with a different person to your regular contact at HMRC?**
- **What if your regular contact at HMRC was only available out-of-hours on that day, rather than in usual business hours?**

- E5 **If HMRC extended their working hours, would you be prepared to work outside normal working hours if your client or HMRC asked for it?**

- **IF YES: In what circumstances would you do or not do this? What impact might this have on the fees you charge to your clients? PLEASE PROBE IF THEY SAY 'URGENT' SITUATIONS REGARDING WHAT THESE SITUATIONS MIGHT BE.**

- E6 NOT ASKED FOR AGENTS

- E7 NOT ASKED FOR AGENTS

- E8 **Would meeting with HMRC outside normal working hours suit certain customer types more than others? Which customers would it be more suitable for and which customers would it not be suitable for?**

F Discussion of channels (7 minutes)

HMRC currently communicates with its customers through a variety of ways, including written correspondence in the form of a letter or email, via telephone, or face-to-face. They are considering increasing the range of digital channels they use to communicate during tax enquiries and interventions.

- F1 **Generally speaking, how helpful (if at all) would you find it if HMRC made additional methods of contact available, or expanded the use of methods such as...**

PROBE FOR: WEBCHAT OR LIVE ELECTRONIC MESSENGER, VIDEO-CONFERENCING (E.G. SKYPE), FACEBOOK, TEXT BASED CHAT, SMS MESSAGES, SECURE EMAIL SYSTEM ON PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY).

- **Would any of these methods be more or less useful than others? Are there any we haven't mentioned which would be useful?**
- **How confident would you be in using these?**

- F2 **Would you prefer any of these channels to the forms of contact HMRC uses currently?**

- **What would be the advantages / disadvantages for you / your organisation?**
- **Would that answer change if we were talking only about out-of-hours contact?**

- F3 **How likely do you think you would be to ask to use those channels, if they were offered, assuming the existing forms of contact were still available to you?**
- What if these channels could be made available out-of-hours, when other forms of contact could not?
 - What might move you over, if anything, to these forms of contact?
- F4 **How would you feel if HMRC started using some of these methods as a default option, either out-of-hours or more widely?**
- F5 **Now, thinking about data or documents you have to submit to HMRC, this is also an area in which HMRC could consider introducing new digital services. Generally speaking, how helpful, if at all, would you find it if HMRC introduced these? *PROBE FOR: SFTP SERVICE (E.G. DROPBOX), CLOUD BASED WORKSPACES FOR REAL TIME COLLABORATION.***
- Would any of these services be more or less useful than others? Are there any we haven't mentioned which would be useful?
 - How confident would you be in using these?
- F6 **How likely do you think you would be to ask to use those channels, if they were offered, assuming the existing methods of submitting materials or data remained available?**
- What might move you over, if anything, to these forms of contact?
- F7 **Would you prefer any of these channels to the methods of transferring data or documents HMRC use currently?**
- What would be the advantages / disadvantages for you / your organisation?
 - Would that answer change if we were talking only about out-of-hours contact?
- F8 **THERE IS NO F8**
- ASK ONLY IF DATA SECURITY ISSUES MENTIONED AS A BARRIER TO USING DIGITAL COMMUNICATION / DATA TRANSFER
- F9 **Are there any digital methods which you'd regard as more secure than others?**
- Is there anything HMRC could do which would reassure you regarding the security of new methods of communication?

G Final thoughts (3 minutes)

- G1 Do you have any worries or concerns regarding the changes HMRC are considering? If so, what are these?
- G2 Do you have any final comments you would like to add on what we have been discussing?

H Close (2 minutes)

- H1 Thank you very much for taking the time to speak to me today.

THANK RESPONDENT AND CLOSE INTERVIEW

I declare that this interview has been carried out under IFF instructions and within the rules of the MRS Code of Conduct.		
Interviewer signature:	Date:	
Finish time:	Interview Length	Mins

Annex C: Topic Guide (Businesses)

A Introduction (5 minutes)

- Introduce self
- Introduce IFF Research – an independent research company, working on a study for HMRC.
- Double-check identity of respondent is as booked.
- Introduce study – the aim is to produce a report which will be used to help HMRC decide how, in the future, they will communicate with taxpayers, businesses and their agents during tax enquiries and interventions, and help them to improve the service they provide. This includes considering the potential for the further use of digital channels of communication, and also the potential for changes in the timing of communications.
- Purpose of this element of study - this interview is part of a wider piece of work which will also include interviews with other types of business, with individual taxpayers using self-assessment, and with tax agents.
- Reassure – the questions are designed for a wide range of situations, and it is not a problem if you're unable to answer a question; we can just move on.
- Confidentiality and source of sample
 - HMRC transferred your details to us as a business who fits the profile we're looking for in this research; we hold no details regarding your tax affairs. (*SEE REASSURANCES BOX FOR EXTRA INFORMATION HERE*).
 - IF AGENT: We found your company's details through business databases, supplemented by publicly available information on your website.
- State that the phone call will be recorded – get permission to digitally record – and transcribe for quotes, but no-one will be identifiable from this.
- Interview will take around 30 minutes, although it may vary depending on your answers.

ASK ALL

A1 **So, could I ask you to briefly describe your job role?**

A2 NOT ASKED FOR BUSINESSES

A3 **Typically, roughly what proportion of your working day, personally, is spent dealing with the business' tax affairs?**

A4 **To what extent do you use a tax agent, accountant or other advisor to deal with tax issues?**

- **IF YES: What sort of issues would they deal with? How much do they consult you? When and on what sort of issue would you get more directly involved, if at all?**

REMEMBER RESPONSE TO A4 FOR LATER USE

B Understanding working patterns (5 minutes)

In this research, we'll be asking about working practices, so first we just want to get a feel for how you work, and why.

ASK ALL

B1 So, what are your workplace's normal working hours, in practice?

How much do those hours vary from week to week? Why?

- *ENSURE COVER DAYS OF WEEK, TIMES OF DAY*

B2 At what times of day or week would you be most likely to deal with financial or tax matters? Why?

- *ENSURE COVER DAYS OF WEEK, TIMES OF DAY*
- *CHECK IT'S NOT BECAUSE HMRC ONLY OPEN AT THOSE TIMES*

B3 NOT ASKED FOR BUSINESSES

B4 THERE IS NO B4

B5 THERE IS NO B5

C Responsibilities to HMRC (4 minutes)

Now I'd like to talk a bit more about how your organisation currently deals with HMRC.

IF NOT DEALING WITH HMRC **EXCLUSIVELY** THROUGH AN AGENT (SEE A4):

C1 What channels do you use to communicate with HMRC currently, thinking about the last two years? How about for transferring data?

- *ENSURE CHECKED REGARDING DIGITAL CHANNELS: SKYPE, FACEBOOK, TEXT, WECHAT, SMS MESSAGING*

C1A Do you generally keep documents of the type you might need to send to HMRC electronically, on paper, or both? (NOTE WE JUST NEED A QUICK ANSWER HERE, NOT GOING INTO REASONS – PLEASE RECORD ON FRAMEWORK)

C2 THERE IS NO C2

IF NOT INTERVENTION SAMPLE (**SEE INTERVENTION QUOTA**). OTHERS GO TO SECTION E.

- C3 As you may have seen in the materials we sent you prior to the interview, HMRC sometimes carry out tax enquiries or interventions with taxpaying individuals or businesses. Do you feel you have a reasonable understanding of what these might involve, in practical terms?**

IF NO: Sometimes HMRC carry out interventions with individual taxpayers or businesses, in order to check compliance with tax laws and regulations. These may be carried out routinely, or on the basis of intelligence. They could include face to face meetings at your own premises, telephone meetings, email contact and the submission of proofs such as documentation and data to HMRC.

D Experience of HMRC interventions (5 minutes)

IF INTERVENTION SAMPLE. OTHERS GO TO SECTION E.

HMRC did tell us that your organisation was subject to a tax enquiry or intervention to check compliance with tax rules in the last two years. HMRC have given us no details of what issues the tax enquiry or intervention involved or its outcome, and we won't be asking about it today. We would, however, want to talk about your experience of communicating with HMRC during that time.

- D1 Can I just confirm that you remember this tax enquiry or intervention?**

TAKE YES/NO ANSWER. IF NO, CONTINUE TO SECTION E.

ASK IF D1 = YES

- D2 First thinking about discussions with HMRC, did the schedule of meetings, phone calls, and emails with HMRC involved in the intervention fit round your working patterns?**

- **Were there any of these which you found particularly difficult / easy to fit in?**
- **Would you have preferred to have used different channels to communicate?**
- *ENSURE NEW DIGITAL CHANNELS CONSIDERED - WEBCHAT OR LIVE ELECTRONIC MESSENGER, VIDEO-CONFERENCING (E.G. SKYPE), FACEBOOK, TEXT BASED CHAT, SMS MESSAGING, PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY).*

- D3 How about the timing of any submission of information you needed to make to HMRC?**

- D4 Having gathered the information required, how easy or difficult did you find it to transfer the information to HMRC? Why?**

D5 **Would you have preferred any of the communication with HMRC relating to the enquiry or intervention to be timed differently, in terms of times of day, or days of the week?**

- *IF YES: Which specific types of communication? At what times?*
- *IF YES: Do you think the enquiry or intervention could have been completed more quickly, or would it be more a matter of convenience from your point of view?*

D6 **THERE IS NO D6**

E Discussion of additional hours (7 minutes)

ASK ALL

Now I'd like to ask some general questions about proposed changes to HMRC's working hours. For the purposes of this section, I'd like you to imagine that your organisation might be involved in a tax enquiry or intervention at some point in the future.

E1 **What hours do you think HMRC currently normally work, for dealing with tax enquiries and interventions?**

PROBE, BEFORE READING OUT:

The current HMRC business model means that most enquiry work is carried out between the hours of 8:30am and 5:30pm, between Monday to Friday. The working week has already been extended to evenings and weekends for some individuals and small business compliance activities.

The next few questions will explore whether you would welcome the opportunity for compliance activities to take place outside normal working hours and the potential advantages and disadvantages of this.

E2 **What are your initial thoughts on the possibility of HMRC extending their working hours for dealing with tax enquiries or interventions?**

- **Would you find this service useful?**
- **How likely do you think you would be to ask to use it, if offered?**
- **Are there any particular circumstances when you would prefer to deal with HMRC outside normal working hours? PLEASE PROBE IF THEY SAY 'URGENT' SITUATIONS REGARDING WHAT THESE SITUATIONS MIGHT BE.**

IF ADDITIONAL HOURS CONSIDERED POSITIVE (IF NOT GO TO E4):

E3 Now to consider this in a bit more detail, what specific additional hours and/or days would be most or least useful to you during a tax enquiry or intervention?

- **What types of contact would be most useful out of hours?** *ENSURE SITE VISITS, PHONE MEETINGS, PHONE CALLS, EMAIL RESPONSE, SMS MESSAGING, PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY) MENTIONED.*
- **Are there any types of contact which would be less useful out-of-hours?**
- *IF NOT MENTIONED:* **Could HMRC visit your premises out-of-hours? Would you be willing for them to contact you during these hours, rather than you contacting them?**
- *IF HAS AN AGENT (SEE A4):* **Would this work well with your tax agent / accountant / advisor?**

ASK ALL

E4 What potential advantages or disadvantages might there be of HMRC extending their working hours for your organisation?

WAIT FOR SPONTANEOUS ANSWER AND THEN PROMPT ALL WITH:

- **What if the out-of-hours contact had to be with a different person to your regular contact at HMRC?**
- **What if your regular contact at HMRC was only available out-of-hours on that day, rather than in usual business hours?**

E5 NOT ASKED FOR BUSINESSES

ASK ALL

E6 If HMRC extended their working hours, how would you feel if HMRC asked you to talk to them or visit your premises outside normal working hours, in order to progress a tax enquiry or intervention?

- **What would be the implications for you / your organisation?**

IF USES AN AGENT (SEE A4)

E7 Would you see the role of your tax agent, accountant or advisor changing if HMRC altered their working hours? If so, how?

E8 NOT ASKED FOR BUSINESSES

F Discussion of channels (7 minutes)

ASK ALL

HMRC currently communicates with its customers through a variety of ways, including written correspondence in the form of a letter or email, via telephone, or face-to-face. They are considering increasing the range of digital channels they use to communicate during tax enquiries and interventions.

- F1 **Generally speaking, how helpful (if at all) would you find it if HMRC made additional methods of contact available, or expanded the use of methods such as...**

PROBE FOR: WEBCHAT OR LIVE ELECTRONIC MESSENGER, VIDEO-CONFERENCING (E.G. SKYPE), FACEBOOK, TEXT BASED CHAT, SMS MESSAGES, SECURE EMAIL SYSTEM ON PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY).

- **Would any of these methods be more or less useful than others? Are there any we haven't mentioned which would be useful?**
- **How confident would you be in using these?**

- F2 **Would you prefer any of these channels to the forms of contact HMRC uses currently?**

- **What would be the advantages / disadvantages for your organisation?**
- **Would that answer change if we were talking only about out-of-hours contact?**

- F3 **How likely do you think you would be to ask to use those channels, if they were offered, assuming the existing forms of contact were still available to you?**

- **What if these channels could be made available out-of-hours, when other forms of contact could not?**
- **What might move you over, if anything, to these forms of contact?**

- F4 **How would you feel if HMRC started using some of these methods as a default option, either out-of-hours or more widely?**

- F5 **Now, thinking about data or documents you have to submit to HMRC, this is also an area in which HMRC could consider introducing new digital services. Generally speaking, how helpful, if at all, would you find it if HMRC introduced these? *PROBE FOR: SFTP SERVICE (E.G. DROPBOX), CLOUD BASED WORKSPACES FOR REAL TIME COLLABORATION.***

- **Would any of these services be more or less useful than others? Are there any we haven't mentioned which would be useful?**
- **How confident would you be in using these?**

F6 How likely do you think you would be to ask to use those channels, if they were offered, assuming the existing methods of submitting materials or data remained available?

- **What might move you over, if anything, to these forms of contact?**

F7 Would you prefer any of these channels to the methods of transferring data or documents HMRC use currently?

- **What would be the advantages / disadvantages for you / your organisation?**
- **Would that answer change if we were talking only about out-of-hours contact?**

F8 THERE IS NO F8

ASK ONLY IF DATA SECURITY ISSUES MENTIONED AS A BARRIER TO USING DIGITAL COMMUNICATION / DATA TRANSFER

F9 Are there any digital methods which you'd regard as more secure than others?

- **Is there anything HMRC could do which would reassure you regarding the security of new methods of communication?**

G Final thoughts (3 minutes)

ASK ALL

G1 Do you have any worries or concerns regarding the changes HMRC are considering? If so, what are these?

G2 Do you have any final comments you would like to add on what we have been discussing?

H Close (2 minutes)

ASK ALL

H1 **Thank you very much for taking the time to speak to me today.**

THANK RESPONDENT AND CLOSE INTERVIEW

I declare that this interview has been carried out under IFF instructions and within the rules of the MRS Code of Conduct.		
Interviewer signature:	Date:	
Finish time:	Interview Length	Mins

Annex D: Topic Guide (Individuals)

A Introduction (5 minutes)

- Introduce self
- Introduce IFF Research – an independent research company, working on a study for HMRC.
- Double-check identity of respondent is as booked.
- Introduce study – the aim is to produce a report which will be used to help HMRC decide how, in the future, they will communicate with taxpayers, businesses and their agents during tax enquiries and interventions, and help them to improve the service they provide. This includes considering the potential for the further use of digital channels of communication, and also the potential for changes in the timing of communications.
- Purpose of this element of study - this interview is part of a wider piece of work which will also include interviews with other types of business, with individual taxpayers using self-assessment, and with tax agents.
- Reassure – the questions are designed for a wide range of situations, and it is not a problem if you're unable to answer a question; we can just move on.
- Confidentiality and source of sample
 - HMRC transferred your details to us as an individual who fits the profile we're looking for in this research; we hold no details regarding your tax affairs. (*SEE REASSURANCES BOX FOR EXTRA INFORMATION HERE*).
- State that the phone call will be recorded – get permission to digitally record – and transcribe for quotes, but no-one will be identifiable from this.
- Interview will take around 30 minutes, although it may vary depending on your answers.

A1 **So, could I ask you to briefly describe your job role?**

A2 NOT ASKED FOR INDIVIDUALS

A3 NOT ASKED FOR INDIVIDUALS

A4 **To what extent do you use a tax agent, accountant or other advisor to deal with tax issues?**

- **IF YES: What sort of issues would they deal with? How much do they consult you? When and on what sort of issue would you get more directly involved, if at all?**

REMEMBER RESPONSE TO A4 FOR LATER USE

B Understanding working patterns (5 minutes)

In this research, we'll be asking about working practices, so first we just want to get a feel for how you work, and why.

B1 NOT ASKED FOR INDIVIDUALS

B2 **At what times of day or week would you be most likely to deal with financial or tax matters? Why?**

- *ENSURE COVER DAYS OF WEEK, TIMES OF DAY*
- *CHECK IT'S NOT BECAUSE HMRC ONLY OPEN AT THOSE TIMES*

B3 NOT ASKED FOR INDIVIDUALS

B4 THERE IS NO B4

B5 THERE IS NO B5

C Responsibilities to HMRC (4 minutes)

Now I'd like to talk a bit more about how your organisation currently deals with HMRC.

IF NOT DEALING WITH HMRC **EXCLUSIVELY** THROUGH AN AGENT (SEE A4):

C1 **What channels do you use to communicate with HMRC currently, thinking about the last two years? How about for transferring data?**

- *ENSURE CHECKED REGARDING DIGITAL CHANNELS: SKYPE, FACEBOOK, TEXT, WECHAT, SMS MESSAGING*

C1A **Do you generally keep client documents of the type you might need to send to HMRC electronically, on paper, or both? (NOTE WE JUST NEED A QUICK ANSWER HERE, NOT GOING INTO REASONS – PLEASE RECORD ON FRAMEWORK)**

C2 THERE IS NO C2

IF NOT INTERVENTION SAMPLE: (ALL OTHERS GO TO SECTION D / E)

C3 **As you may have seen in the materials we sent you prior to the interview, HMRC sometimes carry out tax enquiries or interventions with taxpaying individuals. Do you feel you have a reasonable understanding of what these might involve, in practical terms?**

IF NO: Sometimes HMRC carry out interventions with individual taxpayers, in order to check compliance with tax laws and regulations. These may be carried out routinely, or on the basis of intelligence. They could include face to face meetings at your own

property, telephone meetings, email contact and the submission of proofs such as documentation and data to HMRC.

D Experience of HMRC interventions (5 minutes)

IF INTERVENTION SAMPLE. OTHERS GO TO SECTION E.

HMRC did tell us that you were subject to a tax enquiry or intervention to check compliance with tax rules in the last two years. HMRC have given us no details of what issues the tax enquiry or intervention involved or its outcome, and we won't be asking about it today. We would, however, want to talk about your experience of communicating with HMRC during that time.

D1 Can I just confirm that you remember this tax enquiry or intervention?

TAKE YES/NO ANSWER. IF NO, CONTINUE TO SECTION E.

D2 First thinking about discussions with HMRC, did the schedule of meetings, phone calls, and emails with HMRC involved in the intervention fit round your working patterns?

- **Were there any of these which you found particularly difficult / easy to fit in?**
- **Would you have preferred to have used different channels to communicate?**
- *ENSURE NEW DIGITAL CHANNELS CONSIDERED - WEBCHAT OR LIVE ELECTRONIC MESSENGER, VIDEO-CONFERENCING (E.G. SKYPE), FACEBOOK, TEXT BASED CHAT, SMS MESSAGING, PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY).*

D3 How about the timing of any submission of information you needed to make to HMRC?

D4 Having gathered the information required, how easy or difficult did you find it to transfer the information to HMRC? Why?

D5 Would you have preferred any of the communication with HMRC relating to the enquiry or intervention to be timed differently, in terms of times of day, or days of the week?

- *IF YES: Which specific types of communication? At what times?*
- *IF YES: Do you think the enquiry or intervention could have been completed more quickly, or would it be more a matter of convenience from your point of view?*

D6 THERE IS NO D6

E Discussion of additional hours (7 minutes)

Now I'd like to ask some general questions about proposed changes to HMRC's working hours. For the purposes of this section, I'd like you to imagine that you might be involved in a tax enquiry or intervention at some point in the future.

- E1 What hours do you think HMRC currently normally work, for dealing with tax enquiries and interventions?

PROBE, BEFORE READING OUT:

The current HMRC business model means that most enquiry work is carried out between the hours of 8:30am and 5:30pm, between Monday to Friday. The working week has already been extended to evenings and weekends for some individuals and small business compliance activities.

The next few questions will explore whether you would welcome the opportunity for compliance activities to take place outside normal working hours and the potential advantages and disadvantages of this.

- E2 What are your initial thoughts on the possibility of HMRC extending their working hours for dealing with tax enquiries or interventions?

- Would you find this service useful?
- How likely do you think you would be to ask to use it, if offered?
- Are there any particular circumstances when you would prefer to deal with HMRC outside normal working hours? *PLEASE PROBE IF THEY SAY 'URGENT' SITUATIONS REGARDING WHAT THESE SITUATIONS MIGHT BE.*

IF ADDITIONAL HOURS CONSIDERED POSITIVE (IF NOT GO TO E4):

- E3 Now to consider this in a bit more detail, what specific additional hours and/or days would be most or least useful to you during a tax enquiry or intervention?

- What types of contact would be most useful out of hours? *ENSURE SITE VISITS, PHONE MEETINGS, PHONE CALLS, EMAIL RESPONSE, SMS MESSAGING, PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY) MENTIONED.*
- Are there any types of contact which would be less useful out-of-hours?
- *IF NOT MENTIONED:* Could HMRC visit your property out-of-hours? Would you be willing for them to contact you during these hours, rather than you contacting them?
- *IF A BUSINESS OR INDIVIDUAL WITH AN AGENT (SEE A4):* Would this work well with your tax agent / accountant / advisor?

E4 **What potential advantages or disadvantages might there be of HMRC extending their working hours for you?**

WAIT FOR SPONTANEOUS ANSWER AND THEN PROMPT ALL WITH:

- **What if the out-of-hours contact had to be with a different person to your regular contact at HMRC?**
- **What if your regular contact at HMRC was only available out-of-hours on that day, rather than in usual business hours?**

E5 NOT ASKED FOR INDIVIDUALS

E6 **If HMRC extended their working hours, how would you feel if HMRC asked you to talk to them or visit your premises outside normal working hours, in order to progress a tax enquiry or intervention?**

- **What would be the implications for you?**

IF USES AGENT:

E7 **Would you see the role of your tax agent, accountant or advisor changing if HMRC altered their working hours? If so, how?**

E8 NOT ASKED FOR INDIVIDUALS

F Discussion of channels (7 minutes)

HMRC currently communicates with its customers through a variety of ways, including written correspondence in the form of a letter or email, via telephone, or face-to-face. They are considering increasing the range of digital channels they use to communicate during tax enquiries and interventions.

- F1 Generally speaking, how helpful (if at all) would you find it if HMRC made additional methods of contact available, or expanded the use of methods such as...

PROBE FOR: WEBCHAT OR LIVE ELECTRONIC MESSENGER, VIDEO-CONFERENCING (E.G. SKYPE), FACEBOOK, TEXT BASED CHAT, SMS MESSAGES, SECURE EMAIL SYSTEM ON PERSONAL/BUSINESS TAX ACCOUNT (ON THE GOVERNMENT GATEWAY).

- Would any of these methods be more or less useful than others? Are there any we haven't mentioned which would be useful?
- How confident would you be in using these?

- F2 Would you prefer any of these channels to the forms of contact HMRC uses currently?

- What would be the advantages / disadvantages for you?
- Would that answer change if we were talking only about out-of-hours contact?

- F3 How likely do you think you would be to ask to use those channels, if they were offered, assuming the existing forms of contact were still available to you?

- What if these channels could be made available out-of-hours, when other forms of contact could not?
- What might move you over, if anything, to these forms of contact?

- F4 How would you feel if HMRC started using some of these methods as a default option, either out-of-hours or more widely?

- F5 Now, thinking about data or documents you have to submit to HMRC, this is also an area in which HMRC could consider introducing new digital services. Generally speaking, how helpful, if at all, would you find it if HMRC introduced these? *PROBE FOR: SFTP SERVICE (E.G. DROPBOX), CLOUD BASED WORKSPACES FOR REAL TIME COLLABORATION.*

- Would any of these services be more or less useful than others? Are there any we haven't mentioned which would be useful?
- How confident would you be in using these?

- F6 How likely do you think you would be to ask to use those channels, if they were offered, assuming the existing methods of submitting materials or data remained available?

- What might move you over, if anything, to these forms of contact?

F7 Would you prefer any of these channels to the methods of transferring data or documents HMRC use currently?

- What would be the advantages / disadvantages for you / your organisation?
- Would that answer change if we were talking only about out-of-hours contact?

F8 THERE IS NO F8

ASK ONLY IF DATA SECURITY ISSUES MENTIONED AS A BARRIER TO USING DIGITAL COMMUNICATION / DATA TRANSFER

F9 Are there any digital methods which you'd regard as more secure than others?

- Is there anything HMRC could do which would reassure you regarding the security of new methods of communication?

G Final thoughts (3 minutes)

G1 Do you have any worries or concerns regarding the changes HMRC are considering? If so, what are these?

G2 Do you have any final comments you would like to add on what we have been discussing?

H Close (2 minutes)

H1 Thank you very much for taking the time to speak to me today.

THANK RESPONDENT AND CLOSE INTERVIEW

I declare that this interview has been carried out under IFF instructions and within the rules of the MRS Code of Conduct.

Interviewer signature:

Date:

Finish time:

Interview Length

Mins

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IFF Research illuminates the world for organisations businesses and individuals helping them to make better-informed decisions.”

Our Values:

1. Being human first:

Whether employer or employee, client or collaborator, we are all humans first and foremost. Recognising this essential humanity is central to how we conduct our business, and how we lead our lives. We respect and accommodate each individual's way of thinking, working and communicating, mindful of the fact that each has their own story and means of telling it.

2. Impartiality and independence:

IFF is a research-led organisation which believes in letting the evidence do the talking. We don't undertake projects with a preconception of what “the answer” is, and we don't hide from the truths that research reveals. We are independent, in the research we conduct, of political flavour or dogma. We are open-minded, imaginative and intellectually rigorous.

3. Making a difference:

At IFF, we want to make a difference to the clients we work with, and we work with clients who share our ambition for positive change. We expect all IFF staff to take personal responsibility for everything they do at work, which should always be the best they can deliver.



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