# HM Revenue & Customs

**Research report 596**

# Coronavirus Job Retention Scheme: Understanding Customer Experience

Qualitative research with businesses and agents

Ipsos MORI

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**Disclaimer:** The views in this report are the authors' own and do not necessarily reflect those of HM Revenue & Customs.

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# 1. Executive Summary

## 1.1 Background and Context

The Coronavirus Job Retention Scheme (CJRS) was launched in April 2020 to support businesses affected by the Covid-19 pandemic. The scheme initially offered firms the opportunity to apply for a grant equivalent to 80% of employee wages (capped at a maximum of £2,500 per employee per month) for all employees who were furloughed as a result of Covid-19. Businesses made claims for a specific time period (e.g. one month), and then could later make subsequent claims for additional time periods.

Changes were introduced from 1 July 2020, allowing employers to bring furloughed employees back to work part-time, whilst claiming for part of their wages under the CJRS. This research focuses on the initial months of the scheme, prior to the introduction of changes, with most of the fieldwork completed prior to 1 July 2020.

The research is qualitative and aimed to understand the customer experience of those who applied for the CJRS. A total of 55 in-depth interviews were carried out via telephone lasting approximately 45 minutes each. Forty were carried out with businesses who had applied for the CJRS, including 5 contractors operating through a Personal Services Company (PSC). Fifteen interviews were carried out with tax agents involved in applications.

The research was conducted by Ipsos MORI and is part of a wider programme of work they have conducted on behalf of HMRC. This also includes quantitative survey research with employers and employees to examine awareness of the CJRS amongst employees and employers and employers' experiences of applying to the scheme.

This qualitative research was designed to complement findings from the survey and provide a more detailed picture of the range and diversity of experiences, views and behaviours of CJRS applicants and agents who supported them. It set out to capture a rich and detailed understanding of different experiences, including the experiences of customers who may have found the application challenging.

Findings relate to the experiences of the research participants and are not generalisable to the total population of CJRS applicants and tax agents who supported them. By design, the research set out to understand nuances and the range of experiences had by different customers, including experiences which may have been less positive and where there may be learning for HMRC, rather than determining the prevalence of different experiences and views. This will help HMRC to learn lessons to inform and support the customer-centric design of future services.

## 1.2 Summary of findings

The experience of making a claim for the CJRS generally exceeded the expectations of businesses and agents. It was noted by many participants that applying for the scheme was a simple and straightforward process, from the point of determining eligibility, to filling out the

application form, to receiving the payment. Businesses and agents tended to be extremely positive about HMRC's management of the CJRS application process, reporting they were particularly pleased with the responsiveness and speed of action from HMRC.

While the application experience was generally considered to be positive overall, participants were asked about any challenges they encountered or areas that could have been improved. Some suggested more tailored guidance and support to take account of their specific needs could have helped to improve their experience, and others reported minor glitches in the IT systems. However, participants tended to be forgiving of these issues. Some reported that they understood that there would be minor issues, given the fast turnaround of having to develop a fit for purpose scheme, and found issues were rectified for subsequent claims which they were pleased by.

**Awareness and understanding of the CJRS**

Information provided by HMRC about the CJRS that was available on GOV.UK or sent by email was generally described as detailed yet easy to understand. Businesses typically said they found the information provided a clear explanation of the scheme, was useful, and covered all of the information that they needed.

Some businesses reported they had received a lot of information from HMRC and agents, which they felt made it challenging to find relevant information. Some suggested that information could have been tailored more to meet their specific information needs.

Customers reported finding that the guidance was updated regularly, which typically pleased businesses as it reassured them that HMRC's advice was accurate and helped them prepare applications correctly. Some agents reported that they were impressed that HMRC were updating guidance after questions were raised, although others reported this did make it difficult to provide clients with up-to-date information.

**Preparing to make an application**

Preparations to make the claim tended to be perceived as easy and straightforward. Customers generally reported feeling that HMRC guidance enabled them to identify whether they were eligible, which employees could be furloughed, and what information they needed to gather. However, there was some confusion as to whether non-permanent staff or staff on long-term leave could be furloughed.

Collating all the information needed to make an application was felt by many to be straightforward, as it was usually held by the business either via PAYE data or accounting records. Businesses reported the step-by-step guidance helped make them feel confident they were doing this correctly. However, there was confusion in some cases when information needed to be transferred between businesses and agents, and some larger businesses found collation time-consuming.

Calculating a claim was generally felt to be easy. There were four main methods used: the GOV.UK calculator; individual spreadsheets; accounting software; and businesses asking

their agent to calculate. There were some minor issues experienced relating to how to factor in leave and different working patterns. It was suggested that worked examples online could have helped solve this.

## Making an application

Overall, participants generally reported finding the application process to be simple, with some highlighting the clarity of HMRC's guidance when they encountered issues. The perceived ease of the application process was particularly appreciated by businesses that were apprehensive prior to applying, due to how important they felt their application was.

Businesses generally led their own application if they were confident that they had the information to hand and tended to deal with HMRC for other tax-related matters, such as VAT. They tended to ask an agent to lead for them if they lacked confidence or resource to do so themselves or because they felt their agent was best placed to make the application due to their wider experience and expertise. Contractors generally reported they would have preferred an agent to manage their application, but sometimes handled it themselves out of necessity, as their agent was unavailable or they could not afford the fee.

Businesses tended to have a positive experience making the application, with many reporting they found the online application easy to understand and that it was obvious where to input information. Typically, those who felt they had correctly gathered all relevant information in advance said they found they were able to complete their application quickly and without issue. Some participants thought they had correctly collated all the information needed to apply in advance but then experienced disruption and confusion during the application when this turned out not to be the case. For example, not having a National Insurance number for all staff or not having a PAYE reference number led to some participants stopping their first attempt at an application part way through until they could get this information, some then deferring to an agent or phoning HMRC for support.

Agents were generally positive about the application process, also commenting on the simplicity. When they already held all of the relevant information that they needed to make a claim on behalf of a client, they tended to report finding the application particularly easy. Some agents did note technical issues with the process at the start of the scheme. Those who reported such issues found they tended to be quickly fixed and were resolved by the time they made subsequent applications. A couple of suggestions for improvement were noted, though agents were understanding of issues encountered. It was suggested syncing up the application form to payroll software and lowering the employee threshold for spreadsheet upload could have sped up the process.

## Post-application

Businesses generally felt confident after the application was completed as they reported HMRC did not contact them with any issues. However, some customers suggested they would have liked a notification upon completion but did not recall receiving one.

Some businesses making claims for a large number of employees said they were contacted by HMRC after making a claim, asking if they needed additional support. They generally reported this made them feel reassured.

Many businesses reported they were particularly pleased with how quickly they received the payment, which exceeded their expectations. They were generally grateful for the quick turnaround as speedy payment tended to help alleviate feelings of anxiety about their financial situation.

**Direct contact with HMRC**

Businesses who reported contacting HMRC in relation to their CJRS application tended to do so with queries related to eligibility, claim amount calculations, or when making their application. Experiences of contacting HMRC varied depending on when the contact was made and the contact channel used.

Prior to the scheme opening for applications, some participants reported calling HMRC with questions about eligibility. They generally did this before the dedicated Coronavirus helpline for businesses and self-employed was setup. Some reported long waiting times, and there was a perception by some of inconsistent service. Participants encountering issue at this stage suggested more training of helpline advisors and better in-call queuing could have helped mitigate concerns.

Businesses and agents with queries relating to calculations reported tending to use webchat because they assumed it may be difficult to get through by phone. They were generally pleased with using webchat at this stage in the application process, feeling their queries were resolved quickly, with a thorough answer provided, and they were often directed to appropriate guidance on GOV.UK. Some also reported using webchat to arrange a call.

Customers who required support from HMRC when completing their application tended to contact HMRC via webchat or the dedicated Coronavirus helpline. Businesses reported contacting HMRC at this stage if they met a barrier in their application process or if they needed help to find a required identification number, while agents tended to call about technical issues. Participants were generally satisfied with how such queries were resolved at this stage, reporting prompt responses and feeling that HMRC ensured they provided a resolution. Some reported the HMRC advisor could not immediately resolve their issue, but arranged for someone to call them back, which was appreciated and felt to be satisfactory.

Businesses generally reported that they had no reason to contact HMRC after their application was submitted, due to how quickly they received payment. Agents also reported little need to contact HMRC at this stage due to the satisfaction of their clients.

**Satisfaction with the CJRS application process and perceptions of HMRC**

Overall, customers tended to be highly satisfied with their experience of making a claim for the CJRS, with their expectations exceeded. When it came to HMRC's handling of the

scheme, customers were typically very pleased with the support that was provided, and speed and responsiveness of HMRC.

Satisfaction with the CJRS application experience did not always translate into an improvement in perceptions of HMRC. Views of HMRC tended to remain in line with already held and often well-established perceptions.

Customers who held a positive view of HMRC before applying for the CJRS generally said their CJRS experience was in line with their expectations and previous positive experiences of HMRC. Those who held a more negative view of HMRC prior to applying generally reported that their overall perceptions did not change as a result of the experience of the CJRS application.  However, some were open to changing their views in future should HMRC continue to be consistent in delivering positive customer experiences.

# 2. Introduction

## 2.1 Background

The Coronavirus Job Retention Scheme (CJRS) was launched in April 2020 to support businesses affected by the Covid-19 pandemic. The scheme initially offered firms the opportunity to apply for a grant equivalent to 80% of employee wages (capped at a maximum of £2,500 per employee per month) for all employees who were furloughed as a result of Covid-19. Businesses made claims for a specific time period (e.g. one month), and then could later make subsequent claims for additional time periods.

The scheme closed to new entrants on 30 June 2020. Changes were introduced from 1 July, allowing employers to bring furloughed employees back to work part-time, whilst claiming for part of their wages under the CJRS. The 'flexible furlough scheme' was designed to help employers transition off the CJRS. The scheme is currently planned to run until the end of October 2020.

This research focuses on the initial months of the scheme, prior to the introduction of changes, with most of the fieldwork completed prior 1 July.

## 2.2 Research Aims

The research aim was to understand and learn from the customer experience of those who applied for the scheme. This overarching goal was to help HMRC learn lessons from customer experiences and inform and support customer-centric design of future services. HMRC wished to understand more about:

- Awareness and understanding of the CJRS: what customers had heard and knew about the scheme prior to applying, and customer perceptions about how clear, relevant and readily available information was to them to support them in assessing their eligibility and applying for the scheme.

- The application process: exploring experiences of preparing to make an application and the application process itself, including confidence in getting things right, use of agents and barriers faced.

- Post-application: how customers felt after applying, confidence that they had correctly completed the process, and understanding of what would happen next.

- Direct contact with HMRC: which customers directly contacted HMRC about the scheme, how did they do so, why, and their experience of contacting HMRC.

- Satisfaction and perceptions of HMRC: how customers felt about their experience overall, what expectations they had prior to applying, how this compared to their actual experience, and how applying impacted their perceptions of HMRC.

## 2.3   Method

A total of 55 in-depth telephone interviews were carried out with a mix of CJRS applicants and agents. The sample included 40 businesses[1], who had applied for the CJRS. Of the 40 businesses, 5 were recruited who were contractors operating through a Personal Services Company (PSC), and 5 were recruited who were known to have had an HMRC operator make a manual intervention[2] in their application.

The sample also included 15 tax agents who had applied for the CJRS on behalf of one or more of their clients and/or had supported one or more clients with their application.

All interviews were carried out by members of the Ipsos MORI research team between June 4th and July 14th, 2020. Interviews lasted between 45 minutes and an hour.

**Sampling**

A purposive sampling method was adopted, whereby key criteria were set, and participants were recruited according to these using a screener, with all participants being recruited by specialist recruiters.

The 5 contractors were recruited via free-find methods and HMRC provided sample for the 5 customers who had a manual intervention from HMRC. The remaining 30 businesses were recruited from a recontact sample collected during a survey[3] on the CJRS that took place in May 2020.

This mix of businesses was designed to capture CJRS applicants with a range of experiences, including those who had experienced difficulty with the application process or who may have found the process more challenging and unfamiliar than others. It also included a mix of those that completed one CJRS application and those that completed more than one application.

The final composition of the sample of CJRS applicants is outlined in the table overleaf.

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[1] The sample of 40 businesses included 3 charities which are included in references to 'businesses' throughout the report.

[2] A manual intervention may have occurred for a variety of reasons, such as issues experienced with the online application which made it necessary for some or all of the application to be made over the phone with an HMRC operator, or the applicant calling to rectify an error made in their application and an HMRC operator making a manual adjustment to correct the error.

[3] Wave 2 of the CJRS Awareness, Understanding and Customer Experience survey, conducted by Ipsos MORI on behalf of HMRC. 3,708 employers were surveyed online between 21-31 May 2020.  Survey participants did not include sole traders and so this group is not represented in the re-contact sample.

**Table 2.1: Business Sample**

| Criteria | Sub-categories | Number of interviews |
|---|---|---|
| **Business size (number of employees)** | Contractors | **5** |
| | Micro (0-9) | **10** |
| | Small (10 – 49) | **10** |
| | Medium (50 – 249) | **9** |
| | Large (250+) | **6** |
| **Agent Use** | Business led application | **27** |
| | Agent led application | **13** |
| **Number of furloughed staff** | Fewer than 100 | **36** |
| | 100 or more | **4** |
| **Contacted HMRC with a query about the CJRS application process** | Yes | **23** |
| | No | **17** |
| **Started an application which was not completed and submitted** | Yes – but later completed the application[4] | **5** |
| | No | **35** |

The 15 agents that participated in the study were recruited via free-find methods. The final composition of the sample of agents is outlined in the table below.

**Table 2.1: Agent Sample**

| Criteria | Sub-categories | Number of interviews |
|---|---|---|
| **Input of agent into CJRS application** | Processed an application on behalf of one or more businesses only | **6** |
| | Provided advice or support to one or more business only | **4** |
| | Processed an application on behalf of one or more businesses and provided advice only for at least one other business | **5** |

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[4] Five business were purposively recruited from the recontact sample who reported in the survey they had started an application which was not completed and submitted.  However, when interviewed for this research, all 5 reported having since gone on to successfully complete an application.

| Number of clients completed an application or provide advice for | One | 4 |
|---|---|---|
| | Two or more | 11 |
| **Agent type** | Tax agent/advisor | 1 |
| | Accountant | 5 |
| | Payroll bureau/agency | 5 |
| | Bookkeeper | 4 |

The research included businesses and agents from England, Wales, Scotland and Northern Ireland, as well as businesses from a range of sectors.

## 2.4 Interpretation of data

Qualitative research is illustrative, detailed and exploratory. It seeks to understand not only what people think and do but why this is the case. The volume and richness of the data generated allows for a detailed picture to be developed of the range and diversity of experiences, views and behaviours and this can be used to inform service improvements for a diverse range of users with varying needs and preferences.

The findings in this report are intended to provide insight into the experiences of a range of businesses and agents. The 55 participants interviewed were chosen to take part due to having a mix of characteristics and experiences. By design, the research set out to capture rich and detailed understanding of different experiences, not to determine the prevalence of different experiences and views. Where the report indicates that 'few', 'some', or 'many' customers experienced or felt something, this is in relation to the research participants only. Findings cannot be considered representative of the CJRS applicant population or the tax agent population as a whole and should not be interpreted as generalisable to these populations.

# 3. Findings

This report presents qualitative findings about the customer experience of those involved in applying for the Coronavirus Job Retention Scheme (CJRS). It looks at awareness and understanding of CJRS and focuses on experiences of preparing for and making an application for the first time. It also explores post-application activities, the experience of making subsequent applications, and the impact the experience of applying for the CJRS had on perceptions of HMRC.

## 3.1   Awareness and understanding of CJRS

Businesses and agents tended to first hear of the scheme when it was announced at the relevant daily briefing. Many then used email updates or accessed HMRC webpages on GOV.UK. The information provided by HMRC via email and on GOV.UK was generally felt to cover everything most businesses would need to understand the scheme and how to apply. There was a sense it was detailed, yet easy to understand, with participants commenting that it was written in plainer English than other HMRC communications they had seen. They particularly liked the step-by-step guide on GOV.UK. This allowed them to understand the scheme and apply the guidance they had sought in practice.

> *"It's nice that they explain everything in an email and then they give you a link to a page so you can read further."*
>
> **Micro business, business led application**

Respondents were generally pleased that HMRC updated their guidance regularly. This reassured them that the advice was accurate, so gave them the confidence that they were making the claim correctly, supporting clients, or providing agents with the correct information. Agents reported that they were impressed that HMRC were updating guidance immediately after questions were raised via channels such as webinars.

> *"The quality of guidance on the website was great, as was the frequency of updates to agents and guidance that was contained in that."*
>
> **Accountant, advised multiple clients**

However, some agents found the frequency of updates challenging, as it gave them too little time to pass this information to their clients. This meant they were uncertain that advice they were sending was up-to-date. It also meant that they often found it difficult to tailor advice sent to clients. In addition to the information they received from HMRC, customers and agents reported receiving information from other sources, including:

- Emails sent by agents known to the business;
- Emails sent by agents not known to the business;
- Emails sent by trade and industry bodies;
- Online articles.

The volume of information received generally led to a sense of being overloaded in the weeks after the scheme had been announced. Agents and contractors tended to feel HMRC sent too much information in a short space of time and some businesses reported receiving a lot of marketing content from agents. This made it difficult to find the most relevant guidance which presented a risk that participants would have to call HMRC or apply unprepared.

Some contractors also felt guidance could have been tailored to meet their specific information needs. The perceived lack of tailored guidance affected their confidence in being able to correctly make a claim and meant that they were more likely to pass it over to their agent. The volume of information generally exacerbated this, making it more challenging to find relevant guidance, and demotivating contractors to thoroughly check through what they had been sent.

> *"Any emails [from HMRC] are generic tailored to business-people, like 'how do you claim statutory sick pay'... I think it was very confusing."*
>
> **Contractor, agent led application**

## 3.2   Preparing to make an application

This section explores experiences customers had when preparing to make their first application via the CJRS.

**Determining eligibility and identifying employees to be furloughed**

Preparations for the application were considered to be straightforward by many. Participants generally found it easy to identify themselves or their clients as eligible and some businesses simply assumed they were eligible.

Businesses that were unsure if they were eligible wanted to find out as soon as possible, as they felt anxious about whether or not they would be able to make a claim. They generally reported they were able to quickly confirm that they were eligible by using HMRC guidance, which pleased them. They attributed this to the simplicity of the scheme and guidance.

> *"I think it was pretty straightforward. Had a look online… We weren't really in-doubt that we would be eligible."*
>
> **Small business, business led application**

While determining eligibility was commonly felt to be easy by participants, there were some businesses who said they felt they needed additional clarity about whether they were eligible, and so asked for assistance from an accountant, payroll agent or trade body. Some charities reported that they sought advice from voluntary industry bodies, and some contractors said they asked their agent or HMRC to help confirm their eligibility.

Agents tended to be able to identify which of their or their clients' employees were eligible. They generally found the definition of who could be furloughed clear and easy to understand (i.e. employees who could not do any work), which enabled them to do this. This meant they could then swiftly gather information on selected employees.

There was felt to be some ambiguity over the eligibility of staff on non-permanent contracts, such as apprentices, as well as those on long-term leave. This meant some businesses with these employees on their payroll had to seek help via agents or HMRC, although participants reported guidance was later updated.

> *"The biggest issue with clients was getting their head around what happened with sick pay."*
>
> **Accountant, led applications for multiple clients**

**Gathering and collating information**

Once customers had determined eligibility, they gathered the information required for the application, which they tended to find straightforward. Some reported that step-by-step guidance on GOV.UK made it easier to know what information they needed to gather and made them feel confident. Businesses tended to ask agents if they were unsure about anything. Agents would then advise if asked and would also create their own guides from information on GOV.UK to help advise clients.

The information generally came from PAYE software (e.g. National Insurance numbers, payment information, claim period dates), or company records (e.g. Customer Reference Number, bank account details). The process of how information was collated depended on the relationship between business and agent, and who held what information:

- Businesses leading their own application and who managed their own payroll held all information internally, so did not need to gather much;

- Businesses leading their own application, but who used a payroll agent to conduct their payroll, typically needed to source PAYE data from their payroll agent;

- Payroll agents leading an application on behalf of a business generally needed company and accounting information from the business;

- Other types of agents leading an application on behalf of a business needed all information from the business.

Some larger businesses committed substantial resource to collating information. They needed to collect information on hundreds of employees, and this often required having the whole HR and Finance teams involved. However, they tended to be understanding of this issue, and accepted that there was no quick method.

> *"It took us 15 days to get all the information together and check that it was accurate for more than 300 people."*
>
> **Large business, business led application, furloughed more than 100 employees**

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**Case Study: Challenges with collating information**

**Background**: The participant was a Managing Director at a small catering company that had shut their premises.

**Experience**: They were confident they were eligible and knew who they could furlough based on GOV.UK guidance. They felt that calculating their claim amount was simple after running payroll with their accountant and felt step-by-step guidance made it obvious what information they would need to gather internally and from their agent. This made them feel reassured and confident.

**Challenge:** There was confusion when transferring information from the agent to the business. It was unclear to the business that as their agent had a PAYE reference but the business did not, the agent had to lead the application. Once this became apparent it cost the business a few hundred pounds for the agent's time.

**Result**: They felt there was a gap in the guidance on PAYE reference numbers. However, the customer remained happy and was understanding of the issue, and the application was submitted successfully.

*"It transpired we needed a separate registration in order to make the furlough claim. Companies have to be registered with HMRC in order to deal with PAYE. We're not."*

**Small business, agent led application**

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## Calculating the claim amount

Calculating the amount businesses could claim was generally felt to be easy, with participants reporting four different approaches taken:

- **GOV.UK calculator:** Many businesses and agents who used the calculator said they were impressed with it. They said it was easy to use and felt it covered all payment information required to make a claim. This gave them the confidence that they were claiming correctly.

   *"I just used the calculator tool that HMRC provided. I put in the wage figure, date of furlough and payment period and it worked it out for me. There wasn't actually that much for me to do"*

   **Tax Advisor, led application for multiple clients**

- **Spreadsheets:** Some participants created their own spreadsheets to quickly formulate a claim amount. Agents with multiple clients tended to do this, as did some businesses, particularly those with a high number of employees. Though the setup was time consuming for the first application, it allowed them to become more efficient on subsequent claims. Some would then use the GOV.UK calculator to validate their calculations.

- Businesses asking agent to lead: Some businesses asked their payroll or accounting agents to calculate the amount that could be claimed. These businesses tended to either not be mathematically confident or capable, or felt the risk of making a mistake was too great, so entrusted an expert in this field.

- Accounting software: Though not initially available when applications for the CJRS first opened, participants reported some software providers later updated their functionality to enable users to calculate a claim amount for CJRS. Payroll agents typically already had the required information to make a claim, with employee information saved onto their software. They made their calculation using the software as soon as they were able to, because this sped up the process whilst giving them more confidence that they had calculated the claim amount correctly.

Though participants tended to find calculating the amount easy, there were some specific scenarios reported which made it difficult for businesses to know how to accurately calculate a claim.

Confusion was reported on how to account for parental, sickness or annual leave in calculations, with some businesses unsure how to handle furloughing these employees. Some customers managing weekly payroll or with staff working variable hours or on zero hours contracts also experienced issues. These participants felt there was a lack of guidance or advice, particularly in the first few weeks of the scheme. This led to them making assumptions when calculating, such as working out an average of hours of part-time staff, without being certain this was the correct approach. They were mostly understanding of the issue and did mention that guidance was later updated.

> *"It was the apprentice who is on a minimum, [I] couldn't use a calculator for him, because his pay is variable. It only works for people who work steady… the apprentice was in and out depending on whether he was in college."*
> **Accountant, advised multiple micro and sole trader clients**

These customers said that tailoring the advice and creating worked examples of specific scenarios would help overcome these issues. They felt that had the guidance on this been as relevant as the more general advice then they would not have run into these problems.

**Direct contact with HMRC**

Prior to making their first application, some businesses who were struggling to determine eligibility, both at a business level and at identifying individual employees, reported phoning HMRC for support. Generally, participants who tried to call HMRC before the scheme was launched reported finding it challenging. The following problems were raised by participants who called HMRC at this stage:

- Handovers between advisors: Some customers who reported being passed between advisors or who needed to call back about the same issue said details about their issue were not passed on or recorded on a system. This made the customer feel like they had to

start the process again. Customers suggested a unique reference number for each query would have helped resolve this, so they would not need to repeat information on each call.

- **Quality of customer support:** A few customers who were passed between advisors also reported feeling that the knowledge of advisors and quality of support they provided was inconsistent. Better training to ensure helpline advisors understood the scheme in detail was suggested as a solution to address this. In addition, a few customers who said they were feeling very stressed about their application when they called the helpline said they felt the advisor they spoke to could have shown them more empathy. This would have improved their experience and made them feel more reassured.

- **Waiting times:** Businesses who called HMRC at this stage generally felt they needed information urgently and a few felt they waited too long. If queries were not answered swiftly this heightened anxieties, particularly amongst contractors who were relying on CJRS as their sole source of income. Customers suggested that timeslots for a call-back could have reduced the waiting time and allowed customers to plan their day around the call.

These issues were primarily raised by participants who called HMRC with queries about eligibility shortly after the CJRS was announced, and prior to the dedicated Coronavirus helpline for businesses and self-employed being officially opened.

When businesses encountered calculation issues, they reported they did not typically call HMRC because they assumed the waiting time would be too long or they would not get through at all. Instead, they tended to use webchat or, if they had an agent, they would generally contact them to help understand nuances in the guidance related to calculations. Their agent was a trusted professional who they had a long-standing relationship with, so they reported preferring this channel above others.

Both businesses and agents reported using HMRC webchat for support with calculation queries. They were generally pleased with using webchat at this stage in the application process, as they felt their queries were resolved quickly, with a thorough answer. The webchat would often direct them to the most appropriate form of guidance on GOV.UK. They would use it to arrange a call or get an answer to minor queries.

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**Case Study: Contact with HMRC when preparing an application**

**Background:** The participant was an accountant who had run a small practice for 10 years.

**Experience:** They had contacted HMRC multiple times whilst collating information for clients. They felt webchat addressed minor queries very well but did not have such a positive experience with the helpline.

**Challenge:** They needed to call before the dedicated helpline was setup and felt some advisors had not been fully trained on the scheme. They also felt it was unhelpful that the phone line shut at 4pm.

**Result:** They were positive about the overall experience and felt that the introduction of a dedicated helpline may now lead to the experience being improved further.

*"The new webchat service can be good when I have a very simple question that needs a simple answer."*

**Accountant, led application for multiple clients**

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## 3.3   Making an application

**Leading on the application**

Businesses were able to complete their CJRS application[5] themselves, or they could ask an agent to complete the application on their behalf. Businesses that chose to lead on the application did so for a variety of reasons. Some felt confident with the details they needed to provide and were competent and confident in their own financial skills. This was common amongst businesses with experience of HMRC processes and those that had sufficient resources to dedicate time to the application. Some also felt that their CJRS application was extremely important, and therefore was a task that required their direct leadership and was not something to pass responsibility on. Moreover, smaller businesses that had already felt some financial strain due to the impact of Covid-19 were generally reticent to spend money on an agent's time to complete the application.

When an agent led an application, this tended to be because the client did not have the resource, expertise, or confidence to do so. Both agents and businesses often felt that agents were the experts due to their experience with HMRC online tax systems, so they would be best placed to make a claim correctly. For businesses who always relied on their agent to deal with HMRC, they tended to report it simply felt natural to ask them to handle the application.

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[5] During interviews, businesses were asked to focus on their experiences of their first CJRS application.

*"We just let our accountant take the lead, they do for most things for HMRC… it just seemed natural really"*

**Small business, agent led application**

Agents who advised, but did not lead, tended to do so because their client base was too large and they were encountering issues with internal resources (such as insufficient time/staff), or they felt it was an important submission, meaning their client had to take responsibility for it. When advising, they reported providing bespoke support for their clients, often free of charge, as they felt this was a necessary step to maintain and improve their client relationships.

Additionally, the research found some businesses and contractors that did wish to have their agent lead on the application were unable to secure the agent's time due to their agent being in high demand when the CJRS was launched. This resulted in some businesses and contractors having to take the lead on their application reluctantly. Businesses and contractors with minimal experience with their Business Tax Account tended to be particularly reluctant to take the lead.

**The application process**

Overall, businesses were positive about the simplicity of the application process. They generally felt it was easy to understand, and obvious where to input the information. If businesses had correctly gathered the information needed in advance, they rarely encountered issues and found they were able to complete their application quickly. The straightforwardness of the process was particularly appreciated by businesses that were apprehensive about making the application due to the importance they placed on the CJRS.

Agents that led on the application tended to echo the views of businesses around the simplicity of the process. Those that already had all the relevant details needed for a client's claim on their systems, reported finding the process easy. Agents that provided advice on applications said they attempted to simplify the process for potentially apprehensive clients. They did this by providing plainly worded step-by-step guides of what their clients needed to do, and templates for businesses to populate in order to make a claim (e.g. a different cell in a spreadsheet for each box in the application form).

Whilst businesses and agents were generally very positive about the application process, some participants did mention issues that they encountered.

- Technical issues: When making their first batch of applications, some agents had difficulties with making claims for different clients because either their browser, or the HMRC system, was storing information from the previous client and would not allow them to change it and progress. This led to some then contacting HMRC for a resolution. Those who had this issue noted that it was addressed quickly. Additionally, early in the scheme participants reported they were not able to save draft applications and were being timed out of the form. However, participants said they found both technical issues were resolved when they made subsequent claims.

- **PAYE reference:** Some businesses who used an agent for their payroll did not realise they needed their PAYE reference to make a claim. This meant that they had to abandon the application until they could get the code or alternatively ask their agent to make the application.

- **Claim period:** Some businesses reported confusion around claim periods – noting that they felt the guidance provided was unclear on whether to use the same claim period for all employees if their payroll period varied for different employees (e.g. if they operated a weekly payroll for some employees and a monthly payroll for others). This resulted in such businesses typically searching for additional information on this and amending previous claim information if required.

- **Bank Account address:** Some agents gathering information from clients said it was not clear what address they needed for the application and if it was the business' registered address or the address held by the bank, which were not always the same. When they found that the address the bank held would be needed to complete the application, some agents had to spend time gathering more information from their clients which they did not previously hold.

- **Government Gateway:** Some customers with less experience of the Government Gateway reported finding it difficult to navigate, and felt they needed HMRC's support to help guide them through the process.

- **National Insurance (NI) number:** There was initial confusion around how to claim for employees without NI numbers for some making claims early in the scheme. This meant that businesses either had to leave affected staff off their first application or delay the application until the employees could get an NI number. However, participants reported they found guidance was updated to clarify that staff without NI numbers (such as those under 16 years of age) could not be furloughed.

Some customers also flagged confusion more generally around NI contributions associated with their CJRS application. This occurred for some businesses that had decided to top up salaries to 100%, who reported being unsure how this would affect NI contributions. One business, that reported a positive experience overall, cited that there were worked examples on calculating claims given on the GOV.UK website, but that none of the examples included this scenario.

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**Case Study: Topping up NI contributions**

**Background**: The participant was part of an HR team at a multi-national company that had furloughed multiple parts of the UK business. Although they had a payroll agent, they decided HR would lead on applications.

**Experience**: The business decided to top wages up to 100%. The participant said the website did not explain how to calculate NI contributions when wages were topped up.

**Challenge**: The team in charge of the CJRS application had to calculate this manually, which proved cumbersome due to the number of employees.

**Result:** They understood that HMRC may not have had time to provide a calculator for this due to time constraints and were positive about their application experience.

*"HMRC had examples you could run through online but none of them seemed to take in to account topping up to 100% and the NI contributions we'd have to make. It just meant a bit more work"*

**Direct contact with HMRC**                      **Large business, business led application**

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## Direct contact with HMRC

Participants who experienced issues with completing their application tended to seek support either from their agent or from HMRC via webchat or the helpline. Businesses reported contacting HMRC at this stage when they met a barrier in their application process or if they needed help to find a required identification number (such as their Corporation Tax Number), feeling that HMRC were best placed to help them with such issues.

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**Case Study: Direct contact with HMRC**

**Background**: A participant and his partner were directors of a small decorating company. They had experience with HMRC systems, mostly from Construction Industry Scheme returns.

**Experience**: They misinterpreted the guidance and thought a single application had to be made for each director.

**Challenge:** They were unable to make a second application for the other director.

**Result:** The participant contacted HMRC by phone and were able to include the second director. They felt this point could have been made clearer at the beginning of the process but were thankful of the help received.

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Businesses who contacted HMRC with queries related to making their application were generally satisfied with how these were resolved. They said that typically their queries were answered over phone or webchat, or they were directed to the correct and relevant information. Some customers reported cases where the helpline advisor could not resolve the issue but were happy that HMRC arranged for another team member to call them at a later point.

Those who had previous experience of contacting HMRC prior to the CJRS, generally said that their experiences with CJRS queries at the stage of making the application exceeded their expectations. These customers typically reported that their calls were answered quickly and that they felt HMRC ensured they provided a resolution.

Some agents reported being particularly surprised by how quickly their issues were resolved when they contacted HMRC about technical issues. A common issue reported by agents was being unable to progress their second application as their cache had stored the details for the previous client. Some agents who contacted HMRC about this said the advisor could not immediately resolve this issue on the phone but had someone call them back within an hour to advise them to clear their cache.

**Potential improvements**

Participants were asked if they had any ideas for improving the application process. Generally, participants were positive about the application process overall and did not have many suggestions for improvement. However, a few suggestions were made.

Some agents suggested they would like to see the CJRS application digitally linked to their payroll software. However, they were aware that this would depend on third party software developers and that there was little time to set this up.

Some agents and larger businesses with multiple payrolls that had to complete multiple applications, noted that applications furloughing 100+ employees were much quicker and less mentally taxing. Employers claiming for 100+ employees on one payroll were able to download a template which they could upload to HMRC when they made their claim, rather than entering details manually when completing their application. Due to the perceived relative ease of CJRS applications with 100+ staff, these customers wondered if this threshold could have been lower, or if the process could have been streamlined.

> *"Our hospitality division, we've had to furlough over 100 people, those applications are so much easier, so much quicker. Then we have divisions where we've furloughed 60, 70 people. Those can be a pain time-wise"*
>
> **Large business, business led application**

However, businesses that had to furlough 50 – 99 employees but only had to complete one application for each claim period, typically found that this was not an issue. These businesses generally felt that entering the data for each employee was a necessary step to give them confidence that they had got the application right.

## 3.4   Post application

**Activities and perceptions after submitting the application**

In general, participants were extremely satisfied with the process after applying and were confident they had completed the application correctly. Some recalled receiving a notification email which confirmed receipt, with a unique reference number should they wish to follow up. They reported this reassured them that they had submitted their application correctly. Others said they were not directly notified by HMRC, generally if an agent led or if they had not provided an email address to HMRC. Some felt that a confirmation email would have been reassuring but the speed of the payment meant this was generally not an issue.

Some businesses making claims for a large number of employees said they were contacted by HMRC after making a claim, asking if they needed additional support. They generally reported this made them feel reassured, particularly if the burden of responsibility had negatively impacted on their confidence. One business mentioned being contacted by HMRC on a Saturday after they submitted a large application the day before. They appreciated the extra mile they felt HMRC had gone to ensure their peace of mind.

Many businesses reported they were particularly pleased with how quickly they received the payment, around 3-5 working days, which exceeded their expectations. They were generally grateful for a prompt turnaround given the financial pressure that Covid-19 had caused them. This was particularly the case for contractors who reported the CJRS grant was at the time their only source of income. Speedy payment tended to help alleviate general feelings of anxiety about their financial situation.  Some businesses discussed not having time to become anxious, due to the prompt time in which they received their funds.

> *"We were told we would get the money within five working days, and we got the money so quickly [after the application], that we didn't really have time to worry or ask questions"*

**Micro business, agent led application**

After completing their application, some businesses recalled choosing to conduct internal checks on their own claims to make sure they were correct, if they had the internal resources available to do so.  Some reported doing this as they said they were notified that they may be subject to a CJRS spot-check in the next 5 years, so wanted to make sure they were prepared for this.

Agents were generally confident that they had completed the application process, reporting this was due to its simplicity compared to other HMRC processes. Some agents with large client bases discussed receiving minimal communication from clients after the first round of applications, therefore assuming that clients received their payment on time and were satisfied with the process.

**Direct contact with HMRC**

Due to the promptness of payments, businesses generally felt that they had no reason to contact HMRC after their application was submitted. On a rare occasion among participants that the business did not receive their payment in five working days, they reported feeling confident they would receive it soon as they had heard positive stories from friends and colleagues that payments were being made without issue, so they had no reason to doubt that their payment would also be made.

> "I took a while [for payment] to come through, but I had heard from friends that they had got their money so was confident I would get mine too"

**Micro business, business led application**

Agents typically said they felt they had little need to contact HMRC after the application was submitted due to the satisfaction of the clients.

## 3.5    Subsequent claims

When making subsequent applications, businesses did not tend to alter their behaviours. They generally reported this was because they were satisfied with the overall process of the first application, trusted those supporting them, and felt the claim was too important to drastically change a process that was working for them. If an agent had completed their first application, businesses said they were unlikely to deviate from this as they were pleased with the outcome, even if it could save the business some money in the short-term.

Some businesses that continued to lead on the application said they were pleased that the browser would store their details from their previous claim. They felt this made the process quicker and gave them confidence that they were not making inputting errors and were getting the application right.

Some agents noted that the interface had improved as they made more claims. They reported that previous glitches that had blocked their progress were swiftly fixed, which improved their overall experience. However, some felt that the form could be improved further by remembering the details of each business by their Customer Reference Number (CRN). They reported that currently the browser remembers the details entered, but this did not benefit them if they had to enter the details of multiple clients.

## 3.6    Impact on perceptions of HMRC

This section explores the impact the experience of applying for the CJRS had on perceptions of HMRC. Though customers generally had a positive experience of applying, this did not always translate into an overall improvement in perceptions towards HMRC, with overall views of HMRC typically remaining in line with perceptions already held.

Customers who already held a positive view of HMRC before applying for the CJRS generally said their experience was in line with their expectations and their previous experiences of

HMRC. These customers said their positive views of HMRC were based on previous experiences of being supported by HMRC, normally during a challenging time. For example, being granted a payment extension during a difficult period which meant the business did not need to take out a loan. These customers typically believe HMRC to be helpful and easy to deal with, so the CJRS experience was in line with their expectations.

> *"I always had a good view of HMRC since the financial crisis. I expected them to be reasonable and generous during this crisis and they were. I expected to be well treated and I was."*
>
> **Medium business, business led application**

Some businesses saw their relationship with HMRC as purely transactional and tended to be believe that neutral feelings towards HMRC indicate that the relationship is working well. These tended to be businesses who use agents for payroll and accounting. They reported they were pleased with their CJRS experience but due to the perceived transactional nature of their relationship remained indifferent to HMRC.

> *"A large government organisation just doing their job. Don't like them or dislike them, they are just there, and you deal with them. Not an organisation that you dread dealing with."*
>
> **Small business, business led application**

There were also participants who had long-established and negative views of HMRC, typically thinking they were slow and bureaucratic. These participants tended to be agents and businesses who had extensive experience in dealing with HMRC through a number of different systems and over a long period of time. They generally reported a positive experience of the CJRS application but felt this needed to be the norm for HMRC in order to change their view. However, some stated that if HMRC were consistent in delivery experiences like this, they were open to changing their views.

> *"I think this [CJRS] has shown that HMRC can put the meat on the bones of something very quickly… which means next time HMRC set something up, I'll be expecting, or hoping, that it looks and works like this."*
>
> **Accountant, advised multiple clients**

# 4. Conclusions

The experience of making a claim via the Coronavirus Job Retention Scheme generally exceeded the expectations of customers and agents. It was noted by many that it was a simple and straightforward process from the point of determining eligibility to filling out the application form. Some agents contrasted this with other HMRC processes, which they felt could be convoluted and not made with the end user in mind.

When looking at HMRC's management of the CJRS application process specifically, generally businesses and agents were extremely positive. Participants reported they were particularly pleased with the responsiveness and speed of action from HMRC. This stemmed from three main areas:

- **Supporting customers:** On the whole participants felt that HMRC were responsive when dealing with direct queries. Some were appreciative when HMRC called them back if a query could not be resolved via phone, or when HMRC contacted businesses for support when furloughing a high number of staff. This contradicted long held views among some of HMRC being a slow and bureaucratic organisation.

- **Responsive to queries:** There was a general sense that HMRC listened to queries from businesses and agents and that they would frequently amend materials as issues were raised. Some agents noted that frequently asked questions on webinars would be promptly translated into updated guidance on GOV.UK.

- **Speed of payment:** Customers typically reported receiving the payment days after submitting a claim, which they were very pleased by. Before making a claim, there was an assumption by some that this would take weeks due the volume of claims and previous perceptions of HMRC as being slow. Businesses with cash-flow problems and contractors who were relying on CJRS as their sole source of income reported that receiving payment promptly alleviated anxieties.

While the application experience was found by many to be largely positive, some participants did report gaps in the guidance and glitches in the IT systems.  However, they tended to be forgiving of this. They reported that they understood that there would be minor issues, given the fast turnaround of having to develop a fit for purpose scheme, and were pleased these issues were rectified for subsequent claims.

There were also some improvements suggested from those who did not have as positive an experience. These tended to come from contractors, businesses who topped up salaries or had variable payrolls, and those not previously familiar with HMRC systems:

- **Tailored advice and guidance:** Some noted that they received information not relevant to their circumstances. They felt this made it difficult to engage and they would have preferred more tailored information. Some suggested that worked examples or different versions of step-by-guidance for the different types of customer (e.g. contractor, large business, businesses with salaried and hourly paid staff etc.) may have helped.

- Customer support: Some who called HMRC, particularly whilst preparing to apply, felt the knowledge of advisors and quality of customer service was inconsistent. This led to feelings of anxiety and uncertainty for some when making a claim. Customers suggested an earlier inception of the dedicated helpline, being provided with a case number, and more training for advisors so they could deal with questions could have improved the situation.

Overall, businesses and agents generally reported a positive experience of applying for the CJRS and satisfaction of HMRC's management of the application process. Perceptions of HMRC typically did not change as a result of the experience of applying for the CJRS, but some customers who held negative views indicated their feelings might improve should HMRC provide experiences like this consistently.