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HMRC Powers and Taxpayer Safeguards Research

Qualitative research with agents

Ipsos MORI
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Behaviour, Insight and Research Team

OFFICIAL

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1. Executive Summary

This report summarises primary research conducted with eleven agents, via telephone interviews, about their experiences of handling investigations or enquiries under HMRC powers on behalf of taxpayers. Specifically, the research focussed on experiences of handling Accelerated Payment Notice (APN) and the Follower Notices (FN) and their perceptions of their client's experience during the process.

Given this research includes a limited number of interviews, it is important to note that these findings only show a snapshot of the experiences of agents and their clients. In some cases, agents also had limited recall of certain events given they occurred some time ago, therefore evidence is limited in some areas. The interviews covered cases dealt with by agents between 2012 and 2018.

The agents who participated in the research included accountants, lawyers and financial consultants or advisors. Agents tended to be involved in the process right from the start. An agent's role was to provide advice and guidance as well as communicate with HMRC on the client's behalf. Most clients asked their agent to take responsibility dealing with all tasks relating to the notice apart from some large businesses who had their own accountancy teams involved.

Advance warnings of APNs and FNs were viewed as being a valuable part of the process, as it gave both the agent and client time to prepare strategically and financially. Most agents reported that their clients received an advance warning, however there were cases where agents said neither they, nor their client had received one. Agents also said the warnings for APNs and FNs lacked clarity in terms of when the actual notice would arrive, and some said this inhibited their ability to plan their approach.

Agents had mixed opinions on the content of the APNs and FNs themselves. Some felt that the notices succinctly detailed what the notice was for, why they were receiving it and what they could do next. However, others raised concerns about the complexity of the language used, the tone of the letter and a lack of tailoring and personalisation to the taxpayer. These agents believed that these issues often led to negative impacts on the client, including their understanding of their position, their rights and next steps.

Typically, agents checked the calculations on the tax due included in the notices and in most cases, found these to be accurate. However, some had experience of finding errors which led them to making a representation on the client's behalf. A key issue raised about calculations in both APNs and FNs was that they did not include information about the interest payable which meant that they could not settle the notice without contacting HMRC for a final figure. This, agents said, created barriers to payment either because the client would be unhappy about paying a higher amount or because they did not know exactly how much money they needed to raise.

Agents said that the process set out in both APNs and FNs was clear but that their options were limited. This, they said, sometimes meant their clients felt trapped as there was no flexibility to discuss the payment amount or terms. Those who could afford the amount and

did not have the motivation or specialist support to make representations tended to pay in full quite quickly to avoid a penalty. Clients who were unwilling or unable to pay and had access to specialist support tended to use the representation process to delay payment. They hoped that this would give them time to raise the money they needed to pay the notice or, if they received an APN, that the case against the scheme would get to court and the ruling would be in their favour so they would not need to pay at all. Agents reported that responses to representations generally took months to arrive but when they did, the conclusions were normally clear.

Penalties were received by clients who did not pay an APN or FN by the deadline, either because they could not afford to pay the full amount or because they refused to pay, in the hope that their case would get to court. Agents reported that the way penalties were implemented added to their client's financial pressures and feelings of stress if they were already unable to pay the full amount in the time period set out.

When it came to dealing with HMRC staff, agents reported mixed experiences. There were agents who felt that the staff were helpful and able to answer their questions, this was more common amongst those who knew a named contact within HMRC. Other agents were critical of their experiences with HMRC staff and felt that they were only able to answer basic questions about APNs and FNs, rather than provide information about a specific case. This frustrated both agents and clients as they felt it inhibited their ability to progress the case.

2. Introduction

This report presents qualitative findings about agents' experiences of handling Accelerated Payment Notices (APN) and the Followers Notices (FN) on behalf of their clients. It explores the agents' role in investigations, how their clients became aware they were being subjected to a power, their experience of receiving a notice and of dealing with HMRC during the process. APNs and FNs were discussed separately in the interviews, however, as the processes and experiences for each were largely similar, we have reported them together to avoid repetition. This report also explores what they thought of the information and support provided by HMRC and how this could be improved.

2.1 Background

In 2018, the House of Lords Economic Affairs Committee (LEAC) published a report¹ raising concerns that HMRC was prioritising tax collection over ensuring fair outcomes for customers. These concerns were in part driven by new powers introduced since 2012, strengthening HMRC's ability to tackle tax avoidance and evasion, including the introduction of new penalties and Anti Avoidance measures like the Accelerated Payment Notices (APN) and the Followers Notices (FN).

Accelerated Payment Notices (APNs) allow HMRC to require upfront payment on account of tax, when certain conditions are met which indicate arrangements are or are likely to be tax avoidance schemes, prior to any dispute with HMRC being resolved. The purpose of this is to prevent tax avoiders from gaining an economic advantage during protracted litigation by requiring them to pay the disputed tax up front². If the dispute is resolved in the taxpayer's favour, any APN amount paid is refunded, with interest where appropriate.

Follower Notices (FNs) are raised when a judicial ruling has been made in favour of HMRC, a Follower Notice will be sent to taxpayers using a scheme with the same or similar arrangements. The notice will request that tax affairs are settled and may be accompanied by an APN².

As part of a commitment made by the Financial Secretary to the Treasury in a Written Ministerial Statement published on 23 July 2019 HMRC is evaluating the implementation of a wide range of its powers and taxpayer safeguards. This report summarises primary research

¹ <https://publications.parliament.uk/pa/ld201719/ldselect/ldeconaf/242/242.pdf>

² <https://www.gov.uk/government/publications/independent-loan-charge-review-summary-of-evidence/section-8-powers-to-tackle-tax-avoidance>

conducted with agents about their experiences of handling APN and FN investigations³ on behalf of taxpayers. This research will feed into the wider evaluation conducted by HMRC.

2.2 Research Aims

The primary aim of the research was to explore agents' experiences of handling cases of their clients being subjected to an APN or an FN, including:

- How HMRC communicated the use of its powers;
- Whether they and their clients understood the client's rights;
- Whether they and their clients understood what they needed to do;
- How agents and their clients felt they were treated;
- What information and support they found helpful; and,
- What information and support they needed or would have liked.

2.3 Method

This research consisted of 11 telephone interviews with agents who had experience of handling at least one APN or FN case on behalf of a client. The interviews covered their perceptions of their client's experience during the process. The research was conducted by Ipsos MORI, an independent external research agency.

2.3.1 Sampling and recruitment

The research was conducted with agents rather than the individuals subjected to the powers due to challenges with identifying and recruiting individuals to take part in the research. In order to build a sample of relevant agents, HMRC asked agent representative bodies to request members with experience of APNs and FNs to participate in the research. Ipsos MORI contacted all agents who opted-in to invite them to take part in an interview. In total, 11 agents took part in the research including 3 agents with experience of APNs only and 8 with experience of both APNs and FNs.

³ This research was also intended to explore experiences of the General Anti-Abuse Rule (GAAR), however, only one person had experience of this power and not enough information was provided for this to be included in the analysis. For this reason, this report focuses on APNs and FNs only.

2.3.2 Fieldwork and interpretation of findings

All interviews were conducted by telephone and lasted up to an hour. Agents were offered £150 as a thank-you for their time and contribution to the research.

Interviews were structured around a topic guide which focused on the agents experience of dealing with the investigation and their perceptions of their client's experience during the process. The topic guide also looked at the role the agent played in the investigation, what they thought of the APN/FN communications from HMRC and their dealings with HMRC more broadly; agents were also asked whether they felt any improvements could be made across the process.

Most of the fieldwork (nine interviews) took place between the 12th – 24th March 2020, the research was then put on hold as a result of the coronavirus pandemic. The research resumed in August, and the final two interviews were both conducted on the 20th August 2020.

Given that this research includes a limited number of interviews, it is important to note that these findings only show a snapshot of the experiences had by agents and their clients. In some cases, agents also had limited recall of certain events given they occurred some time ago, therefore evidence is limited in some areas. The interviews covered cases dealt with by agents between 2012 and 2018.

3. Findings

This chapter sets out the main findings from the research.

3.1 Implementation of powers by HMRC

3.1.1 Agents and their role

The agents who took part in the research were a mix of consultants, lawyers and accountants. Their role in the investigations or enquiries varied and depended on several factors including whether they were self-employed or employed and whether their key relationship was with the individual client or with the provider of the financial scheme which was being investigated. Many of the agents had, over time, become specialists in dealing with powers investigations either within their organisation or as a self-employed specialist who received referrals from other agents.

As for their clients, they included a wide range of individuals in terms of their background and wealth as well as businesses. The type of client and their financial position did have an impact on the experience of being subjected to a power and on agents' advice about whether and when to pay a notice.

Broadly, agents reported that that the APN/FN notices would go to the client first and they would send this through to their accountant, unless they had received their own copy at the same time as the client. If involved, tax lawyers would also receive the notice from their client. Accountants reported that their role was to work out the APN/FN calculations and ensure that they had been done correctly. Lawyers said their role was to look at the legalities of the notice and help clients with their representation and / or how they should proceed. However, in cases where only one agent was involved, they generally tried to fulfil both roles on behalf of the client. All agents suggested that most of the individuals they dealt with would be unable to resolve a notice without the help of a specialist.

"A lot of what I do is hand-holding the client, calming them down and explaining the process"

Tax Attorney, experience of both APNs and FNs

Most agents who participated in the research were involved from the start of the process except in cases where they had been referred to by the client's accountant who did not have experience of dealing with these powers.

Agents reported that APNs and FNs varied in terms of how long they took to resolve, from six months to a number of years All said that the number of these cases had dropped substantially and that they were not aware of anyone receiving a notice in recent years.

"Since 2014, the number of arrangements out there are very few and far between, so I can't see that there is much need to issue these except in relation to old arrangements"

Barrister, experience of both APNs and FNs

3.1.2 Advance warnings

Agents reported that most of their clients had received an advance warning letter, before receiving their APN/FN notice. However, while agents said that the time between the advance warning and the notice itself varied from just a day to months in between, they tended to say they were given enough time to prepare for the notice.

Broadly, both agents and clients were glad to receive the advance warning as it gave them valuable time to prepare, both strategically and financially; and it was clear what the advance warning was for and what would happen next.

"Typically, there is warning that you will get a notice. They would send a letter saying that you would receive a notice, and this is what you will be asked for."

Consultant, experience of both APNs and FNs

There were cases where an advance notice arrived with or after the notice or was not received at all. Agents dealing with these cases said sometimes they, or their client would still be aware that they may receive a notice if they had been notified by the provider of the scheme being investigated or by other individuals using the scheme. However, in some cases, there was no warning at all which meant the agent and client were unprepared when a notice arrived.

As well as experiencing issues with receiving the advance warning, agents also mentioned that they did not always make it clear when the APN/FN would arrive which made planning difficult. Agents reported that having an indication of when the notice would arrive also helped them to plan their strategy and gave their clients an idea of how long they would have to put money aside if they needed to.

"Sometimes the APN would arrive the next day, sometimes they would arrive in 3 months, sometimes they would never arrive so it was a bit vague about when or whether you would receive them"

Accountant, experience of APNs

"It includes no indication of when they will get it, just 'shortly'."

Consultant, experience of both APNs and FNs

3.1.3 The APN/FN notice

Agents and clients who received an advance warning, said they were prepared to receive the APN/FN notice. If the client had not received an advance warning, both the client and the agent expressed frustration and, in some cases, they said this caused feelings of panic and stress amongst clients.

“They would literally just land in the post one day with no warning and basically demanded payment.”

Accountant, experience of APNs

As with the advance warning, the APN/FN was sent by post in a letter format. Agents and clients were happy to receive both the advance warning and notice by post. Agents felt that this was the clearest way HMRC could present the information and would not want this to be altered in any way. Having the information in a letter format also allowed both the agent and client to have a hard copy of the information and refer to it if they need to.

Views on the quality and clarity of the information in the notices were mixed. Some agents felt that the APN/FN notice detailed exactly what they needed to know in a matter-of-fact way and gave clear instruction about what they needed to do next. These agents said that the complexity of the content and language in the notices meant that very few of their clients would have been able to understand the details without their support. However, they did not consider this to be a barrier for their clients in these cases as they already had agent support in place.

“Communications were fine. Our clients definitely needed an accountant to go through it, just to wade through the jargon, but at the end of the day, they just wanted to know what the figure was and what their options were.”

Accountant, experience of APNs

Others felt that the communication of the APN/FN notice needed substantial improvement. One point that was frequently raised was that the communications often included technical language that made it difficult for both the agent and client to understand exactly why they had received the notice.

“All the letters are long, woolly and hard to understand”

Consultant, experience of both APNs and FNs

“Most of my clients are intelligent professionals but they struggle to understand the information”

Consultant, experience of both APNs and FNs

These agents raised concerns about how an individual would respond if they could not afford legal advice or advice from an accountant. They said that while most individuals who received a notice would already have had an agent to support them, that was not the case for all. One example provided was of a client with a modest income and simple tax affairs who was encouraged by their employer to use a scheme, they then received a notice and were unable to understand it without paying a substantial amount in agent fees. Agents felt that the powers legislation should include a requirement for HMRC to provide a clear and simple summary in a notice so that individuals are not wholly reliant on agents.

“The notices are difficult to follow. The letter is quite long, it walks through the legislation in quite a bit of detail so it's quite difficult to pick out exactly what it is getting at...when drafting legislation, it should be required that the legislation must be summarised for taxpayers as well. That shouldn't be difficult to do”

Consultant, experience of both APNs and FNs

As well as the language being complicated for some agents and clients, others mentioned that they felt the tone of the communications could be aggressive and confrontational. These agents said that the tone and language of the letters could come across as direct and judgemental and not what they expected from HMRC. They said that clients who perceived the notice in this way often felt stressed and nervous as a result. However, agents did say that they noticed a positive change in the tone of communications over time.

“At the time HMRC sent a lot of stuff to clients that were worded viciously, ‘you are part of this tax scheme, we don't think it works, everyone else pays their tax, why don't you?’ almost tried to shame people into not joining what were, at the time, technically legal tax schemes... I think it's better now but at that time, but the wording was kind of outrageous.”

Accountant, experience of APNs

Agents were also critical of the lack of tailoring in notices. Whilst there were agents who felt this was reasonable and to be expected, others believed that this set a negative tone for the process. Some agents who experienced the latter felt that the use of templated letters made the information vaguer and demonstrated that HMRC was not willing to engage with clients personally. In turn, this made some clients feel as if the context of their circumstances would be ignored. Agents believe that HMRC has a duty to engage with everyone personally when it comes to using these powers to ensure their use is fair and reasonable.

“I'm seeing an un-caring attitude in all these cases”

Barrister, experience of both APNs and FNs

Further to this, some agents said that the impersonal tone and generic content of the communications made them appear less serious to their clients. This sometimes resulted in the client or the agent not acting on the notice quickly or taking the demand for payment seriously.

They felt that the notices could have been improved by including a personal covering letter for each customer, outlining the situation rather than a templated one which only included specific information such as their name, the scheme details and the calculations. Some agents believed that this would have made their clients more able and willing to engage with the APN or FN and may have meant that some notices were resolved more quickly.

3.1.4 Calculations

Agents reported that their clients typically had a limited interest in the calculations within the notice and left it to the agent to check if these raised any issues. That being said, agents did raise some concern over the complexity of some of the calculations, and how an individual would be able to deal with the notices without advice from an accountant. Clients that did take an interest in the calculations were generally businesses that had their own finance team with the skills needed to understand them.

“Figures are not clear. I understand there are reasons for that but receiving a number of notices with different liabilities on them is confusing for clients”

Consultant, experience of both APNs and FNs

Generally, agents found the calculations to be accurate, but some did find errors including notices covering incorrect years, amounts or schemes. Some agents said they had encountered this more often in FNs rather than APNs but they were unsure of why this might have been the case. Agents would make a representation if they came across errors in the calculations.

“There are loads of issues with the figures to be honest and without advice, a client would not know how much they need to pay to settle.”

Consultant, experience of both APNs and FNs

Agents also said that it was not clear from the calculations what amount the client needed to pay to clear the debt as interest was payable but not included in the APN or FN. This meant that in practice, it was not possible for a client to fully pay a notice without contacting HMRC for a full amount. Agents said this made it difficult for some clients to make sure they had enough to cover the payment. In some cases, it also had an impact on their clients' attitude towards the notice.

In one case, a client instructed their agent to pay the sum in the notice, which the agent did. The client then received a further letter from HMRC informing them that there was an outstanding balance to be paid to clear the debt. The agent contacted HMRC to query this and were told that the sum in the notice was not the full amount as interest was also payable. The agent said their client refused to pay what they viewed as an additional charge as they felt they had already paid the sum in the notice and were now being asked for more. This situation then took several months to resolve as the client wanted to negotiate the interest payment.

“They do not set out what clients actually have to pay to settle. I've had clients who have paid the amount on the notice and then HMRC have come back and said, if you want to settle this matter you need to pay ‘x’ which turns out to be interest.”

Consultant, experience of both APNs and FNs

3.2 Dealing with the APN/FN

3.2.1 Next steps

Agents often felt that the APN/FN did not leave them with much they could do, other than make representations for any errors they spotted in the notice or pay the amount requested. Agents informed their clients of this and said that their clients often expressed frustration at not being able to negotiate the amount or appeal.

“It is possible to make representations, but you can't do very much”

Accountant, experience of both APNs and FNs

“I think people are fearful of the revenue, they feel like they have no one to talk to... I think there is a lack of sympathy”

Consultant, experience of both APNs and FNs

The agents reported that knowing which next step to take was more straightforward for APNs. Some agents reported that it was clear what they needed to do, given that they are simply told what sum they need to pay and how it was calculated. FNs on the other hand were reported to be more difficult as they needed to take corrective action. Agents said that the corrective action that needed to be made was often vague and often both them and their client were left guessing about what was needed from them.

3.2.2 Representations

Agents said that in most cases, individuals who could afford the amount and individuals who did not have access to specialist advice would generally pay the total sum quite quickly after receiving the notice. Where there were errors in the notice or the client was unwilling to pay the amount, a representation would be made.

“Response varied by client. Some were willing to fight it until the end and to use more money to fund the judicial review case because they had a lot of tax at stake. Some had just taken a bit of a gamble and just been in the scheme a year and just paid it” –

Accountant, experience of APNs

In order to make a representation, it was up to the agent to put together evidence as to why their client should not pay the notice or should not pay the full amount. When a representation was made, agents did not feel very hopeful that this would change the

outcome unless they had spotted a major error which would prompt HMRC to withdraw the APN or FN.

“Some where issued in error, covering years when the client had not used a scheme for example, so we would go back, and they would withdraw it. They were quite good in that respect”

Accountant, experience of APNs

Agents commented that often there were delays in responses to the representations for many months. For clients who wanted to resolve the notice, agents said this delay often added to their clients' anxiety. For others, the delay meant that their client lost interest in the notice and stopped engaging with it which, some agents felt, made the clients less likely to pay as time went on.

“When HMRC then take ages to come back on the representation it means that the client doesn't take it as seriously as they ought to and then they aim to just draw the process out”

Consultant, experience of both APNs and FNs

Others actively planned to use the representation process to draw the process out for as long as they possibly could in order to delay any payment. This, agents said, involved putting a representation in just before the deadline and hoping that HMRC would take months to respond. Agents and clients delayed for a variety of reasons:

- They knew they would need to pay but wanted to buy time to get money together.
- They hoped HMRC would lose interest over time / they would be able to negotiate the amount.
- They hoped that the underlying case would get to court, they would win and then not have to pay.

“I make representations in nearly every case. I am still waiting for responses to representations from years ago. The issue with this is that clients assume no response means it's gone away, it's over”

Consultant, experience of both APNs and FNs

When it came to the conclusions made by HMRC with regards to a representation, agents did feel that the conclusions were almost always clear. However, again they were generic, leaving both agents and clients feeling constrained about what they can do next. This was exacerbated if the agent or client was unable to get through to someone at HMRC who can answer their queries. Some agents said that it would have been useful to have someone to speak to who knew the details of the case. This would enable them to ask more detailed and complex questions and get a better understanding of how HMRC was applying its powers in

different cases. any outstanding queries and get an idea of whether there were any other next steps they could take.

"What wasn't clear was what is the point of making a representation, what good would it do?"

Tax Attorney, experience of both APNs and FNs

3.2.3 Penalties

There was limited experience of dealing with penalties among the agents who took part in the research. Agents with penalty experience said that they occurred because their client either could not afford to pay the full amount by the deadline set by HMRC or refused to pay. Those who refused to pay were prepared to accept one or multiple penalties for non-payment in the hope the underlying case against the scheme would get to court and they would win.

"The penalties were hefty, but I think the clients were willing to take the risk by not settling because [HMRC] might lose the case. It was a lot of money to pay out, so they were reluctant to do it, so they were willing to risk accumulating penalties rather than pay the APN."

Accountant, experience of APNs

Overall, the way penalties were implemented was viewed negatively both by agents and their clients. Agents felt that the threat of a penalty put pressure on the client, meaning they felt forced to pay the full amount even if their agent believed the notice should be challenged.

"It can take some time to decide what we are going to do next and clients can be under pressure to do something that is not necessarily appropriate for them because of the threat of the penalty. It means they are less likely to engage with HMRC and they feel pressured to just pay because of the penalty"

Consultant, experience of both APNs and FNs

Not only this, but some agents also mentioned that penalties added to the stress and anxiety that their clients were experiencing. In cases where a client was willing to pay but unable to pay the full amount on time, receiving a penalty exacerbated the situation. Some agents said that inflexibility around payment terms and HMRC's unwillingness to engage with their client or take their personal circumstances into account, had sometimes caused significant pressure both on their clients' financial situation and their mental health.

3.3 Impact and improvements

3.3.1 Impact of APNs/FNs

While most agents said they had become used to the APN and FN processes and they had become a normal part of their job, they emphasised how fearful some of their clients had

been when they received the advance warning or notice. Some agents discussed cases of clients experiencing stress and anxiety throughout the process, which was exacerbated by their inability to pay the amount, the lack of clarity of the information they received and the limited number of next steps they could take. It must be noted that across the interviews with agents, it was reported that these powers had serious consequences for some clients' mental health.

"Clients have been in frustrated, in really difficult positions... they may not actually have the funds to pay the notices. It's seen as another piece of ammunition that HMRC has at their disposal"

Solicitor, experience of both APNs and FNs

"I would say 10-15% of my clients experience some level of depression or anxiety during a case. to them it's like being bullied, coerced, it ends up feeling like a personal vendetta."

Consultant, experience of both APNs and FNs

Some agents who had experience of cases such as these said that the impact on their client also affected their own mental health. In one case, the agent said the firm had provided counselling sessions to staff handling difficult cases. Most agents said they did not enjoy handling APNs and FNs and many spoke of their relief about no longer working on them.

"It is not something I enjoy... I'd much rather be playing chess, in the legal sense where everything is fair, and can be argued fairly... this is more like a street battle"

Barrister, experience of both APNs and FNs

3.3.2 Dealing with HMRC staff

Agents reported mixed experiences of dealing with HMRC staff. Some agents felt that the HMRC staff they dealt with were helpful and able to answer their questions. Agents tended to be more positive about their experiences in cases where they had a named contact at HMRC to deal with as they felt that this made the process of resolving issues easier.

"Communications were very good to be honest, especially towards the end. We had a couple of contacts there who were very helpful, and we got to the stage that we could email them direct and I would say that all communications clearly stated your rights and next steps. It was all clear"

Accountant, experience of APNs

However, some agents were quite critical of their experiences of HMRC when dealing with notices. These agents felt that the HMRC staff they were able to get in touch with were only able to answer basic questions about APNs and FNs, rather than answer questions about their specific case. There was a perception that decisions about the notice and the calculations were handled by senior staff that the agents were not able to speak with and that

the staff who did respond to them, were not able to understand the details or complexities of the case.

Agents found this frustrating and they said it could limit their ability to do their job and progress cases. These agents felt that they should have the opportunity to talk a notice through with someone at HMRC who was working on the underlying case for the scheme so they can understand the basis on which decisions have been made, ask complex questions and provide good advice to their clients. Agents perceived the lack of opportunity to do this as being a result of a lack of resources and in the HMRC teams responsible for sending out notices and responding to representations.

4. Conclusions

The quality and clarity of the written communications received throughout the APN/FN process shaped the experience for both agents and their clients. This included the advance warnings, the notice itself and all communications received in relation to a representation or penalty.

The advance warning was a valuable part of the APN/FN process as it allowed agents time to prepare their client and to consider how to handle the notice and allowed clients time to set aside the money they would need if they intend to pay. Agents emphasised the importance of having this and so were critical of any experiences where they did not receive a warning or where it arrived just days before the notice itself. They felt this step in the process could have been improved by providing some indication of when they should expect the notice to arrive as this would have reduced uncertainty and helped them to prepare.

When it came to the APNs and FNs themselves agents stressed the importance of making them as clear and concise as possible. A key concern for agents was that an individual would be unlikely to understand the notice, their position or their rights without the help of an agent and some raised questions about whether this was fair for the taxpayer. It was suggested that the legislation providing HMRC with the power should include some protections against this by requiring HMRC to include easy to read summaries in each notice to reduce the reliance on specialist support.

There were concerns raised about the language and tone of the notices in some cases. Agents felt that communications should use neutral language, as negative tones, or as some saw, accusations, could generate undue stress for their clients which could reduce their ability and willingness to pay.

Agents also felt that communications should be more personalised and that HMRC should be willing to recognise the circumstances their client was in and provide some flexibility where possible. A key issue, from the agents' perspective, was that the underlying case against the scheme their client was using, and the notice sent to their client were handled separately. This meant that the notices themselves were generic and that there was no opportunity to discuss it in depth or to ask for individual circumstances to be considered. Agents believed that this should be paired with more time to negotiate the outcomes of representations and for more flexibility around payment terms. In all, this would encourage clients to engage with a notice and help ensure that they are treated fairly.