

Research with tax agents to explore experiences of HMRC’s digital services

Technical Report

40322652

Contents

[Contents 1](#_Toc109763142)

[1. Introduction 2](#_Toc109763143)

[2. Qualitative in-depth interviews 3](#_Toc109763144)

[2.1 Recruitment 3](#_Toc109763145)

[2.2 Fieldwork 3](#_Toc109763146)

[2.3 Sample achieved 3](#_Toc109763147)

[3. Survey 6](#_Toc109763148)

[3.1 Questionnaire 6](#_Toc109763149)

[3.2 Quality Control 7](#_Toc109763150)

[4. Survey design 8](#_Toc109763151)

[4.1 Fieldwork 8](#_Toc109763152)

[4.2 Sample source and definitions of agents 8](#_Toc109763153)

[4.3 Sample design 9](#_Toc109763154)

[4.4 Response rate 12](#_Toc109763155)

[4.5 Weighting approach 12](#_Toc109763156)

[Appendix 1 : Topic Guide (qualitative in-depth interviews) 19](#_Toc109763157)

[Appendix 2: Questionnaire (Telephone survey) 27](#_Toc109763164)

[Appendix 3 : Agents SA database business descriptions 43](#_Toc109763173)

# Introduction

Agents are critical in supporting the UK tax infrastructure. As HMRC’s services become more digitalised, agents will continue to play a key role in engaging with HMRC on behalf of their clients and assisting clients to meet their tax obligations.

To inform HMRC’s design of digital services for agents, HMRC required a better understanding of the different agent business models, how they interact with HMRC’s digital services, how they seek support, as well as the services they would like to see offered by HMRC.

In 2021, HMRC commissioned Kantar Public to undertake qualitative research with agents to explore these issues. In January 2022, a follow-on quantitative survey was commissioned, with the aim of quantifying the insights produced from the qualitative research to build the evidence base further.

This report contains an overview of the methodology used for the both the qualitative research in 2021 and the quantitative survey in 2022.

# Qualitative in-depth interviews

## Recruitment

Agents were contacted through two re-contact samples from previous HMRC research: the agent strand of the Individuals, Small Business and Agent (ISBA) Survey 2020 and the Coronavirus Job Retention Scheme (CJRS) Employer and Agent Survey 2020-21. A sample of agent records from Anti-Money Laundering Supervision (AMLS) registration data was also used, which covered smaller, unaffiliated agents.

This sample included a mix of independent tax agents and agents who work for small to medium-sized firms, as well agents affiliated and unaffiliated to professional bodies.

Based on previous research, researchers decided to only recruit five agents who said they were due to wind down business activities within the next five years.

During recruitment, the services that agent offered were monitored, including accountancy and auditing activities, bookkeeping and tax consultancy, as well as the UK region of the business, to ensure a range of tax agents were included.

## Fieldwork

Before developing research materials, a hypotheses workshop between HMRC and Kantar Public was carried out to share knowledge and hypotheses from previous research. This identified a number of pain points with agents’ digital services and suggestions for improvements that were included as prompts in this research.

The qualitative research consisted of 50 in depth interviews with agents, which were conducted online or over the phone. These interviews lasted between 45 to 60 minutes. Fieldwork took place between the 1November to the 6 December 2021.

## Sample achieved

The full breakdown of the sample achieved can be found below in Table 1.

Table 1 Sample achieved

|  |  |  |
| --- | --- | --- |
| Primary variables | | |
| Number of employees | 0 employees | 22 |
| 1-9 employees | 20 |
| 10+ employees | 8 |
| Professional body affiliation | Affiliated | 30 |
| Unaffiliated - affiliated in the past | 4 |
| Unaffiliated - never affiliated | 16 |
| Secondary variables | | |
| Turnover | Up to £10k | 3 |
| £10k to less than £60k | 25 |
| £60k to less than £85k | 4 |
| £85k to less than £150k | 4 |
| £150k to less than £250k | 4 |
| £250k+ | 10 |
| Number of clients | 0 to 9 | 13 |
| 10 to 49 | 12 |
| 50 to 249 | 17 |
| 250+ | 8 |
| Business lifecycle stage | Have ambitions to grow | 15 |
| Maintain current business activities for at least next 5 years | 30 |
| Wind down business activities within next 5 years | 5 |

# Survey

## Questionnaire

The questionnaire was developed by HMRC and Kantar Public to address the research objectives. The questionnaire topics and answer codes were based on findings from the qualitative research, which ensured that the content of the survey was relevant to agents.

The draft questionnaires were subject to two levels of testing:

* desk review by the research team using Kantar’s Questionnaire Appraisal Framework
* a pilot survey

The Questionnaire Appraisal Framework (QAF) is a systematic approach to examining potential issues with the wording and structure of questions, in order to ensure that questions can be administered correctly and answered easily by respondents. [The Kantar Public Questionnaire Appraisal Framework (QAF)](https://www.cdc.gov/healthyyouth/evaluation/pdf/brief15.pdf) is based on the QAS-99 framework and been adapted to be more tailored and relevant to social research.

The questionnaire began with screening questions and ended with demographic questions. The majority of the questionnaire consisted of modules on agents’ use and experience of HMRC online services and potential improvements to these services. The topics included in the questionnaire are detailed in Table 2. The questionnaire itself is included at Appendix 2.

Table 2 Questionnaire Structure

|  |  |
| --- | --- |
| Topic | Question |
| HMRC online services use | * How agents have found dealing with tax issues on behalf of their clients * Whether they use the HMRC Agents Services Account * Whether they use the HMRC Online Services for Agents Account * Whether they use their clients’ online accounts * Benefits of using HMRC’s digital services * Limitations of using HMRC’s digital services * Benefits to clients using digital software * Whether they think HMRC’s digital services have changed in the last 12 months |
| Experience of using HMRC’s digital services | * Impact of HMRC’s use of post and telephone communications * Impact of having two separate accounts with different login details * Impact of delays in receiving and activating authorisation codes * Impact of not having a single client dashboard * Impact of being unable to see which VAT returns have been submitted and what has been paid * Impact from any issues with the VAT authorisation process * Impact of not being able to see and access the same information as your clients |
| Suggested improvements for HMRC’s digital services | * Impact of having faster updates to online data within HMRC online accounts * Impact of being able to exchange queries and information with HMRC via a secure email link * Impact of having greater access to client data within HMRC online accounts * Impact of having a single sign-on portal * Impact of having a single client list or dashboard * Impact of having HMRC summary updates on your agent services account * Impact of having a single agent credential for your business with adaptable permissions * Which of the two suggested improvements would have the greatest impact |
| Use of and attitudes towards digital software | * Extent agents use specialist accounting or bookkeeper software * Whether they plan on expanding their use of accounting or bookkeeper software * How their clients submit records to them * Their firm’s attitudes to clients’ use of accounting or bookkeeper software |

The average length of the survey was 20 minutes.

## Quality Control

The telephone research was validated, as the interview occurred, by a team of supervisors using undetected, remote listening facilities. No interviews were carried out without a supervisor present. Kantar’s own standards exceed ISO 20252 prescribed standards. At least 7% of completed interviews were monitored for at least 75% of the interview. A systematic method was used to select interviewers to be monitored, such that all interviewers were monitored on a regular basis.

# Survey design

## Fieldwork

The survey is a cross-sectional random probability telephone survey. Fieldwork was conducted between 7 March and 6 May 2022 and a total of 873 interviews were achieved.

## Sample source and definitions of agents

Agents are defined as ‘businesses that are paid to deal with the tax affairs of others’.

To maximise coverage of the population it was decided to use two sample frames. The frames used were:

#### The Inter-Departmental Business Register (IDBR) from the Office for National Statistics (ONS)

This is a comprehensive live list of all UK businesses that are VAT registered and or have a PAYE scheme. It is obtained from 5 administrative sources (HMRC VAT, HMRC PAYE, incorporated businesses registered at Companies House, DEFRA farms and the Department of Finance and Personnel, Northern Ireland (DFPNI)).

#### HMRC Self-Assessment database (SA)

Provides coverage of smaller agents that are not VAT registered (or with a PAYE scheme) and therefore missing from the IDBR. However, SA returns need only be submitted by January 31 of the tax year following the subject tax year. The database of SA returns is not considered fully up to date for another 6 months. As such it is important to note that the sample is representative of the population as it was (at best) 15 months previously.

The sample frames have information about industry attached to each record which was used to ensure that the selected sample best matched the definition of Agents. The IDBR sample was restricted to those establishments with Standard Industrial Classification (SIC) codes:

* 69201 Accounting, and auditing activities
* 69202 Bookkeeping activities
* 69203 Tax consultancy

The SA sample was restricted to those sole traders or partnerships with either:

* an SA trade code of either 6201 (chartered or incorporated accountants) or 6615 (auditors, bookkeepers, financial advisers and other accountants)
* an SA Business Description which related to being a Tax Agent (according to an agreed list of keywords see Appendix 3 for the list of keywords)

Even though industry sector was controlled for in the sample selection, there remained a risk that selected sample did not actually qualify for the survey. For instance, the information may have been incorrect or the SA database out of date due to the lag time. A screening question was included at the beginning of the survey to ensure that those interviewed currently meet the definition of an agent. The question asked each respondent if they are “a paid tax agent who personally deals with HMRC on behalf of clients?”.

To minimise overlap between the 2 sample frames, the sample drawn from the SA database was restricted to those that reported a turnover under the VAT threshold. This restriction minimised the chance that agents were also listed on the IDBR. Nevertheless, there was still a risk that some agents could appear on both IDBR and the SA database so there were questions included in the study to gauge the overlap and estimate the joint sampling probability for cases present in both sample frames. Variations in sampling probability were accounted for at the weighting stage.

One important consideration that had to be made for sample selected from the SA database is that some people have some self-employment income but do not fit an intuitive definition of a business. HMRC decided that a threshold of turnover was required to ensure that agents are still active, and that the income came from an active business (as self-employment income can come from a variety of sources). It was therefore decided that only agents with a turnover of more than £1 would be included.

## Sample design

Agents were sampled and surveyed at the Enterprise level. A group of legal units under common ownership is called an Enterprise Group. An Enterprise can be defined as the smallest combination of legal units (generally based on VAT and or PAYE records) that is an organisational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. An Enterprise carries out one or more activities at one or more locations. An Enterprise may be a sole legal unit.

A local unit is an enterprise or part thereof (e.g. a workshop, factory, warehouse, office, mine or depot) situated in a geographically identified place. Sampling at the Enterprise level was carried out for 2 reasons: firstly, to be consistent with the annual Agents survey (part of the annual [Individual, Small Business and Agent Survey](https://www.gov.uk/government/publications/hmrc-individuals-small-businesses-and-agents-customer-survey-2021)) and secondly, because those entrusting their tax affairs to an agent are entrusting them to an enterprise, not to a specific site within that entity.

The sample was probability designed and weighted to eradicate design bias and non-response bias.

The target for the overall sample size for this study was 1,000. Kantar Public used population counts from the Office for National Statistics (ONS) Inter Departmental Business Register (IDBR) and the HMRC Self-Assessment (SA) database to inform the sample design. The sample design included some deliberate disproportionate sampling by size band to boost the number of interviews conducted with larger agents. If this was not done, the micro-agents would dominate the samples, preventing inferences about the larger but less numerous agents that may well have different experiences and perceptions of HMRC. However, it should be noted that the need to maximise these sub-groups had to be balanced with the need to weight the sample back to be representative of the population. The more weighting is required, the less robust the survey estimates will be (the wider the confidence intervals are).

Larger agents (sampled from IDBR and with more than 10 employees) were over-sampled to allow for standalone analysis, and smaller Agents (from the HMRC SA database with a turnover of £1 to £30,000) were under-sampled. The impact of this disproportionate sampling was taken into account when designing the study.

### Opt out

An opt-out stage was included for agents sourced from both the IDBR and SA databases. This involved sending a letter to all selected respondents and inviting them to either call a free phone number, write or email if they did not want to take part in the survey. Any agent based in Wales was sent a letter with the text in both English and Welsh.

At least one week was allowed between mail out of the letter and the start of fieldwork.

Four percent of agents opted out of the research following receipt of the letter.

### Sample stratification

The IDBR sample was sorted by industry sector code ([Standard Industrial Classification of Economic Activities](https://www.gov.uk/government/publications/standard-industrial-classification-of-economic-activities-sic) SIC2007 classification). This ensured that the selected sample was representative of the population in terms of industry sector.

A systematic sample was drawn within the following cells:

* 0 employees
* 1 to 9 employees
* 10 to 49 employees
* 50 or more employees

The SA records were sorted by region and, within region, sorted by income from sole trading and or partnership activity, and then a systematic sample was drawn within the following cells:

* partnership £1 to less than £10k turnover
* partnership £10k to less than £30k turnover
* partnership £30k to less than £85k (VAT threshold turnover)
* sole trader £1 to less than £10k turnover
* sole trader £10k to less than £30k turnover
* sole trader £30k to less than £85k (VAT threshold turnover)

The sample was selected with the aim of achieving approximately 50% of interviews with IDBR sample, and approximately 50% with SA sample.

### Respondent selection

Interviewers were asked to speak to an owner, director or partner at the business. The objective was to find the most informed person to reflect the views of the agency. Random selection of the respondent is only appropriate when the target population is 'agency Individuals' rather than 'Agents'. Consequently, interviewers were allowed to accept deputies if there was no chance of speaking to the first-choice contact.

### Eligibility

As previously mentioned, at the start of the interview with the sampled person, there was a series of questions to establish eligibility as an agent (professional financial agent who personally deals with HMRC on behalf of clients).

### Sample productivity

The sample did not (for the most part) include telephone numbers so a look up process was undertaken. Table 3 shows the number of sample records obtained for the survey and the rates of number lookup success.

Table 3 Sample order and number lookup rates

| Sample | Initial selection | % valid numbers after lookup |
| --- | --- | --- |
| SA Partnership £1 to less than £10k turnover | 111 | 89% |
| SA Partnership £10k to less than £30k turnover | 74 | 86% |
| SA Partnership £30k to less than VAT threshold | 213 | 90% |
| SA Sole Trader £1 to less than £10k turnover | 2,933 | 84% |
| SA Sole Trader £10k to less than £30k turnover | 1,701 | 87% |
| SA Sole Trader £30k or more turnover | 998 | 92% |
| IDBR 0 employees | 468 | 45% |
| IDBR 1 to 9 employees | 9,584 | 43% |
| IDBR 10 to 49 employees | 1,135 | 78% |
| IDBR 50 or more employees | 312 | 90% |
| Total | 17,535 | 61% |

The number of sample records issued for fieldwork, and conversion to interview is given in Table 4.

Table 4 Sample conversion rates

| Sample | Issued for fieldwork | Interview conversion | Interviews achieved |
| --- | --- | --- | --- |
| SA Partnership £30k to less than VAT threshold | 24 | 13% | 3 |
| SA Sole Trader £30k to less than VAT threshold | 23 | 4% | 1 |
| SA Partnership £1 to less than £10k turnover | 49 | 14% | 7 |
| SA Sole Trader £1 to less than £10k turnover | 1,118 | 10% | 108 |
| SA Partnership £10k to less than £30k turnover | 664 | 13% | 88 |
| SA Sole Trader £10k to less than £30k turnover | 480 | 13% | 64 |
| IDBR 0 employees | 81 | 20% | 16 |
| IDBR 1 to 9 employees | 2,212 | 18% | 408 |
| IDBR 10 to 49 employees | 867 | 17% | 151 |
| IDBR 50 or more employees | 272 | 10% | 27 |
| Total | 5,790 | 15% | 873 |

## Response rate

Kantar estimates response rates based on the [American Association for Public Opinion Research (AAPOR) codes](https://www.aapor.org/Education-Resources/For-Researchers/Poll-Survey-FAQ/Response-Rates-An-Overview.aspx). Estimated eligibility is calculated using guidance from AAPOR. The eligibility rate is calculated using the known eligibility amongst cases with a final outcome and applying that to cases without a final outcome to estimate overall eligibility.

Table 5 shows the top level fieldwork outcomes and response rate calculations. A low response rate is one factor that increases the risk of non-response bias. Non-response bias is where a sample is systematically different from the target population, potentially resulting in biased estimates.

Table 5 Response rate: interviews

| Outcome | Totals |
| --- | --- |
| Total sample issued | 5,790 |
| I = Complete Interviews | 873 |
| R = Refusal and break off | 1452 |
| NE = Ineligible or non-working numbers | 260 |
| U= Unknown eligibility | 1430 |
| e = estimated eligibility | 53% |
| Response Rate: ( I / I + R + (e(U)) ) | 28% |

## Weighting approach

The weighting approach comprised 2 steps. The first step was the calculation of a design weight based on the estimated sampling probability. The design weight was applied to the dataset, and in the second step the weighted data was calibrated so that it was representative of the population being sampled.

### Estimation of the population

As previously mentioned, the sample for the Agents customer survey was sourced from 2 databases:

* enterprises listed in the IDBR
* sole traders or partnerships listed in the HMRC Self-Assessment database

The population counts used for the weighting were sourced from these two databases. However, some of the businesses sampled from the databases are no longer operating as agents and the population counts need to be adjusted to account for this. In addition, although some restrictions were placed on the HMRC sample to reduce overlap between the two sample frames, there will still be some agents that are present on both databases. The degree of sample frame overlap - and thereby the total population distribution - was estimated using the annual Agents Survey from the [Individuals, Small Business and Agent (ISBA) Survey 2021](https://www.gov.uk/government/publications/hmrc-individuals-small-businesses-and-agents-customer-survey-2021).

The ISBA Agents Survey estimates were used to gauge overlap and ineligibility as the survey has a larger sample size than the Agents Digital Services survey and so can provide more precise estimates. The sampling and weighting approach of the Agents Digital Services Survey closely followed the approach developed on the ISBA Agents Survey.

The populations counts from ISBA 2021 for the two databases from which the samples were drawn are shown in Table 6. A blank cell is where the criteria did not apply to that sample group.

Table 6 Sample group populations ISBA 2021

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sample group | SIC code 69201 | SIC code 69202 | SIC code 69203 | Total |
| SA Partnership £1 to less than £10k turnover |  |  |  | 461 |
| SA Partnership £10k to less than £30k turnover |  |  |  | 730 |
| SA Partnership £30k or more turnover |  |  |  | 1,293 |
| SA Sole Trader £1 to less than £10k turnover |  |  |  | 19,832 |
| SA Sole Trader £10k to less than £30k turnover |  |  |  | 17,727 |
| SA Sole Trader £30k or more turnover |  |  |  | 9,228 |
| IDBR 0 employees | 1,695 | 219 | 61 | 1,975 |
| IDBR 1 to 9 employees | 28,266 | 6,369 | 1,509 | 36,144 |
| IDBR 10 to 49 employees | 2,735 | 297 | 91 | 3,123 |
| IDBR 50 or more employees | 314 | 172 | 11 | 497 |

Although the restrictions placed on the HMRC sample will have reduced overlap between the 2 sample frames, it is expected to still be a factor. The degree of sample frame overlap, and thereby the total population distribution, was estimated from the data.

This was estimated in the ISBA 2021 Agents Survey by adjusting the sample group population to reflect the observed survey eligibility rate. To be eligible, a sampled case had to be a professional financial agent who personally deals with HMRC on behalf of clients. The survey eligibility rate was used to adjust the population totals (Table 7).

Table 7 Observed survey eligibility rates in ISBA 2021

|  |  |
| --- | --- |
| Sample group | % Eligible |
| SA Partnership £1 to less than £10k turnover | 92% |
| SA Partnership £10k to less than £30k turnover | 88% |
| SA Partnership £30k or more turnover | 93% |
| SA Sole Trader £1 to less than £10k turnover | 83% |
| SA Sole Trader £10k to less than £30k turnover | 90% |
| SA Sole Trader £30k or more turnover | 89% |
| IDBR 0 employees | 94% |
| IDBR 1 to 9 employees | 93% |
| IDBR 10 to 49 employees | 96% |
| IDBR 50 or more employees | 92% |

The sample group population figures were adjusted to reflect these eligibility rates. The reason for correcting the population figures is that the data collected for the HMRC SA or IDBR database may now be out of date. Table 8 shows the survey-eligible population estimates. A blank cell is where the criteria did not apply to that sample group.

Table 8 Estimated survey eligible population

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sample Group | SIC code 69201 | SIC code 69202 | SIC code 69203 | Total |
| SA Partnership £1 to less than £10k turnover |  |  |  | 426 |
| SA Partnership £10k to less than £30k turnover |  |  |  | 644 |
| SA Partnership £30k or more turnover |  |  |  | 1,201 |
| SA Sole Trader £1 to less than £10k turnover |  |  |  | 16,533 |
| SA Sole Trader £10k to less than £30k turnover |  |  |  | 16,000 |
| SA Sole Trader £30k or more turnover |  |  |  | 8,246 |
| IDBR 0 employees | 1,591 | 206 | 57 | 1,854 |
| IDBR 1 to 9 employees | 26,398 | 5,948 | 1,409 | 33,755 |
| IDBR 10 to 49 employees | 2,613 | 284 | 87 | 2,984 |
| IDBR 50 or more employees | 290 | 159 | 10 | 458 |

The sample frame overlap was estimated in the ISBA 2021 Agents survey by asking survey respondents sampled from the HMRC database whether the enterprise was registered for VAT or had a PAYE system. Either of these conditions would place the enterprise in the current IDBR.

From this, the proportion of sole traders and partnerships also in the IDBR was estimated, leading to a total overlap estimate (Table 9). A blank cell is where the criteria did not apply to that sample group.

Table 9 Estimated overlap between SA and IDBR

|  |  |
| --- | --- |
| Sample group | % |
| SA Partnership £1 to less than £10k turnover | 25% |
| SA Partnership £10k to less than £30k turnover | 28% |
| SA Partnership £30k or more turnover | 30% |
| SA Sole Trader £1 to less than £10k turnover | 17% |
| SA Sole Trader £10k to less than £30k turnover | 13% |
| SA Sole Trader £30k or more turnover | 38% |

It should be noted that very few interviews are achieved with SA Partnerships at each wave of the survey. To make the Partnership overlap estimates more robust we have pooled together the data from the 2017, 2018, 2019, 2020 and 2021 surveys.

The final population estimates, removing SA cases which are likely to also be in the IDBR are shown in Table 10. A blank cell is where the criteria did not apply to that sample group.

Table 10 Estimated survey population distribution

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | SIC code 69201 | SIC code 69202 | SIC code 69203 |  |
| SA Partnership £1 to less than £10k turnover (not on IDBR) |  |  |  | 319 |
| SA Partnership £10k to less than £30k turnover (not on IDBR) |  |  |  | 466 |
| SA Partnership £30k or more turnover (not on IDBR) |  |  |  | 844 |
| SA Sole Trader £1 to less than £10k turnover (not on IDBR) |  |  |  | 13,754 |
| SA Sole Trader £10k to less than £30k turnover (not on IDBR) |  |  |  | 13,955 |
| SA Sole Trader £30k or more turnover (not on IDBR) |  |  |  | 5,103 |
| IDBR 0 employees | 1,591 | 206 | 57 | 1,854 |
| IDBR 1 to 9 employees | 26,398 | 5,948 | 1,409 | 33,755 |
| IDBR 10 to 49 employees | 2,613 | 284 | 87 | 2,984 |
| IDBR 50 or more employees | 290 | 159 | 10 | 458 |

For the purposes of weighting, the estimated population has been recoded into the following 2 variables (Table 11).

Table 11 Estimated population distribution used in the weighting

|  |  |  |
| --- | --- | --- |
| Sample group | N | % |
| Number of employees |  |  |
| IDBR 0 employees | 1,854 | 2.5% |
| IDBR 1 to 9 employees | 33,755 | 45.9% |
| IDBR 10 or more employees | 3,442 | 4.7% |
| Partnership (not on IDBR) | 1,629 | 2.2% |
| Sole Trader (not on IDBR) | 32,812 | 44.6% |
| Industry sector |  |  |
| IDBR SIC 69201 | 30,892 | 42.0% |
| IDBR SIC 69202 or 69203 | 8,160 | 11.1% |
| Not on IDBR | 34,441 | 46.9% |

### Calculation of the design weight

An estimated sampling probability was computed for each case:

p(HMRC) + p(IDBR)

Where:

* p(HMRC) = probability of being sampled from the HMRC database
* p(IDBR) = probability of being sampled from the IDBR

Both p(HMRC) and p(IDBR) were calculated as the product of 2 separate components for each stratum:

* proportion of sample group population that was sampled
* proportion of usable sampled cases

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

All cases had a sampling probability for the database from which they were originally selected. Cases which were identified in the survey as also being on the other database were assigned a sampling probability for both.

Cases selected from SA were identified as also being on IDBR if their business was registered for PAYE and or VAT.

Cases selected from IDBR were identified as also being on SA if they met all the following conditions:

* self-employed
* turnover of below the VAT threshold
* they (or their partner) paid some Class 2 National Insurance and or Income Tax through Self-Assessment

The design weight was calculated as the inverse of the estimated sampling probability (i.e. one divided by the sampling probability).

### Calculation of the final weight

The design weight was used as the input weight in a calibration matrix designed to force the respondent profile to match the population profile. Calibration is an iterative process, ending with a respondent profile that matches the population profile on several dimensions simultaneously. Two dimensions were used for agents; number of employees for IDBR sample, turnover for HMRC SA sample. These were based on the estimated survey eligible population shown in the preceding table (Table 11).

The variance of the weight produced by this calibration stage was larger than expected. Using this weight, the design effect for analysis at the overall level was estimated to be 1.48 (an effective sample size of c.590). This appears to be predominantly due to cases sampled from SA being less productive than expected. Consequently, the smallest agents are less well represented in the final sample than originally planned and this has increased the variation of the weights.

Therefore, the weight was trimmed to improve the effective sample size and the precision of the survey estimates. The weight was trimmed to be no more than 2.5 times larger or 2.5 times smaller than the median of the weight. This trimming reduced the design effect to 1.36. As shown in Table 5 – the final trimmed weighted sample margins are a reasonable match for the population margins.

As shown in Table 12, the weighted sample margins match the population margins. A mean design effect for analysis at the overall level has been estimated: 1.24. This is the mean design effect (taking into account the weighting and pre-stratification) across 5 survey variables: q3right, q3time, q3owner, q4ease and q5conf (these questions can be identified in the survey at appendix 2).

Table 12 Weighted sample profile and estimated design effect

|  |  |  |
| --- | --- | --- |
| Sample group | Estimated Population % | Final Weight % |
| Number of employees |  |  |
| IDBR 0 employees | 2.5% | 2.6% |
| IDBR 1-9 employees | 45.9% | 46.0% |
| IDBR 10+ employees | 4.7% | 7.3% |
| Partnership (not on IDBR) | 2.2% | 1.8% |
| Sole Trader (not on IDBR) | 44.6% | 42.3% |
|  |  |  |
| Industry sector |  |  |
| IDBR SIC 69201 | 42.0% | 44.8% |
| IDBR SIC 69202/69203 | 11.1% | 11.2% |
| Not on IDBR | 46.9% | 44.0% |
|  |  |  |
| Estimated design effect[[1]](#footnote-1)[1] |  | 1.36 |
| Estimated effective sample size |  | 643 |

# Appendix 1: Topic Guide (qualitative in-depth interviews)

HMRC AGENTS AND DIGITAL SERVICES

Topic Guide for agents v4

Researcher information

Research Aims

The core aim of this research is to develop an understanding of different types of agents’ business models, focusing on how they interact with HMRC’s digital services and how best HMRC can support them to meet their clients’ tax obligations. It should provide the required evidence and insight to improve the efficiency and cost effectiveness of HMRC’s support to agents and inform ongoing service development.

Specifically, the research aims to answer the following questions:

Agent/client context

1. What services do agents offer to their clients and how are these services prioritised?
2. How do agents use technology and software packages to support their clients in meeting their tax obligations? Why do they use this technology and software? What are the reasons for their use of specific software packages?
3. What do agents want to do on behalf of their clients that they don’t currently? How would this benefit them, and their clients?
4. Is there anything that agents currently do manually that they want to do digitally? What are their views on the easiest services to digitise?

Agent interactions with HMRC

1. Why do agents contact HMRC and what channels do they prefer when they do?
2. How frequently do agents engage with HMRC through online tools and services?
3. Are there any pain points when engaging with HMRC through its digital services? And how does this impact their business in terms of time and resource?
4. What are the benefits of using digital services to engage with HMRC?
5. Why do agents access HMRC digital help and support and what actions do they take afterwards?
6. How do agents stay up to date with digital advances and/or changes to tax administration or policy being delivered by HMRC?

Please note, this guide is not a script and is intended to be used flexibly, with participant responses guiding the flow of the conversation.

1. Introduction (2 minutes)

Section aim: Introduce research, reassure about confidentiality and set tone of discussion

* Thanks & Introduction: Introduce yourself and Kantar – independent research agency
* About the client: Research on behalf of HMRC
* Purpose of discussion: Explain that they have been selected to participate to discuss their experience of HMRC’s digital services
* Ethical considerations: Confidentiality and voluntary participation. If participants want to withdraw from the study, they can do so at any time, and they should contact their recruiter who will let us know to remove their data. HMRC will not know that they have taken part and their participation in the research will in no way impact their relationship with HMRC.
* Duration: Up to 60 minutes
* Incentive: £80 payment, charity donation or voucher, as a thank you for taking part in the research
* Reassurances: No right or wrong answers – we are simply asking for people’s views
* Recording: Explain we would like to record the interview as this helps us to capture accurately what is said. Ask participant for permission to record, then start recording and confirm consent
* Any questions/concerns?

2. Background and business model (10 minutes)

Section aim: to warm participants up to the discussion and gain background information on the participant, to then explore their business model and aspirations

* Participant introduction
  + Length of time as agent/age of business
  + Whether they work on their own (i.e. sole tax agent) or work for a firm/company (if they work for a firm, capture size)
  + Confirm number of clients, whether affiliated to a professional body
* Summing up their business model
  + Services provided and type of taxes they work with, complexity of services provided
  + What kind of work is their core business – probe for typical clients
  + How they prioritise services offered/types of client they work with
  + Overall how they would describe their business model
* Broadening their work
  + What they want to do on behalf of their clients that they don't currently
  + How would this benefit them and their clients?
  + Types of clients they would like to work with (that they currently do not)
  + *Aspirations to change the way they provide services (listening out for any references to digitisation)*
  + Any requests from clients they are unable to currently meet
  + The extent they look at what their competitors provide

3. Digital proficiency and Software (10 minutes)

Section aim: to explore how agents use technology and software packages to support their clients in meeting their tax obligations

* Digital proficiency
  + The extent to which they/their clients are working digitally
  + Feelings about working digitally, costs and benefits
* Role of software
  + The extent to which they use technology and software (specifically for tax/accounting purposes)– probe for security measures/concerns
  + Whether there is a preference for specific software, or whether they use different products for different duties - probe for whether they use one piece of software or more and the rationale for each used
  + Whether they have invested in software and the ease of doing so – probe for use of tax/accounting software and for customer service/management software
  + Whether they have had software training – probe for whether this has been sufficient
  + Whether they think there is enough choice of software
  + How they about switching software – probe for any concerns around transferring data, probe for ease of change
* Use of software
  + How they manage software security within their practice– probe for requirements regarding admin users; whether multi factor authentication is needed
  + Whether they require their clients to use the software too – probe for whether their software partner offers discounted rates for their clients, and if so what the impact of this has been
  + If so, how they work with clients who are unwilling to switch or lack digital competency (eg clients who prefer to use Excel spreadsheets) – probe for any impact in terms of time, cost
  + For clients who are unwilling to switch, how common this is – probe for any pattern of types of client who fall into this category
  + Where clients are using software, how this impacts their work - probe for any fears of having software reduce their clients’ need for an agent
* Use of Application Programming Interfaces (APIs)

Notes for interviewer and to read out if necessary: ‘Agents may use third party software to perform services for their clients. Application Programming Interfaces (APIs) are used to allow users to share information with HMRC, such as submitting returns, whilst remaining in their own business software’.

* + Whether they are using APIs to connect their third party software to agent specific HMRC services
  + If not, why not, what are the barriers to this
  + If so, what are the benefits for them

4. HMRC’s digital services (15 to 20 minutes)

Section aim: to understand agents’ experiences of HMRC’s digital services

Interviewer to read description of services:

* *‘*If you’re a tax agent, there are two main ways to access HMRC’s online services. The type of account you’ll use depends on the service you’re signing into.
* There’s the HMRC online services for agents account. You would use this account to access services including: Self assessment, Corporation Tax, PAYE and Construction Industry Scheme, Gambling Tax, Machine Gaming Duty, Notification of Vehicle Arrivals, VAT for any customers who are not in MTD.
* For some services you will need to use an agent services account. You would use this account to access the following services: sign up your client for MTD for VAT, manage your client’s details for MTD for VAT, manage your client’s Capital Gains Tax on UK property, register your client’s estate or register a trust as an agent.
* You may also access other services such as ATED – annualised tax on enveloped dwellings directly via gov.uk.
* Understanding of HMRC’s digital services
  + Understanding of the offer of digital services – what is available to them as agents and how to access it (listening out for understanding of the Agents Service Account versus the HMRC Online Services for Agents account)
* The extent to which they use HMRC’s digital services
  + [If they use] when they started using them and why - probe catalyst for use; whether prompted by clients
  + Specific services used and frequency of use
  + [If they do not use] why not, whether there is anything HMRC could do to encourage them
  + Confidence in dealing with HMRC’s digital services
* Whether they were aware of the separate accounts
  + What they think about using separate accounts
* Overall perceptions of HMRC’s digital services
  + Overall perceptions
  + Strengths and weaknesses (probe: why, impacts on clients/their business)
  + Anything that has impressed or disappointed them
  + Whether they use HMRC’s digital services for all their clients (probe for experience of working with digitally excluded clients)
* Whether the current systems create burdens
  + Whether some situations lead to significantly more burdens than others
  + Whether there are any pain points in using HMRC’s digital services
  + Probe for use of digital handshake/authorisation process, feelings about this
  + Probe for any difficulties with authentication/verification process
  + Probe for any difficulties logging into accounts
  + Probe for any concerns regarding client confidentiality and GDPR when logging into Government Gateway
  + How do any pain points impact the business, probe on time and resource
  + Whether need to log out of software into HMRC services makes the journey more difficult or not
* Probing for specific pain points/needs from previous research
  + If not mentioned spontaneously, prompt for:
  + P60 information available to agents digitally
  + Equal access to information that clients get through their PTA
  + Access to VAT accounts (in legacy, not only MTD)
  + Access to PAYE allocations, what the agent sees does not match what HMRC sees
  + Currently for payroll if not done electronically need a 64-8 and an FBI2
  + VAT authorisation requires potentially difficult to obtain information such as date of registration/amount of last payment required
* *Any experiences accessing HMRC digital help and support (if not already covered)*
  + *What prompted them to seek help*
  + *Extent to which their problem was resolved*
  + *What actions they took afterwards*
* Whether and how they stay up to date with HMRC’s digital advances or changes to tax administration
  + Probe sources
  + Probe for Agent Webinars, Agent Catch-up webinars, Agent toolkits, Agent Forum, Agent Update and Agent Blog
  + If aware of these sources above, are the resources providing agents with what they require in terms of information needs, or are there any gaps
  + Probe for any pain points created by changes
  + What the ideal notice period would be for any changes HMRC wants to introduce
* Expanding digital capabilities
  + Anything they currently do manually but would like to do digitally
  + Views on the easiest services to digitise
  + The extent to which their clients want them to work digitally (probe for whether demand differs by subgroups of clients)
  + Any requests from clients they are unable to currently meet

5. Interactions with HMRC (5 to 10 minutes)

Section aim: to explore their experiences of interacting with HMRC.

* Interaction(s) with HMRC
  + How they typically interact with HMRC on behalf of their clients and how frequently
  + Types of interactions – probe: whether their interactions consist of mainly day-to-day bookkeeping/tax or whether they spend time appealing bills/submitting or addressing HMRC queries etc
* Contacting HMRC
  + Frequency of contact and why
  + Current preferred channels and why
  + Experience of using multiple channels (eg if switching from online to phone, how they feel about this)
  + Their ideal channels and process for contact and why
  + Who HMRC could learn from in providing a good contact experience - probe for other organisations where contact runs smoothly
* Attitudes towards HMRC
  + Perceptions of HMRC
  + Feelings about dealing with HMRC
  + Any recent changes HMRC have made and how they found them (probe for challenges, frustrations and improvements)
* Making Tax Digital (MTD)
  + Any impact of MTD on the work they do
  + Clients’ response to MTD – probe whether they have any exempt clients and what they need to do for them, how this could be improved
  + Impact of MTD on software use – probe for whether they have adapted to clients’ packages or insisted clients use the same package (if not covered in Software section)
  + Perceived costs of moving to MTD – financial costs, other costs
  + Whether they believe that MTD will influence compliance/noncompliance

6. Suggestions for HMRC (5 minutes)

Section aim: to capture suggestions for HMRC

* Suggestions for HMRC
  + Any changes HMRC can make to their digital services
  + What potential changes by HMRC would make their work more efficient
  + Authorisation for agents – any suggestions for improvement
  + The extent to which HMRC are delivering the digital services that agents want
* Review list of potential services
  + ‘A single portal to access HMRC services’
  + ‘A single agent credential for the business’
  + ‘Granular permissions’ (so that some people act as access management and can see everything)
  + ‘A client list’ (provided by HMRC within the single portal)
  + ‘Ability for more than one agent to represent a client for one head of duty within the service’
  + Interest and relevance of these

7. Close (3 minutes)

Section aim: to capture any final thoughts and wrap up the discussion

* Any final thoughts for us to share with HMRC
* Explain incentive process (£80). Check email address
* Thank and close. Ask if happy to be recontacted if we wish to clarify any points.

# Appendix 2: Questionnaire (Telephone Survey)

40322652 Agents Digital Services Questionnaire

1. Introduction

Good morning/afternoon/evening, my name is … and I am calling from Kantar Public, the independent social research organisation. We specialise in conducting research for government and other public sector organisations.

Please could I confirm if I am speaking to [NAME OF BUSINESS]

If yes, continue

If no, check and end call

Please could I speak to the owner or one of the directors or partners of this business?

FOR GATEKEEPER: We wrote to your business recently informing you we would be calling to carry out a voluntary survey on behalf of HMRC.

[ONCE SPEAKING TO RESPONDENT]

We are carrying out a voluntary survey for HM Revenue and Customs to understand how different types of agents interact with HMRC digital services and how best HMRC can support agents to meet their clients’ tax obligations. The findings from this survey will help HMRC improve its digital services for agents.

This interview will be conducted in accordance with the MRS Code of Conduct and will be recorded and monitored for quality and training purposes in line with the Data Protection Act 2018 and our Privacy Policy (IF ASKED: which can be found at kantar.com/uki/surveys.) Only Kantar Public will have access to the recording.

The interview length depends on your answers but on average lasts 20 minutes, your answers will remain confidential, and you have a right to withdraw at any time. HMRC will not be able to identify any individual from their answers.

IF NECESSARY IF PARTICIPANT MENTIONS Making Tax Digital (MTD) RESEARCH:

Some participants may mention they have recently taken part in HMRC research on Making Tax Digital recently. This is a different survey which gauged agents’ awareness of the up coming extension of MTD to income tax self-assessment (ITSA) and assessed their willingness to prepare their clients for this change. In this survey we are aiming to understand experiences and usage of HMRC’s digital services more broadly and specific pain points experienced.

Your assistance would be much appreciated, can we go ahead now?

IF NECESSARY: I would like to talk to one of the partners who is responsible for dealing with HMRC on behalf of clients

IF NECESSARY: HMRC are in the process of transforming tax administration to make it more effective and resilient. This includes digital services for agents.

IF ASKED:If respondent asks how their contact details have been obtained, IF IDBR Sample: Your contact details have been randomly selected from a database of all businesses held by the Office of National Statistics. ; IF SA Sample: Your contact details have been randomly selected from HMRC records of businesses using self-assessment.

* Continue
* Send email

2. Screener questions

To start with we would like to ask you some questions about your business

ASK ALL

Q1proagent:

Can I just check that you are a paid tax agent who personally deals with HMRC on behalf of clients?

NOTE – this includes accountant, tax advisor, payroll agency, book-keeper, or auditor etc.

IF NO/DON'T KNOW, ASK TO SPEAK TO SOMEONE WITHIN THE ORGANISATION WHO IS – RETURN TO CONTACT STAGE. ALTERNATIVE INTERVIEWEE SHOULD BE PART OF SAME ORGANISATION

1. Yes
2. No [ROUTE BACK TO INTRO]
3. Don’t know [ROUTE BACK TO INTRO]

Q1dumsamp

Dummy sample type

1. IDBR
2. SA

ASK ALL

Q1selfe

Are you self-employed?

Single coded

1. Yes
2. No [IF SA SAMPLE SCREEN OUT]
3. Don't know [IF SA SAMPLE SCREEN OUT]

ASK IF Q1Selfe=1

Q1PART

Do you run your business with a partner or partners, or do you just run it yourself?

1. Run with partner(s)
2. Run alone
3. Don't know

ASK ALL

Q7numemp

Can you tell me roughly how many people there are employed in the organisation as a whole in the UK besides yourself?

Single coded

1. 0
2. 1-4
3. 5-9
4. 10-19
5. 20-49
6. 50-99
7. 100-249
8. 250 or over
9. Don't know
10. Refused

ASK ALL

Q7org

Are you a member of a professional body?

Single coded

1. Yes
2. No
3. Don't know - DO NOT READ OUT
4. Refused - DO NOT READ OUT

ASK ALL

QLIFECYCLE\_STAGE

Which of the following best describes your business plans?

READ OUT

Single coded

1. I/We have ambitions to grow or to diversify services
2. I/We plan to maintain current business activities for at least the next 5 years
3. I/We plan to wind down the business activities within the next 5 years

3. HMRC online services use and experience

We would now like to ask you some questions on the type of tasks you complete on behalf of clients and how you carry these out, as well as your attitudes towards HMRC’s digital services for agents.

ASK ALL

Q4ease

Over the last 12 months how easy or difficult have you found it to deal with tax issues on behalf of your clients? Please answer on a scale of 1 to 5, where 5 is very easy, and 1 is very difficult.

Single coded

1. 1- very difficult
2. 2
3. 3
4. 4
5. 5 - very easy
6. Don't know
7. Not applicable

ASK ALL

QUSEASA

Do you use the HMRC Agent Services Account? You would use this account to access the following services: signing up your clients for MTD for VAT and managing your clients’ details for MTD for VAT, managing clients’ Capital Gains Tax on UK property, registering a client’s estates or registering a trust as an agent.

Single code

1. Yes
2. No
3. Don’t Know

ASK ALL

QUSEOSAA

And do you use the HMRC online services for agents account? You would use this account to access services including: Self assessment, Corporation Tax, PAYE and Construction Industry Scheme, Gambling Tax, Machine Gaming Duty, Notification of Vehicle Arrivals and VAT for any customers who are not in MTD.

Single code

1. Yes
2. No
3. Don’t Know

ASK ALL

QNOACCOUNTUSE

In order to have better visibility of client data some agents log on to their clients’ government gateway accounts. Is this something you ever do?

Singlecode

1. Yes, I frequently do this
2. Yes, I occasionally do this
3. No, I never do this
4. [READ ALOUD] Prefer not to answer
5. [DO NOT REAL ALOUD] Don’t know

ASK All

QBENDIGI

HMRC’s digital services include the agent online accounts (ASA and OSAA), HMRC support on gov.uk, the HMRC webchat, HMRC digital learning products and communications from HMRC through other online channels.

What are the benefits, if any, for *your business* of using HMRC’s digital services?

DO NOT READ OUT ANSWER CODES – CODE RESPONSE

Multicode

1. Saves time when completing returns
2. Saves resource when completing returns
3. Can access more information through the online accounts
4. Provide useful information about HMRC processes / requirements
5. Easier to find information online
6. Reduces risk of error
7. Clear when submissions have been made
8. Better than services HMRC has provided previously
9. Client and agent can see the same information
10. Client data can be accessed by more than one user
11. Improved data security (minimises risks to security of client records)
12. Other (please specify)
13. None
14. Don’t Know

ASK ALL

QLIMDIGI

And what are the drawbacks, if any, for *your business, of* using HMRC’s digital services?

IF NECESSARY: HMRC’s digital services include the agent online accounts (ASA and OSAA), HMRC support on gov.uk, the HMRC webchat, HMRC digital learning products and communications from HMRC through other online channels.

DO NOT READ OUT ANSWER CODES – CODE RESPONSE

1. Takes time to learn new software
2. Processes are now more time-consuming than when using previous systems
3. Technical glitches (problems with processing or submitting data)
4. Cost of acquiring software
5. Challenging to find answers to detailed queries
6. Difficult to know which key words/ phrases to use to find relevant information
7. Difficulties with webchat (e.g. impersonal, understaffed, slow to get responses)
8. Clients’ lack of digital capability
9. Two separate services
10. Getting client authorisation codes
11. Getting client authorisation through email
12. Risk to security of clients’ data
13. Technical difficulties in set up
14. Lack of visibility on client information
15. Lack of visibility on PAYE allocations
16. Lack of visibility on VAT
17. Other (please specify)
18. Don’t know

ASK ALL

QBENCLIENTS

And thinking about clients’ use of digital software …. what are the benefits, if any, for *them*?

DO NOT READ OUT ANSWER CODES – CODE RESPONSE

Multicode

1. Enabling them to see the bigger picture of business finances
2. Enables them to see their finances in real time
3. Reducing the agent fee by automating processes
4. Reduces the risk of error
5. Clear when submissions have been made
6. Improved record keeping
7. Other (please specify)
8. None
9. Don’t know

ASK ALL

Qchange

In the last 12 months, would you say that HMRC’s digital services for agents have…?

IF NECESSARY*:* HMRC’s digital services include the agent online accounts (ASA and OSAA), HMRC support on gov.uk, the HMRC webchat, HMRC digital learning products and communications from HMRC through other online channels.

READ OUT.

Single coded.

1. Considerably improved
2. Somewhat improved
3. Not changed
4. Got somewhat worse
5. Got considerably worse
6. [DO NOT READ OUT] Don’t know

4. Experience of using HMRC digital services

We would now like to ask you about some issues you may have experienced in using HMRC’s digital services for agents over the last 12 months. For each, please can you tell me how much it is has impacted on the ease and efficiency of dealing with HMRC on behalf of your clients. Please answer on a scale of 1 to 5 where 5 means it has had a significant negative impact and 1 means that there hasn’t been any negative impact at all.

ADD IF NECESSARY: These are issues which some agents have told us they currently experience with using HMRC digital services for agents and we want to understand whether you share their views and how much these difficulties impact on you/your firm.

ASK ALL

QIssuecontact

What impact, if any, has HMRC’s primary use of post and telephone communications, rather than email had?

Please answer on a scale of 1 to 5, where 5 means it has had a significant negative impact and 1 means that there hasn’t been any negative impact at all over the past 12 months.

Single code

1. 1 – no negative impact at all
2. 2
3. 3
4. 4
5. 5 – significant negative impact
6. Don’t know

ASK IF QUSEASA =1 AND QUSEOSAA = 1

QBOTHACCOUNTS

And what impact, if any, has having two separate accounts with different login details?

Please answer on a scale of 1 to 5, where 5 means it has had a significant negative impact and 1 means that there hasn’t been any negative impact at all over the past 12 months.

IF QUERY WHICH TWO SERVICES: the Agents Services Account and Online Services for Agents Account

Single code

1. 1 – no negative impact at all
2. 2
3. 3
4. 4
5. 5 – significant negative impact
6. Don't know

ASK IF QUSEASA =1 OR QUSEOSAA = 1

QAUTHOR

And any delays in receiving and activating authorisation codes over the past 12 months?

Please answer on a scale of 1 to 5, where 5 means it has had a significant negative impact and 1 means that there hasn’t been any negative impact at all or you can say that you have not experienced any issues

Single code

1. 1 – no negative impact at all
2. 2
3. 3
4. 4
5. 5 – significant negative impact
6. Not experienced any issues
7. Don't know

ASK IF QUSEASA =1

QASASETUP

The next few questions are on issues you may or may not have experienced when using the HMRC Agent Services Account specifically.

IF NECESSARY: As a reminder this account is used to access the following services: sign up your client for Making Tax Digital (MTD) for VAT, manage your client’s details for MTD for VAT, manage your client’s Capital Gains Tax on UK property, register your client’s estate or register a trust as an agent.

Over the last 12 months, what impact, if any, has not having a single client dashboard had? A client dashboard highlights clients with upcoming or outstanding returns, debts, or new notifications.

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it has had a significant negative impact and 1 means that there hasn’t been any negative impact at all.

Single code

1. 1 – no negative impact at all
2. 2
3. 3
4. 4
5. 5 – significant negative impact
6. Don't know

ASK IF QUSEASA =1

QASAVATVIS

Over the last 12 months, what impact, if any, has being unable to see which VAT returns have been submitted and what has been paid had?

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it has had a significant negative impact and 1 means that there hasn’t been any negative impact at all

Single code

1. 1 – no negative impact at all
2. 2
3. 3
4. 4
5. 5 – significant negative impact
6. Don't know

ASK IF QUSEASA =1

QASAVATAUT

. . And what impact, if any, has there been from any issues with the VAT authorisation process?

IF NECESSARY: This could include delays in receiving authorisation codes or authorisation glitches.

Please answer on a scale of 1 to 5, where 5 means it has had a significant negative impact and 1 means that there hasn’t been any negative impact at all or you can say that you have not experienced any issues

Single code

1. 1 – no negative impact at all
2. 2
3. 3
4. 4
5. 5 – significant negative impact
6. Not experienced any issues
7. Don't know

ASK IF QUSEOSAA = 1

QOSAAPAIN

The next question is related to using the HMRC online services for agents account.

If necessary: This account is used to access services including: Self assessment, Corporation Tax, PAYE and Construction Industry Scheme, Gambling Tax, Machine Gaming Duty, Notification of Vehicle Arrivals, VAT for any customers who are not in MTD.

Over the past 12 months, have you been impacted by not being able to see and access the same information as your clients? This could include information in their business or personal tax account, information on PAYE submissions and payments and accessing P60 data digitally.

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it has had a significant negative impact and 1 means that there hasn’t been any negative impact at all. Single code

1. 1 – no negative impact at all
2. 2
3. 3
4. 4
5. 5 – significant negative impact
6. Don't know

5. Suggestions for HMRC

We would now like to gather your views on possible ways to improve HMRC’s digital services. For each improvement, please can you tell me how much it could impact on the ease and efficiency of dealing with HMRC on behalf of your clients. Please answer on a scale of 1 to 5 where 5 means it would have a significant positive impact and 1 that it would not have any positive impact at all.

IF NECESSARY: These are improvements which some agents have told us would make their dealings with HMRC easier and more efficient. (Again) we want to understand whether you share their views and how much impact these improvements would make for you/your firm.

ASK ALL

QIMPROVUPDATES

How would having faster updates to online data within HMRC online accounts impact on dealing with tax on behalf of your clients, if at all?

This could include having online account records updated more quickly such as PAYE allocations and setting up a new client for MTD for VAT.

Please answer on a scale of 1 to 5, where 5 means it would have a significant positive impact and 1 that it would not have any positive impact at all.

Single code

1. 1 – no positive impact at all
2. 2
3. 3
4. 4
5. 5 – significant positive impact
6. Don’t know

ASK ALL

QIMPROVTWOWAY

How would being able to exchange queries and information with HMRC via a secure email link impact on dealing with tax on behalf of your clients, if at all?.

This would involve being able to communicate with HMRC via email or similar two-way digital communication.

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it would have a significant positive impact and 1 that it would not have any positive impact at all.

Single code

1. 1 – no positive impact at all
2. 2
3. 3
4. 4
5. 5 – significant positive impact
6. Don’t know

ASK ALL

QIMPROVACCESS

How would having greater access to client data within HMRC online accounts impact on dealing with tax on behalf of your clients, if at all?

*If necessary:* This would involve agents having greater access to client data that clients would like you to have access to such as P60 information, greater visibility on VAT payments and communication between HMRC and clients.

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it would have a significant positive impact and 1 that it would not have any positive impact at all.

Single code

1. 1 – no positive impact at all
2. 2
3. 3
4. 4
5. 5 – significant positive impact
6. Don’t know

ASK ALL

QIMPROVPORTAL

How would having a single sign-on portal impact on dealing with tax on behalf of your clients, if at all?

This would mean not having to log on to the separate OSAA and ASA accounts to complete tasks on behalf of your clients.

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it would have a significant positive impact and 1 that it would not have any positive impact at all.

Single code

1. 1 – no positive impact at all
2. 2
3. 3
4. 4
5. 5 – significant positive impact
6. Don’t know

ASK ALL

QIMPROVDASH

How would having single client list or dashboard impact on dealing with tax on behalf of your clients, if at all?

IF NECESSARY*:* This would be on the agent services account and could highlight clients with upcoming or outstanding returns, debts, or new notifications.

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it would have a significant positive impact and 1 that it would not have any positive impact at all.

Single code

1. 1 – no positive impact at all
2. 2
3. 3
4. 4
5. 5 – significant positive impact
6. Don’t know

ASK ALL

QIMPROVUPDATE

How would having HMRC summary updates on your agent services account impact on dealing with tax on behalf of your clients, if at all?

These updates would be on your agent services account and could include information on key tax legislation changes, such as those arising from Budgets, and implications for agents and clients.

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it would have a significant positive impact and 1 that it would not have any positive impact at all.

Single code

1. 1 – no positive impact at all
2. 2
3. 3
4. 4
5. 5 – significant positive impact
6. Don’t know

ASK ONLY THOSE WITH MORE THAN 5 EMPLOYEES Q7numemp = 3-8

QIMPROVPERMISSIONS

. . Having a single agent credential for your business with adaptable permissions. This would give your business the ability to grant different levels of access to different members of staff. For example, some could access data for all client accounts and others just specific client accounts.

IF NECESSARY: Please answer on a scale of 1 to 5, where 5 means it would have a significant positive impact and 1 that it would not have any positive impact at all.

Single code

1. 1 – no positive impact at all
2. 2
3. 3
4. 4
5. 5 – significant positive impact
6. Don’t know

ASK IF SCORE THREE OR MORE IMPROVEMENTS 4-5

QIMPROVPRIORITY

Of those improvements you felt would have a big impact, which two would be the most useful to have? Would it be …

SHOW ALL RATED 4-5

READ OUT

SELECT UP TO TWO.

1. Faster updates to online data within HMRC online accounts
2. A secure email link
3. Being able to see and do what the client wants you to within HMRC online accounts
4. A single sign on portal
5. A client list or dashboard
6. HMRC updates on your agent services account
7. [Only show if Q7numemp = 3-8] single agent credential for your business with adaptable permissions.
8. Other (please specify)
9. Don’t know

6. Use of and attitudes towards digital software

We now have some questions on your use of digitial software when making sumbissions to HMRC and how your clients submit evidence to you.

ASK ALL

QEXTDIGI - Extent they are digitalised

When making filings to HMRC, agents can input figures via exports from either specialist accounting or bookkeeper software or from non-specialist spreadsheet software such as Excel.

Which of the following best describes how you making filings to HMRC?

If necessary: Examples of specialist accounting software could include Quickbooks, Xero, Sage, Cashbook, IRIS, Navision, Forbes, ABC, VT, Absolute Accounting. Avra Tax, TaxCalc, Digita, Openbook, Andica. Examples of payroll software MoneySoft and BrightPay. Receipt Capture software; Summitt and Dext.

READ OUT

Single code - Invert response codes for half the sample

1. All our filings use specialist accounting or bookkeeper software
2. Most of our filings use specialist accounting or bookkeeper software
3. Some of our filings use specialist accounting or bookkeeper software
4. None of our filings use specialist accounting or bookkeeper software

ASK IF QEXTDIGI =2,3,4

QEXPANDUSE

Do you/ your firm plan to [those using digital software: continue to] expand your use of specialist accounting or bookkeeper software to complete filings to HMRC in the next 1 or 2 years?

Single code

1. Yes
2. No
3. Don’t know

ASK ALL

QEXPCLIENTS - Expectations of their clients

And now thinking about *your clients*, which best describes how they submit their records to you? . . . .

READ OUT

IF NECESSARY: this is software specifically for accounts or tax and not Excel. Examples of specialist accounting software could include Quickbooks, Xero, Sage, Cashbook, IRIS, Navision, Forbes, ABC, VT, Absolute Accounting. Avra Tax, TaxCalc, Digita, Openbook, Andica. Examples of payroll software MoneySoft and BrightPay. Receipt Capture software; Summitt and Dext.

Single code. READ OUT

Invert response codes for half of sample

1. All of your clients use specialist accounting or bookkeeper software
2. Most of your clients use specialist accounting or bookkeeper software
3. Some of your clients use specialist accounting or bookkeeper software
4. None of your clients use specialist accounting or bookkeeper software
5. Don’t know
6. Refused

ASK ALL

QEXPCLIENTS2

And which of the following best describes your/your firm’s attitudes to clients’ use of specialist accounting or bookkeeper software? We . . .

READ OUT

Single code /invert for half of sample

1. Insist our clients use specialist accounting or bookkeeper software
2. Encourage our clients to use specialist accounting or bookkeeper software
3. Prefer our clients not to use specialist accounting or bookkeeper software unless they feel confident
4. [DO NOT READ OUT] It varies by client

7. Demographics

To finish off, just a few questions about your business. These will be used for analysis purposes only.

ASK ALL

Q7turnover

And what is your annual turnover?

Single coded

CODE TO BANDS, IF UNSURE, PROMPT WITH BROAD RANGES (E.G. MORE OR LESS THAN £500,000), BEFORE PROMPTING WITH BANDS

1. Up to £10,000
2. Over £10,000 but not more than £60,000
3. Over £60,000 but not more than £85,000
4. Over £85,000 but not more than £150,000
5. Over £150,000 but not more than £250,000
6. Over £250,000 but not more than £500,000
7. Over £500,000 but not more than £660,000
8. Over £660,000 but not more than £1million
9. Over £1million but not more than £2million
10. Over £2million but not more than £5million
11. Over £5million but not more than £10million
12. Over £10million
13. Don’t know - DO NOT READ OUT
14. Refused - DO NOT READ OUT

ASK ALL

Q7atype

Is your business …?

READ OUT

1. An accountancy firm
2. A book keeping firm
3. A payroll bureau
4. A tax advisor
5. A VAT consultant
6. Other (please specify)
7. Don’t know - DO NOT READ OUT

ASK IF SA SAMPLE Qdumsamp=2

Q7busreg

Can I just check, is your business currently registered for ...?

READ OUT

Multi coded except codes 3,4

1. VAT
2. PAYE
3. Neither of these
4. Don’t know

ASK IF SA SAMPLE OR IDBR SAMPLE AND NUMBER OF EMPLOYEE = 0-4

Q7bustax

Which of the following applies to your business…?

READ OUT

Multi coded expect codes 3,4

1. You (or your partners) have paid some Class 2 National Insurance contributions in the last 12 months (IF NECESSARY: Class 2 National Insurance contributions are made by the self-employed earning £6,025 or more per year.)
2. You (or your partners) pay Income Tax through Self Assessment
3. Neither
4. Don’t know

8. Recontact questions

ASK ALL

Q7recon

HMRC may be conducting some further research on these topics in the future. Would you be happy for someone from Kantar Public or a representative working on behalf of Kantar Public to re-contact you and invite you to participate in this research in the next 12 months?

Single coded

1. Yes
2. No

ASK ALL

Q7recon2

And would you be happy to allow Kantar Public to pass your contact details and survey responses to another research agency appointed by HMRC to re-contact you in relation to further research for HMRC in the next 12 months?

ADD IF NECESSARY: this would only be for research on behalf of HMRC

Single coded

1. Yes
2. No
3. Don’t know

Appendix 3 : Agents SA database business descriptions

|  |
| --- |
| ACCOUNTANTS AND BUSINESS ADV |
| CHARTERED CERTIFIED ACTS |
| GAUGERS AND STOCKTAKERS |
| GWEINYDDIAETH ARIANNOL |
| BOOKEEPING AND ADMIN |
| BOOKKEEPING SERVICES |
| GAUGERS & APPRAISERS |
| BOOKKEPING & ADMIN |
| YMGYNGHORWYR TRETH |
| ASIANT YSWIRIANT |
| R&D TAX PLANNING |
| CERTIFIED ACC |
| ACCT HANDLING |
| ADMIN SERVICE |
| CHARTERED ACC |
| ACCIUNTANCY |
| ACCOUNTENCY |
| ACOOUNTANCY |
| ACCCOUNTAN |
| ACCOUTANCY |
| BOOK -KEEP |
| BOOK- KEEP |
| ACCONTANT |
| ACCOOUNTA |
| ACCOUTANT |
| ACOUNTING |
| BOOK KEEP |
| BOOK KEPP |
| BOOK-KEEP |
| CYFRIFWYR |
| ACCOUNTA |
| ACCOUNTI |
| ACCOUNTS |
| ACOUNTAN |
| AUDITORS |
| ACCOUNT |
| BOOKEEP |
| BOOKK |
| FRICS |
| ACCTS |
| ACCO |

1. [1] Taking into account the impact of the weighting. [↑](#footnote-ref-1)