

Large Business Customer Survey

Full report, August 2010 (Quantitative and qualitative)

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Her Majesty's Revenue and Customs Research Report 102

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Part of BMRB Limited (British Market Research Bureau) BMRB/SM/45109008



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Executive Summary

Background and method

As part of HMRC's strategic objectives to improve customer experience of HMRC and to improve the UK business environment, large businesses are surveyed annually to measure customer satisfaction and to understand their current perceptions, concerns and priorities. The findings from this research help the department meet its agreed objectives.

In 2009, TNS-BMRB was commissioned to conduct HMRC's Large Business Customer Survey, providing an update on the customer experience compared with findings from the 2008 survey.

This report provides an overview of the results from the 1,088 telephone interviews conducted with large businesses in autumn 2009. In summary, 272 interviews were conducted with Large Business Service (LBS) customers, 243 with Large and Complex (LC) customers that have been allocated a Customer Relationship Manager (CRM) and 573 LC customers that do not have a CRM.

To complement the survey findings, 30 follow-on qualitative interviews (10 within each of the three customer groups described above) were conducted with customers who took part in the survey. *Further details of the method for both stages of the research are given in the appendix.*

Customer experience of HMRC is analysed in this report through:

- looking at areas with **high and low ratings** of service delivery, and evidence of **change** from 2008;
- **Key Driver Analysis** highlighting pressure points by identifying areas of service that influence customer ratings of overall service delivery; and
- identifying **customer priorities for improvement** mentioned during the survey interview.

Summary of results

The vast majority of all three customer groups rate the overall service received from HMRC in the past year as very or fairly good: 86% of LBS, 75% of LC with CRM and 68% of LC with no CRM. These figures reflect the overall feedback from the survey, showing that **LBS customers are generally the customer group that rate HMRC services most positively.** LBS ratings changed little from 2008, remaining largely positive, however, there are a small number of areas that could potentially be improved in order to increase customer ratings further.

LC customers with a CRM are slightly less positive about the overall service they receive compared with LBS customers, but they **are more likely to think the service has got better.** In 2009 four in ten of these customers feel the service has improved in the past year: higher than in 2008, although not a significant¹ change. Customers often cite their **Customer Relationship Manager**, appointed by HMRC to co-ordinate and manage businesses dealings with the department, as **the reason for this improvement.**

LC customers without a CRM rate HMRC least positively among large businesses, and there is **little change from 2008.** The results suggest that the introduction of a **single named point of contact could improve HMRC's ratings,** especially with regard to having a good understanding of customers' business and seeking a cooperative relationship with customers.

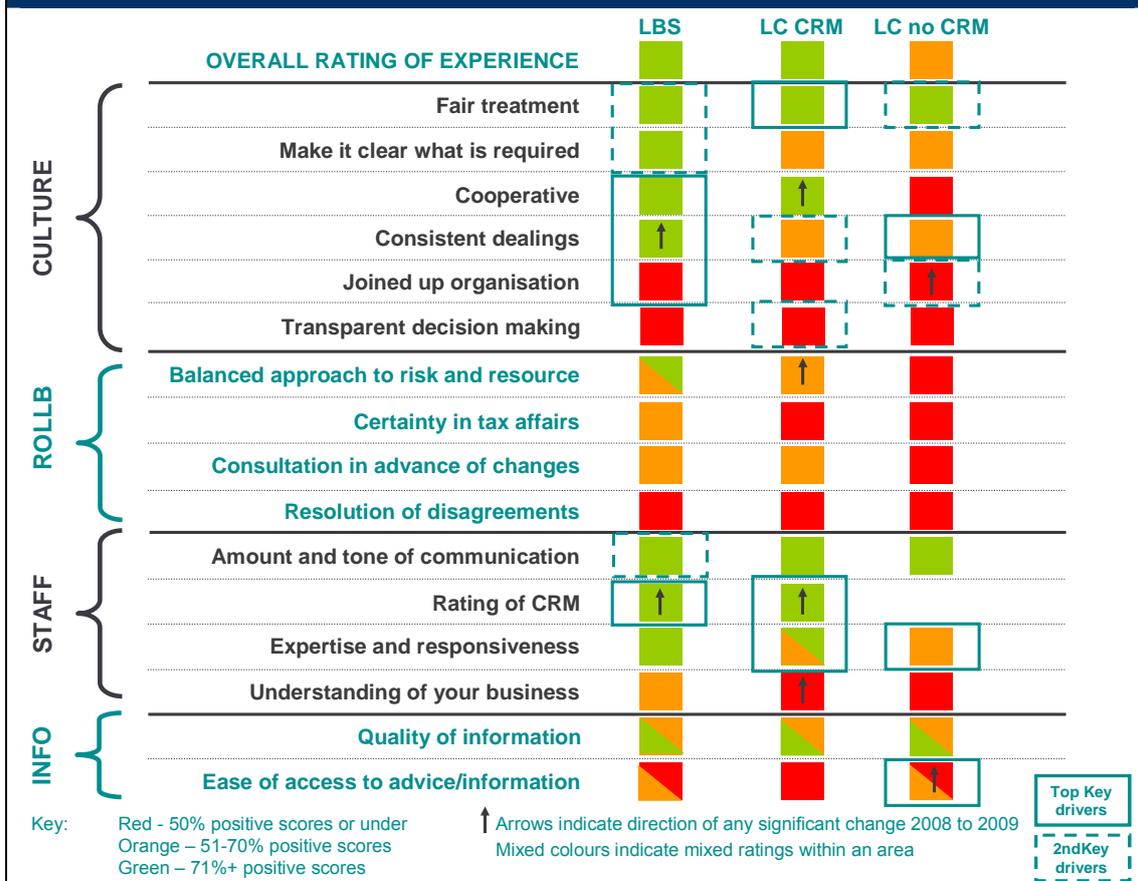
Overview of service ratings and change from 2008

In order to identify pressure points, Key Driver Analysis² was used to determine which aspects of HMRC services had the most influence on customers' overall service ratings. In chart 1 overleaf the boxes around the colours indicate the aspects of service found to be Key Drivers for how customers rate the overall service received from HMRC. The colours indicate the proportion of positive scores in 2009 with green showing that over 70% responded positively, orange that between 50% and 70% responded positively and red means that 50% or less rated the service positively. The arrows indicate significant positive changes in ratings from 2008 to 2009. (For more details, see Section 1.2).

¹ Statistically significant refers to observations that are unlikely to occur by chance and that therefore indicate a systematic cause. See Appendix A, page 52, for further detail.

² This analysis was carried out for each of the three customer groups using multiple linear regression to determine the linear relationship between one dependent variable and two or more independent variables. It produces a list of issues together with an indication of their relative importance to the respondents in terms of service rating, estimating key impact factors on overall service.

Chart 1: Overview of ratings and change over time



Note: Some themes are made up of data from more than one question so when the ratings between questions in a theme vary this is indicated by a mixed colour box.

The main findings in Chart 1 can be summarised as follows:

- **The most highly rated aspects of service by all three groups** are elements of **HMRC culture** such as being fair, clear, and consistent; and ratings of **HMRC staff** in terms of amount and tone of communication, expertise and responsiveness. **CRMs are also rated highly**, in fact, LBS customers' rating of the CRM's expertise improved in 2009 and LC customers with a CRM often cite their CRM as the reason why they feel HMRC's overall service has improved. These two customer groups also rate HMRC highly in relation to cooperativeness. **Several of these areas receiving high ratings** were identified as **key drivers of overall customer ratings** for one or more customer groups, **so it is important that HMRC maintains levels of service in these areas.**
- **The four themes covered in the Review of Links with Large Business (ROLLB) receive lower ratings than other service areas in 2009 for all customer groups.** However, while the focus of much HMRC work post 2006 centred on the four themes of certainty, resolution, risk and consultation, they are not key drivers of customer experience. Ratings between customer

- **Other areas where all three customer groups give relatively low ratings** in 2009 include **ease of access to information and advice** (albeit with some progress for LC customers with no CRM), and cultural aspects such as the service being **joined up** and the **decision making processes being transparent**. HMRC's **understanding of customer business also receives a lower rating**. Some of these areas are identified as key drivers, suggesting these may be **key pressure points** for service delivery.
- As previously seen, the results by customer group show that **the ratings of LC customers with a CRM have improved since 2008** across a range of service areas, while **LBS have maintained most of the positive ratings from 2008**. **LC customers without a CRM, however, still give relatively low ratings for most areas**. (Further details can be found in chapter 2, while scores for all rating questions are in the appendix.)

Priority areas for improvement

As explained earlier, **priority areas for improvement** are identified in this report by looking at areas with **low ratings** of service delivery, **Key Driver Analysis** and **customer priorities for improvement**³ mentioned during the survey interview.

Using this method, five key priority areas in common across all three customer groups can be identified:

- Despite at least seven in ten customers in each group agreeing that 'HMRC provides a response within an agreed timeframe', around a quarter of customers, when prompted to identify priority areas for improvement, feel that **speed of response** is a priority. Some of the follow-up interviews suggest that the issue is more one of how long it takes to respond, rather than whether agreed timeframes are met.
- Many customers feel that HMRC is not **a joined up organisation**. The qualitative follow-up interviews indicate that being joined up relates to several issues: shared communications, information and consistency of response between different parts of HMRC, and HMRC treating businesses as joined up organisations.

³ Refers to question in survey where businesses are asked to identify top three areas for improvement, if any.

- There is scope to improve **transparency of decision making**, particularly in terms of how HMRC explain its decision making processes. Transparency is seen at its best where CRMs are involved in the process, but weaker when specialists and other staff are involved.
- **Ease of access to information** is another area to improve. Given that customers identify the website, and to a lesser extent, the HMRC helpline as well as access to the right people, as priority areas for improvement, it seems likely that these feed into ease of access as well.
- **The need to better understand the businesses** is also highlighted, both in terms of the need for customer specific understanding and in terms of understanding the challenges businesses face. This was again specifically mentioned by customers when asked to identify priority areas for improvement.

Figure 1 gives an overview of the priorities identified. The writing in bold indicates key drivers of overall service ratings for that specific customer group and the red circles indicate areas raised by customers as priorities for improvement.



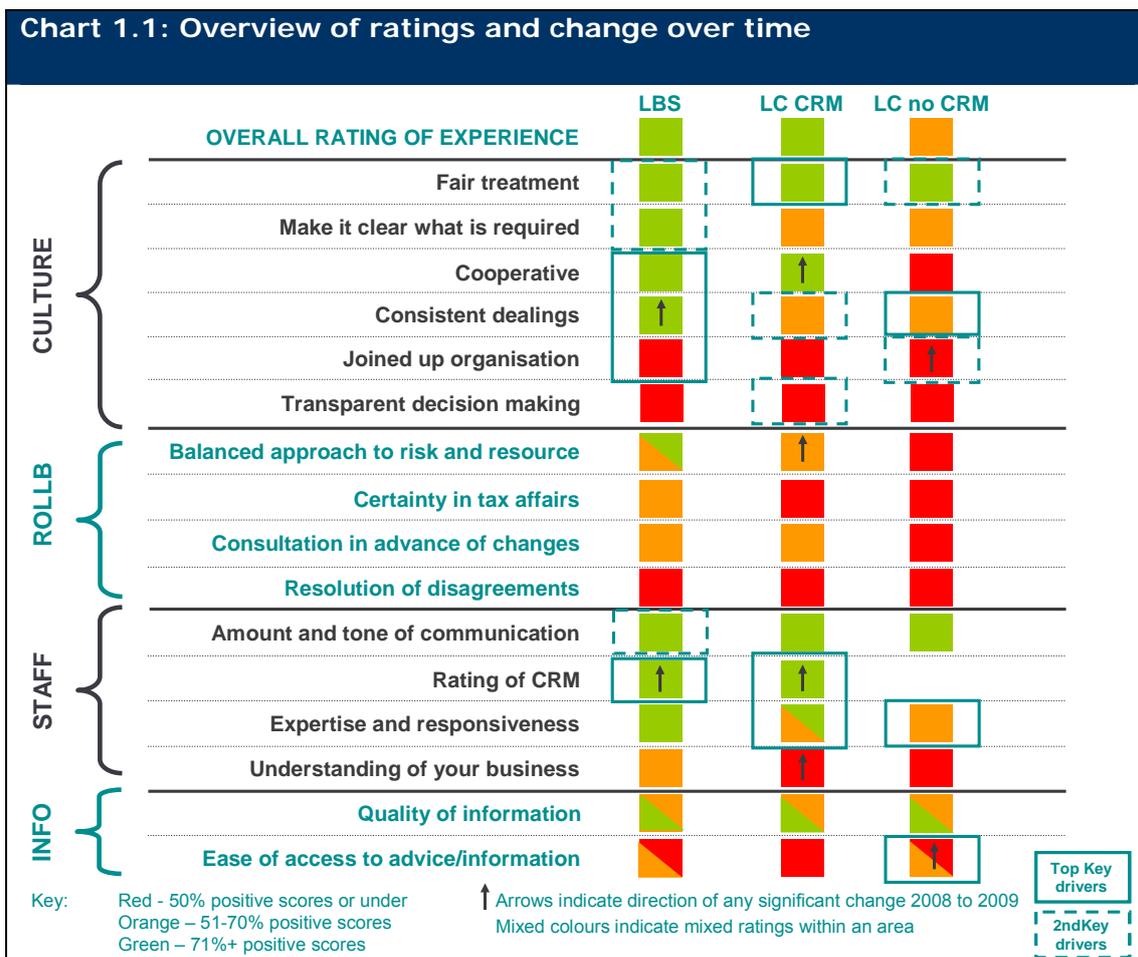
In terms of customer specific areas, it is worth singling out that a majority of LC customers without a CRM say that they would find a single named person as their first point of contact useful. Many also mentioned this when asked to suggest three areas for improvement to HMRC’s services.

A small number of new areas were covered for the first time in 2009: the administrative burden of taxes, tax avoidance, International trade and debt management. (This is explored in detail in Chapter 4).

1 Identifying areas for improvement and maintenance

1.1 Overview of service ratings and change from 2008

Chart 1.1 gives an overview for all three customer groups of scores for different aspects of customer service, as well as an indication of any significant change in positive service ratings from 2008 to 2009. The colour indicates the proportion of positive scores in 2009 (e.g. percentage saying it was very or fairly good)⁴; the arrows indicate significant change since the last survey. The boxes indicate aspects of service found to be Key Drivers of overall customer ratings (those with dashed lines are of secondary importance; see Section 1.2 for details).



Further details of key aspects (particularly lower ratings indicating a priority for improvement, or evidence of change over time) are discussed in more detail in Chapter 2, with scores for all rating questions in the appendix.

⁴ The definition for each colour was set to enable differentiation between different aspects of service and between customer groups and does not reflect HMRC targets. The colours represent the proportion of ALL customers asked each question who gave a response.

Chart 1.1 illustrates the following **overview**:

- In all three customer groups **the majority of customers rate HMRC's OVERALL service as very or fairly good. LC customers with no CRM rate the service only slightly less positively.**
- **LBS customers are most positive** about the service they receive (more green boxes), and **LC customers without a CRM least positive** (more red boxes). Ratings for LC customers with a CRM lie in between.
- The aspects of service **rated most highly** by all three groups are elements of **HMRC culture** such as being **fair, clear and consistent** and ratings of **HMRC staff** in terms of amount and tone of **communication, expertise and responsiveness. CRMs** are also rated highly. Measures within **all of these areas** have also been identified as **key drivers of overall customer ratings for one or more of the customer groups** (see Section 1.2 for more information).
- There are **lower ratings** for the four themes covered in the Review of Links with Large Businesses (**taking a balanced approach to risk and resource, providing certainty in customer tax affairs, consultation and resolution of disagreements**). These areas are not, however, key drivers of overall customer ratings.
- There are also lower ratings for **ease of access to information and advice** (albeit with some progress for LC customers with no CRM on ease of access), for aspects of culture including the service being **joined up** and the **transparency of the decision making processes**, and for HMRC's **understanding of customer businesses**, suggesting these may be **key pressure points** for service delivery. With the *exception of understanding of customer businesses*, all of these areas have been identified as **key drivers of overall customer ratings** for one or more of the customer groups (see Section 1.2 for more information).
- Compared with 2008, service ratings have **improved for LC customers with a CRM** across a range of service areas.
- For **LBS customers, most of the positive ratings from 2008 have been maintained** and there have been some improvements;
- For **LC customers without a CRM**, ratings for most areas **remain relatively low**, although there have been **small improvements in a couple of areas.**

1.2 Key driver analysis

In order to identify pressure points, Key Driver Analysis was used to determine which areas of service were driving overall service ratings. This analysis was carried out using multivariate analysis⁵ of the overall measure of service rating for each of the three customer groups. This analysis produces a list of issues together with an indication of their relative importance to the respondents in terms of service rating.

The final analysis plots importance against performance in a quadrant diagram with relative importance in driving satisfaction (from the Key Driver Analysis) on the horizontal axis and performance on the vertical axis. This plot is then divided into four with lines at the median importance and performance scores for these measures. The key area in this diagram is the quadrant to the bottom right – issues in this quadrant are those of high customer importance but low perceived performance, relative to the other issues. These should be the main focus for improvement in order to improve satisfaction levels in the future. Those in the bottom left are issues of relatively low performance, but also lower importance, and are therefore secondary issues for improvement. The top right quadrant contains issues of high importance, but also of higher performance relative to other issues and these are issues that need to be maintained in order to keep service ratings high.

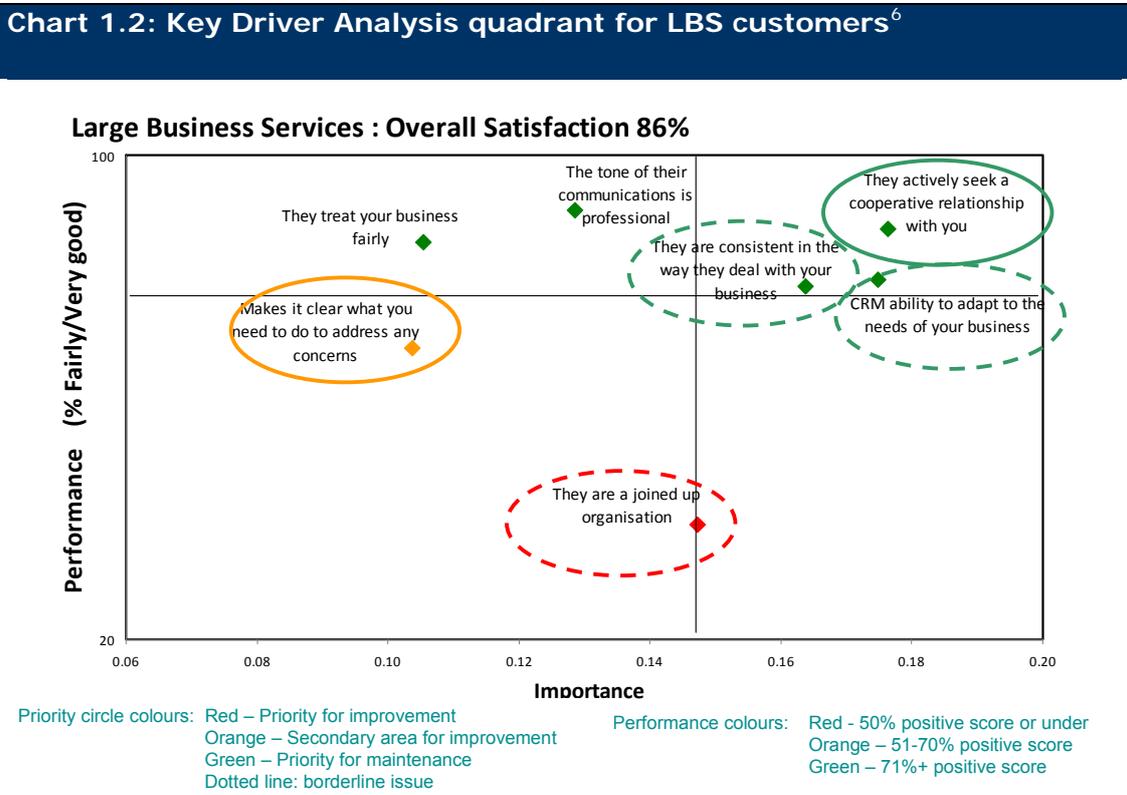
Red circles are used for the key areas for improvement (in the bottom right), amber circles for secondary areas for improvement (in the bottom left) and green circles for areas to maintain (in the top right). Dotted lines are used when issues are very close to the median performance or importance score, making the distinction between areas to improve and maintain somewhat arbitrary. The colour of each data point reflects the performance score and uses the same colour coding as used in Chart 1.1.

Details of the results are given in the sections below.

⁵ Using Multiple Linear Regression

1.2.1 LBS customers KDA

The model for LBS customers shows that there are no clear priority areas for improvement, with no issues in the bottom right of the quadrant (Chart 1.2).



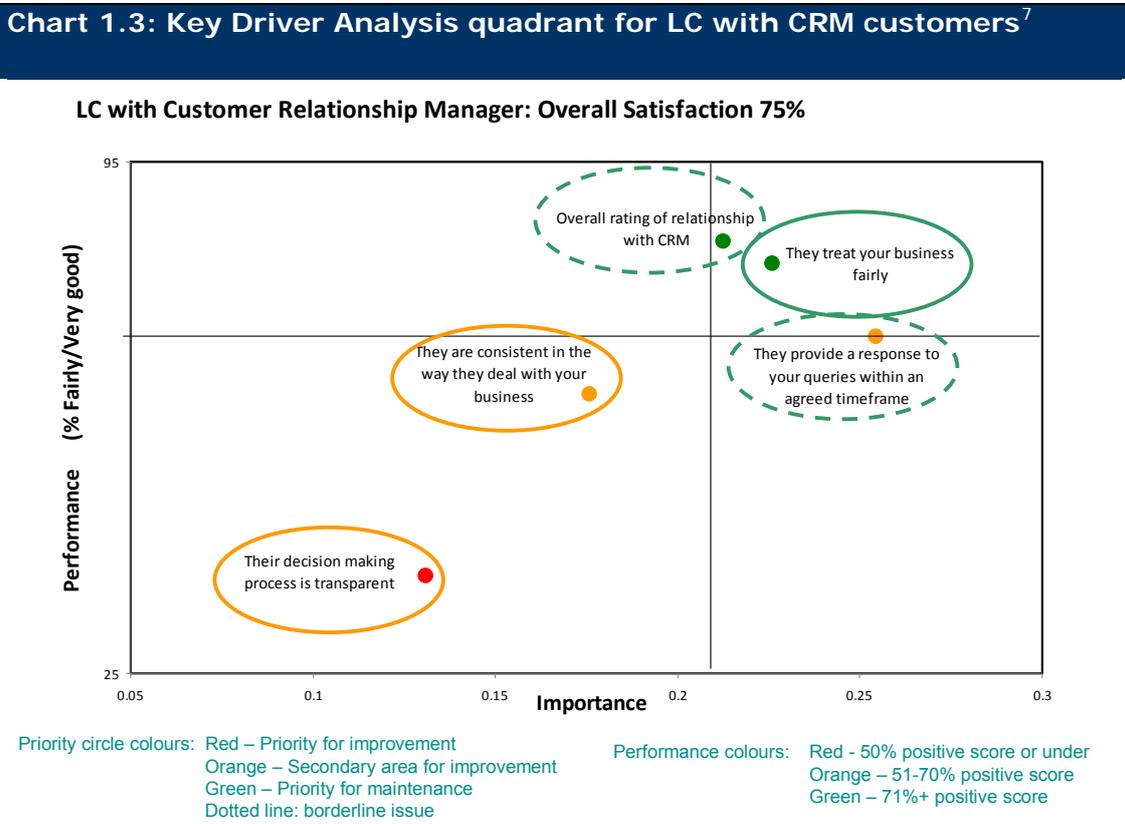
There is one issue that is a borderline priority for improvement: **being a joined up organisation** and one secondary area for improvement: **making it clear what you need to do to address any concerns**.

Most issues identified as key drivers are high performing issues, and so three areas have been identified as areas to maintain. The first of these is clearly within the top right quadrant: **actively seeking a cooperative relationship**. The remaining two are on the border of the quadrant: **CRM ability to adapt to the needs of your business** and **consistency in dealing with your business**.

⁶ Adjusted $R^2=0.48$ – this means the model explains 48% of the variance in satisfaction scores. The closer the R^2 score is to 1, the better the fit of the model. In such models we usually see scores from around 0.3 to 0.6.

1.2.2 LC customers with CRM KDA

As for LBS customers, there are no priority areas for improvement identified (Chart 1.3).



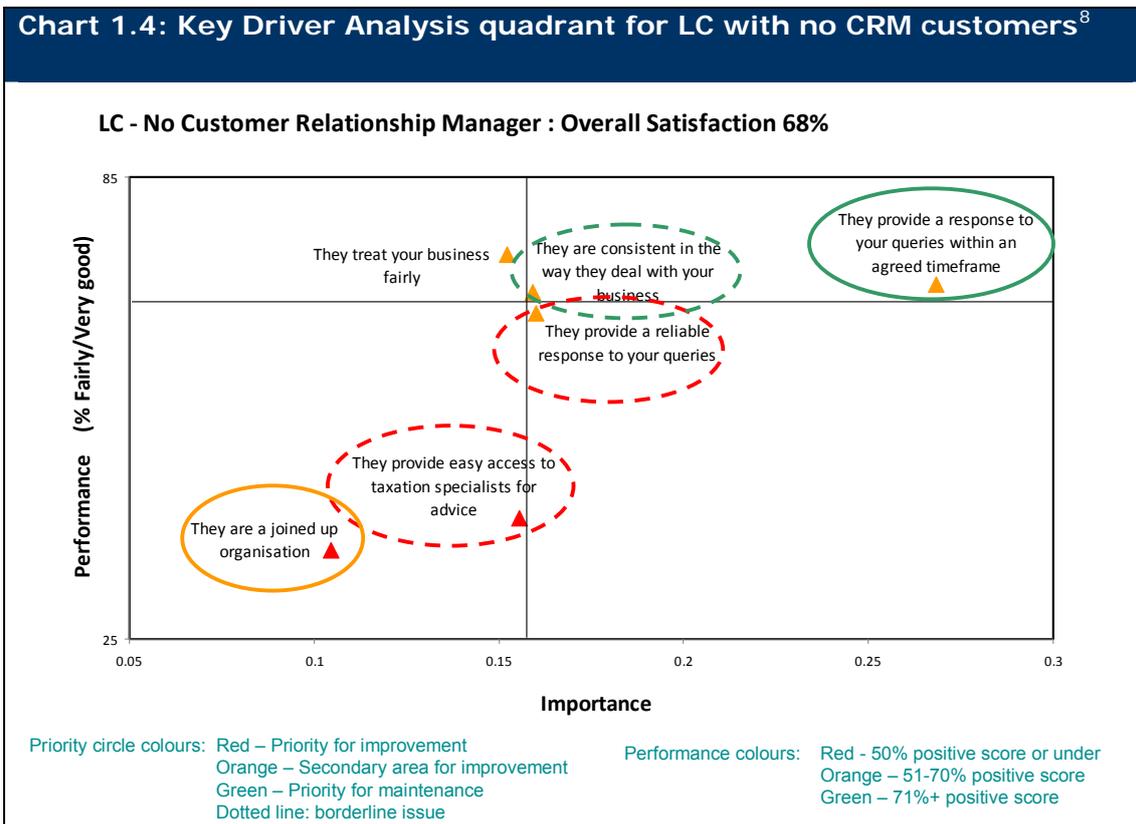
There are two secondary areas for improvement in the bottom left: The **transparency of decision making** is the area with the poorest performance rating, while **consistency of dealings** is better in terms of performance but a stronger driver of overall ratings.

There are also potential areas for maintenance, particularly **treating businesses fairly**, but also (on the borderline) **providing a response within an agreed timeframe** and overall rating of **CRM performance**.

⁷ Adjusted $R^2=0.38$ – this means the model explains 38% of the variance in satisfaction scores. The closer the R^2 score is to 1, the better the fit of the model. In such models we usually see scores from around 0.3 to 0.6.

1.2.3 LC customers without CRM KDA

As for the other customer groups there are no clear priority areas for improvement for LC customers with no CRM (Chart 1.4). Since performance ratings are generally lower for LC customers without a CRM, this means the median score is lower, and therefore even areas in the top right quadrant may have some potential for improvement.



There is one borderline area for improvement: **providing easy access to specialists for advice**, and one secondary area: **being a joined up organisation**.

There is one further area on the borderline of this quadrant, but this is an area with a relatively high performance rating: **providing a reliable response to queries**. This is strongly linked to the area for maintenance (**providing a response within an agreed timeframe**) and the two are fairly close in performance. **Consistency of dealing with your business** is a further borderline area for maintenance.

⁸ Adjusted $R^2=0.34$ – this means the model explains 34% of the variance in satisfaction scores. The closer the R^2 score is to 1, the better the model. In such models we usually see scores from around 0.3 to 0.6.

1.3 Priorities for improvement

As a further way to identify pressure points, large business customers were also asked to give their top three priorities for improvement to HMRC's service. Just under one in ten said there was nothing to improve (9% of LBS and LC customers with a CRM and 6% of LC customers without a CRM). Table 1.5 shows the priority areas for improvement, and only those areas mentioned by at least 5% of respondents in any of the customer groups are displayed. They are grouped within the themes used in Chart 1.1, with an additional theme of channels of communication. Any percentages greater than 10% are highlighted in bold.

Table 1.5: Priority areas for improvement to HMRC's service (2009)			
CUSTOMER GP	LBS	LC CRM	LC NO CRM
HMRC STAFF	%	%	%
Responsiveness - Speedy response	25	23	22
Understanding your business	15	8	12
Expertise - More knowledgeable/better trained	10	10	9
Expertise – greater accuracy	2	3	6
CRM - authority to make decisions	6	2	-
Communication - Access to correct people	8	12	19
Communication - Single point of contact	1	2	18
Communication – Increased contact	6	4	2
Communication – Easier to contact	4	2	5
CHANNELS OF CONTACT			
Improve website	17	21	21
Improve helpline	6	5	5
Contact by email	1	4	6
Improve telephone service	3	5	6
Quicker to get through by phone	1	5	4
CULTURE			
Consistency - Consistent advice	7	7	6
Making it clear - Clearer answers	4	7	6
Joined up - Better internal communication between directorates	7	7	3
ROLLB			
Risk – Better commercial understanding	6	7	3
INFORMATION AND ADVICE			
Access - Better access to information	7	9	6
N° Interviews:	272	243	573

All other priorities mentioned in the interview are listed in Table 6.1 in Appendix B. Below is further discussion of the main issues. All percentages cited are those given in Table 1.5 unless otherwise stated.

HMRC staff

Large business customers identified several priorities for improvement around dealing with staff at HMRC, particularly **speed of response**, for around a quarter (22%-25%) of all three groups. Most customers simply mentioned the need to get a more timely response to communication and questions. Specific issues cited included speed of response to general correspondence, response from specialist teams, time taken to deal with specific returns, and the time it takes to get a satisfactory response by phone, among other issues. Speed was mentioned by LC customers in the follow-up interviews particularly in relation to VAT queries.

The need to deal with someone who **understands their business** was also a priority, particularly for **LBS** customers (15%) and **LC customers with no CRM** (12%). This was often closely related to calls for better commercial understanding from HMRC. For LC customers with no CRM it was generally mentioned that there was a need to understand the challenges that businesses face, but there were also references to the need for customer specific understanding. LBS customers cited similar issues around the challenges businesses face in terms of time and resource and the need to understand all levels of the business.

Staff expertise was also mentioned by all three groups, with around one in ten (9-10%) in each group mentioning **better trained and more knowledgeable** staff. Others cited the need for **greater accuracy** of responses and advice provided, particularly LC customers without a CRM (6%). There were numerous mentions of **technical knowledge**, and the knowledge and training level of **Helpline** staff was particularly mentioned.

LBS customers were also concerned about the **authority** of their CRM to **make decisions** (6%). In the follow-up interviews LBS customers felt that CRMs should be given more flexibility and ability to inform decisions given their knowledge of the business, to work with individual organisations towards 'win-win' situations.

For **LC customers without a CRM** there were particular issues around communication, particularly **access to the correct people** within HMRC (19%) and having a **single point of contact** (18%). A number referred to getting hold of the right person first time round. Others wanted a single point of contact, although they did not necessarily expect this person to have all the answers themselves. There were also calls for a contact in a local tax office as customers felt they would have a better level of knowledge of their business than a regional or central contact.

In addition, in the follow-up interviews, LC customers raised the need for local teams of staff for dealing with PAYE issues.

Other staff issues raised are included in Table 6.1 in Appendix B, although none was raised by more than 3% of customers, and most were only mentioned by a handful of people. These included a range of desired improvements to staff attitudes such as being more professional, helpful, approachable, responsive, polite, friendly etc.

Channels of contact

Channels of contact were also mentioned. There were a number of areas around **telephone contact**, including problems with Helplines, and how long it takes to get through by phone. The main channel concerning customers was, however, the **website**, for around one in five (17-21%) in each customer group. This is related to the need for **easier access to information** that was also raised as a priority. Issues around the website included **accuracy** and how **up to date** the information is, and (in particular) the **ease of searching and navigating** around the site.

In the follow-up interviews, LC customers also raised the importance of the use of personal addresses when HMRC sends correspondence to customers, and in customers' access to named contacts in HMRC, in reducing delays and penalties caused by lost postage.

HMRC Culture

There were fewer mentions of cultural issues, although three were each mentioned by between 3% and 7%: **consistency** of advice, **clarity** of answers, and evidence that business areas within HMRC were **joined up through better internal communication**. Consistency and being joined up seem to be related issues, with both relating to not having a single point of contact for LC customers without a CRM. However, having a CRM does not guarantee the service is seen as joined up for LBS or LC customers who were, if anything, more likely to mention this issue as a priority (7% of all customers with a CRM compared with 3% of LC customers with no CRM). Consistency was also mentioned in the follow-up interviews by LC customers, particularly in relation to VAT queries.

Being joined up was related to better communication between different parts of HMRC, and consistency of approach. There were also issues about being joined up between and within specific tax regimes including VAT, Duty Taxes, and employer compliance among others.

Other issues mentioned by small numbers of customers (see Table 6.1 in Appendix B) included the need to be more flexible, understanding, proactive, clear and fair. For some customers, being more proactive would involve HMRC

staff initiating contact, offering advice and helping businesses without being asked to.

RoLLB areas

There were few spontaneous mentions of issues covered by the Review of Links with Large Businesses, although some LBS customers (6%) and LC customers with a CRM (7%) mentioned the need for better **commercial understanding**, which feeds into a **balanced approach to risk and resource**.

Information and advice

The main concern about information and advice was to have **better access** (6%-9% of customers). Other concerns (see Table 6.1 in Appendix B) included the need for information to be more precise, more up to date, more relevant, more reliable and clearer. In the follow-up interviews LC customers also suggested the introduction of bulletins outlining policy developments, to help business heads of tax to be proactive in responding to changes.

Administrative issues and burden

While no administrative issues were raised by more than 5% of customers in any group, a number of concerns were mentioned, including the need for a less complicated tax system, less paperwork and information about changes (see Table 6.1 in Appendix B).

2 Further details on key service areas

This section gives further details to help explain and illustrate these overview findings. These focus on change over time, and on potential pressure points for service delivery. Full details of customer ratings for each of the individual measures feeding into these areas of service are given in Appendix B. **Where the data suggests a significant change in positive ratings, this will be indicated in the report.** The reader can assume that any other apparent change in positive ratings from 2008 is not large enough to be significant.

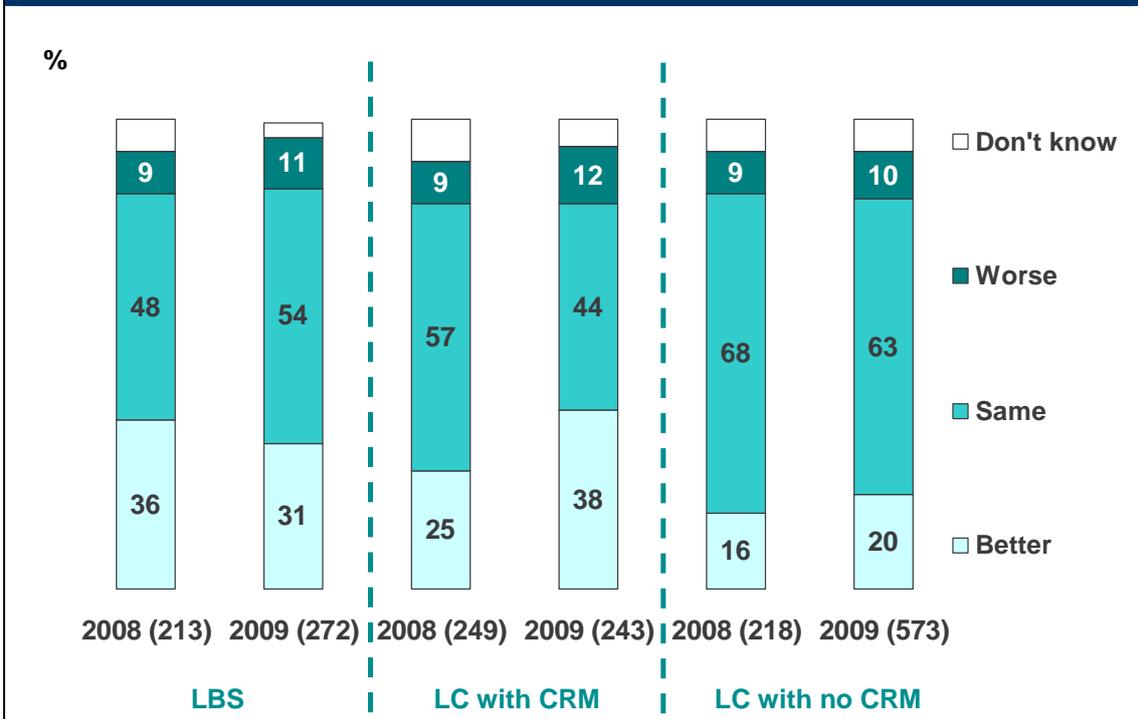
2.1.1 Rating of overall service⁹

The vast majority of all three customer groups rated the service they received as very or fairly good: 86% of LBS, 75% of LC with CRM and 68% of LC with no CRM. These reflect the finding that, in most of the different service areas LBS customers are most positive, and LC customers with no CRM least positive.

While there was no significant change in these overall ratings from 2008, **LC customers with a CRM were more likely to think the service had got better** compared with 2008 (Chart 2.1).

⁹ For data tables see Appendix B, Section 6.1, Tables 6.1.1-6.1.2

Chart 2.1: Whether think service has got better, worse, or stayed the same in the past year (all respondents¹⁰)



This perceived change over time reflects the changes in ratings of the different service areas seen in Chart 1.1: **LC customers with a CRM rated a number of areas more highly in 2009 compared with 2008**. This supports the view that the presence of a CRM can make a big difference to customer perceptions of the service they receive.

Many **LC customers with a CRM** gave the appointment of, or the development of their relationship with, their **CRM as the reason for their improved experience** (44% of those citing an improvement, Table 2.1).

This included references to a specific point of contact who is familiar with the business, and the CRM making HMRC more accessible. This was also an area of improvement for LBS customers (26% of those reporting an improvement).

¹⁰ For all charts base sizes are in brackets

Table 2.1: Reasons for improvements to service (All who said the service had improved, 2009)

	LBS	LC CRM	LC NO CRM
	%	%	%
Relationship with HMRC	49	39	28
CRM / direct contact	26	44	9
Speed/efficiency of response	23	11	31
Improved communications	21	29	24
e-services	1	8	23
Easier/more user friendly service	5	8	8
Staff improvements	2	2	2
Other improvements	39	26	28
N° Interviews:	84	93	114

More generally, all three customer groups reported an **improved relationship with HMRC**, especially LBS customers (49%) and LC customers with a CRM (39%). This covered issues such as being more understanding, being more involved and communicative, and being more approachable and more likely to listen. The CRM is likely to have played a large role in this.

LC customers with no CRM in particular were most likely to report **a quicker or more efficient response** (31% of those reporting an improvement), and almost a quarter of LBS customers also cited this as an area that had improved (23% of those reporting an improvement).

Improved communications were noted by all three customer groups, highest at 29% among LC customers with a CRM. There were mentions of improved contact by telephone and face to face, and also increasing contact and ease of contact. Given similar levels for all three groups, this is likely to cover contact with CRMs and contact more generally.

LC customers with no CRM, were the most likely to mention improvements to **online service delivery** and **the website** (23% of those reporting an improvement). It is possible that, **in the absence of a CRM, online services may take on a greater degree of importance**. This assumption was supported by the qualitative interview findings. The website was the principal point of contact for customers whose tax affairs were relatively simple, and the introduction of online tax returns had been welcomed.

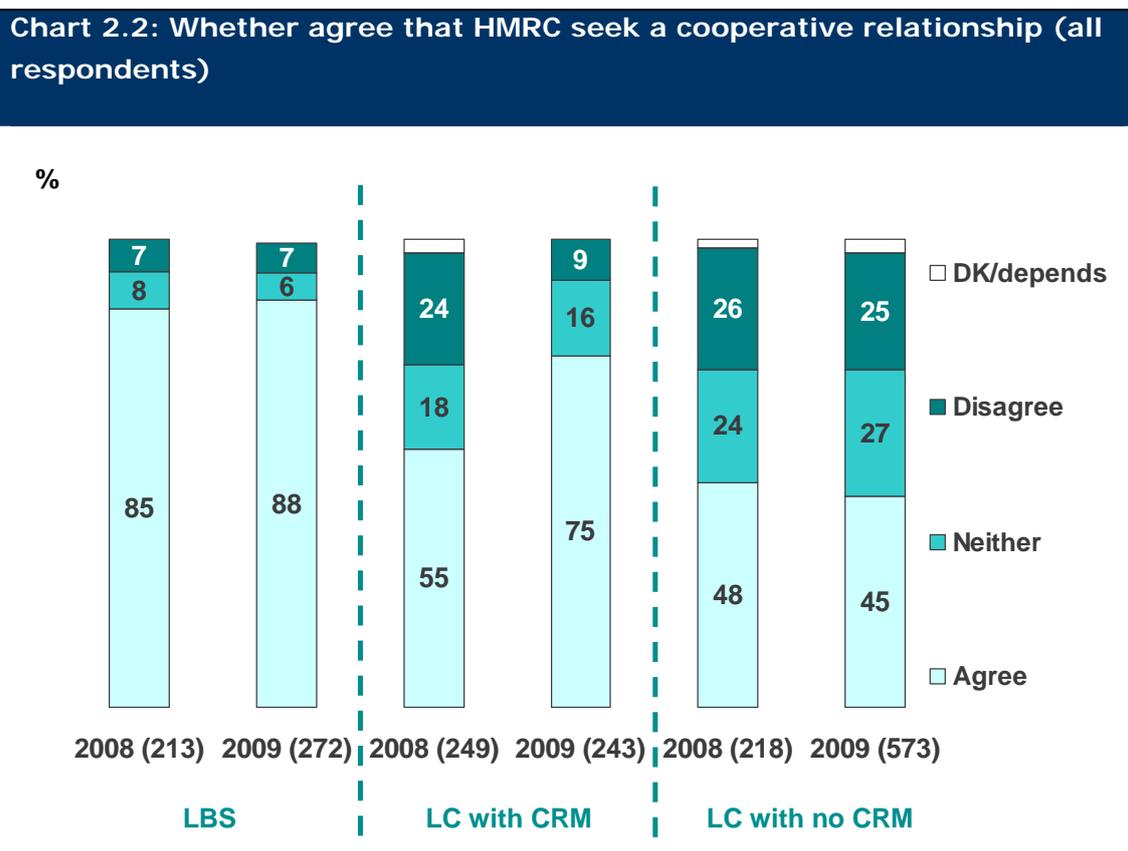
It should be noted that while online capabilities and speed of response were cited as improvements for some customers, for others these were priority areas for improvement (see section 1.3).

2.1.2 HMRC culture¹¹

A number of elements of **HMRC culture** were identified as **key drivers of customer service ratings**. They were also among the **aspects of service rated most highly** by all three customer groups, particularly being **treated fairly** and **making things clear**.

Fair treatment was identified for all three groups as a **key driver of service ratings**. The majority of customers felt HMRC treated them fairly, meaning this is largely an **area to maintain**, although only a minority (16-24%) agreed strongly that this was the case; this means there is still some room for improvement.

Making it clear what a business needs to do to address HMRC concerns was also a key driver of service ratings for LBS customers. While 66% of LBS customers agreed that HMRC already did this, only 10% agreed strongly, leaving some **room for improvement (Table 6.2.4)**.



¹¹ For data tables see Appendix B, Section 6.2, Tables 6.2.1 – 6.2.8. Please note that figures for “agree” will not always match the total for “agree strongly” and “tend to agree” in the appendix tables, because of rounding.

LBS customers were particularly likely to rate HMRC as cooperative (88%) and there was a **clear improvement for LC customers with a CRM**, after their first full year with a CRM (agreement rose from 55% to 75% with a decrease in disagreement – Chart 2.2). As in 2008, **under half of LC customers with no CRM rated HMRC as cooperative (45%)**, and the remainder were split equally between those who disagreed and those who gave a neutral response. This suggests that **a CRM can make a clear difference to perceived cooperation.**

Being cooperative was a **key driver of service ratings for LBS customers**, but since 88% agreed, and 38% agreed strongly, this is an **area for maintenance.**

Consistency was also well rated by customers, and **the proportion of LBS customers who felt HMRC dealt with them consistently rose from 70% in 2008 to 78% in 2009.** This increased perception of consistency for LBS customers may well reflect the reasons given by this group for improved service overall, some of which focused on having built an **improved relationship with their CRM and other contacts at HMRC** over the past year.

There was no significant change for LC customers in perceived consistency from 2008, and performance ratings were generally slightly lower than for LBS customers (63% in 2009 for those with a CRM, 69% for those without a CRM).

Consistency was identified as a **key driver of service ratings** for all three customer groups, and while generally high performance scores mean this is an area to maintain, again the proportion who strongly agreed HMRC was below one in five (13%-17%) for all groups, meaning there is some **room for improvement.**

However, **under four in ten customers in all three groups felt HMRC was either joined up (32% - 39%) or transparent (36% - 40%),** and each was identified as a key driver of customer service ratings for at least one of the customer groups, making these the **key pressure points** in terms of HMRC culture.

The proportion of each customer group who felt HMRC had a **transparent decision making process** was unchanged from 2008. This was identified as a **key driver of service ratings for LC customers with a CRM.** Since only 36% of this customer group felt HMRC was transparent, there is **clear room for improvement.**

Transparency was further discussed in the qualitative follow-up interviews with regard to HMRC's explanation of reasons for coming to a view, and clarity over what they required in terms of compliance. Transparency was valued in dealings as it was felt to prevent surprises, support efficient resolutions and maintain open and strong relationships with customers. Transparency during general audits was

also considered important in relation to compliance requirements. Mixed views were expressed regarding the level of transparency in HMRC, regardless of tax area, organisation type or whether they had a CRM. CRMs were seen to try hard to provide transparency wherever this was possible. For example, there were reports of solving problems through raising concerns at an early stage and engaging in dialogue through regular meetings. Where issues escalated beyond the CRM, and other specialists became involved, it was felt transparency could suffer. LBS and LC customers with CRMs found inconsistencies between their contact with CRMs and that with other specialists, who did not explain the reasons behind information requests. For some LBS customers, the grouping of specialists into the same location from across tax and duty teams was seen to have reduced transparency of decision-making, as it distanced customers from specialist 'decision-makers'.

"I think there are some things that we feel would be helpful if the inspector could make the decision themselves... if it's something that needs technical expertise that is outside the scope of what the normal inspector would do we would like to go and sit with that other person and have that debate rather than get it second hand. The specialist might be in Liverpool or in London now, but we are not getting access to them any sooner so does that help me?" (LBS customer)

"I think they are pretty transparent, they tell us what they are doing....I don't really think that they have got anything to try to hide" (LC no-CRM, REP, PAYE).

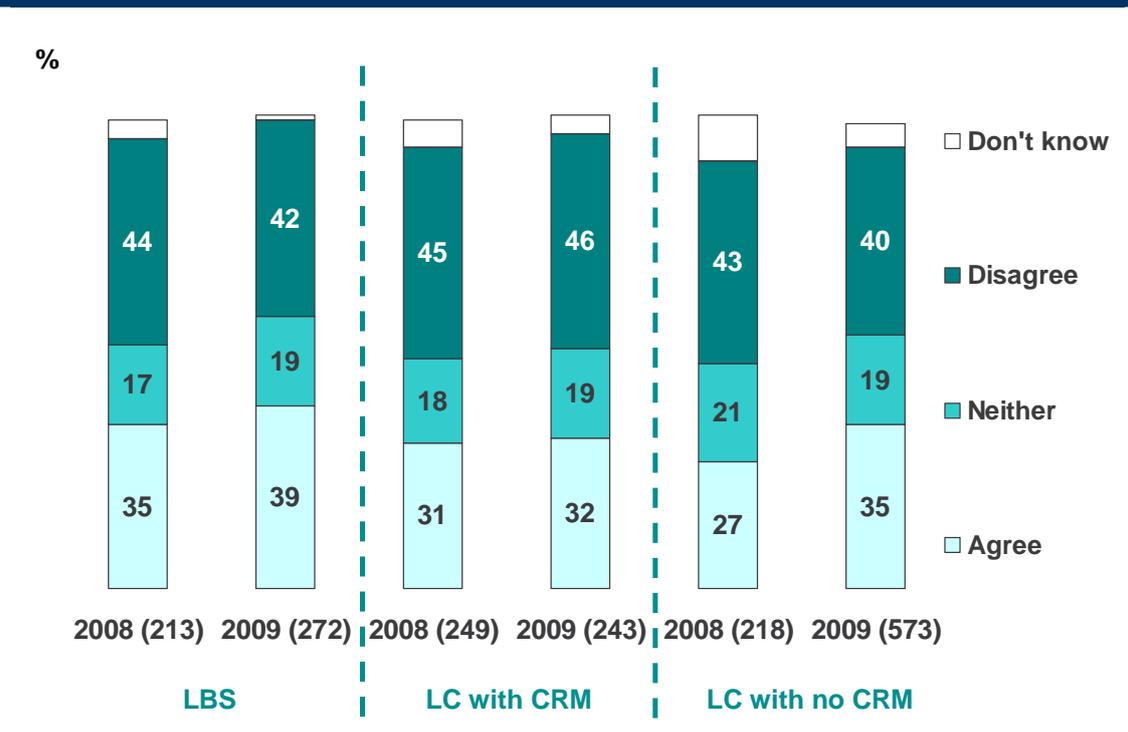
In the follow-up interviews, access to information on technical aspects of decisions was considered important, but was not always provided. This was seen to discourage customers from being open with specialists and their CRMs.

Customers in the follow-up interviews suggested several elements of working which would ensure transparency.

- Better dialogue between CRMs and different directorates within HMRC, to bring more value to this relationship.
- More explanations for information requests rather than a 'need to know' basis.
- Correspondence by email and communication of reasons for delays.
- In relation to policy changes, more publicising of forthcoming changes and assistance in preparation for this.

Being **joined up** was identified as a **key driver** of service ratings for LBS customers and LC customers without a CRM. **LC customers were less likely to believe HMRC is a joined up organisation** (32% with a CRM, 35% without) than LBS customers (39%) but there had been an **increase for LC customers without a CRM** from 27% in 2008 (Chart 2.3).

Chart 2.3: Whether agree that HMRC is a joined up organisation (all respondents)



Being joined up was the aspect of HMRC culture where customers were **most likely to rate HMRC negatively**, with almost half of LC customers with a CRM (46%) and around four in ten (40-42%) other customers disagreeing. Despite an increase in agreement for LC customers with no CRM, **there was no decrease in disagreement, meaning this remains a key pressure point for all three groups.**

From the follow-up interviews, it was found that joined-up working was taken to mean four different things.

- Different directorates within HMRC keeping abreast of the business' review process and any development issues. LBS customers considered CRMs to have a pivotal role in achieving this.
- Where the company was a group comprising subsidiaries, being joined up meant the CRM and other staff looked at the group as a whole.

*"I see him in the middle of all correspondence, everything goes through him and ensures a consistent approach to our dealings there."
(LBS customer)*

- 'Joined-up' was also taken by all customers to mean using information held on systems to inform customer dealings and internal communication between tax officers within specific tax areas.
- The need for more joined-up working was discussed in relation to tax office relocations. It was felt that a lack of information sharing between directorates within HMRC had created administrative burdens for businesses, who were expected to provide HMRC with information that was already held on their systems. It was hoped this issue would be resolved with time and consolidation.

*"They didn't seem to know what information they might have [had] in each of their departments, on the VAT and PAYE side they wanted to find out which offices we dealt with and well, you know which companies are in our group...we ended up putting this list that we had already given him, we ended up expanding those lists so that they could find their own files more or less...they are bringing it all into one district but then they don't know what their other colleagues know, so they have not really swapped data and information particularly well."
(LBS customer)*

Particularly in relation to PAYE, a lack of information sharing drove negative perceptions of HMRC, for example through duplication of queries or repeated errors in interpretations of payment.

- Consistency of HMRC responses from different offices was also considered to be an indication of joined-up working.

2.1.3 RoLLB themes

Performance of HMRC on the **four themes from the Review of Links with Large Businesses were rated relatively less positively** by all three groups but none were identified as key drivers of customer service ratings.

*Balanced approach to risk and resource*¹²

Taking a balanced approach to risk and resource incorporates perceptions of the extent to which HMRC have become more focused on high risk issues, and understands the customer level of risk, takes their track record and needs into account and ensures any administrative costs incurred are at an appropriate level.

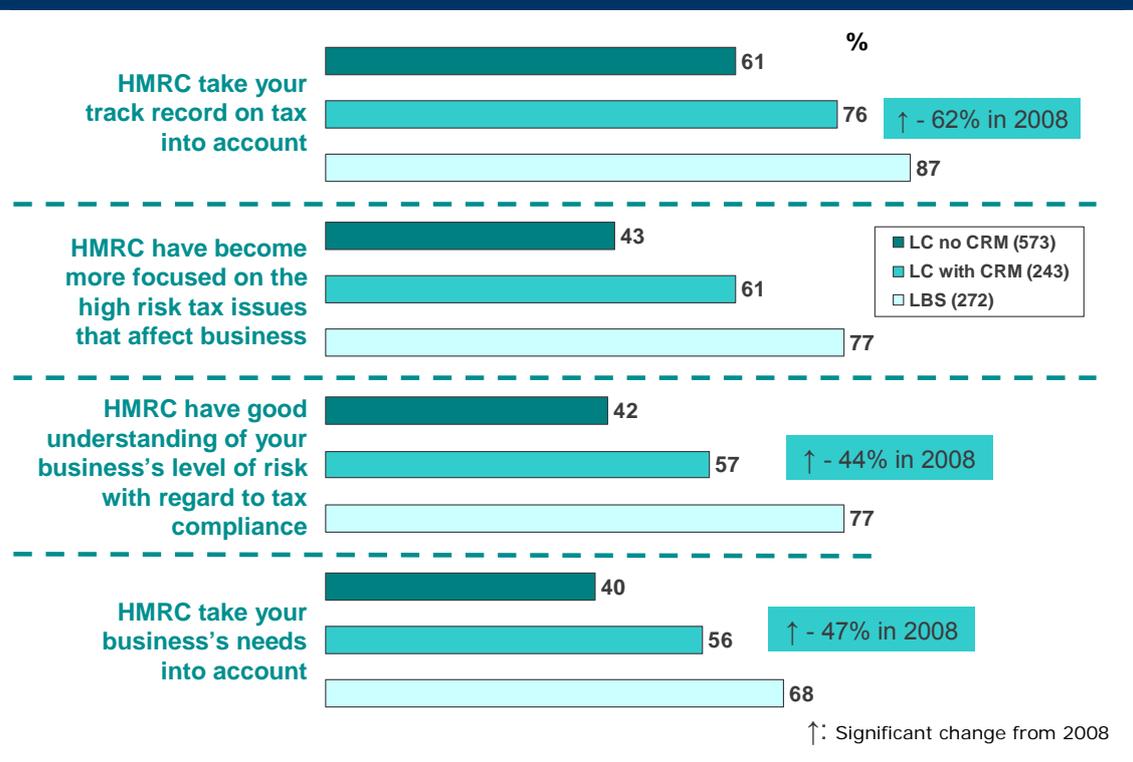
One aspect of the approach to risk was **rated poorly by all three customer groups**: Only 44% of LBS, 40% of LC with a CRM and 49% of LC with no CRM agreed **administrative costs were incurred at an appropriate level**, given the need to prevent error or fraud.

Other aspects of the approach to risk (see Chart 2.4) were rated most highly by LBS customers, followed by LC customers with a CRM, with LC customers with no CRM least positive. However, **LC customers with no CRM were not consistently more negative than other groups about the balance between risk and resource**: they were more likely to give a neutral or 'don't know' answer than other customers, so **differences between the customer groups may reflect different levels of familiarity with such issues**.

There were **increases in positive ratings for HMRC's balance of risk and resource among LC customers with a CRM** from 2008 to 2009 while, in contrast, there were **no significant changes for other customer groups** (Chart 2.4).

¹² For data tables see Appendix B, Section 6.3, Tables 6.3.1-6.3.5

Chart 2.4: % agreement with statements about balancing risk and resource: LBS and LC with CRM (all respondents)



The increases in ratings for LC customers with a CRM take them from a level in 2008 that was very similar to that seen for LC customers without a CRM, towards the level seen for LBS customers. **It seems likely that having had a CRM for the past year has raised these LC customers' awareness of HMRC's approach to balancing risk and resource, while those with no CRM remain less aware.**

Certainty¹³

Around half of customers in each of the three groups felt HMRC provided their business with certainty in their tax affairs: 54% LBS, 49% LC with CRM, 48% LC with no CRM. The relatively low scores and lack of change from 2008 mean **certainty remains an area for improvement**, although it was not identified as a key driver of overall ratings, or mentioned as a priority by customers.

The qualitative work conducted in 2008 found that the perceived capacity of HMRC to provide certainty in the context of limited resources was inhibited by the increasing complexity of tax legislation, over which it was acknowledged HMRC had limited control. It was, therefore, not considered realistic to expect HMRC to

¹³ For data table see Appendix B, Section 6.3, Table 6.3.6

provide total certainty on tax, but efforts to improve responses to queries and guidance were felt to be warranted.

Consultation¹⁴

Perceived levels of consultation were relatively weak for all three customer groups, and showed no significant change from 2008. Around half of customers with a CRM felt that HMRC had become more likely to consult with businesses in advance about potential changes to tax administration (51% of LBS, 55% of LC customers with a CRM), with LC customers without a CRM slightly less likely to agree (41%).

Resolution of disagreements¹⁵

Perceptions of HMRC's approach to resolution of disagreements were assessed in terms of timeliness and commercial understanding. **Resolution was the most poorly rated of all ROLLB areas by all three customer groups.** Under half of customers agreed HMRC demonstrates commercial understanding in resolving disagreements (36%-45%) or that disagreements are resolved within an appropriate time period (44%-47%), and this did not change from 2008. **Resolution remains, therefore, an area for improvement.** It was not identified as a key driver of overall ratings, or as a priority area for customers, but both timeliness and commercial understanding were identified more broadly by customers as priorities for improvement.

This was reflected in the follow-up interviews, as timeliness and commercial understanding were spontaneously raised as key issues determining satisfaction in resolution.

All customers in the follow-up interviews found that minor issues were solved by call centre staff or CRMs quite quickly. Customers with a CRM found their understanding of business pressures was crucial and that they helped speed up resolutions, where required. Working in real-time¹⁶ was also felt to ensure better quality discussions and understanding of issues.

For more complex issues, there was a perception that escalation to specialists at a more senior level would result in delays, and communication was sometimes unsatisfactory. In these instances, the use of a CRM's commercial understanding was not felt to extend to treatment by other directorates. Litigation was

¹⁴ For data table see Appendix B, Section 6.3, Table 6.3.7

¹⁵ For data tables see Appendix B, Section 6.3, Tables 6.3.8-9

¹⁶ In which an external event is responded to immediately after its occurrence, or information is updated as soon as it is received.

sometimes felt to be the result of a breakdown in communications, which could have been avoided through closer working with a CRM. Because of costs and adverse publicity, litigation was generally avoided and negotiation was preferred.

Suggestions for improvements in the follow-up interviews related to the role of CRM, HMRC project management of issues, and the potential for mediation. These were:

- More interaction/dialogue for CRMs in liaison with other directorates to assist the resolution of issues.
- An HMRC contact with good project management skills to take ownership and responsibility for communications, to speed resolution.

*“If there are a number of issues, it’s better to work them out as proper projects in themselves, and have a proper project manager with....ownership and responsibility of the project and communication.”
(LBS customer)*

- Regular emails and monthly updates on ongoing issues.
- Although customers had no direct experience of mediation, it was thought that it would be helpful in cases where HMRC requests for information were difficult to retrieve, particularly in relation to corporation tax.

2.1.4 HMRC staff

HMRC staff were largely an area of strength in 2008 and remained so in 2009. As in 2008, **staff were rated particularly highly in terms of communication**¹⁷. Around nine in ten customers felt they had an appropriate amount of contact with HMRC (84%-92%) and that the tone of communications was professional (87%-90%), with no change from 2008 in this high level.

While the overall positive rating of communication was high, it should be noted that only 23%-29% of customers agreed strongly that the amount of contact was appropriate and only slightly more that the tone was professional (29% of LC, 43% of LBS). These levels are fairly high compared with other measures of service delivery, but do suggest there is room for improvement for the many customers who only “tended to agree”. In 2008 the qualitative work found that, when asked what areas could be improved, many customers spontaneously mentioned communications, particularly speed of response, and having a single point of contact.

¹⁷ For data tables see Appendix B, Section 6.4, Tables 6.4.1-6.4.2

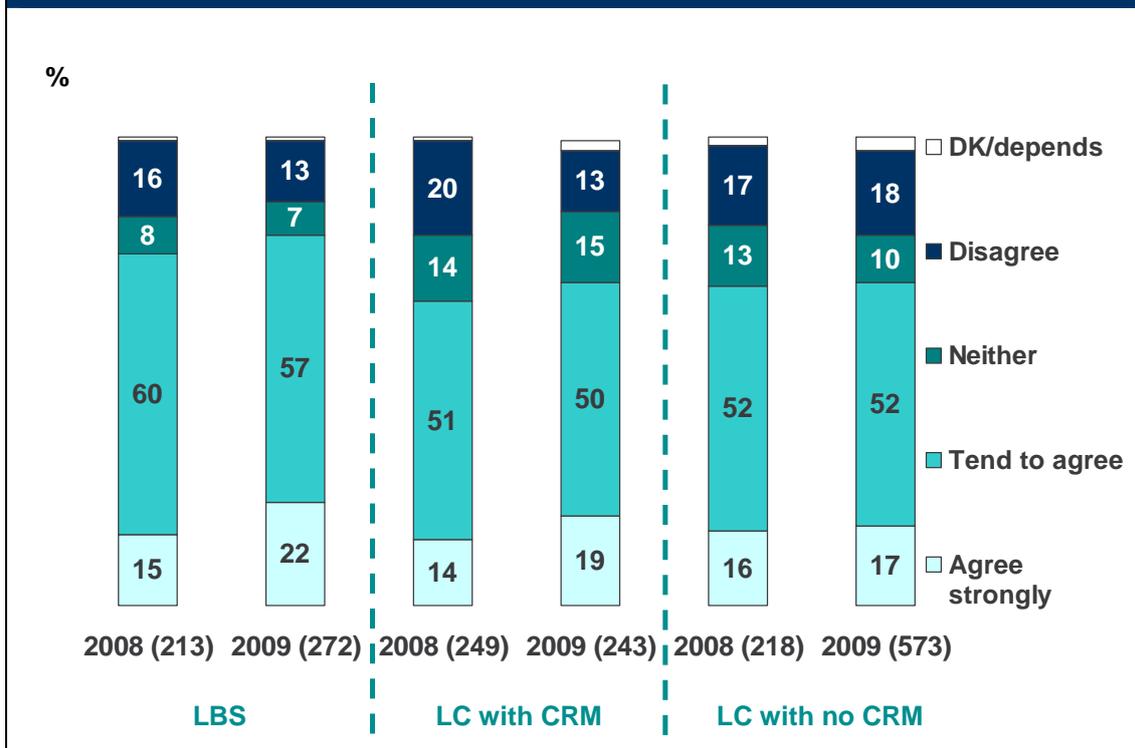
The **professional tone of communication** was identified as a **key driver** of service ratings for **LBS customers**, although for this group 90% agreed HMRC was professional in its tone, and 43% agreed strongly, meaning this is an area with less scope for improvement than most others, and suggesting that this is more of an **area to maintain, and one that is crucial to customers**.

Staff were also rated highly (albeit slightly less so) in terms of **expertise and speed and reliability of response**¹⁸, again showing no significant change from 2008. Even the weakest aspect of expertise was rated relatively well, albeit less so among LC customers: 61% of LC with a CRM and 60% of LC without CRM agreed HMRC staff had the necessary levels of technical expertise, with higher levels for LBS customers (75%).

Responsiveness was identified as a **key driver** of service ratings for **LC customers**. Providing a **response within an agreed timeframe** was a driver of service ratings for all LC customers although nearly seven in ten (69%) customers agreed that HMRC already did so. However, under two in ten (17%-19%) agreed strongly (Chart 2.5), and **speed of response was identified by around one in four (22-25%) customers interviewed as a priority area for improvement**, so while overall performance is relatively strong, speed of response needs to be a **focus for further improvement**.

¹⁸ For data tables see Appendix B, Section 6.4, Tables 6.4.10-6.4.12

Chart 2.5: Whether agree that HMRC provide a response to your queries within an agreed timeframe.



The follow-up qualitative research indicated that there were a number of issues that affected HMRC's speed of response:

- Use of the helpline had reduced because of frustration at non-responses and the absence of a logging system to progress queries.
- For PAYE queries, problems relating to written correspondence included non responses to queries, slow response times and a loss of correspondence.

Suggestions for improvement in the follow-up interviews included:

- Email contact with HMRC to increase responsiveness and help customers 'chase' queries.
- Assigning a specific officer to 'case' queries to improve speed and efficiency of response.

Providing a reliable response was also a key driver of overall ratings for **LC customers without a CRM, who were slightly less likely to agree that staff gave a reliable response** (67%) than LC customers with a CRM (73%) and LBS customers (80%).

The qualitative follow-up interviews indicated LC customers without a CRM tended to rely upon the helpline more than the other groups, however, they experienced a variable level of expertise with helpline staff. The problems encountered included an absence of 'depth' to staff knowledge as well as conflicting advice being given on different occasions.

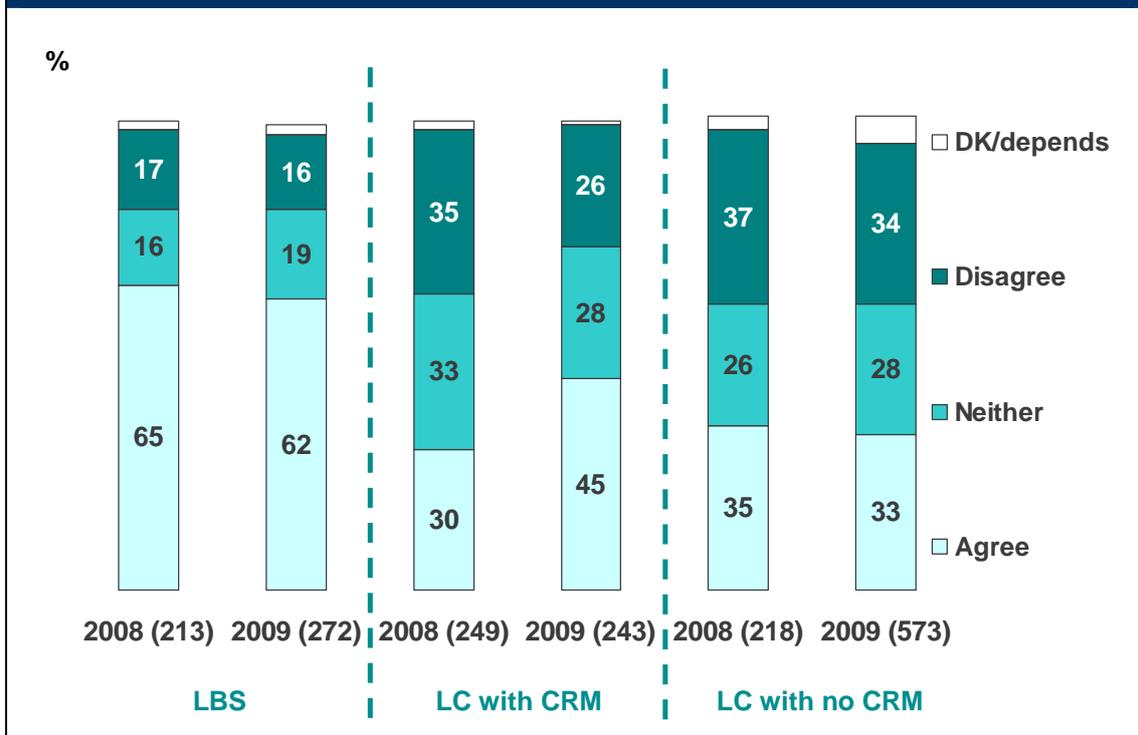
"People need to know that when they phone, if they phone in the morning, lunchtime or afternoon, that whoever they get, they get the same advice, and I don't think that that's necessarily the case." (LC customer, without CRM)

The results of both the quantitative and qualitative research suggests that developing a relationship with a CRM can improve this aspect of service, so providing a CRM for the remaining LC customers could improve their experience in this area.

Perceived **understanding of their business**¹⁹ was the **weakest area for HMRC staff (Chart 2.6)** and was also identified as a **priority area of improvement** for 15% of LBS customers and 12% of LC customers without a CRM. LBS customers were most likely to agree that staff had a good level of understanding of their business (62%) and there was an **increase in agreement for LC customers with a CRM** from 30% in 2008 to 45% in 2009. This probably reflects **the impact of having a CRM for the past year**, as the level remains lower for LC customers with no CRM at 33%.

¹⁹ For data table see Appendix B, Section 6.4, Table 6.4.13

Chart 2.6: Whether agree that staff have a good understanding of your business



CRMs²⁰

CRMs were again rated highly in 2009, with increasingly positive ratings for both LBS and LC customers. In a new question introduced in 2009, **89% of LBS customers and 82% of LC customers with a CRM rated their overall relationship with their CRM as very or fairly good.** LBS customers were more likely to rate them as very good (56%) compared with LC customers (34%). For **LC customers** their rating of their CRM was a **key driver** of overall service ratings, so is an area to maintain.

There were only five cases where customers rated their relationship with their CRM as poor. For one LBS customer this was because there had been no contact. The remainder were LC customers. One said they were still waiting for their CRM to be assigned, a second that their CRM did not understand their business and did not interact with them and for two the problem was that they took an adversarial rather than collaborative approach.

The vast majority were positive about their CRM and when asked how dealings with their CRM could be improved, **half said they were happy and could not**

²⁰ For data tables see Appendix B, Section 6.4, Tables 6.4.3-6.4.8

think of any improvements (45% LBS, 49% LC) and a further 15% of LBS and 20% of LC said they did not know. In total only 36% of customers who had dealt with their CRM personally offered any suggestions for improvement.²¹

The suggestions for improvement tended to fall into four key areas: for both LBS and LC customers, **better communications and accessibility**, and **better understanding** of the business, and for LBS customers, a **more joined up and continuous service** across HMRC, and **more authority** to make decisions. It is worth remembering that only a minority suggested improvements so these suggestions do not reflect the views of most customers.

Communications and accessibility were most often cited (13% of LBS, 7% of LC). This was largely about needing more regular or more frequent contact, or about the CRM taking the initiative to make contact. Others mentioned issues of accessibility, including the option for face to face contact, or email contact.

Among LBS customers 5% mentioned better **continuity** in terms of their contacts, or went further, talking about staff being more **joined up**.

Five per cent of LBS customers felt the CRM should have more independence and the immediate **authority** to make decisions.

Both LBS (8%) and LC (10%) customers were concerned that the CRM should have **better understanding of their business** and their commercial needs. LBS customers also cited a lack of understanding in the current economic climate.

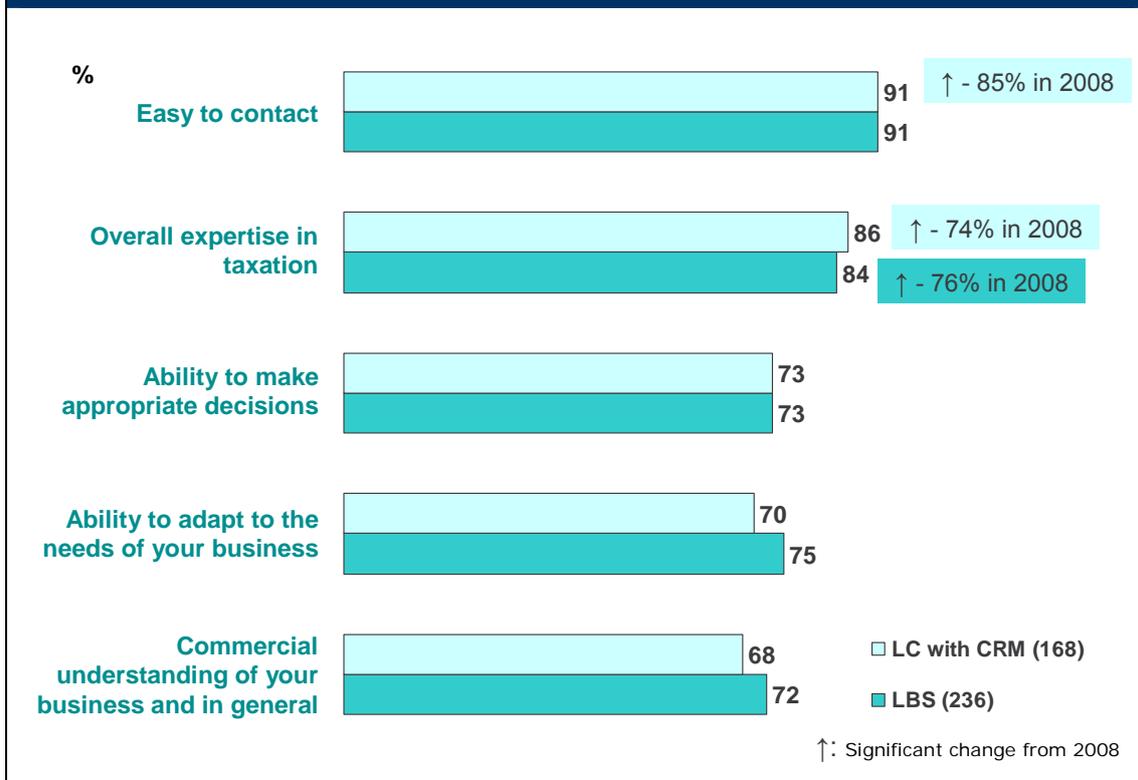
In the follow-up interviews, three customers discussed this in relation to the banking sector, in which they felt unusual business patterns characteristic of banking were treated with suspicion by HMRC.

“The lack of understanding that big amounts are going, to-ing, fro-ing in and out of banks daily in various guises or structures. Everything is slightly different.” (LBS customer)

Customers were also asked to rate their CRMs on a number of dimensions related to these issues (Chart 2.7). Chart 2.7 shows only the 2009 ratings but indicates where there has been a significant change from 2008.

²¹ Tables not included for this question an appendix

Chart 2.7: % giving positive ratings for CRMs (all who have dealt with their CRM)



Ratings were high for all aspects of CRM service, although they were weakest for their commercial understanding in relation to the business and in general (68% of LC, 72% of LBS agreeing).

The ability of CRMs to **adapt to the needs of businesses** was identified as a **key driver** of overall service ratings for **LBS customers**. While 75% rated their CRM positively on this dimension, only 26% said they were very good, meaning there is **some room for improvement**, although this is largely an **area for maintenance**.

Ratings were strongest for being easy to contact (91% for LBS and LC) and for overall expertise in taxation (84% LBS, 86% LC). **LC customers were increasingly likely to rate their CRM highly on both of these measures, and LBS customers were increasingly positive about overall expertise.**

This is illustrated by one example from the follow-up interviews:

“The links with business is really transforming, how HMRC performs, behaves, and engages. Having that commitment to have someone ring mastering all the taxes, someone that will work in real time rather than just issue inquiries two or three years later.” (LBS customer)

Customer coordinators

Almost all **LC customers who do not currently have a CRM** felt it would be useful to have a **single named person as a first point of contact** (90%²²). Almost one in five LC customers without a CRM (18%) identified having a single point of contact as a **priority area for improvement**, with around one in five (19%) mentioning the related area of being able to **access the right person** at HMRC to deal with their query.

In the follow-up interviews, LC customers without a CRM felt that their dealings with HMRC showed that knowledge of the business was not utilised to inform dealings with them. For example, there was no evidence that meetings with VAT inspectors built upon previous meetings, while business approaches to payment of PAYE was subject to repeated errors in submissions. This created administrative burdens and repetition of the same information on each occasion that contact was made.

During the follow-up interviews, researchers gave a brief explanation of a customer coordinator role to be introduced by HMRC for LC customers without a CRM. There was widespread enthusiasm for the role, which was expected to bring significant improvements in customer experience. It was hoped that a customer coordinator would have an overview across tax areas, make progress checks on ongoing issues, and avoid repetition of correspondence by relaying issues to officers in other tax areas. It was hoped that an effective customer coordinator would make ongoing contact, build up knowledge of the organisation and take responsibility for referrals. To increase value, it was hoped customer coordinators would have experience of the sector.

“It would be ideal...it needs to be somebody of a reasonable level so they've got a reasonable understanding of the way the system works, and obviously so that they can deal with quite a lot of the issues there and then without having to do too much referral.” (LC customer, without CRM)

²² For data table see Appendix B, Section 6.4, Table 6.4.9

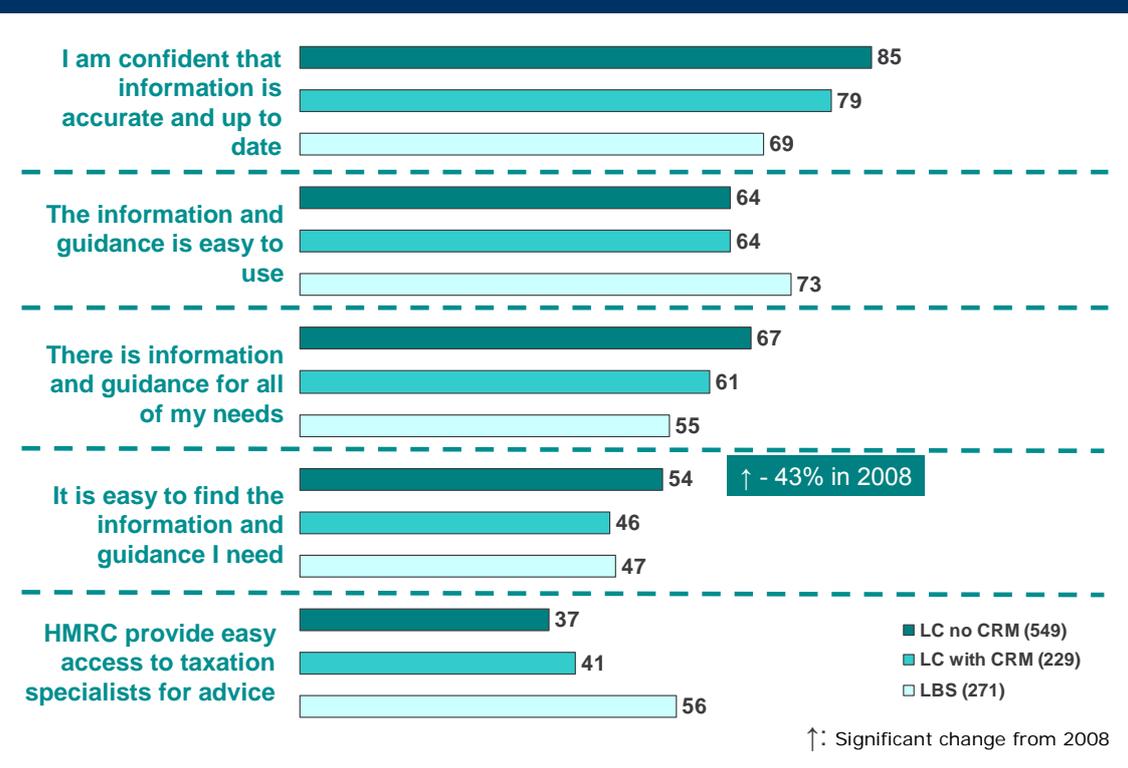
2.1.5 Information and guidance

HMRC information and guidance is rated less strongly than other aspects of service. It is rated **relatively well in terms of its quality²³**, but less well in terms of ease of access²⁴, albeit with some improvement for LC customers with no CRM.

When comparing results from 2008 it is worth noting that in 2008 questions about information and guidance referred specifically to written information and guidance, but in 2009 this was no longer the case. This could impact on comparability. The question on access to specialists for advice was unchanged.

LBS customers were generally less positive than other customers about the **quality of the information**, other than finding it easy to use (73% - Chart 2.8). **LC customers were most likely to believe the information was accurate and up to date** (79% with a CRM, 85% without).

Chart 2.8: % agreement with statements about quality of information and guidance (all who have used information)



²³ For data tables see Appendix B, Section 6.5, Tables 6.5.1-6.5.3

²⁴ For data tables see Appendix B, Section 6.5, Tables 6.5.4-6.5.5

To shed further light on this difference regarding how up to date the information is, in the follow-up interviews LBS customers felt that for technical issues, HMRC guidance was often out of step with legislation, which had hindered their decision-making. This issue was prioritised as an area for improvement.

Only around a **half of customers or fewer believed information was easy to find** (46%-54%, Chart 2.8), although there was a small improvement in 2009 for LC customers without a CRM (43% rising to 54%). **LBS customers were most likely to feel they had easy access to specialists** (56%) while LC customers without a CRM were more likely to think they had easy access to information. The follow-up interviews indicated that this **reflected the different methods of information seeking used**, with LBS customers having had access to a CRM for much longer, and LC customers with no CRM needing to rely on a range of different sources. The follow-up interviews found LBS customers made minimal use of the helpline and found that directing complex queries to specific tax officers or through their CRM was more effective.

Providing further insight into potential problems, one in five customers in all three customer groups identified the **website** as a **priority area for improvement** (17% LBS, 21% LC), with particular mentions of the ease of **searching and navigating** around the site. One example from the follow-up interviews illustrates this concern:

"I think the search facility could be better...in that sometimes it is difficult to find pieces of information. You know it is there, but you can't get hold of it." (LBS customer)

In the follow-up interviews, LC customers tended to have less complex queries, and so found the website held the information that they needed. Whilst the content of the website was considered to have improved in the past two years, continued investment in improvements was felt to be worthwhile. Further improvements were suggested including:

- Improvements to the navigation and search facility;
- An index of content and a dedicated area on the website for forthcoming changes to tax administration;
- Efforts to update guidance following changes to legislation was particularly emphasised.

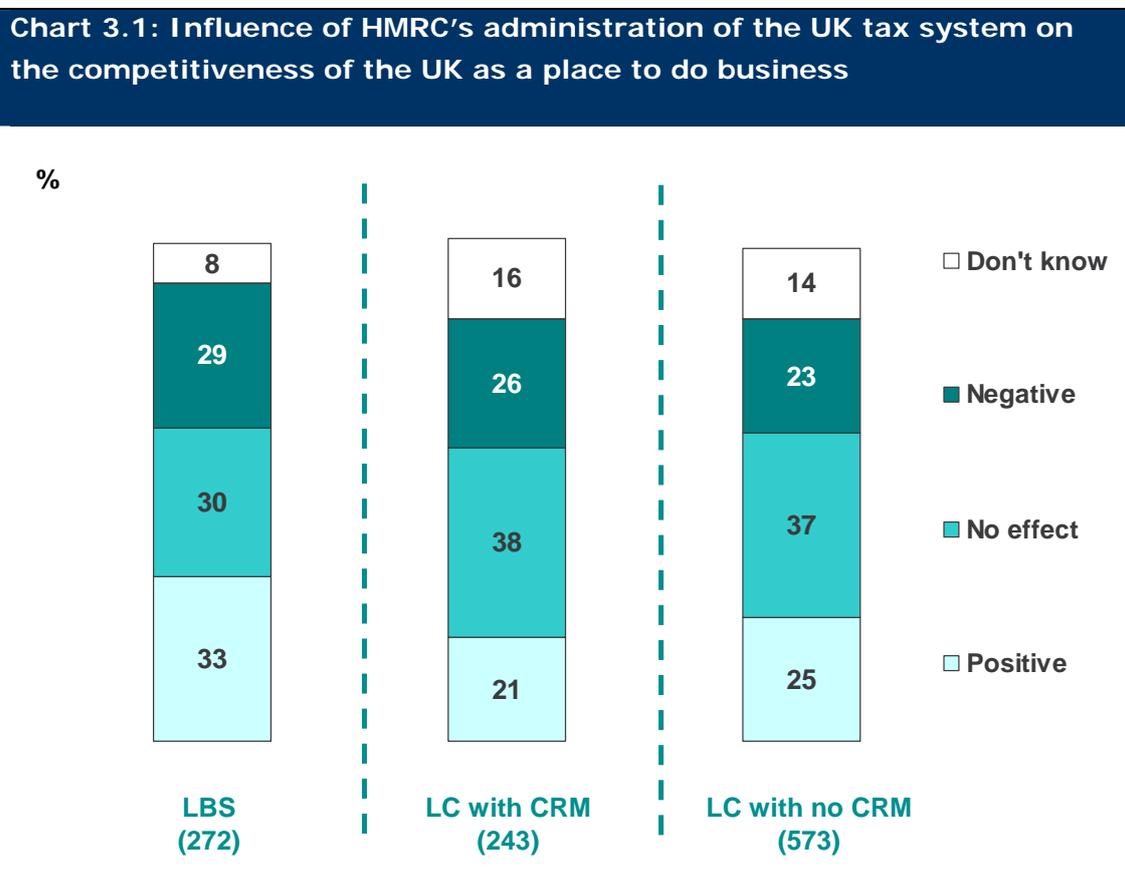
For **LC customers with no CRM**, **easy access to taxation specialists** was rated particularly poorly (37% agreed they had this, Chart 2.8) and it was identified as a **key driver** of their overall service ratings, so is a **clear area for improvement**.

For all three groups, **access to information and guidance remains an area with room for improvement**. In the follow-up interviews, after tax office relocations, customers reported that the consolidation of relationships with new staff had most improved the speed and quality of HMRC's response.

"I think on the whole we get a good response and that is hugely helped by having named officers who are used to dealing with certain types of business." (LC with CRM)

3 Influence of HMRC on UK as a place to do business²⁵

At least three in ten (30-38%) customers in all three groups think the way in which HMRC administer the tax system has no effect on the UK as a place to do business (Chart 3.1).²⁶



There is a fairly even balance for all three customer groups between those who think HMRC has a positive effect and those who think it has a negative effect.

While **18% of LBS businesses had considered relocating to another country** for tax purposes, this falls to **14% of LC with a CRM** and only **5% of LC without a CRM**.

In all three customer groups, of the small number of companies considering moving, for around half the reason cited was **the rate of tax** (27 of the 49 LBS

²⁵ For data tables see Appendix B, Section 6.6, Tables 6.6.1-6.6.2

²⁶ Because of changes to the questionnaire it is not possible to compare business attitudes towards the influence of HMRC on the UK as a place to do business with the results from 2008.

customers, 19 of the 33 LC customers with a CRM and 17 of the 31 LC customers with no CRM) Where reasons for considering moving overseas related to factors within HMRC's control, as opposed to tax rates, the chief reasons given related to **the complexity of the tax regime, uncertainty around it, and the burden of compliance**. Each of these reasons was given by only a very small number of customers.

4 New areas covered in 2009 research

The survey covered a small number of new areas for the first time in 2009: the administrative burden of taxes, tax avoidance, International Trade (for those dealing with customs duties), and debt management (for LC customers with no CRM only).

*Administrative Burden*²⁷

Very few customers felt the administrative burden had decreased in the past 12 months. **LBS customers were most likely to think it had increased** (64%), which may reflect recent legislative changes, with LC customers with a CRM split between those thinking it had increased (47%) and those thinking it had stayed the same (49%). LC customers with no CRM were most likely to think it had not changed (62%).

Table 4.1: Reasons for increases to the administrative burden (all reporting a change)

	LBS	LC CRM	LC NO CRM
	%	%	%
Change to regulations (any mention)	85	68	58
Changes with no regime specified	59	52	40
Specific tax regulation changes (<i>including</i>):	48	30	26
<i>VAT</i>	15	13	16
<i>SAO</i>	27	11	1
<i>Foreign Profits - Debt Cap</i>	3	4	2
<i>Penalty regime</i>	3	3	2
<i>Intrastat/EC sales</i>	4	2	2
<i>CIS</i>	-	1	1
Compliance more of a burden	18	18	20
Online services/filing	4	10	10
Internal company changes	5	4	9
Enquiries	2	3	4
The economy	1	1	1
N° Interviews:	175	115	187

Customers were most likely to cite changes in legislation and taxation rules and guidelines as causing the increases (Table 4.1). In total of those customers

²⁷ For data table see Appendix B, Section 6.7, Table 6.7.1

reporting an increase, 85% of LBS customers, 68% of LC customers with a CRM and 58% of LC customers without a CRM cited such changes. Many customers did not refer to any specific taxation regime (59% LBS, 52% LC with CRM, 40% LC no CRM) while others did. The most often cited change for all three groups was the change to the level of VAT (13%-16%). There were also mentions of the SAO legislation (27% for LBS customers, 11% for LC customers with a CRM, reporting increased burden).

Others talked about the increased compliance burden (18%-20%), including increased paperwork, record keeping and reporting needs.

Some customers felt that the move from paper to online forms had created more administrative work (10% among LC customers reporting greater burden).

Whilst the administrative burden was not discussed at length in the follow-up interviews there was concern that the economic downturn and an increased concern with cash flow had increased the administration burden.

Tax Avoidance²⁸

Most customers were confident they would know what HMRC would consider tax avoidance (83% of LBS customers, 88% of LC with CRM, 86% of LC with no CRM), although **under half were very confident** in all three groups. In the follow-up interviews, however, customers made a distinction between unacceptable and acceptable tax avoidance. It was felt HMRC did not always appreciate the commercial viewpoint on this issue.

"I think they still blur the line between evasion and avoidance and legitimate planning to minimise the outflow of taxes on normal business affairs" (LC customer with CRM).

Awareness that HMRC had been taking specific actions to address tax avoidance was **highest for LBS** customers (89%) but **lower for LC customers** with a CRM (70%) and lower still for LC customers without a CRM (54%).

²⁸ For data tables see Appendix B, Section 6.8, Tables 6.8.1-6.8.3

Among those customers aware of the action, **around half thought it had made businesses less likely to engage in tax avoidance**: 52% of LBS customers, 53% of LC customers with a CRM and 44% of LC customers without a CRM. Most of the remainder thought it had not caused any change in behaviour. This equates to **46% of all LBS customers, 37% of all LC customers with a CRM and 24% of all LC customers with no CRM** who were **aware of the actions** taken and **believed it had made customers less likely to engage in tax avoidance**.

In the follow-up qualitative interviews, HMRC's anti-tax avoidance approach was said to be working well as it was closing the current loopholes and making it much harder for businesses to avoid paying tax. However, several customers also felt proportionality needed to be improved.

Business's approaches to risk in the management of tax affairs were seen to be determined by impact on reputation; likelihood of success; cost of litigation; and effect on tax rates. Organisations or subsidiary companies with a greater 'appetite' for risk were expected to lose patience if consistently pursued, and the strategy was therefore expected to function as a deterrent.

In the follow-up interviews, in terms of moving forward, customers made several key recommendations for HMRC:

- CRMs to keep a dialogue with business Heads of Tax to bring insight and understanding of the business's internal workings.

"I think part of it is ensuring there is a good understanding of both the business you're dealing with but also the motivation of the drivers of the key individuals who are setting that direction" (LBS customer)

- Recruitment of inspectors with commercial experience.
- Some customers felt that transfer pricing was an area in which companies with overseas ownership were able to unfairly reduce the tax they paid. Focusing resources on transfer pricing and disclosure regimes to increase the effectiveness of HMRC's strategy was therefore suggested. It should however, be noted that HMRC has undertaken a lot of work in this area already.

International Trade²⁹

The questions on international trade were only asked of customers who dealt personally with Customs Duties. This equates to 74 LBS, 51 LC customers with a CRM and 120 LC customers with no CRM. These results need, therefore to be **treated with caution**. In summary, 61% of LBS customers who dealt with Customs Duties were aware of the changes to the Customs Code, compared with 49% of LC customers (no difference by whether or not they had a CRM).

Around three in four customers (70%-76%) dealing with Customs Duties said they would like the number of Customs audit requests to remain at their current level. LC customers with no CRM were more likely to want a reduction (21%) compared with LBS (14%) and LC customers with a CRM (12%).

An LBS customer who wanted an increase in the number of audits talked of the need to minimise the risk when going forward while an LC customer with CRM spoke of a lack of any recent audits. However, such customers were extremely rare as only four customers wanted to see an increase.

Customers were slightly more likely to want a reduction in the number of audits (41 customers in total), and this tended to be driven by the administrative burden and a belief that they are too time consuming (12 customers), that there are already have too many (8 customers) with other complaints that they are too intrusive (6 customers).

Debt Management³⁰

Among LC customers with no CRM, **42% said they were aware of the Debt Management Service**, and **of these, 21% said they had used it (9% of all LC customers with no CRM)**. This means only 45 respondents were able to rate the service and the findings must be treated with caution.

The majority of customers who had used it rated the service as good in all areas. Of the 45 respondents, three respondents rated it as poor for ease of access and four for making it clear what information you need to provide; six respondents rated it as poor for speed of response and for keeping the information you need to provide as low as possible. Of the 40 customers who had made payments, all but one had found it easy to pay electronically, although, **nine said they were not being allocated to the correct debt**. The customer who reported problems complained that not everyone had the ability to use such methods.

²⁹ For data tables see Appendix B, Section 6.9, Tables 6.9.1-6.9.2

³⁰ For data tables see Appendix B, Section 6.10, Tables 6.10.1-6.10.8

5 Appendix A: Background and research method

5.1 Background and aims

TNS-BMRB was commissioned in 2009 to conduct the second wave of HMRC's Large Business Customer Survey (LBCS). This survey was designed to measure changes in the customer experience and to provide an update on the DSO2 measure of customer satisfaction from baseline research conducted by TNS-BMRB in 2008. The 2008 research evaluated the effectiveness of changes in the way HMRC manages its relationship with large businesses, using a new approach of engagement with large businesses, with a move to a resource intensive relationship managed service and (for some customers) investment in CRMs. The changes for the Large and Complex population had been introduced only shortly before the 2008 research and the 2009 research provides information on the customer experience a full year after the changes.

The 2008 research was also used to enable HMRC to establish and understand priorities for UK Large Business in order for HMRC to continue to deliver significant measurable improvements in the customer experience and to contribute to visible improvements in tax compliance, productivity and customer satisfaction by prioritising improvements in process, products and channels.

This report contains the findings of the 2009 research. The main aims of the quantitative survey research were to:

- further **explore large business customers' experiences** of their relationship with HMRC.
- identify large businesses' **needs and expectations** and identify **priority areas for improvement**.
- measure **changes against the baseline** provided by the 2008 research.

A qualitative follow-up study was conducted to explore large business customers' experiences of their contact with HMRC. This provided an in-depth understanding of large business customers, building on and adding insight to the outputs from the quantitative survey. In particular, the research aimed to:

- build on and review findings in relation to the previous 2008 research;
- develop and add depth of understanding to the quantitative survey findings; and
- consider key areas for further improvement.

Specifically, the qualitative research aimed to explore:

- Spontaneous views on key drivers of satisfaction
- Views on priority areas for improvement identified from 2009 survey:
 - Being a joined up organisation
 - Expertise
 - Transparent decision-making
 - Resolution of disagreements
 - Tax avoidance
 - Ease of access to advice / information and responsiveness
 - Understanding of your business [LC without CRM only]
- Reflections on survey results and personal key drivers of satisfaction

LC population

There will inevitably be some differences in the LC population between 2008 and 2009, since businesses were assigned to Large and Complex using different criteria in 2009 than 2008, leading to possible fluctuation in the population year on year. While this means we are comparing customers who should be receiving the same service level in both survey years (although service changes may have still been underway in 2008), changes in the population could result in changes in service ratings which do not reflect any changes in service delivery. If, for example, the 2009 LC population consisted of larger businesses on average, and larger businesses were to rate the service less highly, this could result in a reduction in service ratings purely because of the change to the population.

Within the LC population, the criteria for being allocated a CRM has not changed since 2008. Companies with a UK turnover of £200 million or more are assigned a CRM, as are some other companies using more complex criteria. It is worth noting that at the time of the 2008 survey not all CRMs were yet in place and so the 2009 survey provides the first comprehensive look at the experience of LC customers with a CRM under the new system.

Within the LC population, since the allocation of a CRM has not changed, the LC with CRM population is likely to be fairly similar to that in 2008. The greatest changes are likely to relate to the LC with no CRM population, which has decreased in size since 2008 as a result of the change in criteria for inclusion.

5.2 Research method overview

The 2009 survey research included 1088 telephone survey interviews with Finance Directors or Heads of Tax of large businesses managed by the Large Business Service (LBS) or the Large and Complex Group within Local Compliance (LC). The numbers of interviews achieved are given below.

Table 5.1: Achieved numbers of interviews by customer group	
Large Business Service (LBS)	272
Large and Complex Group within Local Compliance (LC)	816
<i>LC with Customer Relationship Manager (CRM)</i>	243
<i>LC without Customer Relationship Manager (CRM)</i>	573
TOTAL INTERVIEWS	1,088

Further details of the quantitative method are given below. Estimated confidence intervals for comparisons with 2008 are 7.5% for LBS, 7.8% for LC with CRM and 7.7% for LC without CRM.

In addition, 30 qualitative follow-up interviews were conducted. Further details of method are included later in this section.

5.3 Quantitative research method

A random sample of customers was selected from HMRC's databases with a programme of telephone number lookup to find contact details. All businesses were sent a letter giving them the opportunity to opt out of the research, in order to comply with Data Protection Act regulations. Details of amounts of sample selected and issued to field are given below.

Table 5.2: Sample selection and lookup				
	Approximate population	Records selected	Sufficient details found	Issued post opt out
LBS	770	768	749	701
LC with CRM	1,100	1,018	873	837
LC no CRM	8,770	3,048	2,417	2,175
TOTAL	10,640	4,834	4,039	3,713

The questionnaire was developed based on the 2008 questionnaire, in discussion with key HMRC stakeholders, including a peer review workshop with CRMs and cognitive piloting of the questionnaire by telephone with a small number of large business customers.

Fieldwork consisted of a 20 minute computer assisted telephone interview (CATI), with respondents identified during the initial call to the business. Fieldwork began on 30th September 2009 and finished on 20th November 2009.

Response rates

A response rate was calculated at an overall level and for each customer group for the quantitative survey. This incorporated the initial opt out stage, the sample building stage and the main stage of fieldwork. Respondents were divided into the following categories:

- I = Complete interview
- R = Refusal and break off
- NC = Non Contact
- O = Other (e.g. language problem)
- UH = Unknown Eligibility
- NE = Not Eligible

For a business to be eligible to participate in the study³¹ they had to be the UK ultimate parent company or independent of the parent company for tax purposes. Only 1% of the businesses contacted failed to meet this screening criteria.

The response rate was then calculated using the following formula:

$$I / [I + (R+NC+O) + e*UH],$$

where e = Assumed eligibility. This was based on the proportion of businesses who were eligible out of those for whom eligibility was known.

Table 5.3 shows a breakdown of response rate by group.

Table 5.3: Estimated response rates				
	2008		2009	
	Completed interviews	Response rate	Completed interviews	Response rate
LBS	213	43%	272	43%
LC with CRM	249	38%	243	32%
LC no CRM	219	36%	573	31%
TOTAL	681	39%	1,088	33%

The overall response rate of 33% was slightly lower than in 2008, driven by a lower response among LC customers. This was the result of a shorter fieldwork period being available. In 2008 a two stage approach was taken, with three

³¹ Businesses were also sampled on the basis of whether they met the EU definition of large.

weeks of fieldwork to identify the correct respondent, and a break followed by a further eight weeks to conduct the interview. In 2009 the initial stage was not possible, leaving eight weeks in total to identify and interview respondents. This led to being able to make fewer calls in total to each number to avoid overloading respondents and risking serious complaints. This resulted in more cases where the interviewer was unable to identify and access the appropriate person for interview.

Quantitative Data analysis

Data is analysed separately for the three main customer groups and, as in 2008, the data was not combined into one overall population using design weights to bring it back into line with the natural profile of the population of large businesses. This is because 82% of large businesses belong to the LC with no CRM group (see Table 2.1) and the combined results would largely reflect the results for this group and not reflect the diverse experiences of the three different groups. All findings in this report are at the customer group level and cannot be inferred for large business customers as a whole.

Significance testing for differences between 2008 and 2009 data was conducted using a two-tailed t-test based on the proportion of respondents giving a positive rating (usually combined top two scores of "very" or "fairly" positive). Because a sample of customers was interviewed, rather than the entire population, the percentage results are subject to sampling variation. This sampling variation differs with the size of the sample and the percentage figure concerned³². A difference must be of at least a certain size to be statistically significant. Where this report indicates differences between customer groups, these are large enough to be significant at the 95% confidence level. The most pessimistic assumptions were used in the tests: the test used assumed two totally separate samples with no common respondents in both years whereas, in reality, there was some overlap.

Key Driver Analysis

Overall service ratings are a subjective measure and likely to be influenced by issues such as outcome and expectations. For example, those who get a rebate from HMRC are more likely to be satisfied than those who end up owing money, even if both receive the same level of service. Similarly, expectations will also affect satisfaction. The same service will be differently rated depending on the level of service the customer was expecting to receive. As a result, service ratings

³² Calculations used for these estimations are based on a truly random sampling methodology. For the approach used for this survey, we should treat these figures as indicative, rather than absolutely accurate.

should not be used as the key measure of customer service. Instead, the survey collects more objective ratings of different aspects of the customer experience and uses key driver analysis to produce a list of performance issues that drive overall customer ratings, along with a relative measure of the importance of each issue in driving overall service ratings.

The measure of service rating used for this survey was the following question:

Q. Overall, thinking about ALL of your dealings with HMRC, in the last 12 months, how would you rate your experience of dealing with them?

- Very good
- Fairly good
- Neither good nor poor
- Fairly poor
- Very poor
- Don't Know

All of the measures feeding into Chart 1.1 were included in the analysis to try to understand what is driving these ratings.

Key driver analysis is carried out using Multiple Linear Regression of the overall service rating for each customer group. This analysis produces a list of issues together with an indication of their relative importance to the respondents in terms of service rating.

5.4 Qualitative research method

The qualitative follow-up study was designed to replicate the previous evaluation to ensure that findings could be considered over time. A purposive sampling strategy was taken, in which participants were specifically selected to reflect a range of key variables. These variables were LBS customers with a dedicated CRM; LC customers with a CRM; and LC customers without a CRM.

The sample was also organised to include a mix of the following secondary variables, as these had the potential to impact on customers' experiences and views. These included:

- Industry sector – including the range of sectoral classifications covered by the LBS;
- UK and non-UK owned companies (to enable discussions in relation to transfer pricing for example);
- Represented and unrepresented businesses;
- Satisfaction rating on 2009 survey (Very good/ fairly good/other)

- Satisfaction rating on 2008 survey – available on some not all respondents.

Qualitative recruitment

The qualitative respondents were recruited from a re-contact sample provided by the survey team and was managed by TNS-BMRB Social Research’s qualitative field team. At the end of the survey respondents were asked if they were happy to be re-contacted in order to engage in a follow-up study and a sample was generated from those who agreed to be contacted. The field managers were fully briefed on the project and provided with detailed recruitment instructions and a screening questionnaire in order for the recruiter to assess respondents’ eligibility to participate in the research. Respondents were recruited by telephone. All recruiters are members of the IQCS (Interviewers Quality Control Scheme). A confirmation letter was sent to recruited respondents. Interviews were carried out by four experienced qualitative researchers who have extensive experience and are trained in the techniques of non-directive interviewing.

Qualitative interviewing quotas achieved

Table 5.4: Quotas achieved			
	UK owned	Representation	Satisfaction change 2009 ³³
LBS	5	5	8
LC with CRM	8	7	4
LC no CRM	10	8	1
Total	23/30	20/30	13

Industry sectors included were: media; banking; legal services; manufacturing; not for profit; casino; communications; investments; property development; publishing; sale & retail; private equity; packaging.

Interviews were recorded using digital recording equipment for analysis. Interviews were conducted using a topic guide that allowed questioning responsive to issues which were spontaneously raised by participants.

³³ Participants who had taken part in both the 2008 and 2009 customer surveys, and reported a different level of satisfaction in 2009, were specifically targeted for recruitment. This enabled exploration of the reasons for reported changes in experience.

The analysis of qualitative material using Matrix Mapping

Material collected through qualitative methods is invariably unstructured and unwieldy. Much of it is text based, consisting of verbatim transcriptions of interviews and discussions. Moreover, the internal content of the material is usually in detailed and micro-form (for example, accounts of experiences, inarticulate explanations, etc.). The primary aim of any analytical method is to provide a means of exploring coherence and structure within a cumbersome data set while retaining a hold on the original accounts and observations from which it is derived.

Qualitative analysis is essentially about detection and exploration of the data, and making sense of the material by looking for coherence and structure within the data. Matrix Mapping works from verbatim transcripts and involves a systematic process of sifting, summarising and sorting the material according to key issues and themes. The process begins with a familiarisation stage and includes a researcher's review of the audio files and/or transcripts. Based on the coverage of the topic guide, the researchers' experiences of conducting the fieldwork and their preliminary review of the data, a thematic framework is constructed. The analysis then proceeds by summarising and synthesising the data according to this thematic framework using a range of techniques such as cognitive mapping and data matrices. When all the data have been sifted according to the core themes, the analyst begins to map the data and identify features within the data: defining concepts, mapping the range and nature of phenomena, creating typologies, finding associations, and providing explanations.

The analyst reviews the summarised data; compares and contrasts the perceptions, accounts, or experiences; searches for patterns or connections within the data and seeks explanations internally within the data set. Piecing together the overall picture is not simply aggregating patterns, but it involves a process of weighing up the salience and dynamics of issues, and searching for structures within the data that have explanatory power, rather than simply seeking a multiplicity of evidence.

The qualitative findings were later analysed in relation to the quantitative survey data. In reporting, the qualitative survey team wrote results into the quantitative study to achieve an integrated report.

6 Appendix B: Survey data tables

In all tables, the symbol:

- '*' is used to represent the proportion of respondents who gave an answer which was less than half a percent, but greater than zero; and
- '-' represents zero.

Table 6.1 contains all other priorities cited by customers. These are in addition to the answers summarised in Table 1.5 earlier in this report.

Table 6.1: Further priority areas for improvement to HMRC's service (2009)

	LBS	LC CRM	LC NO CRM
STAFF	%	%	%
Access to technical staff	3	3	3
Provide answers to questions	2	4	3
Contact with local offices	2	1	3
More consistency of staff/fewer staff changes	3	2	2
More helpful	1	2	3
More responsive	2	2	2
More staff	2	1	1
More polite/friendlier staff	2	-	1
Want a CRM	2	*	1
More approachable	*	*	1
Language difficulties/can't speak English	-	-	*
Longer hours	*	-	*
More professional	-	-	*
CHANNELS OF CONTACT			
Provide contact numbers	*	2	2
More face to face contact	2	1	1
Dislike automated services	-	*	1
CULTURE			
More flexible	1	2	1
Keep your promises/do what you say	2	1	1
More up to date	2	1	1
More understanding	1	1	1
More proactive	-	1	1
More personal service	-	*	1
Clearer structure	*	-	1
Fair treatment	1	-	*
Provide confirmations	-	-	1

Table 6.1 ctd: Further priority areas for improvement to HMRC's service (2009)

INFORMATION/ADVICE			
Better/more precise/more up to date guidance	3	3	2
More relevant advice	1	*	2
	LBS	LC CRM	LC NO CRM
INFORMATION/ADVICE ctd:			
	%	%	%
More reliable advice	*	*	2
Clearer literature	-	1	1
ADMIN			
Less complicated tax system	4	1	2
Less forms/paperwork	2	1	2
Inform me about changes to legislation	3	-	2
Penalty issues	-	*	1
Stop changing offices	-	-	1
Security	*	-	*
Other answers	24	16	10
Don't know	8	11	10
Nothing needs to change	9	9	6
N° Interviews:	272	243	573

Full details of responses to all key questions are included below, including comparison to 2008 results where questions remain comparable.

6.1 Rating of overall service

Table 6.1.1: Rating of experience of dealing with HMRC in last year

YEAR	LBS		LC CRM		LC NO CRM	
	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Very good	43	36	24	25	17	20
Fairly good	44	50	47	50	56	48
Neither	9	9	17	16	16	21
Fairly poor	2	4	7	7	6	6
Very poor	*	-	2	1	4	2
Don't know	2	1	3	1	1	3
N° Interviews:	213	272	249	243	218	573

Table 6.1.2: Rating of experience of dealing with HMRC compared with a year ago

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Much worse	1	2	2	5	2	2
Slightly worse	8	9	7	7	7	8
No change	48	54	57	44	68	63
Slightly better	25	24	18	23	11	16
Much better	11	7	7	15	5	4
Don't know	*	*	1	1	1	1
Did not deal with HMRC a year ago	6	3	8	5	6	6
N° Interviews:	213	272	249	243	218	573

6.2 HMRC culture

Fair

Table 6.2.1: Agreement that "They treat your business fairly"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	18	24	20	21	17	16
Tend to agree	66	62	62	60	56	58
Neither	9	10	10	13	18	17
Tend to disagree	6	3	5	5	7	6
Disagree strongly	1	1	2	1	1	2
Don't know	-	*	2	*	*	1
Depends	-	-	-	-	-	-
N° Interviews:	213	272	249	243	218	573

Make things clear

Table 6.2.2: Agreement that "HMRC makes it clear to you what their areas of concern are"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	23	14	16	20	16	13
Tend to agree	58	63	52	51	55	51
Neither	9	11	16	16	11	17
Tend to disagree	7	7	10	8	7	9
Disagree strongly	1	3	2	1	4	2
Don't know	2	3	6	4	8	8
N° Interviews:	213	272	249	243	218	573

Table 6.2.3: Agreement that "They make it clear what you need to do to be compliant"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	20	17	14	17	17	18
Tend to agree	58	62	55	52	53	50
Neither	8	14	12	15	11	12
Tend to disagree	10	5	14	14	14	14
Disagree strongly	2	2	3	2	5	4
Don't know	2	-	2	*	1	2
Depends	*	-	-	-	-	-
N° Interviews:	213	272	249	243	218	573

Table 6.2.4: Agreement that “HMRC makes it clear what you need to do to address any concerns”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	15	10	13	13	14	12
Tend to agree	54	57	54	48	54	50
Neither	14	17	15	25	17	17
Tend to disagree	9	13	12	9	8	13
Disagree strongly	3	2	1	2	3	2
Don't know	4	3	4	4	5	7
N° Interviews:	213	272	249	243	218	573

Cooperative

Table 6.2.5: Agreement that “They actively seek a cooperative relationship with you”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	40	38	13	23	11	9
Tend to agree	45	49	43	51	37	37
Neither	8	6	18	16	24	27
Tend to disagree	5	5	18	7	20	20
Disagree strongly	1	1	6	2	6	5
Don't know	-	*	2	*	3	2
Depends	-	-	-	-	-	*
N° Interviews:	213	272	249	243	218	573

Consistent

Table 6.2.6: Agreement that “They are consistent in the way they deal with your business”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	9	17	15	14	13	13
Tend to agree	61	61	53	49	56	56
Neither	13	7	13	16	19	12
Tend to disagree	13	13	14	17	8	13
Disagree strongly	1	1	5	3	3	4
Don't know	2	-	*	*	1	2
Depends	*	*	-	-	-	-
N° Interviews:	213	272	249	243	218	573

Joined up

Table 6.2.7: Agreement that “They are a joined up organisation”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	3	5	4	5	6	5
Tend to agree	31	33	27	27	21	29
Neither	17	19	18	19	21	19
Tend to disagree	32	32	36	30	28	26
Disagree strongly	11	9	9	16	14	14
Don't know	4	1	6	4	10	5
Depends	-	-	-	-	-	1
N° Interviews:	213	272	249	243	218	573

Transparent

Table 6.2.8: Agreement that "Their decision making process is transparent"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	5	4	3	7	9	5
Tend to agree	32	36	35	29	27	32
Neither	21	25	23	29	24	26
Tend to disagree	30	28	28	22	24	22
Disagree strongly	7	6	6	6	8	9
Don't know	5	1	4	6	8	6
Depends	-	*	*	1	-	*
N° Interviews:	213	272	249	243	218	573

6.3 ROLLB themes

Risk

Table 6.3.1: Agreement that "They ensure any administrative costs you incur are at an appropriate level, given the need to prevent error or fraud"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	6	4	6	7	6	7
Tend to agree	46	40	34	33	41	42
Neither	18	26	30	28	20	22
Tend to disagree	18	21	15	19	17	14
Disagree strongly	8	5	7	7	8	6
Don't know	4	3	7	7	7	8
Depends	1	*	*	-	*	*
N° Interviews:	213	272	249	243	218	573

Table 6.3.2: Agreement that "They have a good understanding of your business' level of risk with regard to tax compliance"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	18	19	6	14	4	8
Tend to agree	56	58	38	43	37	35
Neither	15	10	27	21	24	27
Tend to disagree	8	8	18	14	18	16
Disagree strongly	3	3	5	5	8	6
Don't know	1	2	6	3	9	8
Depends	-	-	1	*	*	*
N° Interviews:	213	272	249	243	218	573

Table 6.3.3: Agreement that "HMRC have become more focused on the high risk tax issues that affect businesses and are now less concerned about the low risk matters"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	31	25	15	16	11	9
Tend to agree	51	52	39	45	34	34
Neither	9	15	23	21	26	34
Tend to disagree	5	4	8	10	12	9
Disagree strongly	*	*	3	2	3	2
Don't know	4	4	11	6	14	12
N° Interviews:	213	272	249	243	218	573

Table 6.3.4: Agreement that “They take your business's needs into account in the way they deal with your business”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	15	13	7	9	7	5
Tend to agree	60	54	40	47	37	35
Neither	12	17	26	21	25	28
Tend to disagree	9	11	17	16	20	20
Disagree strongly	4	2	5	4	7	6
Don't know	1	2	5	3	3	5
Depends	-	*	-	*	-	1
N° Interviews:	213	272	249	243	218	573

Table 6.3.5: Agreement that “They take your track record on tax into account”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	30	35	18	19	16	13
Tend to agree	59	52	44	57	45	48
Neither	5	7	22	14	21	18
Tend to disagree	4	3	8	6	7	7
Disagree strongly	-	1	2	2	2	3
Don't know	3	2	5	3	9	10
Depends	-	-	-	-	-	*
N° Interviews:	213	272	249	243	218	573

Certainty

Table 6.3.6: Agreement that “They provide your business with certainty in its tax affairs”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	8	6	8	8	6	9
Tend to agree	46	48	37	41	41	40
Neither	15	23	27	29	21	23
Tend to disagree	21	17	20	15	22	18
Disagree strongly	8	5	6	4	6	5
Don't know	*	1	2	2	4	6
Depends	-	-	-	-	-	-
N° Interviews:	213	272	249	243	218	573

Consultation

Table 6.3.7: Agreement that “HMRC have become more likely to consult with businesses in advance about potential changes to tax administration”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	13	11	10	14	9	10
Tend to agree	46	40	39	41	26	31
Neither	22	28	22	26	28	25
Tend to disagree	10	15	17	12	19	19
Disagree strongly	6	4	6	5	8	7
Don't know	3	1	7	2	10	9
N° Interviews:	213	272	249	243	218	573

Resolution

Table 6.3.8: Agreement that "HMRC demonstrates commercial understanding in resolving disagreements"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	8	4	6	6	5	4
Tend to agree	43	41	37	40	34	32
Neither	22	25	23	26	26	28
Tend to disagree	18	20	23	18	21	18
Disagree strongly	7	6	4	7	6	7
Don't know	3	4	6	4	8	11
N° Interviews:	213	272	249	243	218	573

Table 6.3.9: Agreement that "HMRC resolves disagreements within an appropriate time period"

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	8	4	10	9	8	9
Tend to agree	38	40	40	37	41	38
Neither	18	21	18	20	17	17
Tend to disagree	22	23	20	22	16	18
Disagree strongly	9	8	7	7	11	8
Don't know	4	4	6	5	6	9
N° Interviews:	213	272	249	243	218	573

6.4 HMRC staff

Communication

Table 6.4.1: Agreement that “The amount of contact you have with them is appropriate”

YEAR	LBS		LC CRM		LC NO CRM	
	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	32	29	24	26	19	23
Tend to agree	62	63	63	60	65	62
Neither	3	5	7	7	10	9
Tend to disagree	3	2	4	7	5	4
Disagree strongly	*	1	1	1	1	1
Don't know	-	*	-	-	*	2
Depends	-	-	-	-	*	*
N° Interviews:	212	272	249	242	217	567

Table 6.4.2: Agreement that “The tone of their communications is professional”

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Agree strongly	43	29	29
Tend to agree	47	59	58
Neither	6	10	7
Tend to disagree	2	2	4
Disagree strongly	-	-	2
Don't know	*	-	1
Depends	1	-	*
N° Interviews:	272	242	567

CRMS (all who have dealt with their CRM)

Table 6.4.3: Rating on "Being easy to contact"

	LBS		LC CRM	
YEAR	2008	2009	2008	2009
	%	%	%	%
Very good	61	58	42	48
Fairly good	31	33	43	43
Neither	4	4	7	2
Fairly poor	1	1	-	4
Very poor	-	-	1	1
Don't know	4	4	7	2
N° Interviews:	183	236	72	168

Table 6.4.4: Rating on "Their overall expertise in taxation"

	LBS		LC CRM	
YEAR	2008	2009	2008	2009
	%	%	%	%
Very good	38	33	31	23
Fairly good	38	51	43	63
Neither	14	8	13	7
Fairly poor	1	*	1	2
Very poor	-	*	-	-
Don't know	9	7	13	5
N° Interviews:	183	236	72	168

Table 6.4.5: Rating on "Their ability to make appropriate decisions"

	LBS		LC CRM	
YEAR	2008	2009	2008	2009
	%	%	%	%
Very good	30	29	29	30
Fairly good	44	44	42	43
Neither	13	14	11	14
Fairly poor	5	5	3	7
Very poor	1	2	1	1
Don't know	8	6	14	5
N° Interviews:	183	236	72	168

Table 6.4.6: Rating on “Their commercial understanding, in relation to your business and more generally” (2009 only)

2009	LBS	LC CRM
2009 only:	%	%
Very good	24	18
Fairly good	48	51
Neither	14	15
Fairly poor	6	8
Very poor	1	4
Don't know	7	4
N° Interviews:	236	168

Table 6.4.7: Rating on “Their ability to adapt to the needs of your business”

YEAR	LBS		LC CRM	
	2008	2009	2008	2009
	%	%	%	%
Very good	32	26	28	26
Fairly good	43	49	44	45
Neither	13	14	8	19
Fairly poor	2	6	4	5
Very poor		*	3	1
Don't know	10	6	13	5
N° Interviews:	183	236	72	168

Table 6.4.8 Rating of overall relationship with CRM

- 2009	LBS	LC CRM
2009 only:	%	%
Very good	56	34
Fairly good	33	48
Neither	7	13
Fairly poor	*	2
Very poor	-	1
Don't know	4	2
N° Interviews:	236	168

Table 6.4.9: How useful would you find it to have a single named person as your first point of contact with HMRC? (ALL LC without CRM)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Very useful	NA	NA	71
Fairly useful	NA	NA	19
Not very useful	NA	NA	4
Not at all useful	NA	NA	4
Don't know	NA	NA	2
N° Interviews:	NA	NA	522

Expertise and responsiveness

Table 6.4.10: Agreement that "They have the necessary levels of technical expertise"

YEAR	LBS		LC CRM		LC NO CRM	
	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	20	18	14	13	11	14
Tend to agree	56	57	51	48	51	46
Neither	13	11	14	16	13	14
Tend to disagree	9	9	13	18	17	17
Disagree strongly	-	1	5	2	6	6
Don't know	*	1	1	1	2	2
Depends	2	1	1	2	1	1
N° Interviews:	212	272	249	242	217	567

Table 6.4.11: Agreement that “They provide a response to your queries within an agreed timeframe”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	15	22	14	19	16	17
Tend to agree	60	57	51	50	52	52
Neither	8	7	14	15	13	10
Tend to disagree	15	11	14	10	11	13
Disagree strongly	1	1	6	2	6	5
Don't know	-	1	1	2	2	3
Depends	1	*	-	1	-	*
N° Interviews:	212	272	249	242	217	567

Table 6.4.12: Agreement that “They provide a reliable response to your queries”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	18	17	12	17	11	15
Tend to agree	64	63	57	55	54	52
Neither	9	12	13	13	17	14
Tend to disagree	6	5	13	11	12	14
Disagree strongly	1	1	4	1	5	4
Don't know	1	1	*	1	1	1
Depends	1	1	*	*	1	-
N° Interviews:	212	272	249	242	217	567

Commercial understanding

Table 6.4.13: Agreement that “They have a good understanding of your business”

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	9	13	4	7	6	7
Tend to agree	56	49	27	37	29	26
Neither	16	19	33	28	26	28
Tend to disagree	15	13	25	22	28	26
Disagree strongly	2	3	10	4	9	8
Don't know	1	1	1	1	2	5
Depends	1	1	1	*	1	1
N° Interviews:	212	272	249	242	217	567

6.5 Information and guidance

Please note: Questions were asked specifically about written information in 2008, but about information and guidance more generally in 2009

Quality of information

Table 6.5.1: Agreement that “I have confidence that the information and guidance provided is accurate and up to date” (all who have used information)

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	13	12	23	27	25	28
Tend to agree	56	56	62	52	54	57
Neither	16	20	7	10	10	5
Tend to disagree	12	9	5	10	8	8
Disagree strongly	2	1	1	1	2	2
Don't know	1	1	*	-	1	1
Depends	-	*	1	-	*	*
N° Interviews:	208	271	241	229	210	549

Table 6.5.2: Agreement that “The information and guidance is easy to use” (all who have used information)

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	7	9	8	13	8	13
Tend to agree	59	65	57	51	55	52
Neither	15	11	17	18	12	12
Tend to disagree	14	13	17	16	23	19
Disagree strongly	3	1	1	2	2	4
Don't know	-	-	-	*	*	1
Depends	1	1	*	-	-	*
N° Interviews:	208	271	241	229	210	549

Table 6.5.3: Agreement that “There is information and guidance available for all of my needs” (all who have used information)

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	8	5	9	12	12	15
Tend to agree	46	49	59	49	49	52
Neither	23	15	13	14	14	12
Tend to disagree	21	27	15	23	22	18
Disagree strongly	2	3	3	2	2	3
Don't know	-	-	-	*	1	*
Depends	-	-	-	-	-	*
N° Interviews:	208	271	241	229	210	549

Ease of access to advice/information

Table 6.5.4: Agreement that “They provide easy access to taxation specialists for advice” (all)

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	9	13	7	8	6	9
Tend to agree	38	43	31	33	31	28
Neither	20	21	22	24	21	23
Tend to disagree	25	14	24	19	24	20
Disagree strongly	5	6	9	8	11	10
Don't know	2	1	6	7	8	10
Depends	*	1	*	1	-	1
N° Interviews:	213	272	249	243	218	573

Table 6.5.5: Agreement that “It is easy to find the information and guidance I need” (all who have used information)

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Agree strongly	4	6	5	7	6	11
Tend to agree	39	41	37	39	38	43
Neither	21	17	18	17	14	14
Tend to disagree	25	30	33	27	34	24
Disagree strongly	10	6	7	8	8	8
Don't know	-	-	-	1	*	-
Depends	1	*	-	1	-	-
N° Interviews:	208	271	241	229	210	549

6.6 Influence of HMRC on UK as a place to do business

Table 6.6.1: To what extent does HMRC's administration of the UK Tax System affect how competitive the UK is as a place to do business?

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Highly positive effect	3	2	3
Fairly positive effect	30	18	23
No effect	30	38	37
Fairly negative effect	28	23	19
Highly negative effect	2	2	4
Don't know – don't operate in other countries	2	5	4
Don't know	6	11	10
N° Interviews:	273	243	573

Table 6.6.2: In the last 12 months has your organisation considered re-locating the business, or parts of the business, to another country for TAX PURPOSES?

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Yes	18	14	5
No	79	82	93
Don't know	2	2	1
Refused	1	2	*
N° Interviews:	273	243	573

6.7 Administrative Burden

Table 6.7.1 Over the past 12 months has the administrative burden of tax compliance increased or decreased, or stayed at the same level?

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Increased	64	47	33
Stayed the same	33	49	62
Decreased	2	1	2
Don't know	1	2	4
N° Interviews:	272	243	573

6.8 Tax avoidance

Table 6.8.1: How confident are you that you know what HMRC would view as tax avoidance?

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Very confident	37	44	36
Fairly confident	46	44	50
Not very confident	10	9	7
Not at all confident	4	2	3
Don't know/no opinion	2	2	4
Refused	1	-	-
N° Interviews:	272	243	573

Table 6.8.2: Were you aware that HMRC had been taking such actions to address the issue of tax avoidance?

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Yes	89	70	54
No	11	29	45
Don't know	-	*	1
N° Interviews:	272	243	573

Table 6.8.3: How do you think the way HMRC is addressing tax avoidance has influenced how likely businesses were to engage in tax avoidance in the last 12 months? (all aware of actions)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
A lot more likely	2	1	3
Slightly more likely	3	5	8
No change	39	31	36
Slightly less likely	40	42	35
A lot less likely	12	11	9
Don't know	4	11	8
Refused	*	-	*
N° Interviews:	243	171	312

6.9 International Trade

Please note: Low base sizes at these questions

Table 6.9.1: Are you aware of the forthcoming changes to the Customs Code? (all dealing with Customs Duties)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Yes	61	49	48
No	39	51	51
Don't know	-	-	1
N° Interviews:	74	51	120

Table 6.9.2: How do you feel about the number of Customs audits requested by HMRC

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Prefer an increase	1	2	2
Prefer a reduction	14	12	21
Prefer it to stay the same	73	76	70
Don't know	12	10	8
N° Interviews:	74	51	120

6.10 Debt management

Table 6.10.1: Are you aware of the service offered by HMRC's Debt Management Service if your company is experiencing financial difficulty?

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Yes	NA	NA	42
No	NA	NA	58
Don't know	NA	NA	*
N° Interviews:	NA	NA	522

Table 6.10.2: Has your business ever used the Debt Management Service? (ALL AWARE)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Yes	NA	NA	21
No	NA	NA	79
Don't know	NA	NA	1
N° Interviews:	NA	NA	219

Please note: very low base sizes in subsequent tables.

Table 6.10.3: Rating of Debt Management Service on "Ease of access"?
(ALL USED SERVICE)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Very good	NA	NA	40
Fairly good	NA	NA	44
Neither	NA	NA	4
Fairly poor	NA	NA	7
Very poor	NA	NA	-
Don't know	NA	NA	4
N° Interviews:	NA	NA	45

Table 6.10.4: Rating of Debt Management Service on “Speed of response”? (ALL USED SERVICE)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Very good	NA	NA	44
Fairly good	NA	NA	33
Neither	NA	NA	4
Fairly poor	NA	NA	9
Very poor	NA	NA	4
Don't know	NA	NA	4
N° Interviews:	NA	NA	45

Table 6.10.5: Rating of Debt Management Service on “Making it clear what information you need to provide”? (ALL USED SERVICE)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Very good	NA	NA	36
Fairly good	NA	NA	49
Neither	NA	NA	2
Fairly poor	NA	NA	9
Very poor	NA	NA	-
Don't know	NA	NA	4
N° Interviews:	NA	NA	45

Table 6.10.6: Rating of Debt Management Service on “Keeping the information you need to provide as low as possible”? (ALL USED SERVICE)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Very good	NA	NA	31
Fairly good	NA	NA	47
Neither	NA	NA	4
Fairly poor	NA	NA	4
Very poor	NA	NA	9
Don't know	NA	NA	4
N° Interviews:	NA	NA	45

Table 6.10.7: How easy is it to make payments electronically to HMRC (ALL USED SERVICE)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Very easy	NA	NA	73
Fairly easy	NA	NA	13
Fairly difficult	NA	NA	2
Very difficult	NA	NA	-
Don't know	NA	NA	2
Not made any payments yet	NA	NA	9
N° Interviews:	NA	NA	45

Table 6.10.8: Are your payments being correctly allocated to the right tax debt (ALL MADE PAYMENT)

- 2009	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Yes	NA	NA	76
No	NA	NA	22
Don't know	NA	NA	2
Only have one tax debt	NA	NA	-
N° Interviews:	NA	NA	41

6.11 Demographics

Table 6.11.1: Whether business is part of a larger group

YEAR	LBS		LC CRM		LC NO CRM	
	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Yes	72	72	74	68	50	49
No	27	26	26	31	50	50
Don't Know	*	1	-	*	*	1
N° Interviews:	213	272	249	243	218	573

Table 6.11.2: Taxes dealt with by business

YEAR	LBS		LC CRM		LC NO CRM	
	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
PAYE/National Insurance	99	97	98	98	96	98
VAT	98	99	97	98	97	97
Corporation Tax	98	98	94	96	94	92
Insurance Premium Tax	63	54	62	47	66	56
Customs duties (or Import/Export duties)	63	60	48	54	34	40
Property Taxes	71	67	74	42	39	32
Partners' Income Tax	12	11	8	16	17	24
Construction Industry Scheme	54	46	28	31	28	23
Excise Duties	43	32	33	29	23	23
Environmental Taxes	46	39	27	16	25	17
Petroleum Revenue Tax	2	1	1	*	-	1
Stamp Duty	4	4	1	-	1	1
Withholding tax	-	1	-	*	-	1
Business rates	2	*	1	-	-	-
Other answers	4	4	*	1	3	2
N° Interviews:	213	272	249	243	218	573

Table 6.11.3: Taxes dealt with by respondent

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
VAT	81	81	85	74	86	85
PAYE/ National Insurance	61	53	68	63	74	77
Corporation Tax	87	80	73	66	65	57
Insurance Premium Tax	32	21	36	16	39	27
Customs duties (or Import/ Export duties)	29	27	24	21	20	21
Construction Industry Scheme	33	26	16	17	21	16
Property Taxes	34	27	20	18	22	16
Excise Duties	22	15	15	9	13	12
Partners' Income Tax	6	6	2	8	6	9
Environmental Taxes	22	13	10	5	11	8
Other	8	7	2	2	3	3
No Interviews:	213	272	249	243	218	573

Table 6.11.4: Use of an agent

	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Deal with all aspects of these taxes in house	39	26	21
Deal with some things in house and use an agent/tax advisor	60	72	76
Use an agent to deal with all of your HMRC tax affairs	1	2	3
Don't Know	1	-	*
N ^o Interviews:	272	243	573

Table 6.11.5: Who would contact with questions about tax affairs (ALL WHO USE AGENT)

	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Contact HMRC directly	8	11	11
Contact an agent or tax advisor	18	21	18
Sometimes contact HMRC, sometimes contact an agent	73	67	71
Use both for the same issue	1	1	*
Don't Know	-	-	1
No Interviews:	164	181	450

Table 6.11.6: Taxes for which use an agent (ALL WHO USE AGENT)

	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Corporation Tax	88	87	88
VAT	66	63	38
PAYE/ National Insurance	59	49	36
Partners' Income Tax	9	10	18
Property Taxes	34	24	16
Customs duties (or Import / Export duties)	23	18	14
Insurance Premium Tax	12	9	14
Excise Duties	15	10	6
Environmental Taxes	8	5	6
Construction Industry Scheme	12	9	5
Petroleum Revenue Tax	-	-	*
Other	7	1	2
Don't Know	1	3	1
None of these	2	4	2
No Interviews:	164	181	450

Table 6.11.7: What use agent for (ALL WHO USE AGENT)

	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
To seek clarification on tax affairs	89	90	90
To seek advice on tax affairs	93	90	89
To check computations	59	76	85
To file returns	48	64	80
Tax planning	2	1	2
To complete returns	-	1	*
Updates on changes/new legislation	1	1	*
Other answers	3	3	3
Don't Know	1	1	1
No Interviews:	164	181	450

Table 6.11.8: Whether use big 4 accountancy firm (ALL WHO USE AGENT)

	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Yes	93	82	46
No	7	17	54
Don't Know	-	1	*
No Interviews:	164	181	450

Table 6.11.9: Contact methods used

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Telephone	96	97	94	93	98	92
Letter	96	96	94	95	94	88
Through a third party (e.g. an agent or advisor)	54	49	66	58	67	64
Contact through the internet	47	40	51	49	55	55
Email	91	93	67	71	60	54
In person (making or receiving a visit)	88	86	68	72	60	48
Fax	37	36	32	31	38	34
Other answers		1		-		*
None of these	*	-	-	*	-	1
Don't Know	-	-	-	*	-	*
No Interviews:	213	272	249	243	218	573

Table 6.11.10: Contact methods preferred (ALL WHO MADE CONTACT)

	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Telephone	84	78	81
Email	87	84	79
Letter	59	58	60
Contact through the internet	31	41	49
Through a third party (e.g. an agent or advisor)	28	40	45
In person (making or receiving a visit)	72	50	35
Fax	16	18	22
Other answers	*	-	*
None of these	1	*	*
Don't Know	2	1	*
No Interviews:	272	242	567

Table 6.11.11: Who contact by telephone (ALL WHO MADE CONTACT BY TELEPHONE)

	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
An HMRC helpline	24	45	67
Local office	27	43	58
Your Customer Relationship Manager (CRM)	81	62	2
Number on letter/correspondence	1	1	2
Specific/named individual/office	*	*	2
PAYE (office)	-	-	1
Specialist	5	4	1
National office	-	-	1
Large business	3	1	*
Debt management unit	-	-	*
International /intrastate office	2	*	*
Other answers	11	10	9
Don't Know	-	*	1
No Interviews:	264	227	526

Table 6.11.12: Whether use information/guidance

	LBS	LC CRM	LC NO CRM
2009 only:	%	%	%
Yes	100	94	96
No	*	6	4
Don't Know	-	-	*
No Interviews:	272	243	573

Table 6.11.13: Whether deal personally with CRM

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Yes	86	87	29	69	NA	NA
No	7	13	10	30	NA	NA
Don't have a CRM	6	-	54	1	NA	NA
Don't Know	2	-	7	-	NA	NA
No Interviews:	213	272	249	243	NA	NA

Table 6.11.14: Whether usually contact CRM or other staff (ALL WHO DEAL WITH CRM)

	LBS		LC CRM		LC NO CRM	
YEAR	2008	2009	2008	2009	2008	2009
	%	%	%	%	%	%
Usually through CRM	26	53	43	57	NA	NA
Usually through other staff	23	17	14	14	NA	NA
Fairly even split	50	30	36	28	NA	NA
Don't Know	1	-	7	1	NA	NA
No Interviews:	183	236	72	168	NA	NA