



IFF Research

Trends in the Tax Agent Market

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By IFF Research

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1 Glossary

| Term | Definition |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accounting / Auditing | The main goal of tax accounting is to provide a company with clear, comprehensive, and reliable information about its economic activities, and status of its assets and liabilities. Auditing of financial statements involves examining the financial statements and the underlying records of the company in order to establish whether the statements are fairly presented. This is one of the three broad business activities of professional tax agents included in this research. |
| Agent Online Self-Service Tool | A new online service introduced by HMRC for tax agents, which will allow them to transact more easily with HMRC on behalf of their clients. |
| Agents Strategy | The Agents Strategy aims to transform the relationship between HMRC and agents by improving the design of systems and processes, better understanding the needs of agents' clients and supporting agents in meeting these needs. |
| Automatic Enrolment | A Government initiative to help more people save for later life through a pension scheme at work. Every employer with at least one member of staff now has to allow entry into a workplace pension scheme and contribute towards it. An area some professional tax agents stated they were beginning to specialise in. |
| Big Four | The four largest accountancy firms in the UK: Deloitte, PricewaterhouseCoopers, EY, KPMG. |
| Bookkeeping | The recording of the financial transactions of a business. This is one of the three broad business activities of professional tax agents included in this research. |
| Capital Gains Tax (CGT) | A tax paid on any profit made from the sale of property or other asset. Capital Gains Tax is currently 28 per cent for anyone earning enough to pay more than the basic rate of Income Tax. An area some professional tax agents stated they were beginning to specialise in. |
| Clients | Throughout this report this refers to clients of the professional tax agents participating in the research. |
| Disguised remuneration rules | This is tax legislation on employment income provided through third parties. Raised by some agents when discussing the legislative landscape. |
| Tax Agents | Tax agents are third party intermediaries who conduct some or all of the tax affairs of the business or individual they have been appointed to represent. The term covers a range of bookkeeping, accountancy and advisory businesses, from sole traders to international corporations, and also includes a minority who work unpaid in the voluntary sector or on behalf of friends or family. This report focuses <i>only</i> on paid, professional tax agents. |
| Top 10 agent firms | The 10 largest accountancy firms in the UK. |
| Inheritance Tax (IHT) | Inheritance Tax is paid if a person's estate (their property, money and possessions) is worth more than £325,000 when they die. The rate of Inheritance Tax is 40 per cent on anything above this. |
| Larger agent firms | Defined in this project as professional tax agent firms with 50+ employees. |
| Mid-size and smaller agent firms | Defined in this project as professional tax agent firms with 10-49 employees. |
| Micro agent firms | Defined in this project as professional tax agent firms with 1-9 employees. |



| Term | Definition |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Real Time Information (RTI) | An initiative to improve the accuracy of PAYE, reducing the need to send out corrections for overpayment or underpaying and the possibility of fraud. Employers are required to submit information electronically via the internet to HMRC when they pay their employees instead of submitting once a year. |
| Tax consultancy | A tax advisor or tax consultant is a financial expert specially trained in tax law, tax planning and compliance. This is one of the three broad business activities of professional tax agents included in this research. |



2 Executive Summary

Background

- 2.1 The primary objective of this research was to understand how the professional tax agent market has changed over the past five to ten years and how tax agents perceive it will change further in the next five to ten years.
- 2.2 In total 40 qualitative in-depth interviews were conducted by telephone between 26 February and 27 March 2015, with tax agent firms of a range of sizes and specialising in a range of activities (accounting/auditing, bookkeeping or tax consultancy).

Overview

- 2.3 Most agents participating in this research acknowledged there were several trends over the past five to ten years which had directly impacted the way in which they were delivering services. It became clear through discussions with them that three specific trends were closely linked and often influenced each other:
- Changes to agent services and expertise;
 - Changes in client types, and their expectations; and
 - Changes in technology.

Recent changes to agent services and expertise

- 2.4 The services and expertise tax agents offer was consistently mentioned among participants as an area of change over the past five to ten years, though to varying extents depending on the firm. While agents have generally been reactive (to changes in legislation or technology) rather than proactive in making these changes to their service offering, there were indications that many are planning more strategic changes in the future.
- 2.5 The largest agent firms (with over 50 employees) were generally seeking to become a “one stop shop” which would entail more specialists all under one roof. This was planned in order to take advantage of advice needs as a result of increasingly complex legislation, and to provide a truly ‘end to end’ service for their clients. Mid-size and smaller agent firms (10-49 employees) were also planning to develop specialisms but in fewer areas. Many agents from mid-sized firms discussed wanting to move into consultancy as they felt this would be profitable work, and because greater use of technology and automated packages had ‘freed up’ time that could now be used in this way.
- 2.6 Agents from the smallest (micro) firms (1-9 employees) and sole traders were less likely to say they would adapt their service offering often because they felt they had a regular, loyal client base and/or offered a relatively niche service which they felt there was no need to expand. That said, there were some examples of new areas being covered by smaller firms (e.g. advice on IHT, CGT and expanding payroll assistance).

Changes in client types and expectations

- 2.7 There was general consensus among agents that the demographics of personal tax clients were changing. A common view was that there had been an increase in the number of younger, less wealthy clients seeking tax advice. However some agents also commented that the ageing population



had meant that their firm was seeing a growing number of older clients with specific needs related to their age. Many agents mentioned that clients were becoming savvier because information is more accessible than it has been in the past, though noted they could be misinformed and guidance was still needed.

- 2.8 Many agents from firms supporting business tax clients had noted an increase in the number of start-ups, entrepreneurs and self-employed clients over the past five years.

Technological changes

- 2.9 Technological innovation was seen as a driver of change within the tax agent population. Aside from more general developments (such as email) the emergence of Cloud computing¹ and automated services were generally perceived to bring increased efficiency, ease and more opportunities to agents.
- 2.10 Agents also anticipated that these developments would make the overall market more competitive, both by allowing agents to more easily work across different locations and time zones, and allowing the development of cheaper, more automated services.

Implications for the future market

- 2.11 There was a general perception among agents of all sizes and specialisms that the market is becoming (and will continue to become) more competitive, as discussed in 2.10. In addition, some mentioned that the increasing complexity of legislation had brought more advisory agents into the market. A few felt this latter development could be negative and wanted more stringent accreditation to determine who can practice. In general however, agents did not feel their own position in the market was under threat.
- 2.12 Other anticipated future trends included the continued importance of personal, face to face services, and plans among mid-size agent firms to move into consultancy. The largest firms anticipated growing organically and further developing their specialisms, while the smallest agent firms envisaged staying as they were with the ultimate aim of keeping their niche client base happy until the agent's retirement or until an opportunity to sell the business arises in the future.

Relationship with HMRC

- 2.13 Across all sizes of agent firms, agents reported a mixed picture in terms of their experience of HMRC over the last five to ten years. There was a split between those who felt the relationship had improved, those who felt it had deteriorated, and those who said their experience was variable.
- 2.14 Several agents perceived HMRC to be helpful and cooperative. Agents from smaller firms reported it was now easier to get through to someone to answer basic queries and that HMRC's approach had become more pragmatic, helpful and 'human', and less adversarial. The main negatives cited were communication difficulties (in making contact and receiving a swift response) and a perceived reduction in the level of expertise within HMRC, particularly among staff working in the call centres.

¹ This is the practice of using a network of remote servers hosted on the Internet to store, manage, and process data, rather than a local server or a personal computer. It means this data (if required / wanted) can be accessed easily and updated by others in many different areas.



3 Background and approach

Aims and objectives

- 3.1 As part of its Agents Strategy, HMRC has sought to explore professional tax agents' perceptions of the tax agent market and how it has been changing and will continue to change. This will help HMRC further develop new products and services of relevance to the agent population and help HMRC plan its own internal resources.
- 3.2 The primary objective of this research was to understand how tax agents perceive the tax agent market has changed over the past five to ten years and how it will change further in the next five to ten years, specifically in terms of:
 - the types of services offered and type of work undertaken by tax agents;
 - how these services are delivered; and
 - the role of technology and how it could shape future delivery of services.

Methodology

- 3.3 40 qualitative, in-depth interviews were conducted by telephone with tax agents between 26 February and 27 March 2015. During the interviews, tax agents were asked to think about changes over the last 5-10 years, and to consider how the tax agent market may change over the next 5-10 years. The sample was structured to ensure these agents worked in firms of varying sizes (defined by the number of employees). Interviews were also stratified to reflect the diversity of the sector by including agents who worked for firms which undertook different business activities (i.e. accounting/auditing, bookkeeping and tax consultancy).
- 3.4 Further details of the achieved sample structure are included in Appendix A.

Approach to reporting

- 3.5 Depth interviews were used as they provide a useful insight and rich detail. However, the aim of qualitative research is not to extrapolate findings to the wider population. Larger agencies were deliberately over represented in this research (partly because they represent the majority of clients). Findings should therefore be interpreted in this context and should not be taken as representative of all professional tax agents.



4 Main findings

4.1 There is considerable interaction between three key trends explored in the research, and this section summarises these interactions. The remainder of the main findings section discusses these three trends individually, and then goes on to discuss other trends explored by the research: trends in tax legislation, market competition and trends in agents' relationships with HMRC.

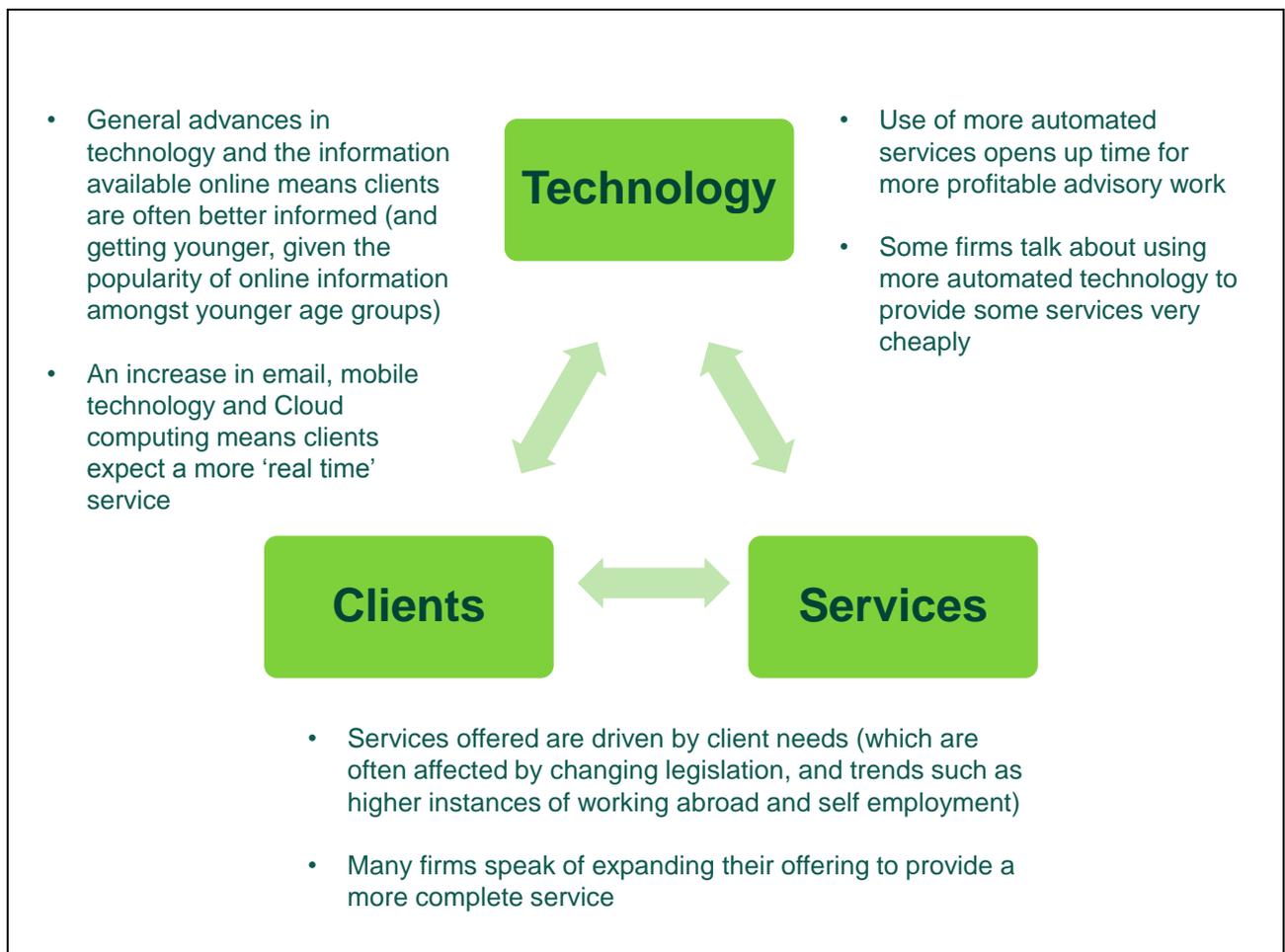
Summary of interaction between three key trends

4.2 The three trends were:

- technological change;
- changes in types of clients; and
- changes in the services offered by agents.

4.3 The relationship between these themes is summarised in Figure 4.1 below.

Figure 4.1: The relationships between technological, client and service trends



4.4 Technological advances were often mentioned by agents, both in terms of general digital change within a professional environment and in terms of specific software relevant to their industry. Agents



often explained that an increase in the amount of business conducted by email, mobile technology and Cloud computing was changing client expectations, i.e. that clients are increasingly expecting more instantaneous answers and a real time service.

*People expect things quicker. We have to try and keep pace with that. We are receiving records from clients electronically now rather than physically so some things are positive and some things, you know, it just makes it more competitive really. **Mid-size / smaller agent firm, accounting***

- 4.5 A common theme also emerged with regards to the future automation of services that would impact agent firms in the future. Some agents mentioned they were specifically looking to develop new automated services which would either open up new revenue streams or allow them to spend more time undertaking advisory work which was often viewed as more profitable.

*So the actual human input is merely a finishing off exercise rather than building a set of accounts from the foundations. **Mid-size / smaller agent firm, accountancy***

- 4.6 In many instances, although the types of services offered by agents had changed over the past few years, agents were clear that this was often a reactive change (i.e. it was being driven by client demand and recent changes in legislation).

*Had we not changed we would have lost market share and it would have been detrimental to the business not to change. It was an opportunity but also a self-preservation piece. **Larger agent firm, equal mix of activities***

- 4.7 These themes will now be discussed individually in more detail.

Overall trends in the services and expertise offered by tax agents

- 4.8 The extent to which agents had changed, and expected to change, their services in the future, was very dependent on the size of firm. The smallest agent firms were less likely to have adapted their service offering over the past five to ten years.

Large agents (50+ employees)

- 4.9 All of the larger agent firms that participated in this research explained their firm had sought to “branch out” into new areas over the past five to ten years. The overall ambition was often to become what was described as a “one stop shop”. As discussed above, the key drivers for these changes were often changes in legislation, complex regulations and a desire to meet client demand.

*I see the industry changing ... in that compliance is bread and butter, in order to move ahead, people are wanting more ideas on tax planning: ‘what can I do to reduce my tax legitimately?’ Capital allowances, pension payments, you know they are just wanting a more proactive service, they don’t want to just produce a set of accounts completed and then at the end, this is your tax bill. **Larger agent firm, equal mix of activities***

- 4.10 As a result, agents from the larger firms explained that individual members of staff within the firm were becoming more specialised in particular areas with fewer ‘generalists’ in the company. These agents



explained that their clients can then have confidence that they (the agent) will be able to meet all their client needs.

More and more people are specialising in particular areas because of the growth in regulation and legislation so there's very few generalists left in the firm. Everyone is up to a certain point, but then after that it's almost inevitable that you have to specialise. I think that's been the biggest change.

Larger agent firm (top 10), consultancy

- 4.11 There was also a feeling among some agents from larger firms that the complexity of tax law meant it was a necessity for individual agents within a firm to specialise.

I look around me, other partners specialise in hotels, one who specialises in retail, one in leisure, one in media and technology. We all have to become that much more specialist given that tax is so much more complex. **Larger agent firm (top 10), consultancy**

- 4.12 Looking to the future agents from the largest firms anticipated that the trend towards branching out and diversifying as a result of legislative changes would continue. As a direct impact of this, it was expected that staff which agent firms recruit in the future will have a particular area of expertise as a matter of course.

Mid-sized and smaller agent firms (10-49 employees)

- 4.13 To a lesser extent similar themes emerged through discussions with participants from mid-sized and smaller agent firms. Many discussed branching out into newer areas and the requirement for their staff to increase their knowledge and expertise in these areas.
- 4.14 In contrast to the larger agent firms, their overall ambition was not to become a “one stop shop” covering all areas, rather it was simply to diversify from their traditional areas of business. This was particularly apparent among mid-sized and smaller accountancy firms where they had aims to move away from providing only accountancy services to providing clients with a wider consultancy role.

The industry is going to have to move to a different way of working, in the sense that we are going to have to not be accountants but be business consultants or tax consultants. **Mid-size / smaller agent firm, accounting**

- 4.15 Participants from small and mid-sized agent firms described a relatively wide range of examples of changes in their service offerings. Examples included extending knowledge and expertise in:

- the pensions arena – particularly in light of Automatic Enrolment;
- criminal matters – following the proceeds of Crime Act 2002; and
- specialised audits – an example was given of audit work that focussed specifically on fraud.

- 4.16 Most commonly these agents felt the trend towards diversifying and gaining new areas of expertise would continue. Some of these plans were still being developed, i.e. the firm was planning to branch out/develop specialisms, but the exact plans had not been confirmed.

- 4.17 In addition there were a few participants from mid-sized agent firms who explained that they were considering hiring new staff with a particular specialism to add to the business offering, rather than increasing expertise among existing staff. In this context, one agent mentioned the possibility of recruiting staff with legal expertise.



*We are possibly getting more people with sort of legal backgrounds etc., so again it's looking at issues rather than accounting and people filling in numbers in boxes. **Mid-size / smaller agent firm, consultancy***

- 4.18 At a more general level, it was felt that the trend for mid-sized and smaller accountancy firms to focus on more consultancy and advisory roles would continue.

Micro agents and sole traders (0-9 employees)

- 4.19 Discussions with participants from agent firms who had fewer than 10 employees showed that they had been less likely to change their service offering over the past five to ten years. This was particularly evident among participants from the very smallest agent firms and sole traders, often bookkeepers, who often explained that they did not anticipate any changes in their service offering in the near future.
- 4.20 In several cases this was because the agent felt they had a regular, loyal client base and/or offered a relatively niche service which they felt there was no need to expand on. In some cases sole traders discussed the fact that their longer term plan was simply to keep the business running until they retired.
- 4.21 Despite this general lack of change, some participants from micro sized agent firms and sole traders did explain that they had started adding services / expanding their offer or would start to do in the near future. Given the relatively small number of agents of this size participating in the research that expressed this view, no consistent themes emerged. A number of disparate areas of service were mentioned including: offering advice on a wider range of taxes such as IHT and CGT (led by changes in client demographics) and adding payroll capability.

*Well we offer them a full range of tax now – our clients' salaries are increasing and so our clients will get involved with Capital Gains Tax, Inheritance Tax ... if they want a will drawn up we'll draft a will. **Micro agent firm, bookkeeping***

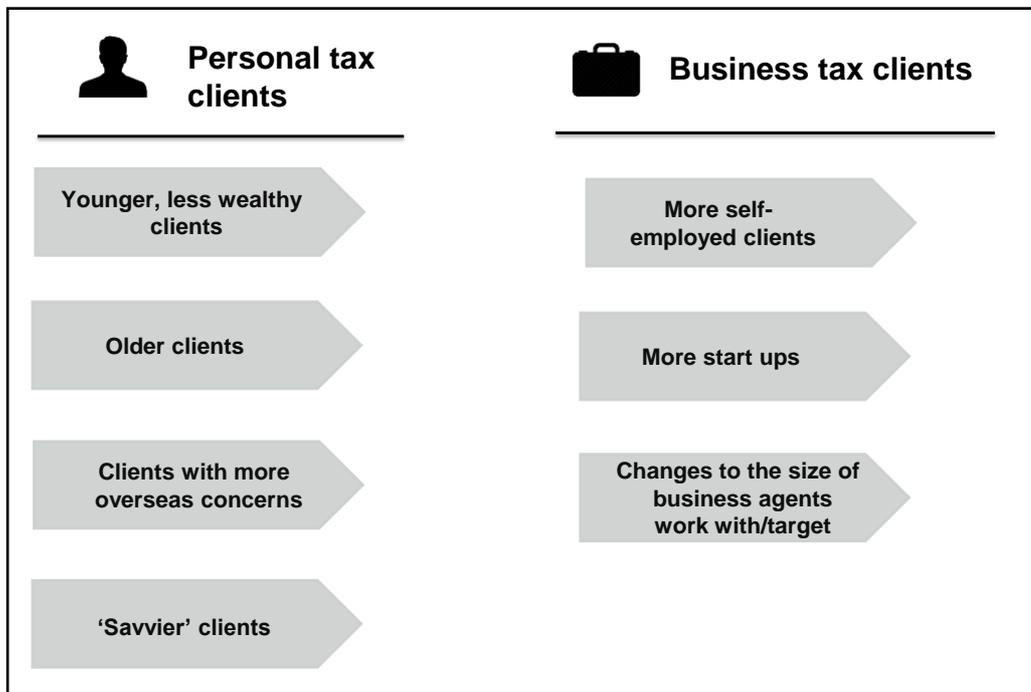
*I am doing now things that I never would have done. I think even 10 years ago I had only just gone to software for tax returns and things. So you know we've taken on tax return software for online filing and deadlines, we've taken on online software for payroll so that we can do that as well. **Sole trader, accounting***



Trends in the types of clients dealing with agents

- 4.22 Agents of all sizes felt there had been changes in the types of client they were seeing and expected that the client trends they identified would continue in the future. In many cases they were seeking to adapt their service offering in response to these changes.

Figure 4.2: Key trends in the types of clients dealing with agents



Personal tax clients

- 4.23 Agents often referenced trends in the demographics they expected to see in the future among personal tax clients. Some agents were clear that they had started to see, and would continue to see, a younger client base, potentially with less wealth than some of their existing/previous clients. This was usually placed in the context of an increasingly complex legislative landscape, in which younger people needed more tax advice.

*You don't have to be as wealthy to be a client, because you are dragged into the system and you need that advice, even though you may not be earning huge amounts or have huge amounts of assets. **Micro agent firm, bookkeeping***

- 4.24 This trend was also felt to be driven by the desire for some younger people to be more open to making investments at a younger age.
- 4.25 By contrast there was also a feeling among some agents that an ageing population meant an ageing client base in the future.

I think we are all going to have an ageing client base as well. It's not that we won't get younger people coming but the existing ones will stay alive for



*longer so we are going to have to provide more services that suit their needs. **Larger agent firm (top 10), consultancy***

- 4.26 Some agents had also experienced an increase in the number of clients with overseas concerns. This was felt to be in part due to an increase in the number of people working abroad with a better understanding of how they might want to invest their money. It was also reportedly due to people moving to the UK with relatively complex interests. In the case of the latter, they were not always what agents described as “wealthy” clients, but those who had complex circumstances, for instance those who have worked in several countries.

*We have a lot of inbound clients who move to the UK from abroad – we need to know what their obligations are going to be when they come to the UK; and these individuals tend to have quite complicated offshore interests because they may have been working in 4-5 different countries before coming here. **Larger agent firm, accounting***

- 4.27 Most agents felt that clients were becoming more ‘savvy’ in terms of their tax affairs. This was usually explained in the context of technological advances and by the increase and accessibility of information online. Indeed, one agent referred to the trend specifically as the “Google generation”.

*I think people are getting more savvy, there's more in the papers now about tax so I do think they take a greater interest in the tax and I can only see that increasing. I do think they will take a greater interest in tax. I think, I see that increasing certainly with the social media and because a lot of things get tweeted now. That would have an impact on what people are seeing. **Larger agent firm, equal mix of activities***

- 4.28 Some agents were keen to point out that while their clients think they understand tax affairs, clients can often be misinformed.

*Rather than [the] man in the pub it's now Google and you suddenly find you're battling because somebody's got half a story from Google who thinks they're a tax expert and know[s] a lot more than they in fact do. So that's one of the big challenges about perception and, which isn't a bad thing, sometimes you get people asking sensible questions. **Mid-size / smaller agent firm, accounting***

Business tax clients

- 4.29 In terms of business clients, a common theme that emerged through discussions with agents related to an increase in both the number of self-employed people and start-up businesses. This was often felt to be a trend that had occurred over the past five years.

*I think we are seeing a lot more so-called self-employed people, and that is going to increase I think. A lot of people are leaving secure PAYE employment and now effectively self-employed, or employed in their own little limited companies and that is going to increase as far as I can see **Mid-size / smaller agent firm, accounting***

- 4.30 Similarly, a perceived increase in the number of start-ups and rapidly growing small and micro sized clients was noted by several agents. The number of start-up companies approaching agents was felt



to be due to more complex legislation; these clients were felt to be increasingly seeking an agent that could offer all the help and guidance they needed in one place.

*They [start-ups] are growing rapidly, there seems to be more people getting to the stage when they do need help, who couldn't necessarily stay with the same accountant that they have had for years. **Larger agent firm (top 10), consultancy***

- 4.31 Some of the participants from mid-sized and large agent firms stated that they felt some of their business clients would use the top four accounting/auditing firms when they reached a particular size.

*We do have clients who decide once they grow that they outgrow us and they go over to the big four. We tend to have a certain level and size of company. **Larger agent firm, equal mix of activities***

*The big four firms are 'watering down' the competition; they have massively reduced their hourly fees and are desperate for work. **Mid-size / smaller agent firm, consultancy***

- 4.32 One participant from a very large agent firm explained that they had strategic plans to increase the number of smaller business clients through the use of more automated, technological innovation.

*We are trying to look at smaller businesses, especially some really small businesses that maybe don't have the best accounting systems in the world and actually putting them into an account position that is much easier to use. Much more instant, it's all done digitally and have checks and balances which means their tax returns will actually account for them. **Larger agent firm (top 10), accounting***

How do these client trends differ by size of agent firm?

- 4.33 Most agents felt that the main trends already discussed would broadly continue, although there were slightly different views on how it would impact individual agents depending on their firm size.
- 4.34 **At the micro end of the spectrum (0-9 employees)** agents were broadly likely to feel their core client base would remain similar. This was often in the context of strong client relationships which had been developed and nurtured over time. However, they were also confident that their clients would become more capable with regards to compliance in the future, due to the wealth of information publically available to them. Some agents highlighted that a potential consequence of this could be that some of their clients may take more functions in-house in the future and contact the agent less frequently.
- 4.35 **Among the mid-sized and smaller agencies (10-49 employees)** a common expectation was that their clients would become more knowledgeable and have access to more information in the future. They were also likely to mention demographic trends such as clients getting older and the need to eventually 'replace' them. In that context some of these agents were expecting to use more online advertising in the future to increase business and attract younger clients.

*We will just have to advertise, because this year we have reduced our advertising cost on land-based advertising, if you know what I mean, phone books and Thomson and Yellow Pages and stuff, and concentrated a little more online. And we expected that to continue. **Mid-size / smaller agent firm, accounting***



- 4.36 There were also expectations that mid-sized agent firms' clients will become increasingly comfortable with conducting business electronically. There was some feeling that existing, older clients were relatively hesitant or suspicious towards electronic interaction, but agents expected their clients to become more accepting of this over the next few years.
- 4.37 Finally, participants from **larger agent firms (50+ employees)** anticipated a wider range of client trends in the 5-10 years ahead. There was a strong feeling that in future clients will want to be given reassurance that they are compliant and in this context will be expecting an increasingly real time service involving more automated services.

*I think that there will be a lot more real time communication, real time accounting will become more prevalent, doing it online, tax work being done and shared instantly with clients through the Cloud. **Larger agent firm, equal mix of activities***

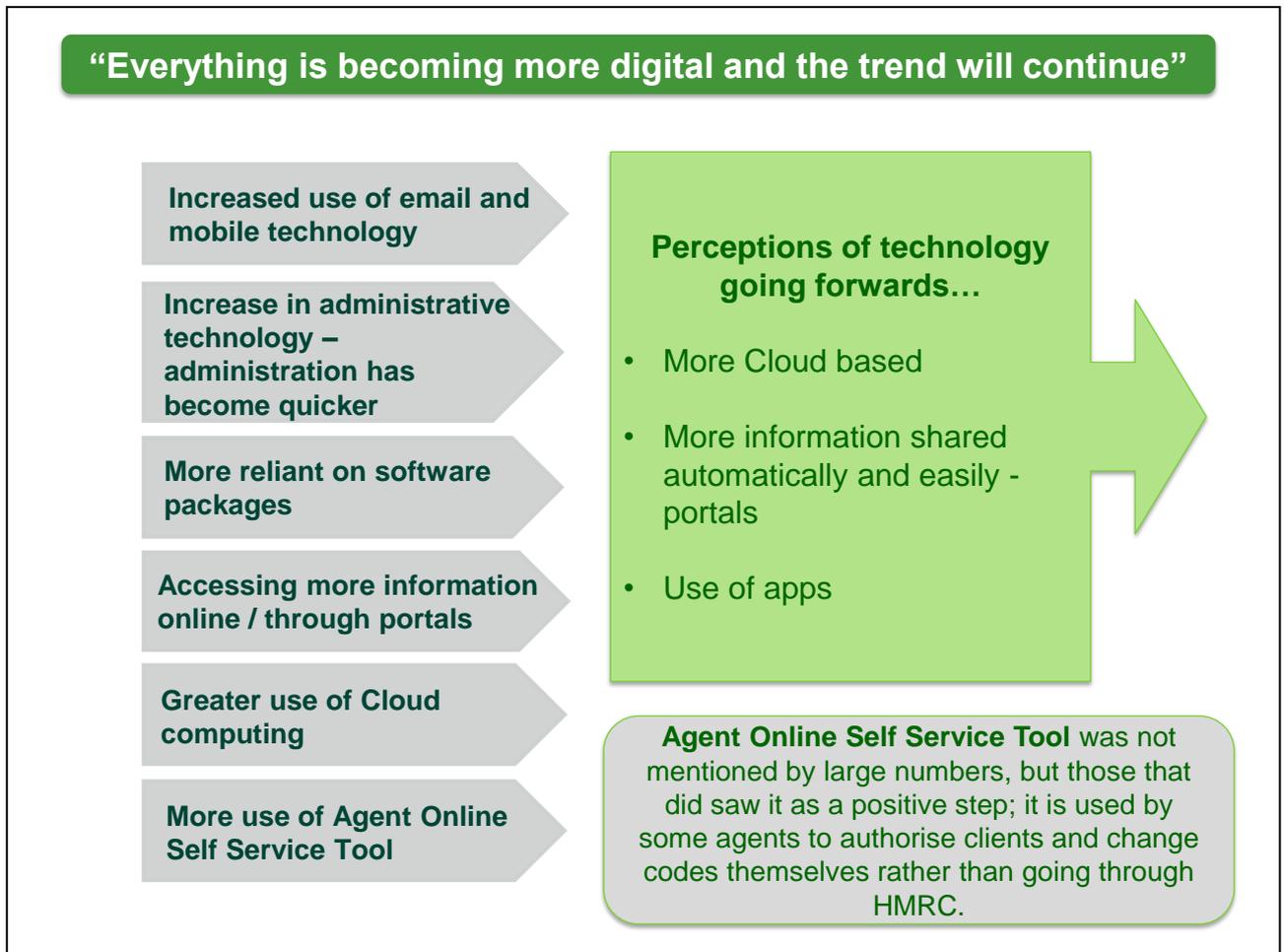
- 4.38 Other points raised by participants from the larger agent firms include:
- an expectation that more overseas clients will need assistance in light of changing legislation which was felt to have a greater impact on overseas clients; and
 - an expectation that staff within the agents firm will need to demonstrate an increased sector knowledge specific to individual clients.

Trends in technology

- 4.39 All agents recognised and acknowledged the speed of technological change within their industry over the past five to ten years. It was clear that perceived technological trends were closely linked with the types of client they deal with and the services they offer.
- 4.40 The key technological trends identified by agents are shown in figure 4.3.



Figure 4.3: Key changes in technology in the tax agent market



- **Changes in general communication.** Many agents commented that communication had become much faster, and this in turn affected client expectations, i.e. they expected quicker responses. This trend was also seen to provide more opportunities to work across different locations and there was some evidence of agents innovating to meet this change, for example, a small number of agents reported communicating with clients through texts or apps.
- **Administrative technology.** There was a feeling that automated administration was becoming more widespread and several agents talked about moving to a ‘paperless’ office. Generally these changes were viewed as a positive and with the ultimate aim of making the agent firms’ day-to-day processes more efficient (one agent described how they no longer needed junior office staff to assist with day to day administration due to administrative technologies).
- **Reliance on software packages.** Agents described an increasing reliance on software packages (including Digita, Sage and CCH) to deliver high levels of automation. While generally seen as a positive step by agents, there was recognition that new processes and software now mean individuals within the firm need more training. Among some of the larger agent firms it was also mentioned that new job roles were being created within the firm, i.e. software engineers to develop systems for big clients.



- **Accessing client information online.** Examples were given by some agents of where they were now accessing their clients' coding notices online, which was viewed to be a positive step. As a result, agents felt they would be better equipped to keep clients updated more regularly/in real time.
- **Cloud computing.** Although not all agents were using Cloud computing, most mentioned it and predicted it will become more common throughout the industry. Some agents openly admitted that they did not fully understand it, but felt within the next few years they would have to at least investigate the possibility of implementing it further. Among the agents using it, or planning to introduce it in the immediate future, the main advantage was perceived to be that it allowed information to be readily available to all relevant parties at all stages in the process. It was also felt to be a good way of facilitating work with overseas clients.

*10 years ago we were using Windows systems but now have Cloud computing which can be accessed globally 24/7 which has facilitated working with international clients. **Mid-size / smaller agent firm, consultancy***

- 4.41 Agents were also specifically asked for their views on the Agent Online Self-Service tool. Generally it was viewed to be a positive step by agents – a few referenced the fact that agents can use it to make alterations on clients' accounts. That said, one agent felt this could be problematic in some instances.

*Agent Online Self-Service tool, I can see just now that it looks like it's moving towards agents being able to change things on behalf of HMRC, which would normally take forever, so it's a positive. But it is a minefield, because if an agent had a different view than HMRC, or was representing clients engaging in aggressive tax avoidance, would they lose their 'approved' status and be unable to do that? **Larger agent firm, equal mix of activities***

- 4.42 Some agents also felt the tool could be expanded to cover VAT and Corporation Tax.
- 4.43 A few agents were less positive about the tool. One felt it could put more pressure on the firm if their clients have access to data they do not fully understand.

*Clients will see a number and they don't understand how that number's arrived there. So the natural place to ask about that number is the accountant and the accountant is already busy, already charged them for the work that's done and doesn't want to be doing extra work for him for free. And that work has been created because they've got access [to AOSS]. **Mid-size / smaller agent firm, consultancy***

What further trends do agents expect in the future?

- 4.44 When discussing the main technological trends with agents, three main themes emerged regarding the impact the trends would have on their firm in the future:
- increased ease and efficiency;
 - increased competition – mentioned in the context that it is envisaged that cheaper/automated services will change the structure of the market (this is discussed in more detail in the next section); and
 - increased freedom to work across locations.
- 4.45 At a more general level it was also felt that:
- Cloud computing will become more common place; and



- more information will be shared automatically and easily through various online portals.

4.46 As well as these three 'main' trends that interact closely, the research also explored the following trends that were mentioned by many agents: trends in legislation, trends in market competition, and trends in agents' relationship with HMRC. These are explored in turn below.

Trends in tax legislation

4.47 In the main, agent discussions around tax legislation focused on the legislation itself, rather than HMRC's administration of the law.

4.48 The general themes emerging from discussions with agents were related to perceptions that legislation had become more complex over the past five years. It was also felt that the quantity of legislation had increased (and would continue to so in the future).

*Legislation has become more complex, with more rules and more loopholes, but this is political rather than administrative. **Larger agent firm, accounting***

4.49 One of these perceived changes was the Government's general crackdown on anti-avoidance, and changing legislation as a result. This often included discussion of overseas clients and the impact of the offshore disclosure agreement.

*There's so much anti avoidance legislation whereby, it's a sledgehammer to crack a nut. It's very wide ranging legislation, lots of which overlaps with other legislation, it's very complicated, very ambiguous wording. It's not something you can pick up and read and understand, you have to specialise and go on a course and speak to others who specialise in it to try and understand it. I would say there's been a massive change in that way. **Larger agent firm, equal mix of activities***

4.50 Other mentions of legislative changes included:

- discussion over EU audit reform, i.e. the impact it might have on the largest agent firms;
- mentions of the disguised remuneration rules; and
- discussion over the prescriptive nature of Self-Assessment and a feeling that it may have made clients more proactive.

4.51 It was announced during Budget 2015 that Self-Assessment tax returns will be phased out in favour of real-time online accounts by 2020. Given this was close to the end of fieldwork it was only mentioned by one agent who, at the time of interview, was not sure what the impact would be, although they did express some concern.

*We're talking about getting rid of tax returns in the next four years so that's going to have a massive effect, but obviously we'll just have to see how it goes. Basically see what we can offer them [clients]. **Mid-size / smaller agent firm, accounting***

What is the impact of legislative changes by size and type of agent?

4.52 The smallest micro agent firms (0-9 employees), and particularly those whose principle activities were bookkeeping, did not feel that the changes in legislation had (or would have) a big effect on their business. That said, some did feel quite strongly that the increasing complexity of tax law meant that



as individuals, they found it difficult to keep ahead/on top of latest developments. Some went as far as to state that they found it “difficult to keep abreast of changes”.

- 4.53 Some agents from the smallest firms also discussed the direct costs they faced in order to keep their systems and ways of working up to date.

We need to update software and then learn what the updates do, like payroll changes and the RTI, and these are costs that can't be passed onto clients.

Sole trader, accounting

- 4.54 Most participants from mid-size and small agent firms (10-49 employees) saw both opportunities and threats from legislative changes. They readily acknowledged that changes in legislation open up potential new areas of expertise/guidance which they can sell to clients. However, they were also realistic that legal changes can leave them at risk of making mistakes in terms of compliance.

In some ways it is good, gives us things to explain to our clients and charge them to explain, but [in] other ways it slows us down as well and it leaves us - we can make mistakes, anybody can make mistakes but if the rules are continually changing it is easier to make mistakes.

Mid-size / smaller agent firm, accounting

- 4.55 Agents from the largest firms (50+ employees) were likely to be able to name numerous legislative changes over the past five years, mainly as a consequence of their firm covering so many areas of tax to a high level of expertise. Related to this, participants from these larger agent firms reported fewer concerns than those from smaller agent firms about making mistakes, based on the fact that they felt they had sufficient, expert resource to keep fully on top of all changes.

What legislative changes do agents expect in the future?

- 4.56 There was a general consensus that tax legislation will become more complex. Many agents from smaller firms expected that they may require:

- More training to help/support them offering more specific advice;
- More specialist staff experienced in a particular area of tax law, which may involve recruitment; and
- Improvements to their technological services to ensure speedy, efficient compliance.

Competition and wider market trends

Changing market share

- 4.57 Agents from all sizes of firms generally felt that the market was becoming more competitive, however they also said their own market share had remained relatively consistent and they did not feel that the agent market ‘moved’ a great deal. In part this was due to a longstanding client base (to the extent that an ageing and depleting client base was also highlighted as an important future consideration for some).
- 4.58 A small number of agents occupied a particularly niche tax market in which only 3-4 other firms specialised, and said that generally their clients did not move between agent firms, so their position had not changed over the past 5-10 years.



*With such a specialist thing [specific area of tax], you know I can't see there will be any great change, unless the rules do change dramatically, then there could well be a change. **Micro agent firm, bookkeeping***

- 4.59 Some agents from (particularly larger) firms noted that they had grown organically over the last 5-10 years, and that they would continue to do so; however this did not seem to translate to having a larger share of the market, as they felt the other large agent firms were growing at the same rate so they continued to occupy the same 'position'.

*I think everyone by and large are moving in similar ways. We have stayed at a similar position in the rankings for a number of years in terms of size, so it doesn't matter how much we [have] grown as others will grow and keep up with us, and we are keeping up with those above us. **Larger agent firm (top 10), equal mix of activities***

Agent firms moving into or out of the market

- 4.60 Although the market was perceived to be relatively stable by agents, there were some mentions (across all sizes of agent firm) of new kinds of agent firms moving into the market. These tended to be agent firms that provided solely automated services (such as payroll using software that required minimal human intervention), which meant the services could be offered particularly quickly and cheaply.
- 4.61 Some agents mentioned that these were overseas companies that were able to undercut UK agent firms, and the automated systems meant that any barriers relating to differences of time zone and language were minimal.
- 4.62 One participant from a large agent firm commented that they had seen (UK) companies move into the market that provided these automated services but to a very particular kind of client, e.g. new start-ups, or those in a particular sector.

*One area is noticeable (and it's a small number at the moment but they are growing at quite a fast rate): firms that deal with very small cross section of types of clients and transactions, but they deal with it in bulk and by and large electronically. **Larger agent firm (top 10), consultancy***

- 4.63 The feeling was that these 'new' agent firms had carved out a niche for themselves, but that they may compete with more generalised agent firms because the automated services could be provided cheaper and more quickly than generalised agent firms. That said, agents that did provide more general services tended not to feel threatened by the 'automated agent firms', at least for now, because they felt that clients (particularly their current clients) valued being able to use one agent only as a "one-stop-shop", and also valued the personal relationship they currently offered.
- 4.64 Several participants from mid-size and larger agent firms (10 employees +) felt that micro firms and sole traders may begin to move out of the market in the future, or join forces with other small agent firms, as a result of legislation becoming more complex. It was felt that these agent firms would not have the resource to keep up with all necessary changes on their own and therefore would struggle to advise their clients appropriately in the future.
- 4.65 Generally however, participants from these micro agent firms did not appear to be concerned by this prospect; agents from these firms cited that they had a steady client base that they knew personally



and felt that their firm would continue along much the same lines as it had done over the last 5-10 years.

*Although these very large companies are buying up, they are becoming impersonal and I have noticed clients wanting the personal service again which to us is an advantage, I have to say I am quite glad about that. **Micro agent firm, bookkeeping***

- 4.66 A few agents in smaller and medium sized firms also mentioned that they felt there should be more stringent accreditation for agents, to prevent the market becoming 'saturated' by those taking advantage of more complex legislation to offer advice that they may not be qualified to give.

Agent firms adapting their offerings or moving into other areas

- 4.67 Most agents reported that their offerings had not changed a great deal over the past 5-10 years as result of direct competition, i.e. agents did not report adapting specifically to compete with other agents.
- 4.68 As discussed previously, where agents reported that they planned to develop their tax advisory service and move away from compliance it was generally in response to:
- the changing needs of their clients (a trend towards more self-employed clients, more clients with overseas concerns, and clients generally more aware of the possibility of tax efficiency);
 - an increase in the complexity of legislation (more rules required more advice); and
 - technological changes that allowed the more basic communication and compliance side of the job to be completed more efficiently, freeing up time for more profitable work.
- 4.69 A few agents did say they planned to continue their specialisation into niche areas as they felt this would allow them to take advantage of a growing client market in certain sectors.

*For example where we have an office that specialises in financial services, they may be trying to push that, more rather than get any company as clients. I think other areas are research and development, growing scientific firms etc. **Larger agent firm (top 10), consultancy***

Trends in agents' relationship with HMRC

Changes to relationship over the last 5-10 years

- 4.70 Participants from agent firms of all sizes reported a mixed picture in terms of their experience of HMRC over the last five to ten years, with a split between those who felt the relationship had improved, those who felt it had deteriorated, and those who said their experience was variable.
- 4.71 In terms of positive changes over the last five to ten years, several agents said they perceived HMRC to be helpful and cooperative; those from larger agent firms cited the ability to speak to a Customer Relationship Manager, or that they had had positive, quite high level discussions with HMRC in the past about timings and making processes more efficient.

There were times when we had positive discussions with them [HMRC], if there's an area where we know it's potentially problematic and can cause bottle necks, etc. we have had meetings to discuss with them how to resolve



*this, amicably to them, us and clients generally. We have managed to come to a better way of doing something. If we do x, can we get it to move through the system faster, etc. **Larger agent firm (top 10), consultancy***

- 4.72 Some participants from smaller agent firms reported it was now easier to get through to someone to answer basic queries and that HMRC's approach had become more pragmatic, helpful and 'human', and less adversarial, over the years.

*I would probably say that basically every year it has improved... People are more helpful, they are giving you answers, you can get through to people, you actually feel like you are speaking to someone who is human. And they listen and they are responding to the problem in hand. **Mid-size / smaller agent firm, accounting***

- 4.73 Other agents noted that HMRC had made good progress with regards to digital communication, and that while they felt it has taken 'a while for them to catch up', being able to use email has considerably sped up communication.

*It's the trend. We have seen HMRC giving us more and more tools and more ways to deal with something other than having to write them a letter and wait to get a response and so on and so forth... they are becoming more efficient I think. **Micro agent firm, accounting***

- 4.74 A few agents also reported that the HMRC website was now more comprehensive and more accessible for those who wanted to understand more about regulations (however, several also commented the opposite, that the move to GOV.UK had made information more difficult to find).

- 4.75 The main negatives cited were communication difficulties (including making contact and receiving a swift response) and a perceived reduction in the level of expertise within HMRC, particularly among those working in the call centres. A few others perceived that HMRC had developed a more inflexible attitude over the past five to ten years.

- 4.76 In terms of communication, several agents commented that when calling HMRC to ask for advice it was very difficult to get through to a member of staff. They often had very long waiting times, were told they would be called back but were not, or they were cut off.

*I dislike being told over the phone that someone will call him back in three days, particularly when my call is never returned. Moreover, after spending vast amounts of time on hold I am sometimes cut off because they are too busy and there is no way of leaving a message or voicemail. **Mid-size / smaller agent firm, equal mix of activities***

- 4.77 Other communication difficulties related to the speed of letters being sent, which added to a perception that HMRC was short staffed. One agent said that the timetables for written correspondence had become 'lamentable'.

*You get the impression they are understaffed I suppose. We have had one or two astonishing letters. We had one last week where they were responding to a letter they had received in May last year [10 months before]. **Mid-size / smaller agent firm, accounting***



- 4.78 While tax specialists were considered very knowledgeable, call centre staff were considered across all sizes of agent firm not to have the necessary level of expertise to answer queries. Related to this, several commented negatively on the reduction in local HMRC teams and felt a loss of knowledge had come alongside centralisation.

It's changed out of all proportion, we used to have local tax inspectors who we knew and they knew us and you could talk to them, I can name them who used to be round here, now ... you never speak to the same person twice.

Micro agent firm, equal mix of activities

- 4.79 Some agents felt that the relationship, and HMRC's service, varied widely depending on the staff that were dealt with.

Well I think as with any business HMRC has got some very good people and some less good people, and quite a lot in the middle. So experience is often around who you are dealing with on a particular tax issue... I think the Customer Relationship Manager role has gone well... I just think that unfortunately there's too little experience and too little people handling the cases now to reach good quality conclusions over a sensible timeline.

Larger agent firm (top 10), equal mix of activities

- 4.80 Where there were issues, agents did not report that these created substantial problems for them, but that they caused delays and created inefficiency which ultimately resulted in a larger bill and / or an increased waiting period for the client (which the agent often found difficult to explain or justify to them).

Future relationship with HMRC and digital services

- 4.81 When asked what agents would like from HMRC in the future, agents' views fell into the following categories:

- **faster and more reliable communication** with knowledgeable staff who had the authority to make decisions;
- more (particularly digital) **information sharing and self-administration**, more consultations and testing of new technology / systems; and
- specific **changes around transactions** such as RTI and payroll.

- 4.82 Improving communication encompassed a variety of suggestions, including: better training for call centre staff or more technical advisers available; an element of case-ownership to enable those in the same agent firms to speak to the same person twice about the same issue; a confidential (staffed) email address; and a greater number of staff in general.

- 4.83 Information sharing included a desire among some agents for access to more information held by HMRC through the agents' gateway or an agents' portal, for example: current year information for their clients, VAT and Corporation Tax information, and notes on previous contact that the agent had had with HMRC. Ideally it would also be possible for the agent to correct or update information through the portal.

It would be quite useful if we had some access to information on when we last contacted the Revenue [HMRC], the client, what was done, what the progress was, if correspondence from the Revenue appeared there as well



*(at the moment only statements appear) that would be useful. **Larger agent firm, accounting***

- 4.84 Others again mentioned that the Agent Online Self-Service tool was useful and meant that it wasn't always necessary to contact HMRC directly. More services like this would be welcomed. Similarly, agents mentioned that more automated information sharing would be helpful.

*I guess what HMRC need is to receive information directly and accurately. We would like to see a way that we can get information to them so where we have got software, if it could communicate with their software with a minimum amount of human intervention. **Larger agent firm (top 10), consultancy***

- 4.85 A few agent firms felt that HMRC should increase the consultation and piloting that they do, particularly when testing new software systems or technology. They felt that agents would be happy to help and advise on how they could be made more user-friendly or practical.
- 4.86 A few agent firms highlighted difficulties around RTI and payroll, particularly on behalf of some of their smaller clients who struggled with these processes. Some agents from smaller firms explained that monthly RTI transactions were labour intensive for them and for little perceived benefit. As a result, some agents said that in the future they would value such things as a dedicated agents payroll phone line for technical queries, and for HMRC to listen more to the issues faced by smaller businesses around RTI.



5 Appendix A: Recruitment and interviewing

- 5.1 40 qualitative, in-depth interviews were conducted with tax agents between 26 February and 27 March 2015. All interviews were conducted by telephone and generally lasted 45 minutes to 1 hour.
- 5.2 The initial sample was sourced and verified by:
- purchasing a list of 600 Dun & Bradstreet records;
 - using the database of the Institute of Chartered Accountants for England and Wales (ICAEW) members on the ICAEW website and unbiased.co.uk listings to supplement this list; and
 - conducting further desk research to populate contact details where necessary.
- 5.3 When purchasing the initial sample from D&B the following SIC 2007 codes were used to define the sample:
- 69201: Accounting and auditing activities;
 - 69202: Bookkeeping activities; and
 - 69203: Tax consultancy.
- 5.4 All agents selected through this process were sent an introductory letter outlining the nature of the research and giving them the opportunity to opt-out if they preferred. The letter was sent on 10 February and in total 46 agents opted out of the research.
- 5.5 Interviews were structured to ensure a good mix of agency size was included (defined by the number of employees). In effect this means larger agent firms were over represented in the research but given the number of clients they service it was important for HMRC to understand how the market is likely to change from the perspective of agents in larger firms. As table 6.1 below shows, 8 interviews were achieved with agent firms that had over 50 employees, 3 of which were among the top 10 consultancies (including agents working for the ‘big 4’ tax agent companies).
- 5.6 Interviews were also stratified to ensure a good mix of business activity was included (i.e. whether the main businesses activity was accounting/auditing, bookkeeping or tax consultancy).

Table 5.1: Achieved interviews – main business function and size of firm the participant works for

| | Sole trader | 1 to 9 employees | 10 to 49 employees | 50 + employees* | “Top 10” firm |
|-------------------------|-------------|------------------|--------------------|-----------------|---------------|
| Accounting and auditing | 1 | 4 | 8 | 4 | 1 |
| Bookkeeping | 3 | 3 | 1 | 2 | 0 |
| Tax consultancy | 6 | 3 | 3 | 3 | 2 |
| Total | 10 | 10 | 12 | 5 | 3 |

* NB – some of the agent firms with 50+ employees stated they had more than one principle area of activity, which is represented in the table



- 5.7 The participant representing each firm was screened to ensure they were a senior figure with a strategic awareness of how the organisation might deliver services in the future and how this has changed over the past few years.
- 5.8 To encourage participation and provide thanks for the participant's time a financial incentive of £50, payable as a donation to a charity of their choice, was offered.



6 Appendix B: Topic Guide

Introduction (5 mins)

1. Introduce self

- Confirm respondent has received confirmation e mail and agreed to do interview

2. Introduce IFF Research and work we are conducting for HMRC

- Thank you for taking part in this valuable piece of research.
- The interview will take about 45 minutes depending on how much you want to say

3. Confidentiality

- All the information we collect will be kept in the strictest confidence and used for research purposes only.
- We will not pass any of your details on to any other companies. It will not be possible to identify any individual or individual company in the results that we report to HMRC and the answers you give will not be traced back to you.

4. Recording

- Permission to record
- At the end we will ask if you are happy to have an anonymised version of this transcript provided to HMRC – no obligation to agree, absolutely up to you.

5. Subject

- Today's discussion will focus in particular how the tax advice market is changing, and what direction your firm will be taking in the future.
- The aim of the research is to help HMRC to understand how the agent market is changing, so they can shape the services they offer to agents and tax advisers in the future to your needs.

Background / warm up

- Please tell me about your role within the business
- Tell me about your firm
 - How long have you worked for the firm? Where did you work before?
 - Anything else you feel is important to mention

General changes, looking back and looking forward

- We would like you to think about any differences you have noticed within your firm, both
 - That have happened over the last 5-10 years, and
 - Those that *will* happen over the next 5-10 years, in terms of...



- Compliance
- How your firm handles clients' tax affairs? (for example Monitoring of receipts and invoices, regularity and method of contact with your client, the amount of progress chasing you need to do to satisfy a client's account.)

Specific changes, looking back and looking forward

- I'd now like to ask you about some more specific areas that might have changed, over the last 5-10 years, and also that might change over the next 5-10 years. So for each I'd like you to consider both past and future changes.

I'll be asking you to think about changes within your own firm, and within the wider tax advice market, if you are able to comment on this.

- Changes in the **clients** you represent?
 - In terms of your firm:
 - Business vs. personal?
 - Firmographics/demographics?
 - How clients find out about your firm (word of mouth/recommendation, location, advertisement etc)
 - In terms of the wider market:
 - The types of clients seeking professional tax advice in general (why?)
 - The points at which they will seek advice (e.g. the point in their business lifecycle)?
 - How knowledgeable your clients are about tax (has this changed?) Which ones?
- Whether **the services you offer** have, or will, change?
 - What has changed? What will changes?
 - Why are / will these changes happen?
 - Are these changes as a result of clients asking for different things?, or because you / your staff are proactively adapting your offering? (If the latter) How have you / will you assess demand for these new services?
- Whether the **services offered across the industry** have, or will, change?
 - What changes?
 - Why are these changes happening?
- IF **ANY** CHANGES (TO MARKET OR FIRM) NOTICED:
 - SPECIFIC CHECK: Are these changes / will these changes be due to businesses now doing certain things for themselves, or other factors?



IF DUE TO BUSINESS DOING MORE FOR THEMSELVES

- What do you think is / will cause businesses to do more for themselves? [PROBE: IT, Simplification of tax issues, more in-house expertise, a drive to lower costs?]

- Has there / will there be a change in the **expertise that your firm has in-house**?

IF THIS HAS / WILL CHANGE:

- In what way has it / will it change?
- What has, or will, cause this change?

- Have there / will there be any changes in terms of **competition** in the tax advice market?
 - Can you tell me about how you think your firm has done, and will do, in comparison to your competitors?
 - Consider: how large a “share” of customers you think your firm has had in your specific area of tax advice / expertise, both in the past, and in the future.
 - Have certain types of companies ‘moved in’ and others ‘moved out’ of the market? Which types of companies? Why? And what about in the future?
 - Have other companies adapted their offering and compete for your business? And into the future? What adaptations have you seen / do you expect?
 - Conversely, has your firm moved into other areas, or will it? Which? Why?

- What, if any, **technological changes** have occurred within your firm over the last 5-10 years? And what about changes that will happen over the next 5-10 years?
 - What impact have these had / will these have on your firm? And, as a result, your clients?

IF NOT COVERED, PROBE ON THE FOLLOWING – HOW WILL THESE TECHNOLOGIES CHANGE YOUR FIRM IN THE FUTURE, AND WHY?:

- Cloud computing
- Real Time Information
- HMRC’s Agent Online Self-Service tool
- Other technological changes (which ones?)

- And what about technological or digital changes in the tax advice market as a whole in the past, and the future?
 - IF AWARE: what impact do you think these are having?

- Have there been any **changes in legislation** (or its administration) over the last 5-10 years that have impacted your firm? And do you expect any changes over the next 5-10 years?
 - IF YES: Which changes? How have these impacted your firm? Or how will they?



- And do you have an opinion of how changes in legislation or its administration has affected the tax advice market as a whole over the last 5-10 years? Or will affect the market in the next 5-10?

- **Relationship with HMRC in the past**

- What do you think about how HMRC has worked with your firm over the last 5-10 years? And do you think others in your industry would agree with you? Why / why not?
- HMRC's aim in recent years has been to make it easier for businesses to meet their tax obligations– have you noticed a positive impact in this area within your own firm, or within the industry as a whole?

IF HAVE NOTICED IMPACTS:

- What impacts have you noticed? How have these affected your business plans?
- Have some types of businesses been impacted more than others? i.e. have larger / smaller businesses benefited to a greater extent?

- **HMRC's role in the future**

- Are there specific ways in which HMRC could help your firm in the future? How?
 - Can you give any examples?
- How differently, if at all, do you think HMRC will work with agents over the coming 5-10 years? Why
- How would you like to see HMRC aiming to work with agents in general over the next 5-10 years? Why?
 - Can you give any examples?

- **Digital services from HMRC in the future**

- HMRC want to develop digital services that will help their business customers, and their customers' agents, what services do you think HMRC should be developing for the future, for:
 - Your firm / the tax advice market as a whole?
 - What would these services look like? Please give examples.
 - Why would these be useful?
 - Your business clients?
 - What would these services look like? Please give examples.
 - Why would these be useful?

- **Strategic business plans**

Finally, I'd like to move on to talking about your firm's strategic plans for the future of the business, in terms of responding to pressures in the market, and current and future trends.



Now thinking about specifics... [IF NOT COVERED ABOVE]

- Will your company become more specialised? Or more generalised?
 - In what ways? What would this be in response to?
 - IF WILL SPECIALISE: What might it specialise in? Why?
 - IF WILL BECOME MORE GENERALISED: What will this involve? Taking on other activities on top of their current existing offer?

- I'd just like to explore what you think your firm's particular strengths and weaknesses are, and its position in the market going forward:
 - Firstly, what do you perceive to be your firm's particular strengths?
 - Do you perceive your firm having any particular 'weaknesses' or aspects that may see it being disadvantaged in the future?
 - What analysis, if any, has your business done on the market, in terms of identifying
 - Threats to your business?
 - Further opportunities?

Wrap up, close and thank

- Check whether there is anything else they'd like to add that hasn't been discussed, including any further comments on HMRC's Agents Strategy, and future expectations for their relationship with HMRC.
 - What else could HMRC do to improve the relationship?
 - And would you be happy for us to pass a transcript of this interview to HMRC, on an anonymised basis, so with any identifiers removed?

| | |
|-----|--|
| Yes | |
| No | |

THANK RESPONDENT AND CLOSE INTERVIEW

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

