

# ADMINISTRATIVE BURDENS ADVISORY BOARD

## **Minutes of Advisory Board Meeting 12 July 2016**

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**13.00 – 17.00**

**2/66, 1 Horse Guards Road, London, SW1A 2HQ**

**Advisory Board attendees:** Teresa Graham, John Whiting, Roger Southam, Paul Aplin, Karen Thomson, Alastair Keir, Malcolm Bacchus, Graham Rogers, Allison Harper, Rebecca Benneyworth

**Apologies:** Mitesh Soma

**HMRC & HMT attendees:** Kerrie Spendiff, Jim Harra, Caroline Smith, Matthew Cornford (HMT) and Neil Philpott (Secretariat)

**Apologies:**

**Guests:** Rebecca Hall (BC&S); Theresa Middleton, Clare Sheehan (Transformation Programme); Rachael Mclean (Customer Services Director), Adil Munir (BC&S), Angela Brown (OTS)

**Observing:** Nida Hussain, Kiran Javed, Diante Jean-Pierre (All work experience students)

## Welcome/Update

Teresa Graham (TG) welcomed everyone to the meeting - noting apologies from Mitesh Soma, and informing them off Mitesh's decision to resign as a member due to work and travel constraints. Teresa thanked Mitesh for his contribution to ABAB.

### Review of action points/issues log

1. TG reviewed the open action items and agreed that all open action points could be closed as they had either been resolved prior to or will be addressed at the meeting. TG queried the explanation given for changes to collection of car data information (AP094) and requested additional information from HMRC.

#### **AP – Provide requirements for reporting car data. What level of detail is require now vs before?**

2. There was a brief discussion around implications of Brexit. HMRC & HMT outlined their approach for considering the implications of Brexit. ABAB recognised the complexity of the situation, emphasising that small businesses will welcome certainty

#### **Add simplification from Brexit to forward look**

### HMRC contribution to Growth

3. Rebecca Hall (RH) presented an update on Growth, a key element of the small business strategy development. RH provided a high-level summary of research findings that gave HMRC insight into how different business perceive growth and that not all businesses want to grow. The research also highlighted many potential barriers to growth including the economic climate and that businesses are satisfied with the status quo.
4. Members were surprised at the levels of business that wanted to grow. PA suggested that sustainability was just as important as growth for many businesses.
5. RH explained what HMRC have been delivering to support growing businesses. This included running a number of pilots with Growth Hubs to explore closer working arrangements, sharing tools and information to increase awareness of HMRC support available. Evaluation of the pilots will be published at Autumn Statement 2016
6. Members highlighted the need to utilise existing data including GLA and Warwick business school and not reinvent the wheel. A key question from the Board was how HMRC are/will define and measure the success of HMRC input into growing businesses. Suggestions were made around measuring take-up rates rather than the ultimate outcomes.
7. TG suggested a challenge panel in 12 months' time to identify department's progress and commitment to growth

#### **AP – Add a Challenge Panel around Growth agenda to the forward look for July 17**

### Customer Service Improvements/10 Point Plan

8. Rachel McLean (RM) provided an overview of HMRC customer services, the future direction and how they will be designed and delivered.
9. RM explained how HMRC have listened to customer and stakeholder feedback – calling for more accessible and responsive support when they need it, so have developed a plan to offer services such as:
  - Enhanced telephony wait times for all customers

- A better service for specific groups
  - Further improvements to the digital offering and
  - A move to operate a 7 day service.
10. RM asked members for their views on the 4 areas identified and provided an update on the developments of the 10 point plan including 7 days opening, 24/7 digital support and improving online guidance.
11. Members welcomed the proposals and reflected on their experiences of the Once and Done approach, which they had seen as being passionately delivered and inspiring to encourage greater empowerment amongst HMRC staff. Roger Southern (RS) would be particularly interested in online guidance improvements and sited his worked with HMRC on VAT Livery guidance, and recommended to target specific areas in the first instance and build from there. RS would also like to engage in this work through ABAB's Customer Experience working group  
**AP – Further elements of the plan to be added to the Customer Experience working group forward look**
12. Members did question how this model can be sustained and linked to recent NAO report on staff reductions. Members are keen to ensure that HMRC do not assume that digital will solve all contact problems. Members would also like to see greater transparency of measurement of service standards and questioned the removal of service standards dashboard that used to be published on HMRC website. This transparency will also improve customer understanding of the progress being made.  
**AP – Customer Experience working group to engage with and explore publication of service standard performance**

### **Future Customer Support Model**

13. Adil Munir (AM) expanded on previous session by giving an overview of how the current customer support model will look as HMRC move to a one HMRC customer support model. AM provided a demo of the new digital service offering to demonstrate how different support methods can be accessed by customers.
14. Members were excited by the prospect that this new model will give businesses access to support at a time convenient to them. Members cautioned for greater consideration for those businesses that are unable to or unwilling to engage digitally. AM indicated that HMRC recognised the need for different learning styles and that there is a need for extended telephone services.
15. RM explained the plans around opening a Sunday opening service and asked for views as previous trials didn't prove to indicate there would be demand for the service. Members questioned whether there were issues around advertisement of the service and that there is a need to promote HMRC opening hours which could provide a good story to demonstrate that HMRC are extending hours to support the changing customer working patterns. TG suggested setting targets for awareness levels.

### **Working Group Updates**

#### **Customer Experience**

16. No further update was required.

#### **Tell ABAB**

17. Alison Harper (AH) gave an update to the board on the plans for Tell ABAB in 2016/17, including a specific feedback exercise on experiences of gov.uk. Suggestions were made to explore the use of an ABAB Twitter account.

### **Making Tax Digital for Business (MTDfB)**

#### **Programme Update**

18. Theresa Middleton (TM) provided an overview of each of the 8 transformation programmes being delivered within HMRC of which the MTDfB programme is one. TM then then explained what MTDfB developments have been made since last update particularly around engagement with businesses and rep bodies. TM also provided an overview of the 6 consultations, the aims and objectives of each and explained how the current timescales/issues around the consultations will impact on the programme.
19. Clare Sheehan (CS) shared the proposals on how the programme will do further extensive engagement once consultations are issued to demonstrate how the proposals will look and feel to businesses. This includes engagement with regional FSB, BCC members via roundtable events to explore the detail and also via holding digital dialog (webinars) with businesses. CS explained how HMRC are developing motivating messages and work with external partners to help deliver messages to businesses.
20. TG asked how ABAB should respond to consultations in light of ABAB members being engaged through the Digital Advisory Group (DAG)? Rebecca Benneyworth (RB) who chairs the DAG suggested focusing on the burdens sections of the consultations. TG agreed and indicated that ABAB should ensure that lessons from RTI are being learned. TM indicated that that there are initial impacts and one off costs included and suggested that ABAB engage in a specific session on the consultations

**AP – Invite Nick Lodge as head of Transformation to future meeting (add to forward look)**

**AP – Add MTDfB digital demo to forward look**

#### **Digital Advisory Group (DAG)**

21. RB explained how the DAG have provided early reviews on 4 of the 6 consultations and will provide a full early response on the main consultation. RB will continue to support engagement and will be preparing materials that others (for example, Agents) can use to engage and support businesses
22. RB discussed key concerns around the API strategy; encouraging software providers to provide free options, agents having access to services and how they then engage with the smallest businesses. Paul Aplin (PA) reiterated that mandation is the biggest issue along with early engagement with IT suppliers to test and learn from the use of software
23. TG summarised the MTDfB session by indicating that ABAB remain supportive of the overall ambition with continuing concerns to be addressed.

#### **OTS Review of the Corporation Tax Computation**

24. John Whiting (JW) gave an overview of the current programme of work that OTS have been engaged and described how OTS is planning a recap on recent recommendations and how they have been progressed.

25. JW provided an outline of the review of the Corporation Tax computation and demonstrated the figures from HMRC standard cost model that demonstrate the baseline costs to businesses. JW asked members what issues they encounter and could be improved. Members highlighted the complexity and choice proving costly to businesses, accounting profit and losses and how computations of figures get transposed across the tax return form. XBRL was cited as still being the biggest burden on time and whether this really provides HMRC with useful information. RB questioned whether this could be removed as part of the MTDfB process design.

**AP – Invite director responsible for XBRL to future meeting (add to forward look).**

### **Research programme**

26. Members reviewed the list of proposed HMRC research projects and identified the projects they would like to engage with and support delivery.

**AP – ABAB to be engaged in the research projects identified**

### **Forward Look**

27. Members reviewed the forward look document and reiterated the items they would like to be added to the agenda.
28. TG suggested an item around simplification from Brexit to be added to forward look.

### **AOB**

29. Caroline provided an overview of recent NAO report on the Better Regulation Executive and noted the PAC hearing on the 13<sup>th</sup> July. TG updated the Board on a recent meeting with BRE where it was suggested that BRE accompany TG to her discussions with representative bodies.

**AP – HMRC to share summary of PAC hearing**

### **Next meeting**

The next meeting will be held on Thursday 13<sup>th</sup> October, from 13:00 – 17:00 in 2/66, 100 Parliament Street.