

ADMINISTRATIVE BURDENS ADVISORY BOARD

Minutes of Advisory Board Meeting 13th April 2017

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13.00 – 17.05

2/39, 100 Parliament Street, London, SW1A 2BQ

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

Apologies: Graham Rogers

HMRC & HMT attendees: Jon Sherman, Elaine Benn, Sally Munnings, Jas Rai, Minaz Rahman and Asif Bukhsh (Secretariat)

Apologies: Maria Hannan, Jim Harra, Matthew Cornford (HMT)

Guests: Theresa Middleton/Ajit Philipose (MTDfB Transformation Programme), Anthony Wallace (MTDfI Transformation Programme), Steven Taylor (BC&S-Agents), Amanda Lockett (Central Policy), Wendy Linkins (BC&S), Adil Munir (CS Change)

Apologies: Clare Sheehan (MTDfB Transformation Programme)

Welcome and Apologies

Teresa Graham (TG) welcomed everyone to the meeting - noting apologies. TG welcomed Elaine Benn (EB) as the new Customer Directorate Director to ABAB.

Review of action/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 with exception of AP085 to be carried forward.

Tax Reliefs

2. Amanda Lockett (AL) explained the background of reliefs and the agreement following the NAO Report to improve the administration of reliefs. She outlined she would cover what HMRC was looking to do to improve the experience and take up.
3. She explained they started by using the OTS list as a baseline for reliefs, organising the list of those that are being actively managed at present.
4. HMRC will introduce transparency by having the owner look at risks, and introduce clarity by publishing costs on GOV.UK.
5. AL advised they would consider engagement with reliefs around things like what level they are set at, how to make them more targeted and understand the barriers to take up.
6. TG advised GOV.UK remained an issue with how people use it currently. She asked what OTS's view was on the approach to reliefs.
7. John Whiting (JW) advised they were happy in general but also stated it would need active management. Giving ownership of reliefs would help in this process as well as recognising and working with other stakeholders who may have an interest. Paul Morton (PM) advised OTS would be happy to engage with this area of work. ABAB members commented that there was an issue around awareness of some reliefs and communication.
10. Rebecca Benneyworth (RB) advised the solution may lie in exploiting digital tax accounts.
11. Jas Rai (JR) advised the CEWG was reviewing communication as an area with HMRC.
12. TG advised there was an opportunity for this to be part of the Growth Agenda.

Tell ABAB update

13. Allison Harper (AH) advised continued work is in progress with GOV.UK to address issues and an interim report will be published in May 2017.
14. PM commented that the Citizens Advise Bureau use a Board which highlights current issues and categorises them.
15. EB advised this had been seen by the complaints team in HMRC and we were reviewing this.

MTD for Business programme update/Digital Advisory Group

16. Theresa Middleton (TM) gave an update around the response to the revised Impact Assessment (IA) for the Making Tax Digital for Business (MTDfB) programme. TM feedback that generally the response had been positive to the one year deferral for unincorporated businesses. She advised the public beta had commenced by invitation and they were making improvements from emerging issues so far.
17. The next steps would include the following;

- a call for evidence paper for larger companies
 - further work on the terms for collaboration (TOC)
 - testing the user journey (with continued user support) in the pilot
 - considering the admin burdens
 - designing the evaluation
18. TG asked what size of business was part of the pilot.
 19. TM advised they were managing across a range of trades and sectors.
 20. Malcolm Bacchus (MB) asked if the software was working with spreadsheets.
 21. TM advised their first customer had tested this journey and the customer was directed to a supplier who supported them to do this using free pilot software.
 22. Ajit Philipose (AP) updated the Board on engagement with the CEWG advising more targeted communication work would be on the Agenda at the next CEWG meeting.
 23. They would also be review IA and TOC work meeting with developers to revise and publish by end of May 2017.
 24. TG asked how the work would join up between corporate communications and GOV.UK
 25. Roger Southam (RS) advised they had invited them to CEWG.
 26. JR advised the new communications lead would be working with the CEWG.
 27. RB advised that through ABAB they could document what real time it took businesses to go through the reporting process to give a cost/value picture of the journey.

MTD for Individuals

28. Anthony Wallace (AW) gave a high level overview of PAYE strategy and how his team had been looking to improve experience by making it easier and quicker.
29. They had three areas to their approach:
 - Transform the digital offering - Working closer with customers making communications clearer by sending better coding notices
 - More tax real time – considering reasons for under/overpayments
 - Process improvements – using automation and digital channels to improve experience
30. He explained the currently there is a virtual assistant to help customers online and a repayment service which has benefited 2 million customers so far.
31. AW explained with the PAYE refresh programme employers would face the following administrative changes: Time to familiarise with the changes
 - Employers may receive a higher volume of tax codes although this will help with end of year accounting
 - Employers may receive more enquiries from employees in the short term
32. AW explained dynamic coding will ensure that HMRC dramatically reduce the 6 million customers who currently receive P800 notifications after the PAYE year end – around 4m with overpayments and 2m with underpayments.
33. Karen Thompson (KT) asked how remote area access was supported and if email was an option for verification when logging in.
34. AW advised he couldn't comment on the use of email as an option but currently a code can be sent to a landline.
35. Alastair Keir (AK) asked how pensions income would be affected when drawn from a SIPP
36. AW advised he would follow up

AP: AW to clarify position of pension's income from a SIPP

37. JW suggested the longer term aim would be to abolish coding notices.

38. RS asked how communication and messaging would be delivered.
39. AW advised he would share a follow up slide.

AP: AW to share slide with ABAB on communication

Organisational Design

40. Elaine Benn (EB) gave an overview of the customer centred design for HMRC. She explained five areas of responsibility.
Customer capability & culture
Organisational listening
Policy
Customer Design
Insight and Research
41. RS asked how the design would reflect the customer lifecycle.
42. EB advised this would be an iterative process over time.
43. JW asked what research would cover as there were teams already in HMRC covering this area.
44. EB explained her area would carry out smaller more bespoke pieces of work but would maintain links centrally. She is currently managing 40 research projects.
45. ABAB would like to engage with those that have an admin burden.

AP: EB- Insight & Research team to share project list for engagement

Agent Strategy

46. Steven Taylor (ST) gave an update based on the Agent Fusion event between senior HMRC leaders, Agents and frontline staff coming together to find creative solutions to challenges they face.
47. They held a co-design workshop where they developed propositions. They would develop a steering group to deliver the work across HMRC.
48. ST discussed raising the bar with professional standards where a range of input and options were discussed.
49. AH asked what effect it has when Agents can't get things done for clients.
50. PA commented that the tone was different to the approach to standards and that Professional Conduct in Relation to Taxation (PCRT) should be part of it.
51. ST advised they would consider how they could align PCRT with HMRC's current proposition.
52. TG advised ABAB felt this was not consistent and would challenge ST to work with ABAB to review this.

AP: PCRT review to forward look

Streamlined Company Registration Service (SCRS)

53. Wendy Linkins (WL) introduced SCRS which brings together services from Companies House and HMRC for registration of certain taxes which meets Government Digital Service design standards.
54. She advised this service was in private beta which allowed only one Director to register at this stage. She took ABAB through a typical customer journey highlighting how pre-population improved the user experience.

55. RS advised by making clear on the start page what information a user would need to complete the process would help reduce the burden.
56. ABAB members were generally positive about the service and it's potential.

OTS update

57. PM gave an outline on the Office for Tax Simplification (OTS) strategy going forward as well as a summary of publications.
58. He advised their approach would be based on work which is theme based and event based:
 - Publishing reports – OTS would look to produce traditional papers, alongside review reports and focus papers
 - Reviewing strategy – To review programme of work across
 - Horizon scanning
59. PM advised they would be publishing their Annual Report and would welcome any input on this from the Board.
60. TG advised ABAB don't get communications on publications and members would welcome an email with executive summaries of those reports which have an Administrative Burdens implication.

Small Business Forum

61. Adil Munir (AM) explained how as part of customer services improvement plans HMRC have developed an online forum as a private beta pilot for the self-employed and businesses to discuss issues and find answers. This forum is moderated by HMRC.
62. AM took the Board through the online offering explaining and the simplified registration process and 12 topics for discussion they had set up. He advised these boards would help customer's self-serve but any information posted would be moderated to ensure accuracy by moderators. He explained the Boards would not be there to give financial advice but for more specific queries users would be directed to other areas of support.
63. Some members questioned that as the Forum grows would the support to maintain its value would need to grow as well.
64. AM advised this is something they would monitor closely as the service developed.
65. RB advised this is a service which could be promoted through the digital tax account.
66. TG commented this was an example of a service that ABAB welcome supporting and would promote. She would hope that this service would continue to be supported and developed.

Forward Look

67. TG outlined there were concerns remaining over the SCM model and ABAB would like a presentation on this model using filing a VAT return as an example.

AOB

68. TG advised it was Sally Munnings last meeting at ABAB thanked her for her time working with the Board.
69. TG requested that we look to organise roadshows with professional bodies.

AP: ABAB Secretariat Team to organise roadshows for engagement with professional bodies.

Next meeting

The next meeting will be held on the 6th July 2017, from 13.00 – 17.00 in Room 2/65, 100 Parliament Street.