

H.M. Revenue & Customs

Race Equality Scheme Triennial Review

2005-2008

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Background

HM Revenue & Customs (HMRC) was formed in April 2005 following the merger of HM Customs & Excise and the Inland Revenue. It is one of the largest government departments with over 89,000 staff.

This is the first review of HMRC's Race Equality Scheme. It covers the period from May 2005 to May 2008. During this three year period, the Department has seen significant changes in the nature of its work, the location of its staff and the number of staff employed.

HMRC is fully committed to meeting its Race Equality Scheme (RES) objectives.

1. Meeting the general duty

HMRC's Race Equality Scheme (RES) provides a framework for enabling the Department to meet its obligations under the Race Relations (Amendment) Act 2000. Section 71 (1) of the Act places a general duty on HMRC as a public authority to have due regard for the need to:

- eliminate unlawful racial discrimination;
- promote equality of opportunity;
- promote good relations between persons of different racial groups.

HMRC's diversity policy (Annex A) reflects its commitment to diversity and equality. The fundamental principles of fairness, diversity and equality underpin everything HMRC does, from its duty as an employer to the services it provides to its customers; enabling them to pay what they owe and receive what they are entitled to.

HMRC's commitment to race equality is supported by a Board level Race Champion who provides high level strategy and direction. HMRC endeavours to create a culture of openness and support so that staff feel comfortable in raising issues, which are of concern to them, and are given opportunities to do so.

A summary of HMRC's key achievements over the last three years in meeting the general duty is as follows:

- the set up of a new online system to enable staff to record their diversity details (ethnicity, disability and sexual orientation) across the newly merged organisation. A high profile campaign was run to encourage ethnicity declarations. The campaign included, front-page intranet messages from the Chairman and the Departmental Trade Union Side (DTUS). As a result, the staff ethnicity declaration rate has risen from a zero baseline to 69 per cent. Continued action at both a local and central level is aimed at generating further increases and meeting in year targets, which feed into the Cabinet Office target of a 90 per cent database for ethnicity by 2013;

- the development and launch of a comprehensive package of guidance on equality impact assessment work (EQIA). This package has been supported by a systematic review of current functions and policies to identify those relevant to equality and to prioritise EQIA work. This approach has enabled each business unit to plan and allocate resource for EQIA work in their priority areas;
- increased resources and support to build the capability of the Corporate Responsibility and Diversity Team. The specialist diversity team offers expert advice on all diversity issues including race, EQIA and diversity monitoring;
- improved diversity analysis of HMRC's National Staff Survey. Results are analysed by diversity strand, including ethnicity, at both a departmental and a local level. This information feeds into the monitoring strategy to gauge the effectiveness of HMRC's race policy;
- the development of staff diversity networks, including the race network. The race network has been involved in both consultation work and pre-consultation work for EQIAs and in the formation of HMRC's diversity policies. In October 2007, the Race Network held a National Conference. This provided an opportunity for members to meet and discuss issues of importance to the network and also to hear speakers from external organisations talk on a range of race-related issues;
- diversity awareness training (including race) for all new staff and developmental opportunities for black and minority ethnic (BME) staff, which include: the 'Achieving Your Potential' programme, the Debt Management/Race Staff Network Mentoring Scheme and the 'Cultivating Potential' Programme (see section 2.6);
- the Head of HMRC's Corporate Responsibility and Diversity Team has taken part in 'Hotseat' question sessions (where staff e-mail senior managers) and in live staff 'phone-in' sessions, to answer questions from staff on a wide range of diversity and equality issues. These high profile opportunities have allowed staff at all grades to ask questions and raise diversity issues (including those on race). They are a very visible sign of HMRC's commitment to promoting equality of opportunity and good relations;
- research into the needs of HMRC's customers, which has led to better information being provided for migrant workers and on-going work on increasing Tax Credit take-up for the Chinese and Indian communities;
- the provision of 155 mentors, over the last three years, to the National Mentoring Consortium (Ethnic Minority Undergraduate Scheme), making HMRC one of the largest supporters of the scheme. This activity has helped to raise awareness and to promote equality of opportunity.

Promoting Good Relations - HMRC is committed to promoting good relations between persons of different racial groups. For example, it has fostered good relations through the wide range of outreach activities carried

out by its Marketing and Communication Team with ethnic minority communities and also through the involvement of the Tax Credit Office/Child Benefit Office in events such as the Preston 'Mela' (see section 2.5).

2. Meeting the specific duties

The specific duties, contained in Statutory Instrument 2001 No. 3458 of the Race Relations Act 1976 (Statutory Duties) Order 2001 require HMRC to produce a Race Equality Scheme showing how it intends to fulfil its duties under Section 71 (1) of the Race Relations Act and S.I. No. 3458.

HMRC published its Race Equality Scheme (RES) in September 2007. Along with the RES, it also published a Race Action Plan identifying key objectives and actions (with deadlines) needed to support the RES. This will enable HMRC to achieve both the general and specific duties of the RRA.

HMRC has successfully achieved the majority of these objectives and where these have not been achieved, it has updated the action plan to explain why the objective was missed and the action, which will be taken to remedy the situation (updated action plan shown at Annex B). A new action plan is currently being produced at the same time as updating the RES.

2.1 Identifying relevant functions and policies

In its Race Equality Scheme HMRC gave a commitment to carrying out a review of all its policies and functions, or proposed policies, to assess which are relevant to the performance of the duty imposed by section 71 (1) of the Race Relations Act.

The EHRC informed HMRC that it is not meeting the minimum standards required to be compliant in its performance of the general statutory duty. This is because HMRC does not have a prioritised list of relevant policies. In response to this feedback, HMRC's Internal Audit Team is identifying specific failures in the RES and ways to remedy them as a matter of urgency. Serious risks or issues requiring decisive action will be escalated to the senior directors responsible for the area under review. These directors include: the CR&D Director, Business Unit Directors, ExCom Directors General, Audit Committee members and the Chief Executive.

HMRC is a large and functionally diverse organisation. Its major functions as listed in its Race Equality Scheme are:

Collecting:

- direct Taxes paid by individuals or businesses on money earned or capital gained (income tax, capital gains tax, corporation tax, inheritance tax, national insurance contributions);
- indirect Taxes paid by individuals or businesses on money spent on goods or services (VAT, excise duties, environmental taxes, insurance

premium tax, petroleum revenue tax, stamp duty, stamp duty land tax, stamp duty reserve tax, customs duties).

Paying:

- Child Benefit and some other types of state support, including the Child Trust Fund;
- Tax Credits.

Protecting the UK by enforcing and administering:

- Border and frontier protection;
- Customs Duties;
- National Minimum Wage;
- Money Laundering Regulations.

Over the last three years, elements of this work have been moved into the Serious Organised Crime Agency (SOCA) and the newly created UK Borders Agency (UKBA). HMRC's updated RES will reflect these changes.

HMRC is divided into Business Streams with responsibility for carrying out work in different functional areas. In addition it has some cross-cutting areas such as processing and legislative policy development, which cut across and combine implementation over a number of functional areas. In order to identify relevant functions and policies and to integrate equality impact assessment (EQIA) work into its business operations, HMRC has assigned EQIA accountability to each Business Stream and structured its EQIA plan at Business Stream level.

In 2006 a major piece of work was undertaken to identify the functions and policies most relevant to equality (including race) and to prioritise them for EQIA work. This involved:

- 1) 2006 – the delivery of EQIA awareness training by equality consultants PricewaterhouseCoopers (PwC) for key staff in each business stream
- 2) 2006-2007 – focussed workshops to identify HMRC policies and processes relevant to equality.

At the workshops:

- a) representatives from each business area identified and listed key areas of responsibility in relation to HMRC functional areas;
- b) each list was then filtered with reference to 'relevance' to any of the equality strands;
- c) for race, the criteria used for filtering was based on the following questions:

- (i) whether, and how each of the three parts of the general duty – eliminating discrimination, promoting equality of opportunity, and promoting good race relations – applies;
- (ii) which racial groups are affected; and
- (iii) whether there is any reason to believe that people are, or could be, differently affected because of their racial group.

Where the answer to any of these questions above was 'yes', the process/policy was prioritised for EQIA work and added to the EQIA plan. The EQIA plan, listing all policies identified as relevant to equality, was published in April 2007. HMRC is currently updating its EQIA Action Plan to give details of all EQIA work completed in the periods 2007-08 and 2008-09.

2.2 Arrangements for assessing and consulting on the likely impact of proposed policies

2.2 (i) Assessment

Since the publication of HMRC's original EQIA plan, it has made substantial progress in carrying out EQIA work. This work has been supported by the design and publication of online, step-by-step guidance available to all staff. The guidance was developed with involvement from the staff diversity networks and key stakeholders across all areas of HMRC's business.

HMRC has designed and implemented a framework for delivery of EQIA work for its office-closure programme. All proposed office closures are subject to equality impact assessment, they involve all relevant staff and other stakeholders, and they are published on the internal website. A corporate EQIA, assessing and analysing the results of this programme, is also underway.

Using the framework designed for the EQIA of office closures, EQIA work is undertaken for decisions to move posts and/or people as a result of the implementation of the 'Lyons' review. 'Lyons' is a government-wide strategy, aimed at relocating posts from London and the South East of England. HMRC recognises the potential impact 'Lyons' has on the demographics of its organisation with particular regard to ethnicity and is compiling a corporate EQIA using the guidance issued by the former CRE to assess and monitor its ongoing implementation. Work has begun on the overarching EQIA report for Phase 1, with the aim of issuing for consultation by Quarter 4 of 2008 -09.

In addition, full equality impact assessment work has been completed covering the nine equality strands, including race, on:

- review of the office estate for the London Urban Centre;
- restructuring and relocation of Belfast Urban Centre;
- IT accessibility;
- The Carter Review of online filing of tax returns.

The prioritisation of equality impact assessment work for HMRC's employment policies has been aided and informed by HMRC's online HR system (introduced in 2007), which allows data to be collected and analysed on all relevant employment processes, enabling their impact to be assessed across racial groups.

Substantial progress has been made on full EQIAs for the following employment policies:

- staff appraisal procedures;
- staff grievance procedures;
- talent management.

The above EQIAs will be published at the start of 2009-10.

Online EQIA guidance highlights the need to factor equality impact assessment work into all policy development and change processes. As mentioned above, a robust framework is in place for integrating EQIA into office change and restructuring programmes. Race impact assessment work is also integral to all legislative impact assessments, in line with Cabinet Office guidance.

As project methodology and business plans are developed, for HMRC, the EQIA process and considerations to embed equality are being integrated into all decision making. Any new or proposed policy is considered for relevance to equality and the appropriate EQIA carried out as part of the development stage.

2.2 (ii) Consultation

Over the last three years HMRC has consulted with its staff and customers in order to gain a better understanding of the impact of its functions, policies and procedures on different racial groups. A variety of 'consultation' approaches have been used depending on the group and the issue of concern. These have included focus groups, customer immersion sessions, staff and customer surveys, commissioned research, and expert advisory panels.

a) **Staff Diversity Networks** – HMRC's Staff Diversity Networks were set up at the end of 2006. They provide a forum to discuss concerns and to help eliminate barriers that may exist for staff and customers from underrepresented groups. They act as a sounding board to identify the impact of change on different groups of customers and employees. Each Network has a Co-ordinator whose role it is to:

- provide a forum in which staff feel supported and can share ideas and debate issues that help the Department and the individual;

- provide confidential support and information for Network members, where needed;
- act as the main contact point for the Business and Diversity Team to communicate with Network members;
- act as a sounding board and a source of expert advice for policy owners by flagging up issues and acting as a key stakeholder in the EQIA process;
- accurately represent the views, opinions and issues raised by their members, bringing to them a balanced view, where needed;
- raise the profile of their Network, encouraging consultation with policy owners, stimulating debate and encouraging people to join;
- keep members up-to-date with what's happening across the Department and externally in their particular diversity strand;
- raise awareness of diversity issues and act as a signpost for staff to the information and resources available within HMRC;
- work with the Champion, Network members and the Diversity Team to develop a plan of activity which supports HMRC's Diversity Strategy;
- regularly update their Network intranet page with the latest news and information; and
- be accountable for the resources used by the Network and ensure Network activities support HMRC's values.

Since being set up, the Race Network has continued to develop its role in influencing decision-making, business strategies and the way the work is done. As an example, all the Diversity networks were consulted in 2007 on the development of comprehensive guidance on screening and EQIAs. The Race Network made a valuable input to the section in the guidance, which deals with the most common impacts on race, and revisions were made based on its feedback.

b) Departmental Trade Unions (DTUS) - HMRC's Corporate Responsibility & Diversity Team hold regular meetings with representatives from the DTUS to discuss areas for working together to progress diversity and equality issues. This has led to co-operation on key issues, such as DTUS support for the campaigns to increase staff diversity declarations. HMRC is committed to working closely with the DTUS in the development and implementation of its diversity strategy, policies and guidance, including those, which impact on race issues.

c) Consultation on EQIAs - HMRC continues to engage proactively with individual staff, the DTUS, external representative groups and staff networks through the EQIA process. The period of major transformation since HMRC was created has changed the way that work is done and the location of posts. Throughout this period, the EQIA process has helped structure positive engagement with staff and customers alike - as explained in section 2.2(i).

d) Working in Partnership - HMRC carried out research to identify its key corporate stakeholders, ie those organisations and individuals with greatest influence over the achievement of its business objectives. Under the title of

'Working in Partnership', HMRC's senior managers have actively engaged with these stakeholders in regular consultation about high-level issues, ranging from our programme of Workforce Change to the formation of Departmental Strategic Objectives.

e) **The Race Equality Advisory Panel (REAP)**, which was originally formed by HM Customs and Excise, was made up of a number of race and equality experts, drawn from outside the Department, who provided advice on race and equality matters. In 2007, the Race Champion identified specific portfolio responsibilities for the REAP members ie: workforce change, leadership and behaviours, HMRC accessibility to customers, recruitment, promotion and development.

REAP members have visited many HMRC offices to meet with staff and to gain a greater understanding of how the Department operates. This has enabled them to provide focussed advice on race equality, helping HMRC to identify opportunities for promoting equality of opportunity. For example, REAP members were consulted during 2007-08 on projects to increase the take-up of Tax Credits and other benefits in the Chinese and Indian communities. The focus of REAP's work has been on the Enforcement business stream of HMRC and many of these activities are now moving to the UK Border Agency. We are therefore looking to establish an Advisory Panel with external representation, which can provide advice and challenge across all of HMRC's functions, building on the foundation created by REAP.

f) **Individuals Customer Directorate (ICD)** is responsible for working with Directorates across the Department, to ensure that the design and delivery of all HMRC products and services meet customers' needs, enhance the customer experience, and improve HMRC's effectiveness.

Research projects commissioned by ICD, which have race equality implications include:

- Low Tax Credit take-up within the Chinese and Indian Communities. This work looked at the barriers to Tax Credit take-up which exist in these two communities and explored ways in which effective communication channels could be identified, improvements made to the customer experience and the rate of Tax Credits take-up increased. Initial research was undertaken by Ipsos-MORI in March 2008 and also involved some initial insights from REAP members. ICD is currently awaiting the final report on this research and will take this project forward into 2009;
- The review of existing HMRC research data. A second work package conducted by Ipsos-MORI at the same time as the Tax Credit research (above), examined existing HMRC and external research on the Black, Asian and Minority Ethnic communities, with the aim of identifying priority groups for future research. The results of this project are currently under consideration;

- Project Enlightenment - a major responsibility of the 'Customer Understanding Team' in ICD is to create and share research information and reports so that staff in HMRC's Customer Units can solve business problems with customer focus in the foreground. The aim of this project, which began in November 2007, was to create a single solution to locate all the customer-related research knowledge in HMRC. The Knowledge Bank in 'Shared Workspace' contains reports and documents on customer research. This web-based approach has assisted key stakeholders both to share and access valuable information and is an important tool which can be used to increase understanding of all customers (including black and minority ethnic (BME) customers), helping HMRC to provide them with a better service.

2.3 Monitoring

HMRC recognises that diversity monitoring by ethnic group is essential to the process of identifying inequalities, investigating their underlying causes and removing unfairness or disadvantage. This applies both to employment and service delivery.

For employment, good progress has been made in monitoring over the last three years, as acknowledged by the Equality and Human Rights Commission in relation to HMRC's 2007-08 Employment Duty Monitoring Report. Further details are given below under 'Employment Duty'.

For service delivery, there is evidence of relevant monitoring over the last three years (see below under 'Service Delivery') but a more structured and planned approach to service delivery monitoring is needed. Due to the size and wide ranging functions carried out by HMRC this is likely to be a big task. The Internal Audit team is addressing how best to achieve this.

2.3 (i) Employment Duty

HMRC is also subject to the specific duty on employment. This is set out in Sections 5 (1) (2) and (3) of the Race Relations Act (Statutory Duties) Order 2001.

HMRC must monitor, by reference to racial groups, the numbers of:

- staff in post;
- applicants for employment, training and promotion;
- staff from each group who:
 - receive training;
 - benefit or suffer detriment as a result of performance management procedures;
 - are involved in grievance procedures;
 - are the subject of disciplinary procedures;
 - cease employment;

and publish the results of this monitoring annually.

This report is published on the staff intranet and on the internet at:
www.hmrc.gov.uk

The implementation of a new online HR system in 2007 resulted in a major improvement in the monitoring of HMRC's HR processes. Previously separate systems were followed by former Inland Revenue (IR) and former HM Customs and Excise (C&E) staff. The move to a new online HR system marked a significant change. In September 2007, the staff diversity database had to be rebuilt as it was not possible to transfer the diversity data held for staff onto the new database. Staff were asked to re-input all their diversity data onto the new and unfamiliar system.

Following the implementation of the new system, HMRC's priority was to focus on increasing staff diversity declaration rates. In October 2007 it launched a high profile campaign to encourage diversity declarations via the intranet. This was led by the Chairman of HMRC with full support from the unions and was followed up by reminder messages in 2007 and 2008.

While acknowledging that there is still room for improvement, HMRC has made genuine progress in increasing staff declaration rates. Between April 2007 and April 2008 the staff ethnicity declaration rate increased from 61.64 per cent to 66.25 per cent (and this figure has increased further to 69 per cent at November 2008).

The HMRC Board recognises the importance of improving the declaration rates and has introduced a key internal performance target to increase diversity declarations by 10 per cent by 31 March 2009. In order to achieve this target, strategies have been developed to improve the declaration rates for those Business Units identified as having the lowest rates. HR Business Partners and Directors are involved in the campaign to increase staff diversity declaration rates in their business areas.

HMRC is fully committed to collecting reliable diversity data from staff, both to meet its legal obligations and to understand and respond to the diverse make-up of its staff. The development of the online HR system for HMRC, combined with increased diversity declaration rates, means that the data is more reliable and robust, thereby providing a better basis on which to build future policy development and change. In order to ensure that the monitoring systems put in place are used to their optimum potential, additional permanent staff resource was given to the Corporate Responsibility and Diversity Team in 2008 to assist key stakeholders with their monitoring duties.

The first race report to benefit fully from the new online HR system is HMRC's Race Equality Duty Monitoring Report 2007 - 2008. This report indicates that while the number of staff in HMRC fell from 96,505 at 1 April 2007 to 92,948 at 31 March 2008, for staff where ethnicity is known, the percentage of BME staff increased slightly from 7.02 per cent to 7.12 per cent. However, BME

staff are underrepresented at senior grades. The current percentage of BME staff in HMRC's Senior Civil Service (SCS) grades, based on known ethnicity, is 3.63 per cent. A target has therefore been set of 5.1 per cent for the representation of BME staff in the SCS by March 2011. This figure will feed into the Civil Service-wide diversity targets for senior grades.

HMRC wants to ensure that its employment policies and processes promote equality of opportunity for BME staff and intends to use the staff appraisal process to help embed equality values and raise diversity awareness throughout HMRC. For the next appraisal year (2009-10) it will be mandatory for managers to discuss with each jobholder how they are able to promote and reflect diversity principles in their day to day work. Specifically, all managers and jobholders will be expected to agree a separate diversity objective or ensure that diversity is clearly embedded within their performance objectives for 2009-10, which are set out in the 'Performance and Development Evaluation' template.

Staff who leave HMRC are asked to complete an online exit questionnaire showing the reason for leaving. Further work on the questionnaires is in the pipeline to identify any negative impact on BME staff.

Staff Surveys

- National Staff Survey. The diversity content of the staff survey enables monitoring to be conducted for diversity groups. The most recent survey took place in November 2007 and was completed by over 19,000 staff. In this survey information was collected from respondents on their age, gender, disability, ethnicity, religion, sexual orientation and whether or not they have dependants. The survey canvassed the view of staff on a wide range of issues for example, pay and benefits, business decisions and direction, bullying and harassment, equal opportunities, appraisal etc, and these results were analysed to see if the Department is perceived differently by any of the diversity groups. This information has proved particularly useful in EQIA work where, for example, it has been used to gauge the perception of the appraisal system by each of the diversity groups. All staff survey results are evaluated by the Chairman/Chief Executive and Executive Committee to establish common themes and the areas HMRC needs to focus on. The results are also broken down at business unit level to enable managers to discuss results with staff and to identify action for their own teams.
- Equality and Diversity Cultural Audit in Enforcement and Compliance (E&C) Directorate. In April 2006, Enforcement and Compliance commissioned Schneider Ross to conduct a cultural audit of equality and diversity issues. 10,000 staff were surveyed (of which over 6,000 responded) and 10 focus groups were held. For BME staff this audit flagged up some relevant issues ie:

- the need to ensure that the talent pool pipeline and recruitment shortlists are diverse;
- the need to encourage BME staff to develop their potential and apply for promotion; and
- the need for managers to be equipped with the necessary skills to develop their staff and manage the talent pool proactively.

The issue of BME staff development is being addressed, as is the need to develop managers – see section 2.6.

2.3 (ii) Service Delivery

Examples of service delivery monitoring in HMRC in the last three years are as follows:

- by monitoring the take-up of Tax Credits across different ethnic groups (via an optional ethnic monitoring form in the Tax Credit application pack), low take-up of Tax Credits was identified for Indian and Chinese communities. This has resulted in research being undertaken in 2008 to identify the underlying causes. Individuals Customer Directorate (ICD) is taking this work forward - see section 2.2(ii).
- HMRC Enquiry Centres have been monitoring the number of customers visiting them for advice who are migrant workers (identified as people who have come to the UK in the last 5 years looking for work and for whom English is not their first language). Many migrant workers visiting Enquiry Centres request language assistance using ‘the big word’ interpreting service which is available in all Enquiry Centres. Central records are maintained by ‘the big word’ service on the volume of customer requests for different languages. This allows the Enquiry Centres to identify the most commonly requested languages and from which Enquiry Centres the requests have come. This form of monitoring has helped Enquiry Centres to provide a better level of service to migrant workers.
- examples of monitoring within the Enforcement and Compliance Directorate include:
 - road fuel testing. This exercise, conducted in 2007 by ‘Detection’ (Northern Region), involved ‘business as usual’ dipping of fuel tanks to check for illegal fuel (in both commercial and private vehicles). Diversity monitoring was conducted through a voluntary declaration with over 98 per cent of drivers willing to complete the declaration. Monitoring by ethnicity produced no evidence of disadvantage for any particular ethnic group in the standard procedures used;
 - case selection. In 2006 the Compliance business area looked at the way in which ‘cases’ (businesses and individual customers)

were being selected for tax compliance inspections in the Oxford and Bristol areas. Specific attention was given to how ethnic minority businesses are dealt with. Ethnic monitoring of case selection did not find any evidence of racial discrimination. However this examination of the process did lead to guidance for staff being updated to take account of the RRA legislation and there is now a better audit trail, which clearly shows how 'cases' have been selected;

- searches/profiling. Passenger searches are monitored by ethnicity and published to Parliament each year. Following an EQIA of the search process and passenger profiling in 2005-06 a number of recommendations were proposed. These have led to a change in the authorisation for search procedure, which in turn has produced business benefit through a reduction in the overall numbers of people searched and an improved detection rate. In addition, all Detection staff were required to undertake existing diversity training and a new online package covering cultural awareness was rolled out.

- **Customer Surveys**

- Complaints handling. Since January 2008, Individuals Customer Directorate (ICD) has been conducting a 'rolling' survey to track how well complaints are handled across the Department. GfK NOP has been commissioned to carry out the survey. The key objective is to describe and better understand the experience of customers who have submitted a complaint to HMRC. The survey has been set up to measure the level of satisfaction according to gender, age, working status, disability and ethnicity. It focuses on the following questions:

- ease of making a complaint;
- overall satisfaction with the outcome;
- overall satisfaction with the service received;
- whether their opinion of HMRC as a whole had been affected by the contact.

1,300 interviews have been conducted. The findings to date show no significant variation in the levels of satisfaction reported by customers of different race.

- Contact Centre Customer Satisfaction Survey. Each year research is carried out to monitor what customers think about the service offered by HMRC Contact Centres. The research looks at service delivery, as well as highlighting good service and areas for improvement. Any significant differences between BME and white customers are highlighted and areas for improvement identified. For example, the 2006-07 Contact Centre Customer Satisfaction Survey showed that 89 per cent of

white respondents and 88 per cent of BME respondents were 'satisfied' with the service received. However there was a greater difference for the 'very satisfied' category, with 9 per cent more white respondents saying they are 'very satisfied' compared with their BME counterparts (64 per cent white and 55 per cent BME respondents). Language difficulties for some BME customers have been identified as the most likely reason for this disparity and use of 'the big word' telephone interpreting service is therefore being used in Contact Centres to assist customers who would benefit from this service. For further information on 'the big word' - see section 2.5.

- HMRC Customer Survey. A major new programme of quarterly surveys is underway to provide regular updates on customer experience. Ethnicity information is being collected to gauge how well HMRC is delivering its services to its BME customers and to identify any areas for improvement. Results from the surveys will also be used to provide indicative information for EQIA work.

The results of all research surveys are published on the Internet at www.hmrc.gov.uk/research/

2.4 Arrangements for publishing assessment, consultation and monitoring reports

In the last three years the outcome of full EQIA work (on completion), consultation documents and employment duty monitoring reports (annually) has been published. Staff and customer survey results are also published.

Full equality impact assessments, consultation and monitoring reports can be accessed at:

www.hmrc.gov.uk

2.5 Arrangements for making sure the public has access to information and services

HMRC's very diverse range of customers means that it must engage with different groups in different ways if information and services are to be accessible to all. It is constantly looking for ways in which it can make improvements in this area. By understanding the different needs of BME customers and focussing on specific groups, considerable improvements have been over the last three years in the accessibility of information and services.

Examples of activities undertaken over the last three years are as follows:

a) Outreach - Communication and Marketing Team (CAM)

- broadcasting on community radio stations, including those who broadcast in languages other than English.

The Regional Press Office manages a national team of local radio broadcasters who are selected and trained to talk on radio about HMRC's work. For cultural or linguistic reasons, customers from ethnic communities are often the most difficult ones to reach. By appearing on their local radio station, working with presenters that they are familiar with and whom they trust, they engender trust in HMRC's profile.

Simplifications to the application process for community radio licences have resulted in the number of community radio stations increasing steadily in the last few years. There are now around 120 community stations across the UK. HMRC makes contact with new stations as soon as possible, introduces them to HMRC's work and makes them aware of its broadcasting team. Broadcasts are set up with briefing material written in Q and A format. This is an extremely important service as presenters are unlikely to have knowledge about these subjects and do not have time to research them. Last year the Local Radio Broadcaster Team delivered more than 1,000 broadcasts and a substantial proportion of these with community stations.

- Ramadan
Local community leaders apply for radio licences to set up temporary radio stations during Ramadan. These licences last for four weeks and allow stations to broadcast to the local community at a time, which has a particular significance to the listeners in terms of their religion, culture and family ties. These stations have community slots, during which guest speakers are invited in to inform, explain and educate the listeners in matters, which have a local impact. HMRC's Regional Press Office has been working with these temporary radio stations for the last six years to secure broadcasting slots for its team of local radio broadcasters. Topics discussed can vary greatly but will usually feature a mix of Tax Credits, National Minimum Wage, Giving to Charity, Child Trust Fund, Self Employment and any other topical subjects at the time.
- Recruiting of Local Radio Broadcasters from within HMRC to broadcast in languages other than English.
HMRC has broadcasters who can speak on air in Hindi, Gujarati, Urdu, Bengali, Punjabi, Welsh and Polish.
- Broadcasting on hospital radio, and broadcasts translations.
HMRC's Regional Press Office has produced CDs for 340 UK hospital radio stations. The CDs provide information about HMRC's work to listeners in a clear and easily accessible format. They include information on Child Trust Fund, National Minimum Wage, Self Assessment, Self Employment, Tax Credits, Tax Evasion and Taxback. The CDs were sent to the Hospital Broadcasting Association for distribution to all of its stations in the UK. The

stations often operate 24 hours a day and are pleased to have good quality material that can be played on a regular basis. The CDs have also been requested by a number of community radio stations, and they have been used as trailers or introductions for HMRC broadcasters. Some local radio broadcasters have live slots on their local hospital radio stations.

b) Outreach Strategy - Tax Credit Office (TCO) and Child Benefit Office (CBO)

A key aim for the TCO/CBO outreach strategy is to:

- help customers put a 'face' to Tax Credits and make it a more personal experience, therefore improving HMRC's reputation in the local community;
- give HMRC staff the opportunity to talk to customers face-to-face, helping to raise staff awareness and reminding them of the importance of the work they are doing;
- help HMRC staff to be more aware of the issues their customers face and how they can help in solving them, leading to greater job satisfaction and personal development;
- help customers understand the eligibility rules and renewals process by explaining them easily and without using jargon.

Information gathered through customer immersion sessions has helped to identify where and when customers would be willing to engage with HMRC staff. This has resulted in team members and TCO community volunteers attending the following events in 2008:

- Preston Mela - this is an annual event, which is now in its eleventh year. It celebrates interaction between different cultures, religions and ethnic groups. Feedback from this event was very positive.
- Lidl supermarket in Preston, which has customers from the Polish community - the TCO volunteers included a Polish speaker and positive feedback was received resulting in further visits being planned.

c) HMRC's Website - www.hmrc.gov.uk

Throughout 2007-08 HMRC's website has been improved by making it easier for customers to navigate and by using language, which is easier for them to understand.

Information for migrant workers and people working in the construction industry is provided on the Internet in a range of different languages. It is also made clear that HMRC offers a free language interpreting service to customers who do not have English as a first language and that this service is available when customers telephone (see below) or visit an Enquiry Centre.

d) Telephone Interpreting Service – ‘the big word’

The HMRC telephone interpreting service called 'the big word' allows staff in the Enquiry Centres (face-to face-contact) and Contact Centres (telephone contact) to communicate with customers who don't speak English as their first language. It is available across HMRC, 24 hours a day, 7 days a week and is very simple to use. The customer is connected to an interpreter within seconds, with access to over 150 languages.

e) Welsh Language Scheme

HMRC's Welsh Language Scheme sets out how its obligations to treat the Welsh and English languages on an equal basis when providing services to customers in Wales. The Scheme is a requirement of the Welsh Language Act 1993 and is agreed with the Welsh Language Board. It applies to all areas of the HMRC business and to all Welsh speaking customers and their representatives, including incorporated and unincorporated businesses, individuals, directors, charities, agents and employers. It helps Welsh speaking customers to understand what they can expect from HMRC's Welsh language services and how they can access them.

HMRC provides a comprehensive Welsh language service which covers:

- correspondence with customers by phone, post, email, fax, face-to-face and online;
- the provision of translated or bilingual materials;
- availability of Welsh speaking staff and translated material at HMRC public events; and
- Welsh pages on its Internet site

HMRC delivers most of its Welsh Language services via the Welsh Contact Centre (WCC) in Porthmadog. The WCC deals with both telephone and written enquiries from customers who wish to communicate using their preferred language of Welsh. It also translates and dispatches letters, forms and leaflets in Welsh and deals with:

- Child Benefit;
- Inheritance Tax;
- National Insurance;
- PAYE;
- Self Assessment;
- Stamp Duty;
- Tax Credits.

Telephone: 0845 302 1489

Queries regarding VAT, Excise and International Trade are dealt with via the Welsh language helpline: 0845 010 0300

The Welsh language Scheme also applies to businesslink.gov.uk, which is a service for UK businesses, providing help and support in complying with legal requirements on tax, employment and the environment and helping to improve business performance. It is part of the Government's campaign to promote enterprise in the United Kingdom and is funded by the Regional Development Agencies. The online service is managed and funded by HMRC, as a guardian of the business.gov programme.

f) Individuals Customer Directorate (ICD)

The Individuals Customer Directorate has undertaken a number of projects with the aim of improving accessibility of information and services to BME customers for example:

- **Language workshop**
A minority languages workshop, attended by several Voluntary and Community Sector Organisations, was held as part of a stakeholders' forum held in 2008. Attendees included representatives from the Council of Ethnic Minority Voluntary Sector Organisations (CEMVO), One Parent Families, Money Advice Liaison Group and TaxAid. This event provided an opportunity to explain the HMRC minority languages policy document, which is due to be launched early in 2009. This document will be launched both within HMRC and externally, targeting external stakeholders via the HMRC internet website, the national press, the National Assemblies and voluntary community language support groups. The policy will set out what stakeholders and BME customers can expect from HMRC, what information it makes available in other languages and the information products, processes and support offered for key BME customer groups. In researching customer needs, data was analysed on BME groups and migrants, interviews conducted with migrants, employer groups, contact centres visited and meetings held to gather information from other government departments and agencies.
- **Migrant workers**
HMRC recognises that migrant workers are an important customer group and that although they are often willing to engage with HMRC, they may face barriers. For this reason, clear and concise guidance is being developed for migrant workers coming into the UK. The information will be available on the HMRC website and gives a brief overview of the main HMRC-related topics for working in the UK with signposts to further information. Topics covered include: Tax and National Insurance, Working Tax Credits, National Minimum Wage, registering as self-employed, Self-Assessment, working in the construction industry, VAT, selling alcohol, Customs Duties and Tax,

and Excise Duty. The information is available in English, Bulgarian, Czech, Lithuanian, Polish, Portuguese, Russian and Slovakian.

- **Low Tax Credit take-up within the Chinese and Indian Communities**
Early in 2009 the results of research into low Tax Credit take-up within Chinese and Indian Communities (explained in more detail in section 2.2(ii)) will be progressed. The aim is to identify and understand the barriers, which exist so that positive action can be taken to address them.
- **Enquiry Centres-Increasing take-up**
A pilot project in HMRC Enquiry Centres was carried out to help increase the take-up of HMRC benefits by members of the local Indian communities. ICD worked with the Communication and Marketing Team (CAM) to produce flyers that could be handed out to community and religious leaders. The Race Equality Advisory Panel provided advice on the content and language of these flyers, and also on how to make initial contact with community leaders. An evaluation report is being produced.

g) HMRC Grant in Aid (GIA) Funding

In 2007, HMRC made available £2 million per annum for the next three financial years aimed at funding Voluntary and Community Sector organisations. Organisations eligible to qualify for funding from the 'HMRC Grant in Aid Programme' must be non-governmental organisations, which are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives. From 2008 -09, HMRC is widening the scope of the funding programme to include third sector organisations (TSOs), encompassing voluntary and community organisations, charities, social enterprises, cooperatives and mutuals, both large and small. HMRC has now committed to a further £2m for 2010-11. Through the GIA funding programme, HMRC aims to identify and reduce barriers which may be experienced by black and ethnic minority groups in obtaining the right entitlements, paying the right amount of tax and having a customer experience that encourages direct contact with HMRC.

For 2007-08, 47 awards were made of which a small selection are shown below:

African Women's Enterprise Group £18,210 – This is an awareness and take-up campaign across a wide range of HMRC products, delivered through workshops, outreach and drop-in services for members and several other women's organisations in North London. Multi-language resources are used to reach African women likely to be on a low income or who may be lone parents and often with poor English literacy skills.

Council of Ethnic Minority Voluntary Sector Organisations (CEMVO) £80,000 – This nationwide project is aimed at BME groups using press, radio and

community events to raise awareness across HMRC products. Staff have been trained to deliver online filing for customers, provide customer support on HMRC products for 'hard to reach' groups, improve the customer experience and increase the number of customers able to get the right entitlements and pay the right amount of tax.

Confederation of Bangladeshi Organisations £20,000 – This provides a holistic package of information, practical advice and guidance on HMRC products for clients from deprived and 'hard to reach' communities in Sandwell. It provides the support needed to enable clients to resolve difficulties of entitlement and tax issues. The project is delivered through centre-based direct advice and advocacy and outreach activities.

I-Serve £15,051 – This project targets the Somali community in four London Boroughs with messages and information about HMRC products such as Tax Credits and Child Trust Fund. It is delivered through their Community Outreach and Information Programme and by Somali-specific communication events and road shows.

Migrants Resource Centre 'Better Off' £45,000 – The 'Better Off' project is a mixture of workshops and weekly outreach advice sessions in the most deprived inner city areas in London. It aims to improve the access, understanding and take-up of a wide range of HMRC products. It raises awareness through community media with a special focus on Black and Minority Ethnic groups and New European Union member states' migrant workers.

Poor African Refugee Community Association £20,000 - This project in Greater Peterborough aims to increase the take-up of Tax Credits and other HMRC products for BME and migrant groups, through drop-in sessions and a telephone help line.

Sangam Association of Asian Women £28,200 - This project raises awareness of HMRC products and services to improve take-up of Tax Credits and Child Benefit by BME groups, as well as gaining a better understanding of their needs. It promotes HMRC services within the wider community and reaches members of BME groups through Outreach Advice Surgeries, and individual One-to-One support for clients with language needs, helping them to fill in application forms and also dealing with overpayments.

Wai Yin Chinese Women's Society £50,000 – This project aims to improve customer awareness and provide support on all HMRC products to the Chinese Community and BME groups who are 'hard to reach' because of language barriers and their dispersed nature across Greater Manchester. An improved experience of HMRC products is delivered through a range of workshops and outreach services for house-bound clients.

2.6 Arrangements for training staff and developmental opportunities

2.6(i) Awareness Training

HMRC is committed to mainstreaming the commitments under Section 71 RRA. It recognises that in order to promote race equality and firmly embed diversity values within the organisation, it must ensure that all staff have the necessary diversity awareness training. A number of training packages have been developed to meet this need.

a) Induction

The mandatory online Learning Programme on Induction for new staff was launched in June 2007. Diversity is one of the subjects new entrants have to cover during their first week in the organisation. This training provides links to the Diversity and Equality guidance.

b) Diversity awareness training

In May 2007, HMRC launched online training packages on:

- Diversity Awareness for HMRC;
- Delivering Diversity for HMRC Managers;
- Diversity on the Frontline - for staff who have direct contact with our external customers;
- Diversity on the Frontline Workshop.

All the packages were developed to increase the awareness and capacity of staff to deal with the diverse workforce and customer base and to make them aware of their responsibilities under equality legislation. Section 71 RRA requirements and guidance were central to the development of these products and staff responsibilities under Section 71 RRA, along with other equality law, is explained in these products. Since their launch, over 20,000 staff (UK-wide) have completed this training, which includes over 1200 who have completed the 'Diversity on the Frontline' workshop. The packages are currently being reviewed to take account of feedback, to ensure they continue to reflect both changes to equality law and guidance and HMRC's Diversity and Inclusion Strategy.

c) Race Equality and Procurement Training

This online package is aimed at staff undertaking purchasing or contract management activities in HMRC. It looks at the requirements of the Race Relations (Amendment) Act 2000 in relation to procurement and explains what it means in practice to promote race equality in procurement, how to be better prepared to fulfil the requirements of the Act and know where to go for more information. This package will be reviewed in 2009, along with other Diversity training products.

d) EQIA Training

During 2006 and 2007, HMRC undertook a rollout of face-to-face training on screening and EQIA work. This training, which was developed jointly by HR and consultants from Price Waterhouse Coopers, looked at impacts across the diversity groups. The training had a practical focus and was designed to give the trainees the necessary skills to screen functions and policies and to carry out EQIAs. The training was delivered by consultants from PWC with support from the HMRC Diversity Team. 140 people have been trained and these people are now involved in taking forward screening and EQIA work within their own directorates.

In January 2008, a comprehensive package of guidance was published on how to carry out screening and EQIAs. The online package incorporates Equality and Human Rights Commission guidance and includes examples of best practice, along with a section designed to prompt the recognition of potential impacts for race. The guidance contains links to other internal and external sources of statistical information/research and to representative organisations. This guidance has influenced HMRC's progress with EQIA activity over the year and has been used by all staff involved in EQIA work. Initial feedback on the guidance has been very positive. Further feedback is being collected as part of a formal evaluation. The guidance will be reviewed in early 2009.

e) 'Developing Confident Managers'

A programme called 'Developing Confident Managers' is under development. It has been designed for all new managers but there are plans to extend its remit to existing managers. The Programme will have a strong diversity content to ensure that managers fully understand their legal and policy responsibilities and are properly equipped to proactively embed diversity, inclusion and equality into everything they do.

2.6(ii) BME Developmental Opportunities

HMRC recognises that BME staff are still underrepresented at senior grades. Over the last year it has been taking positive action measures to enable BME staff to achieve their potential and increase their representation in senior grades by providing them with developmental opportunities for example:

a) 'Achieving Your Potential'

In January 2008, HMRC launched 'Achieving Your Potential', which is a self-paced open learning development programme, which aims to assist participants to develop their key personal skills and to achieve their full potential. It is specifically targeted at members of the HMRC Diversity Networks; in the initial pilot approximately 100 people, including those from the race network participated in the programme. The initial responses from participants show that the majority of learners have found the training helpful. The programme will be evaluated fully at the beginning of 2009.

b) DMB/Race Staff Network Mentoring Scheme

This scheme has been piloted in Debt Management and Banking (DMB). It commenced in September 2007 and is a structured mentoring programme for staff from BME backgrounds, jointly sponsored by DMB and the Race Equality Network. In the current scheme there are eight mentor/mentee pairings. The Scheme aims to create opportunities for identifying and achieving personal development, to overcome barriers to career development and to promote positive change. A full evaluation of the pilot scheme is underway and consideration will then be given to extending this programme to other business units.

c) Training Experience for First Year Ethnic Minority Students

During the summer of 2005 and 2006 training experience programmes were run for ethnic minority students in their first year at university. These programmes lasted for eight weeks and placements were offered to around 25 students each year. They gave students a structured training placement involving work shadowing, field visits, training events and a positive experience with the Department, for which they also received a training allowance. Although this event did not take place during 2007-08, consideration is being given to running it again in the future.

d) Ethnic Minority Undergraduate Scheme

HMRC takes part in the National Mentoring Consortium (NMC) ethnic minority undergraduate scheme. This programme links ethnic minority undergraduates from 12 UK Universities with mentors in the workplace. Students gain support and work-related experience and can improve their personal and professional skills. In the last three years, HMRC has provided the scheme with 155 mentors. A further 90 mentors have been assigned for 2008-09, making HMRC one of the scheme's largest supporters. As well as helping to provide equality of opportunity, this scheme also helps to promote good relations between people of different racial groups.

e) The Cultivating Potential Programme

This programme was launched by Benefits and Credits (B&C) in October 2008. The programme will be run in two streams: the first for everyone, the second for staff from minority ethnic groups. By running a programme specifically aimed at staff from BME backgrounds it is hoped to improve the BME representation at more senior grades.

The programme's aims are to provide staff with:

- unambiguous feedback about their strengths and 'must have' development areas;
- a detailed, measurable development plan;
- the opportunity to undertake secondments both within B&C and across the wider Department and beyond;

- the chance of a place at Spring School (for Bands AA or AO and also non line manager Officers);
- opportunities for shadowing, mentoring, action learning sets etc;
- the chance to meet with B&C Directors to explore current Departmental and line of business issues as well as network with others on the Programme.

Conclusion

In the last three years, much good work has been done across HMRC to develop an organisation which treats staff and customers from all ethnic backgrounds fairly and which values and supports equality and diversity. It is recognised that barriers do still exist which can disadvantage those from black and ethnic minority backgrounds and for this reason, action continues to improve the monitoring processes of functions and policies and to ensure that EQIA work is applied appropriately to all of HMRC's work.

A Diversity and Inclusion Strategy has been developed to ensure that top-level commitment, strategic direction and visible leadership from the HMRC Board and senior leaders is turned into grassroots action for both staff and customers. Over the next three years, the Strategy commits HMRC to becoming an organisation which:

- encourages talented people from all parts of the community to join its workforce and achieve their potential;
- values and supports a diverse workforce through its commitment to fair and inclusive recruitment and employment practices;
- has an inclusive culture where everyone within the organisation treats their colleagues and the public with dignity and respect;
- has HR policies processes and practices which are transparent;
- has zero tolerance of bullying and harassment and deals with any instances effectively, fairly and swiftly; and
- understands the needs of its different customers and provides a service of the highest standard.

HMRC will continue to develop and use its monitoring processes to ensure that it achieves these aims.

HMRC Diversity and Equality Policy

Our Diversity and Equality Policy is to:

- Recognise that barriers may still exist in society and in the workplace that would hinder the progress of particular groups and to act positively to ensure that these are eliminated from all HMRC policies and processes.
- Use the knowledge and skills of our diverse workforce to increase compliance and customer satisfaction and better understand the customers' needs and viewpoint.
- Employ a diverse workforce that represents the community we serve, helping us to develop our policies and practices in ways that are appropriate to different customer groups.
- Value our people as individuals who have a unique contribution to make to HMRC's success. Use our differences in positive ways to promote an inclusive environment for our employees and customers.
- Be the public sector's employer of choice, attracting and retaining the best from the widest pool of talent and developing our people to the level of their potential and inclination.
- Eliminate any unjustifiable discrimination against anyone for any reason, including race, ethnic origin, religion, nationality, sex, sexual orientation, working pattern, marital status, gender reassignment, disability or age. In Northern Ireland, to eliminate any unfair discrimination because of political opinion.
- Monitor and evaluate our progress to ensure we are meeting our targets and legal responsibilities.

HMRC Race Equality Scheme Action Plan (Update)

Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
Promote Race issues within HMRC				
Race Champion to sign up to Race Equality Scheme	Champion formally signs up to Race Equality Scheme and communicates their commitment to all staff	Race Champion	Sept. 2007	Previous Race Champion left the Department and we are in the process of appointing a new champion(by April 2009)
Hold a Race Conference	Conference advertised and held	Race Champion	Nov. 2007	Achieved -the event took place in October 2007 and was attended by network members and guests
i) Identify roles and responsibilities of the Race Champion, Race Network Co-ordinator and Corporate Responsibility and Diversity team.	A shared understanding and commitment to achieving priority race objectives	Race Champion, Race Network Co-ordinator and Corporate Responsibility and Diversity	Revised roles/ responsibilities document & further publicity on networks - July 2007	i) Achieved – roles, responsibilities and governance structure defined in HMRC's Diversity & Inclusion Strategy. This will be published on the (new) Diversity Intranet Site, along with revamped Network

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
ii) Improve communication channels.		team.		information. ii)Extra staff resource has been provided to the CR & Diversity team with clearly defined roles. Communication has been addressed and improved with the launch of the updated CR & Diversity Intranet site. Staff can also ask questions to senior managers using the 'Hotseat' question route.
Ensure roles and responsibilities for implementation are communicated via Diversity Action Plan	Business understands what needs doing, when and how, and includes this in business plans	Corporate Responsibility and Diversity team	July 2007	The roles and responsibilities for implementation were set out in the Diversity Action Plan (and for the future in the Diversity Delivery Plan). A workshop event was held in August 2008 with key stakeholders to clarify roles and responsibilities and ensure that the business is fully aware of necessary actions.

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
Obtain ministerial and Chairman's sign-off via submission setting out our legal requirements	Statement of Commitment signed by Chairman and Financial Secretary	Corporate Responsibility and Diversity team	Sept 2007	Achieved -this is included in the RES(dated September 2007)
Identify relevant functions and policies				
All business areas to use online screening tool to assess relevance of new and changed policy	The relevant policies are identified for impact assessment and included in business plans	All Directors of all Business Areas	Ongoing	Screening and EQIA tools available online for all staff. EQIA plan reviewed and updated to include results of EQIA work carried out and work planned on new initiatives.
Each business area to review the relevance of its functions and policies listed in the Departmental Plan within the lifetime of this scheme	Functions and policies listed on original plan are revised for changed/ongoing impact using the screening tool	All Directors	May 2008	Revised list to be included in the updated RES (March 2009). Assistance is being given by Internal Audit in reviewing areas of RES not fully compliant.

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
Impact Assessment				
Review revised online guidance, and undertake quality assurance of completed impact assessments	Feedback and review process in place, highlighting lessons learned. Guidance amended to include best practice. Areas identified as causing difficulty addressed.	Corporate Responsibility and Diversity team	Jan 2008	Revised online guidance published Jan 2008. (Due for review Jan 2009). CR&D team oversee and 'quality assess' all full EQIA work. A robust process for QA/QC screening to be set up 2008-2009
Business areas to report quarterly to Corporate Responsibility and Diversity team on impact assessment work undertaken	All reports submitted and collated on a quarterly basis	Directors of Business Areas	June 2007 Sept 2007 Dec 2007 April 2008	A process for reporting is in place and the CR & Diversity team are actively involved in all full EQIA work. We are currently working with all business areas in order to review and update the Departmental EQIA plan. Permanent additional staff resource has been provided to the CR & Diversity team for EQIA work.
Publish the results of impact assessments	Final assessments published on our website, which	Corporate Responsibility and	Annually	Consultation and final EQIA documents for NI Regional

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
carried out	incorporate the results of consultation	Diversity team		Review & London Urban Clusters published 07/08. More publications on target for 08/09. Results of screening & initial EQIAs published as part of Departmental EQIA plan.
Update the Departmental Action Plan to reflect impact assessments completed	Departmental Action Plan reflects HMRC's latest position on impact assessing	Corporate Responsibility and Diversity team	Annually	Will be updated during March/April 2009
Carry out full assessment and consult on all those functions and policies rated as high for relevance to race equality	<ul style="list-style-type: none"> • Assessments concluded, results published • Consultees' feedback 	All Directors	May 2008	Where identified, EQIA work is being undertaken and results published.
Improve accessibility of information and services for external customers				
Engage in outreach activities in ethnic minority communities by: <ul style="list-style-type: none"> • Broadcasting on 	<ul style="list-style-type: none"> • Positive feedback received in customer surveys • More ethnic minority 	Communications and Marketing(CAM)	Review progress through quarterly reports	CAM appointed a Press Officer with specific responsibility for BAME communication and outreach in May 2008 . Activities over the last 3 years include: <ul style="list-style-type: none"> • Broadcasting on

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
<p>community radio stations, including those who broadcast in languages other than English</p> <ul style="list-style-type: none"> • Recruiting of Local Radio Broadcasters from within HMRC to broadcast in languages other than English • Broadcasting on hospital radio, and have broadcasts translated • Liaising with other Government Departments to share best practice 	<p>customers giving feedback/engaging with us</p> <ul style="list-style-type: none"> • Increased customer understanding 			<p>community radio stations, including those who broadcast in languages other than English</p> <ul style="list-style-type: none"> • Recruiting of Local Radio Broadcasters from within HMRC to broadcast in languages other than English • Broadcasting on hospital radio, and have broadcasts translated • Liaising with other Govt Departments to share best practice -links being created. <p>In addition, Individuals Customer Directorate and Business Customer Unit have both done work with ethnic minority communities to improve customer understanding of entitlements (eg tax credits) and obligations(on tax/NI).</p>

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
Consultation/involvement				
a) Internal				
Re-launch the Staff Network for Race, by publishing the appointment of a new Co-ordinator	Increase in membership of the Network	Network Co-ordinator	Sept 2007	Achieved-a new co-ordinator was appointed in February 07. During the period Feb 2007 to end 2008, the network figures have risen from 147 to 379.
Promote Network at HMRC events, e.g. Spring School, Race Conference	<ul style="list-style-type: none"> • Network more widely representative of all ethnic groups • Increase the Network's profile around HMRC, to encourage its use for consultative purposes 	Race Champion and Network Co-ordinator	Nov 2007	<p>Achieved - at both the conference and the Spring School events</p> <p>We're also promoting the Network via:</p> <ul style="list-style-type: none"> - development of a dedicated Intranet/ News Site - the additional support of a Communications Partner to support Race Network

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
				communication
Establish a mentoring scheme within the Network	<ul style="list-style-type: none"> • Framework in place for mentors • Evaluation process in place • Members' personal development improved 	Race Network Co-ordinator	Sept 2007	Achieved-The Debt Management/ Race Network Mentoring Scheme was launched in September 2007. A framework was put in place for mentors and evaluation has taken place throughout the scheme. Final evaluation with HR&L support started in December 2008 and continuing into early part of 2009 (This will be carried to the next Action Plan.)
Network Co-ordinator to establish a formal process for responding to Departmental consultation requests	<ul style="list-style-type: none"> • Agreed and effective process in place • Constructive feedback given in agreed timescales 	Race Network Co-ordinator	August 2007	We are in the process of reviewing how the networks operate and this will impact on how this point is taken forward. -to be carried over to the next Action plan with a review date

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
				of February 2009
Carry out accessibility review of IT service		Management Systems	May 2008	IT accessibility EQIA carried out & final document published 12/8/2008.
b) External				
Quarterly progress review with the Race Equality Advisory Panel (REAP)	<ul style="list-style-type: none"> • Meetings held • REAP actively feed into ongoing Dept. planning on Race • Best practice from inside and outside HMRC used to inform ongoing actions on Race 	Race Champion	Quarterly, from July 2007	<p>Achieved –meetings held and advice from REAP acted upon(see action below). Two meetings held during 2007 and one meeting in 2008.</p> <p>*Work is currently underway to establish the most cost-effective structure for future external consultation, taking account of external best practice.</p>
REAP to undertake visits to HMRC offices	<ul style="list-style-type: none"> • Panel members to gain a wider knowledge of the Department and use this to enable them to offer appropriate advice to HMRC 	Race Champion	Ongoing, from July 2007	Achieved –REAP members have visited different business areas and provided advice both on staff and customer issues.

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
	<ul style="list-style-type: none"> Business areas understand Race implications of their work 			*See above for future plans
Evaluate the success of consultation exercises held. Include best practice in updated online EQIA guidance	<ul style="list-style-type: none"> Consultation targeted more effectively and is more productive Online guidance reflects best practice 	Corporate Responsibility and Diversity team	Jan 2008	This is ongoing and will continue during 2008/09. Various consultation methods are currently being tested including direct mail shots, focus groups, staff networks and questionnaires.
Training and Development				
Finalise and publish revised online guidance and templates for staff involved in carrying out impact assessments	Staff aware of their responsibilities, and with sufficient knowledge, to undertake impact assessments	Corporate Responsibility and Diversity team	August 2007	Achieved- Revised guidance published Jan 2008.
Launch updated online Diversity and Equality training for all staff including cultural	Diversity and Equality training available on the Intranet for all staff	HR&L/ Corporate Responsibility and Diversity team	June 2007	<ul style="list-style-type: none"> Achieved –May 2007 the following launched: Diversity Awareness for HMRC

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
awareness training				<p>Delivering Diversity for HMRC Managers</p> <p>Diversity on the Frontline(inc workshop)</p> <ul style="list-style-type: none"> Diversity training is being reviewed and updated as part of the introduction of a new mandatory Management development programme
Diversity Champion to launch new training products to all staff	Positive message on launch reinforcing commitment	Corporate Responsibility and Diversity team	Oct 2007	The training products were launched (as above) but the Chairman who was also the Diversity Champion left prior to launch.
Evaluate Diversity training products	<ul style="list-style-type: none"> Evaluation process set up Can show progress in staff knowledge 	HR&L/Corporate Responsibility and Diversity team	Sept 2007	We do not currently have an automatic process for evaluating online learning. Any evaluation will need to be done manually and is being considered against other training evaluation priorities.

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
Launch a new staff development programme aimed at under-represented groups	<ul style="list-style-type: none"> • Programme in place • Staff signed up to it 	HR&L / Corporate Responsibility and Diversity Team	Nov 2007	Achieved – the ‘Achieving Potential’ Development programme launched in January 2008. Interim evaluation done in May 2008 and a full evaluation to take place in January/February 2009.
Include awareness training on the RES in induction training for all new staff	Induction package includes awareness of legislation and individual and departmental responsibility	HR&L/ Corporate Responsibility and Diversity team	Sept 2007	Achieved-the mandatory induction package for new staff includes online diversity training which covers the RES/legislation
Review project and process training for all staff and take opportunities to integrate RRA requirements	All training packages are reviewed to include equality considerations	HR&L	Dec 2008	Diversity considerations (inc RRA requirements) form part of the formal review of all products by CSS Learning. Each online prospectus has had additional wording included which stresses the importance of accessibility to all of each training package.

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
Carry out refresher training for relevant HR&L staff on the Employment Duty	<ul style="list-style-type: none"> • Staff understand monitoring requirements • Processes are in place and regularly reviewed 	Corporate Responsibility and Diversity Team	Sept 2007	Achieved (out of time) –eight staff trained on the employment duty from key areas throughout HR&L(inc: learning, recruitment, appraisal. complaints) in August 2008. Additional meetings held with other staff who couldn't attend the initial training and all relevant staff copied into essential information on monitoring.
Monitoring				
Resolve IT issues with online ethnicity data monitoring, to ensure that accurate information is held	All staff correctly allocated into the correct categories as used by the Census	Information Management Systems/ Corporate Responsibility and Diversity team	Sept 2007	Achieved -This was resolved in time prior to the initial launch.
Launch initiative to increase HMRC's ethnicity declaration rate	<ul style="list-style-type: none"> • Declaration rates will increase • The only 'unknowns' are those who have chosen not to declare • More robust basis for 	Corporate Responsibility and Diversity team	Oct 2007	In 2007-08 HMRC completely rebuilt its diversity database following the move to a new online HR system. A campaign was launched by the Chairman throughout October 2007 asking

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
	<p>monitoring and analysis</p>			<p>all staff to input their diversity data. Our ethnicity declaration has increased from a baseline of zero on the new system to the current declaration rate of 68%. We have followed up the initial launch with a further Intranet message campaign backed by the chairman & TUS (Jan 2008) & ongoing throughout October 2008. Letters will be issued to ExCom members in October providing a breakdown of their business area's, completion rates & regular monitoring will take place. The poorest performing directorates will be closely monitored & we will work closely with them at a local level to increase the declaration rates.</p>
<p>Review monitoring requirements under the Employment Duty. Develop a template for</p>	<ul style="list-style-type: none"> • Template in place • Action Plan developed and communicated 	<p>Corporate Responsibility and Diversity team</p>	<p>August 2007</p>	<p>Achieved –we have included business area and grade in our monitoring reporting system. We have postponed the use of</p>

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future reporting to include a more detailed breakdown by Business Area/grade, etc.				a template until a decision has been made as to whether or not we move to a single equality scheme.
Introduce online system for recruitment of Grade 6/7 staff	System successfully launched	HR&L Leadership and Talent Team	April 2008	This applies to external recruitment. Delayed - but was launched (in March 2009)
Launch new Exit questionnaire for leavers. Analyse and publish the results.	<ul style="list-style-type: none"> Exit questionnaire online Results analysed and published 	HR&L Specialist Delivery Team	Dec 2007	Achieved -(launched Feb 08). Analysis ongoing (to carry to next Action Plan).
Develop Departmental monitoring strategy linked to the HMRC Fair Processing Statement	<ul style="list-style-type: none"> Strategy published and staff aware Monitoring systems in place 	Corporate Responsibility and Diversity team	April 2008	A Departmental monitoring strategy is being developed and will be linked to the fair processing strategy (not yet published). Monitoring systems are in place and to be regularly reviewed.
Establish a process to analyse the information revealed by the questions on ethnicity in	<ul style="list-style-type: none"> Process in place Results disseminated, analysed and published 	Corporate Responsibility and Diversity team and Knowledge,	Oct 2007	KAI have undertaken analysis but data was too small for meaningful analysis by ethnicity. Future staff surveys

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the national Staff Survey		Analysis and Intelligence(KAI)		will be civil service wide and will be analysed across all diversity strands.
Carry out an EQIA on our external complaints process to establish the nature of any equality complaint received	<ul style="list-style-type: none"> • EQIA report published • Feedback received • Better data on the racial group of complainants, which can then be used in the EQIA process 	Individual Customer Directorate	Oct 2007	Initial screening carried out did not indicate any variation in satisfaction of the complaints process by ethnicity group and therefore a full EQIA is not deemed necessary.
Procurement				
Publish information and encourage individuals and organisations from under-represented groups to tender or compete for contracts	<ul style="list-style-type: none"> • All communities are encouraged to participate in the tender process. • Wider range of tenders received 	Commercial Division	Jan 2008	<p>HMRC terms and conditions require all contracted suppliers to conform with RRA 1976.</p> <p>- As required by the EU procurement regulations, all HMRC requirements for goods and/or services with a value of £80,000+ are advertised in the Official Journal of the European Union to ensure as wide an audience as possible and to</p>

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Task/Action	Evidence of Achievement	Lead Responsibility	Review/ Completion date	Update on Task/Action
				<p>encourage competition</p> <p>-We also advertise in trade journals as appropriate.</p> <p>- On the HMRC web page there is a section “Supplying to HMRC” which offers advice to small and medium sized enterprises.</p> <p>-Suitable low value contracts are advertised through Supply2Gov.com. All individuals and organisations have an equal opportunity to tender for HMRC contracts in response to the advertisements placed.</p> <p>-We are looking at additional ways to widen participation in tendering across communities in conjunction with Commercial Division. This will be taken forward to the next action plan.</p>