

Contents

The future of Working Together

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1. Introduction

1.1 Working Together (WT) as a formal activity was started in 1999 as a joint venture between the main accountancy bodies in the UK and representatives from Inland Revenue. The National WT Steering Group (NWTSG) was replicated at local level and both have become highly valued vehicles for practical joint working between HMRC and agents. WT has recorded numerous successes against its primary purpose of addressing “grit in HMRC systems”.

1.2 The journey of WT has not, however, all been plain sailing. As HMRC was formed in 2005, and its operations moved towards a national and functional based model, the focus on local identification and resolution of issues was lost. As a result some local groups ceased to meet regularly. A successful re-launch in 2007 revitalised the local groups, and there are now 64 spread all over the country. In the last 18 months the department’s programme of staff reductions and rationalisation of office locations into fewer sites has also affected HMRC’s practical support of local groups

1.3 Against this background, a series of WT regional events was held throughout the country where participants were asked to provide their views on the current state of WT and its future structure and role. 10 events were held during September and October, and over 600 people, split equally across the agent community and HMRC attended.

1.4 Since then, the National Working Together Team in HMRC and the Working Together Professional Group have worked together on the outcomes from the regional events. This report sets out the specific proposals we are now making, and also the immediate further work we will be doing to deliver those proposals.

2. The work done since the events

2.1 A summary of what you told us at the events was published in a special edition of the Working Together Bulletin at the end of October. That feedback not only covered the role of Working Together but also contributions to the emerging departmental thinking on 5 technical areas that were discussed at the events:

- Tribunal Reform
- New Penalties
- Powers
- Taxpayers Charter
- New Ways of Working in Compliance

2.2 The summary was purely descriptive, and offered no conclusions or proposals in relation to the future strategy for WT.

2.3 All of the recorded outputs from the events have been collated and analysed: this was both quantitative – we considered how many times the various points were made; and qualitative – we looked to understand what the outputs meant and how they related to each other.

2.4 We have worked through these to arrive at the specific proposals below and also to identify the further work that needs to be done to make these proposals a reality. All of this work established that there was a genuine high level of consensus within

the outputs about what was wanted or needed. It also confirmed that taken together, the requests and suggestions in the outputs were largely coherent between themselves, and consistent with the improvements the events called for in WT. We are confident that the proposals below will deliver the desired and needed improvements and will meet with the approval of the majority of those who attended the events and who are currently involved with WT.

2.5 In a few areas, there was no consensus, and no clear compromise, and we have recorded those in the section on further work to be done.

3. The proposals

3.1 Aims

3.1.1 The proposals need to be read as a whole. There is a lot of interaction and interdependence between them. The overall aim of the proposals is to meet the aspirations of those WT colleagues, HMRC and agents, who took the trouble to give us feedback at the events. In some cases, the proposals deal directly with specific requests in the feedback; in other places, they attempt to address what we thought lay behind them from our analysis.

3.1.2 In broad terms, the proposals aim to give agents who take on the representative responsibilities referred to in the proposals:

- The chance to directly influence the department's efforts at resolution of issues in its national service delivery.
- A key role in contributing to developing HMRC operational policy.
- Regular briefings on HMRC developments and organisational change.
- The chance to take part in setting the continuing professional development agenda for agents with HMRC.

3.1.3 For HMRC colleagues involved in WT, the proposals aim to give:

- Strong support, both practical and professional.
- The chance to play a key role in the department's developing relationship with agents.
- The chance to directly influence the department's efforts at resolution of issues in its national service delivery.

3.2 Basic structure

3.2.1 The basic structure of Working Together will remain a network of local groups supported by the NWTT and the NWTSG, which is made up of members from HMRC and WTPG.

3.2.2 All groups that are viable in comparison to the new model will continue.

3.2.3 There will be a joint review of the individual groups for such viability and of areas where demand for a group is not being met.

3.2.4 The NWTT and the Professional Bodies through WTPG and, where appropriate through their local organizations, will do all they can to support existing groups and provide groups where there is a demand.

3.3 Composition of local groups - HMRC

3.3.1 Each local group will decide whether the chair is from HMRC, the Professional Group (PG), or is jointly shared. The assurance of quality in chairing will be met by the proposals regarding guidelines at 3.7 below.

3.3.2 Every meeting will be supported by the attendance of a senior local HMRC manager. This will be an active role, and will include chairing where the group decides that HMRC is to chair. This person will:

- Lead for HMRC in delivering messages and facilitating discussion.
- Be responsible, either as chair or peer support for the agent chair, for the proper running of the meeting in accordance with the new guidelines
- Have a named deputy, with both roles recognised as part of the jobs of the named holders and reflected in performance agreements.

3.3.3 Every local group will be supported by an HMRC co-ordinator. This person will:

- Act as the secretariat for the meeting – compiling the agenda, producing the minutes etc.
- Act as the first stage of issue resolution and liaise with the NWTT and others as needed.
- Have a named deputy, with both roles recognised as part of the jobs of the named holders and reflected in performance agreements.

3.3.4 Local WT meetings will be attended by HMRC subject specialists briefed to answer or discuss as appropriate where the agenda demands it, but not otherwise.

3.4 Composition of local groups - PG

3.4.1 The PG membership of a local group will include at least 1 member attending in a representative capacity from each of the Professional Bodies represented on WTSG that have members in the locality.

3.4.2 One member of the PG will have the role of “lead agent”. This role will mirror that of the HMRC role at 3.3.2 above. The lead agent will be the chair where a PG chair is preferred.

3.4.3 The maximum number of agents attending will be a matter for local agreement, but will be set bearing in mind the requirement for meetings to be run in accordance with the new guidelines.

3.4.4 Agent membership beyond the formal reps will be based on acceptance of the responsibilities set out in the new guidelines, and on the ability to represent and influence a wider agent community that they represent.

3.4.5 When the new model is agreed and the pack at 3.7.3 is available, we will advertise all of this to unaffiliated agents, and invite expressions of interest in joining local groups. The response to this will inform the review at 3.2.3 above.

3.5 Communications

3.5.1 All communications amongst local groups and with NWTT will be open and wherever possible and appropriate, use electronic communications.

3.5.2 On issue resolution, a system will be developed that will enable local groups to see what issues other groups are raising, to see what issues have been raised previously, to raise new issues or feed into the understanding of existing ones, and to track progress to resolution.

3.5.3 Longer term, HMRC will aim to introduce an electronic based system that will enable individual members of local groups to view and interact directly with this system.

3.5.4 A new WT communications area will be created to bring together all the communications WT needs. The principles of this will be that local groups should be able to see everything if they want to, but also be offered analysed and searchable summaries of top issues, FAQs, news, success stories etc.

3.5.5 All current WT communications will be reviewed against the interactive and open criteria, co-ordinated and brought together into the new WT communications area.

3.5.6 Professional Bodies will establish their own communications links with their local WT representatives, where appropriate working through and building on their local branch networks.

3.6 Content and purpose of local meetings

3.6.1 Representatives will be able to table issues for resolution or discussion as they can now. Issues of national significance for discussion and/or communication will be agreed by the NWTSG.

3.6.2 WT will become one of the consultation routes between the agent community and HMRC for development of operational policy and implementation.

3.6.3 NWTT will support the programme of local meetings with briefing packs and materials that can be shared with agents as a “training and information aid” to facilitate discussion at local meetings and for wider circulation to agent colleagues.

3.6.4 Where HMRC is seeking feedback on national issues, local groups will be provided with briefing on the issues that will enable members to gather views from colleagues ahead of the meetings. Their contributions will be summarised and made available for circulation so that members can be assured that HMRC has correctly gathered these views

3.7 Processes, roles and responsibilities

3.7.1 The current guidance and terms of reference will be revisited and revised in the light of the other proposals.

3.7.2 We will create from this:

- A complete description of all the roles in WT - local and national, HMRC and agents.
- A common code of conduct for all roles.

- A set of specific responsibilities for each role. For HMRC members, this will build on the headline responsibilities at 3.3.2 and 3.3.3 above. For agents, it will include clear guidance on what acting in a representative capacity means in practice.
- A set of operating principles and processes for local groups and the National teams.
- A support kit supplying or pointing local groups to the resources and help they need to fulfil their purpose.

3.7.3 All of this will be captured in a WT pack. This will be endorsed by the NWTSG and explicitly by the Professional Bodies represented on it. The pack will be provided to all involved in WT so that all can see what is expected of them and what they can expect of others.

3.7.4 NWTT and the WTPG will design and carry out:

- A post implementation review on the new model.
- An ongoing Quality Assurance and Quality Control (QA/QC) process on the operation of local groups and WT communications.

They will also develop and agree a set of auditable success measures for WT as part of the QA/QC process.

3.8 New items

3.8.1 NWTT will in partnership with WTPG sponsor, organise and host an ongoing series of larger regional events based around joint learning and announcement/consultation on key national issues.

3.8.2 NWTT will support local groups where they look to develop their own learning/workshop events based on generic HMRC generated materials.

3.8.3 NWTT will negotiate and administer a budget to support local groups with refreshments etc where they meet in HMRC premises. (Where HMRC accommodation is not suitable, the PG could host meetings if they have better suited accommodation).

4. Further work to support the proposals

4.1 Proposal at 3.2.3 – viability review of local groups

The review of viable groups needs to be undertaken:

- In the light of the new model and the response to it by existing group members and potential new members.
- Jointly by the NWTT, WTPG and the Professional Bodies.

It is possible that this review can be linked to the post implementation review at 3.7.4. By the end of February 2009, the NWT and WTPG will decide on and publish a method and timetable for the review.

4.2 Proposal at 3.3.2 – support of local meetings by a senior local HMRC manager.

HMRC will undertake a review of the current attendees from within the department. The aim is to have agreed representation in place by the end of January 2009.

Our thinking is that broadly the same people who are currently acting as the HMRC lead will continue to do so so we can proceed straight to the internal discussion.

4.3 Proposal at 3.3.3 – support of local groups by an HMRC co-ordinator.

We need to do further urgent work to consider who the co-ordinators should be and who should provide them. The value that both the agent community and HMRC colleagues have perceived in the AAM and CRM pilot has led to suggestions that those roles might be expanded to include the WT co-ordination role. On considering this in detail, while we have no doubt that the experiences of the AAMs and CRMs must be brought into the new issue resolution methods, there are difficulties with combining those roles with that of the co-ordinator.

NWTT will consider both the correct placement of the co-ordinator role and the optimum use of AAMs and CRMs in WT. They will aim to make decisions in principle by the end of December 2008 ready for consultation and negotiations in January.

4.4 Proposals at 3.5 – Communications

The ambition of the communication proposals holds out the prospect of real benefits and sets challenges for HMRC. NWTT and WTPG will set up a working group to reflect the necessary stakeholders and will agree the terms of a project to design a communications system to deliver the ambitions of the proposals.

This project will aim by the end of February 2009 to:

- Detail the practical content of the new system
- Programme its creation and testing
- Timetable its implementation

4.5 Proposals at 3.7 – Processes, roles and responsibilities

NWTT and WTPG will design and carry out a project to undertake this work so that a draft pack is available to discuss with local groups by the end of February 2009.

4.6 Proposal at 3.8.1 – programme of regional joint learning events

NWTT and WTPG will open discussions with stakeholders to identify suitable content and delivery times for joint education and training events for 2009/2010. The aim will be to have a draft timetable of events ready for discussion with the local groups by the end of February 2009.

5. Issues for which no specific proposals yet made

5.1 Indirect tax

The feedback regarding the involvement of indirect taxes is inconclusive. A number of contributors would like to see WT extended to encompass both direct and indirect taxes. However, as many contributors felt this was not desirable as it would confuse agendas and not be of widespread interest to attendees.

NWT and WTPG will, in the same timescale as the review of groups under proposal 3.2.3 arrange for proper discussion of this issue.

5.2 Other groups

NWTT and WTPG will identify all similar consultation fora between agents and HMRC and understand their purpose and activities in the light of the new model to avoid duplication or contradiction.