

Working Together

A view from your Working Together representative Richard Mannion

We asked Richard Mannion, an agent representative from the Working Together Steering Group (WTSG), for his views on the issues the group are tackling. The WTSG comprises representatives of HMRC and the representative bodies. It meets on a quarterly basis to provide strategic direction and to monitor and review progress.

“Over recent months the focus of the WTSG has been on trying to improve the level of services provided by HMRC to the agents” said Richard. “In September 2007 a number of the professional representatives on the Steering Group joined up with the HMRC’s Working Together team to visit Longbenton to see at first hand the work carried out by the Central Agent Authorisation Team (CAAT). As a result we were able to suggest some improvements to the 64-8 process including the possibility of CAAT issuing the unique trader’s reference (UTR) rather than this being done separately by local offices”.

We are pleased to let you know that HMRC are now carrying out a significant piece of work reviewing the 64-8 process taking on board all the points arising from this joint visit.

The WTSG also visited the Strategic Office (formerly known as Large Processing Office) at Portsmouth in October 2007. As the name implies, this office is processing huge amounts of data for large numbers of taxpayers. To help

streamline this work they have adopted a new way of working using LEAN processing methodology.

Richard adds “this visit gave me a snapshot of the efforts being made by the Strategic Office to clear post on hand and the professional representatives were impressed by the local statistics showing continuing improvements in the levels of both quantity and quality.”

However, whilst the representatives could see how LEAN had produced considerable cost benefits for HMRC, Richard expressed his concern that further improvements were needed to the service for agents and taxpayers. “I don’t think that the bulk processing methods cope well with the “out of the ordinary” or complex case. Following the visit I am pleased to see that senior managers within HMRC are currently giving active consideration to how to improve service to agents and to find alternative ways of dealing with the more complex case.”

In conclusion Richard said “I would like to reiterate that the role of Working Together is to identify and solve day-to-day operational issues and thereby remove the grit from the system. I would like to encourage all agents to bring such issues to the attention of their local Working Together group or to one of the professional representatives on the Steering Group”.

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1 Local Working Together

For all of you who are new to this publication, Working Together (WT) can be summarised as:

- a partnership between representative bodies and HMRC
- an opportunity to raise operational issues and identify areas for improvement by HMRC and representative bodies and,
- providing a forum for HMRC officers and tax practitioners to meet locally.

Did you know that there are now 65 local WT groups meeting across the country? You may also be interested to know that 18 meetings have already been held between April and June of this year. You can get the latest news on the most topical issues arising and have your say by checking the [Tax agents and advisers](#) area of the HMRC website. To get involved and find out about a local group near you, check the [WT local directory](#).

Explaining penalties for end of year returns

Every year we issue penalties for PAYE returns not received by the 19 May deadline. Incremental penalty notices are issued in three stages starting in September where the return remains outstanding and are based on the likely number of P14s that we will receive. For example, in September an employer with 50 or less employees will receive a first interim penalty of £400 covering the period 20 May to 19 September. On the basis that the penalty has been outstanding for four months it is £100 per 50 employees for each month that the return is outstanding as at 19 September. The final penalty due will be only be calculated when we have the return.

Where a return is due, we still need employers to send any outstanding 2007-08 returns even if they send them after 19 May. Whilst this will not prevent a penalty it should reflect the true position and will stop a larger penalty accumulating.

If a return is not due, for example, where the employer had no employees during the year, employers must let their HMRC office know so

that we can update our records and cancel any penalty charged. It will help us update our records earlier if employers tell us as soon as they know that they do not have a return to make.

Client's repayments

The quickest way to get a repayment on a Self Assessment (SA) return is to send it online. That way the information is processed automatically and any repayment due can be calculated and sent more quickly.

If you do send in a paper SA return, and you have calculated that a repayment is due, then it would assist us in identifying these returns if you clearly mark the front of the return "**Repayment**", preferably in red pen. That will enable our staff to identify that a repayment is due. We aim to process 95% of all paper SA returns within 21 days, except during the peak paper filing period (previously January, but now October) when, because of the volumes received, it takes us longer.

Standalone R40 claims for annual claims cases should be sent to the Leicester office. Leicester aim to process 97% of the claims they receive within 21 days.

Improvements to 64-8's processing

As mentioned by Richard Mannion in the front cover article, some improvements were suggested by our professional partners to the 64-8 processing when they visited our Central Agent Authorisation Team (CAAT). We are pleased to report that in May our figures show that the majority of 64-8 forms received direct by CAAT at Longbenton were dealt with in 5 working days. In order to keep up the momentum we ask you to help us by following these simple steps:

- Use the online process instead of the paper 64-8 route.
- You do not need to renew your authority to act annually. This only adds to the CAAT workload and will delay the processing of new authorisations. If you are already an online user as mentioned above you will be able to review authorisations that are current from the client lists that are provided via this service.

- Do not send 64-8 forms to local offices unless it is specified as one of the exceptions that CAAT cannot deal with.
- **Use the latest version of the form which can be downloaded.** Remember to only tick the boxes that are necessary.
- Ensure agent codes, reference numbers, NINO and UTR are recorded on all forms submitted.
- Standardise handwriting by completing the form in block capitals.
- Inform HMRC in advance when bulk processing is required.

Further information can be found at [HM Revenue & Customs: Get authorisation to act on a client's behalf.](#)

Update on coding issues

A number of coding issues have arisen over recent months and we are sorry for the inconvenience and extra work that was caused for you and your clients. We met with agent and employer representatives in April 2008 to discuss the issues that arose this year. We found the combined input very helpful and we will continue to work together to look at further improvements we can make.

In October we will be introducing our new PAYE Service which will mean that customer records will be held by reference to an individual not by reference to an employment. This move is part of our ongoing improvements to our internal processes and customer service and means that our staff will have access to all employee's pay, tax National Insurance and pension information in one place. It will reduce the number of times that we have to contact you or your clients for more information and we will be able to deal with enquiries more quickly and completely. There will be some delays to PAYE processing as we move records off our old computer system and onto the new one later this year - we will do everything we can to reduce the impact on you and your clients.

2 National Working Together

The National Working Together team co-ordinates the partnership with key agent representatives and it is the central escalation point for issues submitted by the local groups which are of national significance. The team meets on a quarterly basis with the Working Together Steering Group. [Click here to read the minutes of these meetings.](#)

In the last edition we set out the role of the new Agent and Employer Service Improvement Programme and the importance HMRC places on the relationship we have with agents. Here is a progress report on some of the national issues you have fed back to us.

Working more closely with your representative bodies

A recurring theme escalated from the local meetings has been the need for HMRC to be more responsive to agent concerns and to provide updates on changes to structures and services more quickly. We are looking at ways of working ever more closely with agent representative bodies and are currently providing material and speakers for a number of conferences and road-shows taking place around the country. These are particularly focused on the approach HMRC will be taking under the new penalties regime to be introduced after 1 April 2009. [Click here for more information on penalties](#)

Agent dedicated telephone lines

In response to the feedback you have been giving us on the performance in our Contact Centres we are extending the agent dedicated helplines that have been active in East Kilbride and Bradford in the last few months. A large number of agents who have been using these lines have been surveyed and they have told us that they have experienced an improved service both in terms of speed of access and clarity of response. Extension to our other contact centres dealing with SA queries will begin shortly.

New regional workshops for the autumn

During the autumn we are planning to hold a series of regional workshops for all Working Together colleagues, both from HMRC and the agent groups. We hope they will provide the opportunity for WT groups to share good practice in holding their regular meetings, enable agent attendees to question senior colleagues from HMRC on issues of importance to them, receive an up to date briefing on the main areas of change within HMRC, and to offer comments and ideas on how the WT network can be strengthened. We will be working with the WT Steering Group over the coming weeks to finalise the agenda and content and very much welcome your participation this autumn.

Customer Relations Managers near you

If you're an agent in Manchester, Newcastle, Liverpool, Glasgow or Cardiff there's now a Customer Relations Manager available to help you with issues you're unable to resolve through the usual routes. [For more information go to the CRM update on our website.](#)

Can you help with our telephone survey?

Designing our systems and processes to match agent's requirements is vital if we are to make the progress we want to see in service delivery and improved compliance. Over the summer we are hoping that a significant number of you will take part in a research exercise we have commissioned. This will give us for the first time a clear understanding of the agent population in the UK, the profile of the clients you serve by segment and your preferred methods of dealing with HMRC. If you are contacted, we would be grateful if you could give up a short period of your time to participate in the telephone interview. We will be sharing the results with the representative bodies and via WT through this publication and briefings to local meetings.

3 Updates from HMRC

Check out the new look web pages for agents

In May we were proud to launch the new, revamped web page for agents on the HMRC website. With the new search facility you should find it easier to reach the information you need. Check out the [Tax agents and advisers](#) pages where you will find information on:

- using HMRC online service
- getting set up as an agent
- how to contact HMRC.

Changes to the SA enquiry window and amendments

For 2007-08 returns onwards, the period HMRC have to enquire into a return will be linked to the date it is filed rather than the filing deadline. By filing early, you and your clients can get certainty sooner.

For further details or support regarding filing online please visit the dedicated [Agents SA](#) site on our website. We have also recently added some scenarios to the website to demonstrate how the new legislation on the SA enquiry window and amendments might apply in practice <http://www.hmrc.gov.uk/sa/enq-amend-windows.htm>

New filing deadlines

Self Assessment (SA) Online now gives the longest deadline by which to file your clients' tax returns - for paper tax returns, **the deadline is now 31 October**, three months earlier than the online deadline. Although they still have until 31 January to pay any tax due.

Last year, over 3.75 million SA returns were filed online, benefiting from automatic calculation of liability, faster repayment of money owed, and immediate acknowledgement that a return had been received by HMRC.

Doing it online can also save time, particularly when dealing with multiple returns. It reduces errors and discrepancies - many of which are picked up instantly - in turn reducing the likelihood of unnecessary contact. Paper returns

filed after 31 October may be liable for a late filing penalty, and cannot subsequently be replaced by an online Return.

Automatic pre-population of Self Assessment (SA) online returns

We have enhanced our SA online tax return for 2007-08 SA returns. When you use our main online SA tax return you will automatically see certain pre-populated data that HMRC already holds. For example

- Name, address, date of birth and email address
- Unique Tax Reference number (UTR)
- National Insurance number (NINO)
- Box Cal 7 - tax underpaid for previous years included in current year's code number
- Box Cal 8 - tax underpaid for current year included in subsequent year's code number
- Local Authority details for customers registered blind
- Student Loan Indicator

This does not mean that we have completed the SA return for the individual. The information that we use to pre-populate the return is there to help by reducing potential customer error.

Users can amend the pre-populated data by over-writing it. There is also space available on the return for additional information where you can give your reason for making any such changes. We would recommend that you give us the reason as this could reduce the need for later clarification.

Agents who file online using third party products will be able to view the same data by using HMRC's SA portal 'My SA' page. You can access this data as follows:

- Log into the online service and click on Self Assessment service.
- This should take you to the 'at a glance page'.
- From here click on 'tax returns options'.
- That will take you to the 'tax return options page'.

- If we hold data that may help you to complete the tax return, towards the bottom of that page there will be a link that says 'information to help complete your tax return'. Click on that link to take you to the data. If we do not hold any data for the customer the link will not appear.

We are looking at ways to introduce pre-population of third party products. Software developers are actively involved in working with us to establish how we take this forward.

HMRC taxpayer charter

Since HMRC was created a number of customers and representative groups have expressed the desire to see a document which articulates our relationship with our customers. On 10 January 2008 the department announced that it would begin a process of working with interested parties to develop such a document. The Chancellor confirmed this in Budget 2008. As part of this work HMRC will be withdrawing the lapsed 'charter' documents from the two former departments which are on the department's website. The project team will then, in consultation with customers, representative bodies and HMRC staff, develop a new document as a replacement.

HMRC is committed to take the views of customers and their representative bodies into account in planning both the scope and content of the charter through two formal consultation documents. The first one will be published in June 2008 and can be found at www.hmrc.gov.uk/consultations/index.htm.

The project team are open to ideas and thoughts at every stage of the process and have set up a dedicated email address for this purpose. They will also attend and make presentations at stakeholder events on invitation as necessary.

The plan is to announce a launch date for the charter by Budget 2009. This will allow time for wide and full engagement. The agent representatives making up the National Working Together Steering Group are contributing to the consultation project through their own representative bodies.

For your views and queries, please contact taxpayers.charter@hmrc.gsi.gov.uk

Editor's Note

It is with great sadness that I have to inform you that Greig Rattray, who was a long serving member of the National Working Together team, unexpectedly passed away last month. Many of you will have come into contact with Greig over the years he was involved with Working Together. As I reported in the last bulletin Greig had edited 26 editions of this publication, worked closely with local Working Together groups across the country, handled hundreds of local group issues and worked alongside agents at the coalface and with the main agent organisations. Greig was totally committed to resolving issues and improving the relationship with agents and he will be sadly missed, both by his colleagues and the many agents who came to know him through his involvement with Working Together.

Editorial

Working Together is a partnership between HMRC and CIOT, ICAEW, ACCA, ICAS, ATT & AAT.

Letters on any article appearing in this publication should be sent to the editor Kim Nicholas, Agent & Employers Service Improvement Team, 7th Floor, North Bush House, The Strand, London, WC2 B4RD or by email kim.nicholas1@hmrc.gsi.gov.uk or to your professional body.

Back issues can be found on the [HMRC website - WT Publication](#)

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Contact details

One of the key objectives of Working Together is to improve two-way communication between HMRC and tax advisers. If you have any comments please contact the HMRC Working Together Team or your Professional Representative (contact details are below). If you are contacting your professional body or your local Working Together Group, please make clear that your comment is about Working Together .

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