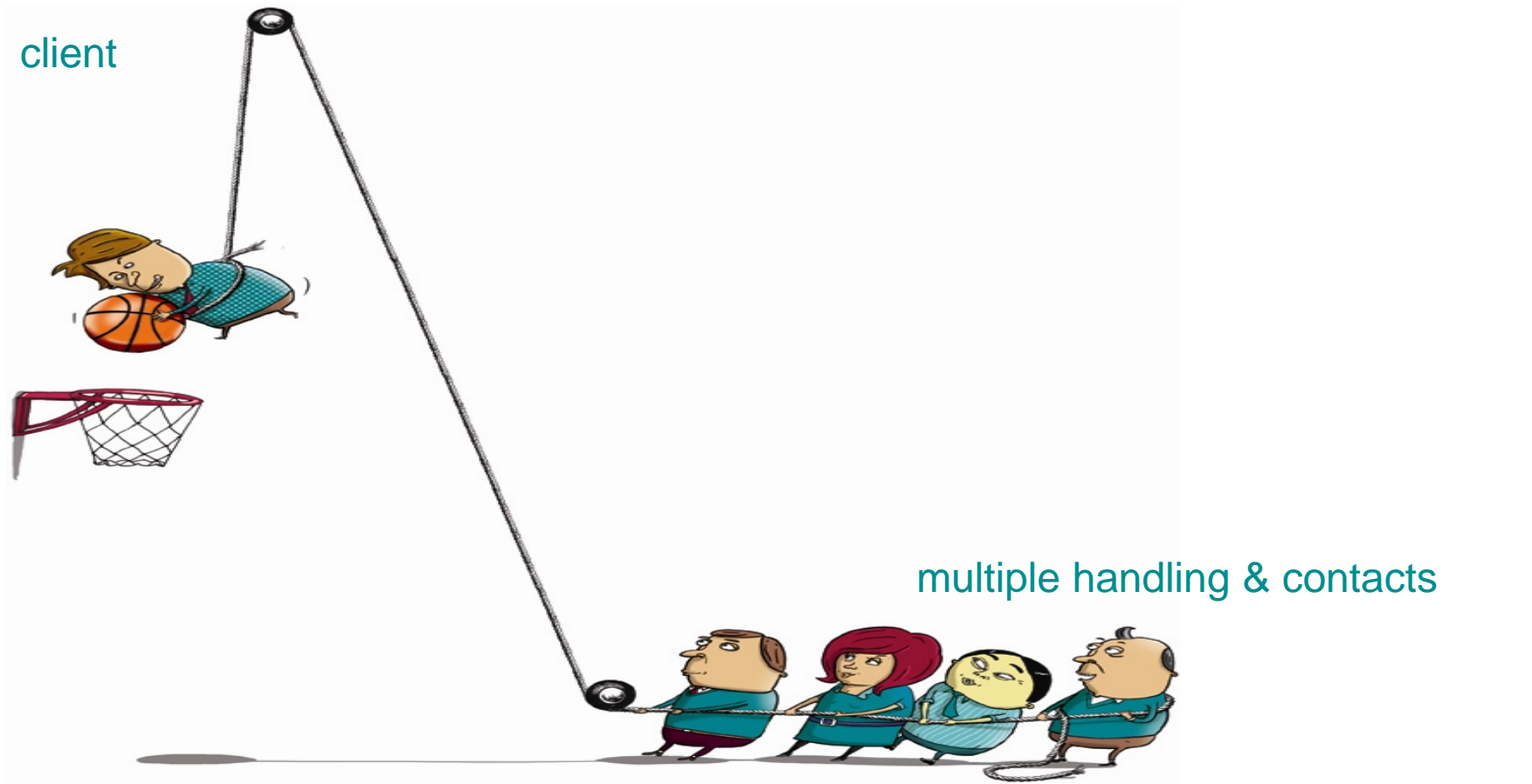


JENNY COWLES

DEPUTY DIRECTOR HMRC

Head of agent strategy, stakeholders & engagement team (ASSET)

Effort to comply – does it feel like this?



HMRC's Agent Strategy

HMRC's Agent Strategy is to develop a trusting relationship between HMRC and tax agents that recognises, values and benefits from agents' role in delivery of the tax system by:

putting agents in control for their clients

- aligning HMRC and agent processes
- giving agents privileged access to make it easier to serve clients
- reducing the need for HMRC handling

working jointly to improve customer compliance

- helping agents to identify and manage client compliance risks

improving agents' performance

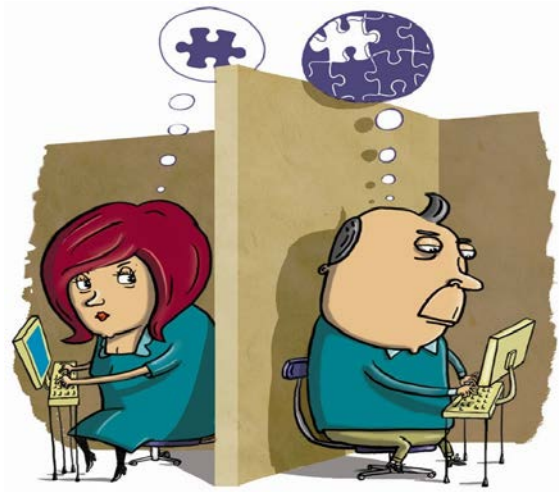
- understanding and segmenting agents based on the nature of their client base, tailoring HMRC's response and agents' privileged access
- promoting effective oversight and tackling poor agent performance.

What we've already started

In this Spending Review period (to March 2015) we are delivering

- a new way for agents to enrol online, giving us more information about their type of business and giving them one Unique Agent Reference that will apply to their whole firm, across all their clients and all tax regimes
- access through enrolment to digital self-services HMRC is building for customers
- for agents we can identify as suitable for privileged access, the ability to self-authorise new clients
- a series of pilots to test the hypothesis that data on clients' filing and payment records can identify under-performing agents, that educational support can improve the agent's performance and this can positively influence subsequent client behaviour
- a shared view with the Professional Bodies on standards – what good looks like.

Working Together



Listening and problem-solving

- The Joint Tax Agent Strategy Steering Group brings together key HMRC players and the major UK professional body representatives to discuss the progress of the strategy at least every quarter. Attended by Lin Homer and Jim Harra.
- We have met with smaller representative groups and established a dialogue.
- Practical problem-solving is referred to an Agent Engagement Group to get access to grass root agents and develop fit-for-purpose solutions. Currently working on easiest solutions to
 1. transfer existing agent/client relationship data
 2. validate professional membership to obtain top level self-serve access
- We will continue visits we make to agents offices of all sizes including from the largest firms to understand your processes and needs.
- We developed a communications package for professional and representative bodies to use for their members.

Current issues we're working on together

1. How do we help agents transition their existing client relationships and authorisations onto a new system
 - minimising the inevitable cost and disruption
 - what is the business case for you
2. How do we check professional body membership to give you higher level access?

What services you get by March 2015

1. Agile approach to building the digital services – small number of agents start testing a quick solution later this year, learn lessons, add necessary refinements and complexities, grow size and roll out fully in 2014-15
2. Self-authorise new clients
3. Access to customer self-serve
 - PAYE benefits in kind
 - Paperless SA
 - Tax for my business

Where do we go in 2015 and beyond?

1. Increasing self serve – everything designed for customers will be designed to work for agents too
2. HMRC investment will be in digital services eg 64-8 process eventually withdrawn
3. All HMRC self service and tools for customers will be designed for agents to use too
4. Potentially allow agents to do more than customers can
5. Develop Agent & Client Statistics to raise standards – mutual understanding of what good looks like, role for professional bodies

Discussion

1. Things to watch for in the transition process
2. What appetite do you have for doing more in terms of processing or compliance checking for clients and what effect do you see on your marketplace?
3. What kind of assurance can give customers, HMRC and the government the security they will need to allow agents to do more?