

Agents Strategy

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Agents and HMRC

- HMRC has always recognised that agents perform a vital and valuable role within the tax system.
- Agents support their clients to fulfil their tax obligations and get things right first time.
- Our aim is to transform the way agents and HMRC work in partnership and enable agents to give a better service to their clients.



Agents Facts and figures

Who are agents?	Transactions with HMRC	Professional body (PB)
43,000 Agent Businesses: <ul style="list-style-type: none">- 23,000 Sole Practice Firms- 18,000 Local Practice Firms- 1,400 Nat & int firms	<ul style="list-style-type: none">- 65% SA returns (7.3m customers)- 78% CT returns (1.8m customers)- 33% PAYE/NICS returns (1.4m customers)- 40% of VAT returns	<ul style="list-style-type: none">- 70% are members of a PB- 80% have professional qualifications- 90% attend professional development
Bookkeeping, Accounts & Tax Software: <ul style="list-style-type: none">- 1000 commercial software producers- Some customers & agents develop own IT- HMRC provides some free software	Most agents use commercial software <ul style="list-style-type: none">- 85% PAYE returns via commercial software- 60% SA returns via commercial software- 85% CT returns via commercial software Industry wants an HMRC relationship	
<ul style="list-style-type: none">- Customer experience score 67.2 (April 2014)- £8.5Bn CT & SA tax gap relates to customers who use an agent- £16.7Bn overall SME Tax Gap of which £5.3Bn is due to Error and FTRC and £4.8Bn due to evasion.		

HMRC's offer to agents

- Improvements to agent services: Agent Online Self Serve (AOSS).
- Improved security of online services: Identity Assurance.
- Longer-term developments in the Agents Strategy.



Agent Online Self Serve (AOSS)

AOSS will look to deliver:

- a new digital agents registration service that will enable agents to deal with HMRC on a range of taxes;
- a new and improved online authorisation process – so agents can quickly and securely identify themselves and HMRC can link them easily to their clients;
- an agents' homepage which will enable agents to view and manage their own and clients' tax affairs in one place which can be tailored to specific needs;
- new digital services as released.



AOSS – Key stages

- **Alpha** Summer 2014 - Develop and test AOSS components such as registration, authorisation, agents' homepage and preparing for migration.
- **Private beta** Autumn 2014 – Test the AOSS prototype with a small number of users.
- **Public beta** Spring 2015 – Expand the service to a larger range of users.



AOSS – What this means for you.

User Testing and development

- Registration and Authorisation
- Agents' Homepage
- Migration and data cleansing

Third party software

- A separate project running in parallel looking how to make software products compatible with these new services

Stakeholder Engagement and Communications

- Joint Initiative Steering Group (JISG)
- Agent update, Stakeholder alerts and messages
- Working Together



What are IDA & Authority Management?

Identity Assurance (IDA)

- A process for providing individuals with credentials that allow them to prove they are who they claim to be (when online).

Authority management

- A service which allows a person to prove they have authority to act on behalf of another person (or organisation).

What we are doing

- Working with the Government Digital Service to deliver these digital services for agents.
- We have moved into what's known as the 'Alpha' phase for Identity Assurance with Authority Management for organisations and agents.



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An improved future service for agents

Responding to customer need:

- responding to changes in the commercial market, evolving business expectations and the growth of software;
- a large number of our customers will continue to employ a paid tax agent;
- HMRC is building on AOSS to design all future digital services with agents in mind.

Three key areas of work:

- increase our customer understanding of the agent population;
- work with the representative bodies to set high standards across the industry;
- developing options with agents and software developers to improve the accuracy of returns.



Working in partnership with agents

- Our aim is to transform the way agents and HMRC work in partnership and enable you to give a better service to your customers;
- Continuing to discuss ideas with agents to obtain your views and ideas to help us to develop our proposals.

Stakeholder Engagement and Communications

- Joint Initiative Steering Group (JISG)
- Agent blog
- Agent update, stakeholder alerts
- Working Together



Questions?



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Workshop (50 mins)

AOSS and IDA

- What do you see as the main benefits from Agent Online Self Serve and IDA?
- What do you think you need to do to prepare for the new services and how can HMRC support you in this?

Emerging strategy

- What new services would you like to provide for your clients that you cannot currently provide?
- What more can HMRC do in partnership with AAT to maintain & raise standards and address any unprofessional conduct?
- What would you like to be able to do for your clients that current interactions with HMRC make difficult?

