

Minutes

Date of Meeting	21 st February 2013
Group Name	Worcester and Hereford
Chair: HMRC Lead	Ceinwen Longstaff (CL)
Agent Representatives attending	Allan Brown (AB), Chris Hobbs (CH), Colin Storey (CS), Graham Brickstock (GB), Tara Lewis (TL) (on behalf of Jennifer Birrell), Robert Feron (RF)
HMRC attendees	Katie Perkins WTC (KP) Sharon Mortimer WTC (SM)

1 **Apologies** John Hubbard, Jennifer Birrell, Jacqueline Cole

2 **Minutes & Action points 11th October 2012**

No issues from the last minutes. Group confirmed that they preferred the new format of a summary of Action Points at the end of the minutes. KP to continue with this practice.

3 **Update on Group's existing unresolved issues**

Update issued with agenda.

3.1 WT054 Delays in issuing correspondence

The Post Working group has fed in agents concerns about the delays being experienced in receiving computer generated outputs. Work is underway in the department looking at ways to amend the dates on the outputs through changing date formats to Month/Year or removing dates or changing letter content to reduce date impact.

Post Meeting Note

Update 21-3-13: The Joint Initiative on Service Delivery post group is meeting on the 28 March to meet with the Mail Service team to explore the solutions to the range of mail outputs.

AP: Group felt that there was a supplementary issue of the timings of the reminders and statements as well as delays. Group will submit as a supplementary issue

3.2 WT118 Specialist department contact details

A dedicated address has been set up for specialist CGT queries; an article on this will be in Agent Update.

Article has not yet been published – details of current CGT contact details

<http://search2.hmrc.gov.uk/kb5/hmrc/contactus/view.page?record=gwYsnAv-zT8>

AP: KP to update on current process for CGT queries

3.3 WT143 Incorrect 2010/11 (and other years) tax calculations for SA and R40 individuals

The business is organising a meeting to bring together all the key stakeholders within HMRC to identify and progress the SA/NPS link issues

[Joint initiative on HMRC service delivery](#)

3.4 WT139 SA returns Student Loan auto calculation

A meeting with the business is planned for the 12 February to agree a communication plan on the forthcoming changes.

No update as yet

3.5 Criteria for completing Self Assessment Tax Return

KP requested more information from group on this potential issue as the title was noted in the last minutes but nothing could be found in the issues register. Group advised that this related to HMRC issuing a leaflet to those completing SA returns that was misleading relating to property. It gave criteria and then advised to call the helpline but clients were going with the written criteria alone.

Already submitted as Observation

3.6 64-8 for Minors

64-8's for minors are rejected due to no Self Assessment UTR or NINO. Agents are explaining why there is no NINO or UTR in covering letters but these are ignored and a checklist worked through which, when failed, causes the form to be rejected. HMRC needs to ensure 64-8s are considered WITH covering correspondence to avoid this error

Following discussion regarding deceased estates and 64-8's, reminder for group – Change to accepting form 64-8 for deceased estates for PAYE and Self Assessment individual customers

<http://www.hmrc.gov.uk/agents/authorisation/paper.htm>

4 Update on all issues resolved since last meeting.

Update issued with agenda.

5.1 Key Messages

Compliance update from CL –

Business Record Checks

Overview of new approach to BRC

A new approach to BRC started on 1 November 2012. Customers who are more likely to be at risk of having inadequate records will be contacted by letter to arrange for HMRC to call them to go through a short questionnaire.

Depending on the outcome of this call, HMRC will confirm to some customers that no further action is required. Where some issues are identified, customers will be offered targeted self-help education options. Customers who are assessed as being at risk of keeping inadequate records will be referred for a BRC visit.

The group asked if agents were notified of the calls or visits and the types of questions asked -

<http://www.hmrc.gov.uk/dealingwith/bus-record-checks.htm#2>

Single Compliance Process (SCP)

CL advised that the SCP trial was due to end on 31st March 2013. Further information has been published regarding extending the trial phase for further testing on some of the more technically complex areas.

<http://www.hmrc.gov.uk/news/single-compliance.htm>

Task Forces

CL had no specific updates for task forces and advised that these have now become 'business as usual'.

Following group discussion on HMRC campaigns, update attached -

<http://www.hmrc.gov.uk/campaigns/introduction.htm>

5.2 Agent Strategy update

Update from KP and SM

[Agent Strategy](#)

Group discussion – group were concerned about the impact of non compliant clients on agent's reputation. Where would the incentive be to take on these clients to help them become more compliant? SM confirmed that agents would not be judged on this basis and that HMRC wants and needs agents to take these clients on. Group wanted to see any published confirmation of this.

AP: KP to provide update at next meeting of Agent Support Officer (ASO) role and provide further information with regards to compliance.

5.3 RTI Update

Update from KP

The RTI pilot is working – issues have been identified and countermeasures put in place.

Letters have gone out to 1.4 million Employers this month. There have been two versions to reflect the different circumstances and needs of the employers – you have always paid on time, we've had problems with you before. There is also a help sheet included

<http://www.hmrc.gov.uk/payerti/at-a-glance.pdf>

The Employer helpline has been staffed with an extra 100 trained staff to cope with the calls following the letters and Enquiry centre staff have received training to enable them to deal with basic enquiries and to sign post Employers.

There are hosted webinars running throughout the week and on Saturdays also pre recorded webinars, all running throughout Feb- June. There are also YouTube videos and you can follow us on Twitter and we can tweet you information

[HM Revenue & Customs live webinars](#)

[HM Revenue & Customs pre-recorded webinars](#)

BEST will be delivering F2F to 70,000 Employers; they will be targeting Employers with 1-9 employees.

There will be a national media and digital campaign

A lot of our education and awareness campaigns seem to be delivered at the last minute. The pilot has worked so well in identifying areas for improvement that to deliver messages too early would be confusing for the Employers, when things are changing.

Group expressed concern for smaller Employers who pay employees weekly or more frequently

UPDATE on 19th march 2013 for relaxation of arrangements for smaller businesses

<http://www.hmrc.gov.uk/news/rli-small-businesses.htm>

AOB

Observations and new issues

Student loan deductions - Digita and HMRC systems don't arrive at the same answer yet we say Digita is correct [Student Load Deductions](#)

CG post delays on death cases - Complaint that when CG computation is submitted for someone who has died, a 2 month delay is the norm. Whilst a letter is issued to agent stating we hope to deal with correspondence within 2 months, this length of delay is not seen as good customer service. The agent is under pressure to finalise the estate in these cases so a more prompt response is needed.

AP: KP to find out current processing times

Non pursuit of SA non filers - Agents complained that they have clients who have failed to submit SA returns yet no determinations have been issued. Surely lists are produced of these people and should be worked by HMRC? Agents think we should raise determinations timeously each year to avoid large build up of unassessed liability and to encourage compliance. They can't encourage these clients to comply because the clients don't believe they will suffer for their failure and that it is in their interest to continue. HMRC are losing money here and should be dealing with this in the same way as hidden economy cases.

AP: KP to find out process and who is responsible

AAM failure - GB brought up the case of a small Ltd company client who had CIS deducted at source. Repayment made of CIS less Corporation tax but the amount retained from repayment for CT and the amount CT has received don't match. His attempt to get this sorted with AAM has failed for no obvious good reason.

AP:GB to Email KP with details to look into issue

Viewing Coding - RF said he has ex SA clients for whom he can't view coding notices. Online helpdesk says client has to be in SA to view coding. Why? He can see everything else so this doesn't make sense.

What are the criteria for removing clients from the gateway?

It was also a source of annoyance that fresh 64-8 was needed for bankrupt client due to change in UTR pre and post bankruptcy.

Each has cases of clients with multiple codes where only some coding notices can be viewed.

<http://www.hmrc.gov.uk/manuals/sammanual/SAM110001.htm>

<http://www.hmrc.gov.uk/manuals/sammanual/SAM124125.htm>

<http://www.hmrc.gov.uk/manuals/sammanual/SAM124000.htm>

Coding problems - AB has a client earning over £100k who has been given the PA mistakenly: he also can't view his coding on line.

Agents are under the impression that there are numerous incorrect codes as HMRC is using 2010-11 information. If client acquires another source there is another flurry of codes issued and it is rare that they

will be correct. If, as suspected, the codes are issued by computer, what criteria does the computer use to make its coding decisions?

AB has another client earning over £100k for whom no PA but problem here is he also has earnings from the TA and got PA against that in error. Then in January code DO was issued so he effectively got no salary – HMRC's response is that it is an employer's problem. Client is very unhappy so what can be done?

AP: AB to submit Issue via the AAM service

Repayment delays - RF has 2 cases where clients are due repayments and bank details have been entered on returns but repayments have not been automatically processed. Why?

Possibly the no repayment signal is set but again why? What is the guidance here? When are these cases reviewed? Agents believe onus is on HMRC to justify not repaying but HMRC puts onus on taxpayer and his agent to follow up the repayment.

<http://www.hmrc.gov.uk/manuals/sammanual/SAM110190.htm>

Poor customer service - RF has a client who owes tax on chargeable events but is not under SA. RF calculated tax due as £957 but HMRC said client owed £1300 without giving a calculation. RF queried this and asked for a calculation and the response was that it had been redone and was now £1100 with some comment that the original system on which the calculation was done could not cope with top slicing relief so it had now been done on SA. RF still doesn't agree the calculation and when he phoned and queried it the contact centre staff can't help as the papers are in Portsmouth. He is waiting to be called back but he finds the system infuriating. If he can't get things resolved how is an unrepresented taxpayer to cope?

He thinks staff need more training, that more explanations need to be given as a matter of course and that we should scan all post so contact centre staff can see what has happened.

GB complained that if a return is repaid often a calculation/explanation is not issued. TL agreed with this.

Contact centre performance information is too concerned with quantity rather than quality.

KP states that VAT papers are scanned to EF but that not all staff would be able to understand the forms or terms of reference.

<http://www.hmrc.gov.uk/transparency/cc-perform-mang-info.htm>

Child benefit - CS wondered what the volume of calls was following issue of child benefit letters for those earning over £50k. He has seen few letters and is worried that not all those who should have received them have done so.

High Income Child Benefit charge - frequently asked questions Question 10

Need to link SA and PAYE systems - Mention was made of clients who get repayments from PAYE system yet who are also under SA and repayment may not be appropriate – this is costing HMRC money and should be addressed.

KP: to research if there is any information within the RTI briefs with regards to the SA system

P46 - Why was there not space for a title? Is this a data item for RTI? No space is included for the signature and date when the fee was there should be.

SM pointed out this information can be kept in any format but AB was concerned that if the P46 isn't used what will be the result if there is a compliance check? KP and SM suggested that the starter checklist could be used but there is nothing that states you have to retain any documents

[Common forms you no longer need](#)

Submitted prior to meeting

Submitted by Jacqueline Cole - Another small limited company problem we come across is where we prepare the limited company accounts only to find there is a P11d issue (sometimes after the July deadline has passed).

I had a case last year and duly completed a P11d (only £105.67 tax was due) and HMRC replied saying that as the only PAYE scheme had been closed several years previously a new one would have to be opened.

The situation is unlikely to arise again and it (again) seems like a waste of HMRC resources to have to set up a new scheme just to close it again straight away. Is there a simpler way to deal with such matters?

Response from PT operations - I can only assume as I have no PAYE references that the scheme was closed outside of the tax year that it was established the P11d was due. HMRC can only reopen a scheme that is ceased if the request to reopen happens within the year it was closed. There is no other way to deal with this scenario other than that mentioned below. (Above)

Submitted by Jacqueline Cole - Small limited companies and CIS/gross/net status. We constantly have the problem with small companies that they are owed more from HMRC than they owe from the deductions they make from their sub-contractors.

My colleague here contacted HMRC about one of his clients to try and sort out the problem last week and was told that his was the fourth call that day about this (an Ian R- we have his contact details).

Clearly, this causes all sorts of cash flow problems for small businesses and wastes a lot of HMRC resources, to our mind, unnecessarily.

Working under WT 188

Post Meeting Note

Update 22/04/13: HMRC is continuing to work with agents to streamline the end to end CIS repayment process and explore options to simplify it where the company requests that CIS repayments be set against outstanding CT liability. After agreeing the content with agents the CIS leaflet [Repayment claims for limited company subcontractors](#) has been updated and was published on 12 April. This was accompanied by a "What's new" message on the website. The leaflet has also been published in the April editions of the [Employer Bulletin 44](#) and [Agent Update 35](#)

Summary of Action Points

AP: Group felt that there was a supplementary issue of the timings of the reminders and statements as well as delays. Group will submit as a supplementary issue (post delays)

AP: KP to update on current process for CGT queries

AP: KP to provide update at next meeting of Agent Support Officer (ASO) role and provide further information with regards to compliance.

AP: KP to find out current processing times (CG death cases)

AP: KP to find out process and who is responsible (non pursuit on SA non filers)

AP: GB to Email KP with details to look into issue

AP: AB to submit Issue via the AAM service

AP: KP to research if there is any information within the RTI briefs with regards to the SA system and a link

Date of next meeting: 6th June 9.30 am

Summary of topical and useful hyperlinks

[Agent Update 33 - December 2012 \(PDF 205K\)](#)

[Agent Update 34 - February 2013 \(PDF 245K\)](#)

[Employer Bulletin](#)

[Employer Bulletin 44](#)

[Agent Update 35](#)

[FAQs for non-standard PAYE Schemes](#)

[Guidance for using Basic PAYE Tools to complete 2012-13 End of Year Return](#)

[HMRC campaigns](#)

[ADR](#)

[Agent Account Managers \(AAM\)](#)

[Tax agents and advisers: new learning modules launched](#)

<http://www.hmrc.gov.uk/agents/partnership/lt-events.htm>

[Speaker Request Form](#)

[Pilot of HMRC's 'agent view'](#)

[Joint initiative on HMRC service delivery](#)

[External email pilot](#)

[Gov.uk](#)

[Service Availability](#)

[Business Tax Dashboard](#)

<http://www.hmrc.gov.uk/vat/start/register/waiting.htm>

<http://www.hmrc.gov.uk/news/agent-joint-statement.pdf>

<http://www.hmrc.gov.uk/payex/exb/schemes/dispensation.htm>

[WTP48](#)

<http://www.hmrc.gov.uk/agents/juap-140520.pdf>

<http://www.hmrc.gov.uk/consultations/student-loans-group.htm>

<http://www.hmrc.gov.uk/leaflets/csla1.pdf>