HMRC: BUILDING AN UNCERTAIN FUTURE
THE CUTS DON'T WORK

A report by the Public and Commercial Services Union and the Tax Justice Network

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EXECUTIVE SUMMARY

"HMRC fully recognises that its most valuable asset is its people. HMRC can only do what it does thanks to its dedicated members of staff who bring in the money that funds our essential public services, as well as helping hard-working families with the benefits they need."

David Gauke MP, Chief Secretary to the Treasury (28 April 2016, Hansard).

But what do those dedicated members of staff think about HMRC and its plans for the future? What do they think will be the effect of these plans on HMRC's vital role; collecting tax and enforcing compliance with tax legislation? This report sets out the views of HMRC staff based on analysis of a highly representative survey.

HMRC is embarking on a huge round of job cuts and building closures called **"Building Our Future"** and proposes a system of tax collection based on digital technology. However, the majority of its staff think these plans will negatively affect its staff and its ability to collect tax and enforce tax compliance.

This report looks at the department's track record of change over recent years, and analyses the department's plans for the future. The analysis is based on the survey of staff working in HMRC, as well as a study of official government reports and documents, reports from the National Audit Office and Public Accounts Committee as well as other relevant documents such as the annual reports of large accountancy firms.

The report concludes that HMRC should listen to its staff and consult the public and parliament about its plans. It recommends that HMRC should:

- Halt the implementation of "Building Our Future"
- Halt the privatisation of further HMRC functions
- Undertake a public consultation about the future of the department, including their plans for office closures, privatisation and digitalisation
- Subject their estimate of the tax gap to independent scrutiny
- Consult with recognised Trade Unions and HMRC staff about a strategy to retain existing staff, develop in-house services and to increase staff with the aim of reducing the tax gap.

The survey data was collected in February, prior to the EU Referendum. This report does not cover the implications for the department as a result of Brexit.

INTRODUCTION

Her Majesty's Revenue and Customs is the government department responsible for the administration and collection of taxation in the UK. It is the source of the vast majority of the government's revenue, collecting £536.8bn in 2015/16.

Revenue collected by HMRC funds all central government departments, local and regional government and our democratic institutions. It is in many ways the essential department. Without a functioning revenue collection service there can be no government or democracy.

In 2015 HMRC released plans to reorganise the collection of taxes in the UK. This is the latest in a long line of reforms since the Inland Revenue was merged with Customs and Excise in 2006. The plans are called "Building our Future" and they propose a system of tax collection driven by technology. In the Commissioners' 'vision', "Building our Future" will help HMRC become one of the "most digitally-advanced tax authorities in the world".

But what will be the impact of this on the taxpayer, tax collection and HMRC staff? This report seeks to explore some of these issues. We have looked at the department's track record of change, and analysed the department's plans for the future. The analysis is based on a survey of staff working in HMRC as well as a study of official government reports and documents, reports from the National Audit Office (NAO) and Public Accounts Committee (PAC) as well as other relevant documents such as the annual reports of large accountancy firms.

The survey of staff was conducted by the Public and Commercial Services Union (PCS), which represents more than 35,000 HMRC employees, a majority of the HMRC workforce.

PCS surveyed 10,000 members who work in HMRC. The full results are contained within Appendix 1 of this report. Respondents to the survey were also given the opportunity to leave more qualitative comments in response to questions posed. Over 700 respondents did so. A selection of their responses are included within this report.

40%

resources available to HMRC today are around 40% less than they were in 2000

CHAPTER 1: WHAT CAN WE LEARN FROM PAST CHANGE PROGRAMMES AT HMRC

A BRIEF HISTORY OF CHANGE AT HMRC

For more than a decade, HMRC has faced real terms, year on year cuts to funding. Funding cuts started in the 2004 spending review which was flat for HMRC in cash terms, leading to a real terms cut in resources as the department had to absorb the cost of inflation.

The 2007 spending review set a cut in the department's budget of 5% in real terms in each year of the review.[1] The 2010 spending review cut HMRC's budget by 25%.[2] The 2013 spending review saw the department expenditure limit reduced by a further 3%.[3]

The cumulative impact of these changes is that the resources available to HMRC were 30% lower in cash terms (i.e. before the impact of inflation is taken into account) in 2015–16 than in 2005–2006, the year when the department was formed. In cash terms HMRC now has the same budget as was available to the Inland Revenue and Customs and Excise Departments in the year 2000.[4]

In real terms, after taking into account the cost of inflation, the resources available to HMRC today are around 40% less than they were in the year 2000.[5]

In order to implement these funding cuts, HMRC has faced continual top-down reorganisation.

The first major change was the creation of HMRC itself in 2006 as a merger between the Inland Revenue and HM Customs and Excise.

The 'Departmental Transformation Programme' (DTP) followed and ran between 2006 and 2011. This was succeeded by the 'Change Programme', which ran from 2011 to 2015.

These "programmes" themselves were expensive, further reducing the resources available to HMRC to do its job of tax collection. The Departmental Transformation Programme was planned to cost £2.7bn over its lifetime[6] and the "Change Programme", which sought to implement the budget cuts in the 2010 spending review, cost the department £2.2bn.

In 2015 the department spent 20% of its budget on implementing change.[7]

HMRC's latest plans for change, "Building Our Future", involve closing practically the entire department estate of 170 offices and moving to a system operated by 13 regional hubs and 4 specialist sites with thousands of further job losses to those that have already taken place over the last decade.

"Building our Future" will come at significant cost to the department, with £2bn being planned for 'transformation' over the next five years. This is approximately 13% of the department's budget at a time when it is struggling to meet its existing obligations.

THE THEORY OF CHANGE

In all of the change programmes that HMRC has run over the last decade the vision of HMRC managers has been remarkably constant. Moving taxpayers to digital services will lead to less administration, fewer demands on HMRC staff and therefore fewer staff. As a result the department can save on its wage bill losing tens of thousands of jobs.

In the year before the merger there were 77,300 staff members working at the Inland Revenue and 22,400 in Customs and Excise making a total of 99,700 staff in the two departments. The O'Donnell review, written in 2004, proposed the merger which created the HMRC we have today. This review foresaw that the new HMRC could see a gross reduction of 14,000 staff: 3,000 as a direct result of the merger and another 11,000 as a result of a greater use of online services.[8]

The subsequent change programmes have involved much steeper cuts to staffing and today there are just 58,000 staff employed by HMRC, a reduction of 42% from the time of the merger. A study from the European Public Services Union showed that across Europe between 2008 and 2012 the UK had cut more revenue collectors than any other European tax authority. The only country that had cut more staff as a proportion of their total headcount was Greece.[9]

[1]HMRC, Value for Money Agreement, p10 (2009) available from: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/89239/vfmda.pdf.
[2]CSR 2010
[3]CSR 2013
[4]CSR 2000
[5]Author's own calculation using the CPI index for inflation
[6]NAO, HM Revenue and Customs' Transformation Programme, (London, 2008)
[7]NAO, HM Revenue and Customs 2014-2015 Annual Accounts, Report by the Auditor and Comptroller General, p.50 (London, 2015)
[8]The Treasury Select Committee, The Merger of Customs and Excise and the Inland Revenue, paragraph 16 (House of Commons, 2004)
[9]EPSU, The Impact of Austerity on Tax Collection: One Year on and Still Going Backwards, (October 2014) available from: http://www.notaxfraud.eu/sites/default/files/reports/ENimpacttax_final.pdf

Again, the assumption of management was that online services could take up the slack. For example in the NAO report on costs savings in HMRC published in 2013, the department was seeking to reduce headcount "by reducing the need for customers to contact HMRC through eliminating unnecessary contact and moving contact online."

Management at HMRC expect that "Building our Future" will lead to further digitalisation and the need for fewer staff. HMRC publicly state that they plan to bring headcount down to around 50,000 by 2021 taking it to around half the pre-merger level although figures as low as 41,000 have also been stated privately.

The department now expects that digital services will be able to replace telephone and mail contact entirely. The latest annual report from HMRC contains a table setting out "What making tax digital means for HMRC's customers". The table acknowledges that currently, most interactions between HMRC and "customers" take place by phone and mail. However, the department sees that in the future "nearly all customers will be maintaining their tax records and paying tax online, supported by webchat or secure email".[10]

TEN YEARS OF EXPERIENCE – HAS THE DIGITAL REVOLUTION WORKED?

Contrary to the expectations of HMRC, the increased use of digital technology has not led to the predicted decrease in demand on staff time. Today, after 10 years of efforts to increase digital services, most people still deal with HMRC by phone and mail. The number of phone inquiries has remained relatively constant over the last 7 years and if anything has marginally increased over that period.[11]

The failure of HMRC's change programmes to deliver a reduction in phone calls and paper communications, combined with huge reductions in staff has led to a collapse in the quality of service the department provides to the tax payer.

The most well known example of failure in this area was in how the department managed phone enquiries. However, responses to postal communications have also been poor. The department sets itself a target for answering mail within 15 days. In 2009/10 just 54% of mail received was replied to within this time. In 2015/16 the figure had risen to 70% against a departmental target of 80%.

In 2008/9 HMRC answered only 57% of calls received against a target of 90%.

In 2009/10 the service improved with 76% of calls answered, but plummeted again the following year and just 48% of calls received, were answered.[12]

The department has implemented a number of measures to improve response times. This has included hiring temporary staff to deal with calls and moving staff from other teams to the phones at periods of high demand. Each of these bring their own difficulties. As one respondent told us:

> *"The reduction in staff has had a major impact on our department. We struggle constantly to deal with the workload. The government only seems to be interested in call handling times and everything else suffers as a consequence.*
>
> *"Our office became a 'flex' office in January 2015. This means we answer phone calls at peak times. From January to March 2015 we were on the telephones constantly so the work we normally deal with (processing tax returns and dealing with appeals and amendments) was left and this has caused a huge amount of complaints.*
>
> *"We employed 3000 extra staff to help with the telephones during 2015, which has helped with answering the calls. Unfortunately, because these staff are inexperienced we find that they are not giving out the correct information and we are constantly having to put right their mistakes. This then causes more complaints and the circle continues. It is extremely frustrating. All we want to do is provide a good customer service and we feel that we aren't able to because of issues outside our control."*

One response has been for HMRC to lower its target to answer 90% of calls to 80%. This was described by the PAC as "unambitious and woefully inadequate".[13] The industry standard for answering calls is 95%. HMRC has yet to hit its lower target and the latest figures available showed that it answered 72% of calls in the 2015/16 year.

In 2016 the NAO reported on the service provided to tax payers. Amyas Morse, Comptroller General said on the launch of the report:[14]

> *"HMRC's overall strategy of using digitally enabled information to improve efficiency and deliver services in new ways make sense to the NAO. This does not change the fact that they got their timing badly wrong in 2014, letting significant numbers of call handling staff go before their new approach was working reliably. This led to a collapse in service quality and*

[10] MRC annual report and accounts 2016, figure 11
[11] NAO, The Quality of Service for Personal Taxpayers, p17 (London, 2016)
[12] Treasury SC Report para 106
[13] Public Accounts Committee, HMRC: Customer Service, (House of Commons, 2013) available from: http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/hmrc-customer-service/
[14] https://www.nao.org.uk/report/the-quality-of-service-for-personal-taxpayers

forced a rapid expansion of headcount. HMRC needs to move forward carefully and get their strategy back on track while maintaining, and hopefully improving, service standards."

Where calls have been answered taxpayers have had to wait a long time before speaking to an adviser. Between April and September 2012, nearly 6.5 million people (25% of callers) waited longer than 10 minutes before their call was answered. In 2015/16 the average wait for a caller was 15 minutes and in October 2015, the month when paper self assessment returns are due, the average wait was 47 minutes.

Ambitious assumptions about how digital services would transform tax collection are at the heart of HMRC's failure to meet its targets.

THE IMPACT OF CHANGE ON HMRC STAFF

Given the failure of the various change programmes to deliver, it should be of little surprise that HMRC staff do not view the changes to the department over the last ten years as being successful.

As outlined in Table 2 in Appendix 1, the responses to the staff survey were almost universally negative to the question, "In your view have the departmental change plans implemented by HMRC since 2006 had an overall positive or negative impact on your business stream?"

Almost 70% of respondents thought that the changes had a negative impact in relation to staff, with only 11% responding that the changes had been positive.

Staff have certainly been under increasing pressure as a result of the change programmes. As the imagined gains from the digital transformation failed to materialise HMRC management started to lean heavily on the staff that remained to deliver the increases in departmental performance required by the 2010 spending review.

Of particular concern is a system of performance management review (PMR) implemented by HMRC management. PMR is based on a controversial system developed by General Electric in the 1970s which became known as 'rank and yank'. Under the GE system all employees were ranked against their peers each year and the bottom 10% were fired.

The HMRC system is not quite as severe, instead of being fired the bottom 10% are marked as requiring improvement. Employees in the bottom 10% are put on an 'improvement plan' but are given the inevitable feeling that they have failed which has an obvious impact on morale. Employees who are in the bottom tier are not able to apply for vacancies which also has an impact on career progression.[15] One employee described the system as being like the 'hunger games'.

Since the system was first introduced in the private sector, leading academic research has been highly critical of annual performance reviews as being divisive and inaccurate. Bob Sutton and Jeffrey Pfeffer of Stanford University have long argued that the perceived effectiveness of performance reviews by management are based on faith rather than fact.[16]

By the mid 2000s, GE abandoned formal ranking of its employees, and a number of other firms followed. Despite this, HMRC implemented PMR in 2013. Today the system is one of the biggest sources of complaints from staff at HMRC. The fixed percentages of staff who are assumed to be outperforming or failing in any given year are seen as arbitrary. One respondent told us:

"The PMR process is a disaster it is statistically flawed and assumes that within any group (no matter what size) there will be a set number of people failing, some exceeding and others just average. A GCSE in statistics would tell you that this cannot be the case. What happens is that people end up taking 'one for the team' and get put on a demoralising Performance Improvement Plan."

A particular concern is that the PMR system is used to discipline staff who speak up against changes, an issue that was raised by a number of respondents. As one put it:

"Staff dare not speak out as under the PMR system it would be marked against them as bad behaviour. This is not a democratic employer anymore where staff can air their opinions freely. I am very disillusioned. Used to love my job 8 years ago. Not anymore."

Finally the system is also seen to be driving perverse incentives where employees are encouraged to play the system rather than perform.

"The current PMR process is divisive and is driving the wrong behaviours. It is bordering on bullying by a large percentage of managers and subsequently it is encouraging staff to find ways to beat the system by adopting corrupt methods."

One problem which the PMR system has contributed to

[15] This was disclosed in a response to an FOI request to HMRC submitted by a Mr Price in 2015 and available though the What Do They Know Website https://www.whatdotheyknow.com/request/301149/response/749073/attach/4/FOI%203328%2015%20M%20Price.pdf

[16] Jeffery Pfeffer, The Trouble with Performance Reviews, Bloomberg, July 1 2009, available from: http://www.bloomberg.com/news/articles/2009-06-30/the-trouble-with-performance-reviewsbusinessweek-business-news-stock-market-and-financial-advice

has been that planned improvements to the management of the department's work-flow have not materialised. Instead, new management systems (including PMR) have simply added layers of administration, taking staff away from their job of administering the tax system. Staff complain much of the working day is now dominated by procedure and form filling. As one of our respondents put it:

> *"'Hastily created and implemented, without sufficient thought given to consequence, resulting in impaired performance'" is how I would describe virtually every change we have had imposed upon us in the past 10 years. The spin is always widely adrift from the reality. Caseflow, Pacesetter, PMR, Digital-by-Default – none of it works effectively or efficiently. Our processes take longer now than 10 years ago. Procedure is prioritised over the core job of dealing with evasion. In fact, procedure is now mostly what consumes us."*

One respondent recognised that some programmes had resulted in savings, but that the level of staffing cuts and the increased level of administration outweighed any gains:

> *"Merging with Inland Revenue has resulted in efficiency savings which is great, but not at the detriment of the service provided. We do not have enough staff to fulfil the 'business needs' and the entire Pacesetter and PMR systems are an embarrassing waste of tax-payers money – obscene amounts of time go into these two areas with no real benefit to the customer."*

Another issue raised was the sheer pace of change experienced by HMRC. The constant reorganisations experienced by staff would be difficult to achieve in any organisation. That they have been implemented at a time of severe budget cuts has created further difficulties and sapped the goodwill of staff towards the department. One respondent told us:

> *"The pace of change has been by far the quickest and most disruptive I have experienced in my 42 years in the job. Although the good will of the staff has been the main enabling factor behind any success achieved it has left a trail of almost shell shocked individuals behind during the process so far. What was once a good place to work has become just a job to pay the bills."*

Inevitably, having to deal with constant change whilst being asked to perform the impossible and being pitted against colleagues has had an enormous impact on staff morale and this came though strongly in the PCS survey. One respondent summarised:

> *"Budget and staff cuts made human behaviours deteriorate, teams that were once friendly and cooperative became mistrustful and good, effective, intelligent people left. Management or those promoted to fill gaps were not capable of good or professional behaviour to manage staff and change. Bullying occurred and stress levels went up.*
>
> *"As some decisions were flawed those that challenged changes were hounded out. There were some good modernisation ideas but they were spoiled by insecure managers who seemed constantly on the defensive and stressed themselves dealing with the workload and constant changing objectives. Measurement became King sometimes the wrong measurement."*

Another told us:

> *"I believe the majority of staff (even managers up to a certain level) are severely demoralised, despondent and really scared. There is a consensus that that the quality of work completed takes second place to the amount until a complaint is received. Customer service despite being lauded as paramount is really very poor and has been since the mid 1990s. It is very frustrating, depressing and distressing to staff that have devoted their lives to providing good public service to be subject to such a poor position. There is little or no trust in anything that we are told officially."*

Another factor impacting morale is that the staff that remain at HMRC are relatively poorly paid and poorly trained. As of September 2015, 67% of staff at HMRC were on the bottom three pay grades, where pay ranged between £16,453 to £26,592 for staff outside London and between £20,750 and £30,752 in London.

Around 9 in 10 HMRC staff work outside of London, so the majority of staff at HMRC earn less than the national average wage of £27,600. The average salary across the whole of the department according to the latest annual report is £29,949.

By contrast, the average salary for staff excluding partners at the big four accountancy practices is more than twice that amount, at £61,051 according to an analysis of the UK annual accounts of E&Y, KPMG, PwC and Deloitte conducted by the TJN.

KPMG, PwC and Deloitte also spend far more on training their staff. In those three firms each spent between £27m to £28.5m on staff training each year. E&Y did not include this figure in their annual accounts.

HMRC spends slightly less on training their staff (£26.7m) than any one of the big four accountants, but they have many more employees. On a per employee basis the big four spend around 3–5 times as much on training than HMRC.

The relatively low pay at HMRC is not lost on employees, and it was an issue that was brought up by a number of respondents to the PCS survey. One respondent told us:

> *"They talk about hitting targets to reduce the tax deficit. The staff can't keep up and close the gap when the employer is shedding staff, closing offices. Staff morale is so low with not receiving a proper pay rise in such a long time with pay freezes ongoing. Seems unjust when the SCS and government are giving themselves 11% payrises and bonuses."*

The issue also shows through clearly in the Civil Service People Survey, an annual survey for the whole civil service.

In this survey 65% of HMRC staff either disagree or strongly disagree that they are paid a comparable amount to people doing a similar job in other organisations. The scores in this area were significantly below the Civil Service average, which indicates that colleagues in other departments view that their pay is more comparable to private sector rates than HMRC (even if they are still significantly below private sector rates themselves).

All of these factors have led to a serious impact on staff morale. In the latest Civil Service People Survey, which asks employees about their views of their job, colleagues and management, HMRC scored below the civil service average in 7 out of 9 categories.

The survey found that the majority of HMRC staff were committed to their job and found their work challenging, engaging, and saw real purpose in what they were doing. However, staff reported high levels of unhappiness and anxiety. 25% of staff surveyed wanted to leave immediately or within 12 months.[17]

Years of poorly managed change programmes have led to an almost complete collapse in the confidence in management. In the Civil Service People Survey only 2% of respondents agreed strongly with the statement "I feel that change is managed well in HMRC"; 19% agreed, 22% expressed no preference whereas 35% disagreed and 22% strongly disagreed with the statement. Across the civil service on average 30% either agreed or strongly agreed with the statement. At the Treasury, 54% recorded positive reactions to the statement.

THE IMPACT OF CHANGE ON TAX COLLECTION – VOLUNTARY DISCLOSURE

The majority of PCS HMRC members responding to the survey also thought that the changes over the last ten years had had a detrimental impact on the ability of the department to collect tax and enforce tax compliance. As demonstrated in table 2 of Appendix 1, over 50% of respondents felt that the reorganisations over the last ten years had had a negative effect on the department in this regard.

One area where this has been felt is in the fight against tax evasion and tax avoidance. Although staff numbers at HMRC have fallen overall, the department has been keen to stress that it has prioritised resources at fighting high end tax avoidance and tax evasion. In 2011 then Chief Secretary to the Treasury, Danny Alexander, announced to the Liberal Democrat Party Conference that the government would recruit an additional 2,000 tax "inspectors" in a fresh crackdown on tax evasion.[18]

However, the latest figures published by the department show that those tax "inspectors" never arrived. In March 2011 the number of people employed in the enforcement and compliance section of HMRC numbered 25,475. Today that figure is 26,798. In the last five years the number has never risen above 26,923.[19]

The consequences of failing to adequately staff tax enforcement have meant that the department has increasingly relied on 'voluntary disclosure' from firms and individuals who have been evading tax.

Under voluntary disclosure schemes individuals who have not declared their assets can regularise their tax affairs by paying a fine. In return the individual gets immunity from prosecution. In effect, voluntary disclosure is a tax amnesty for wealthy individuals with undeclared offshore funds.

HMRC have used voluntary disclosure extensively to deal with offshore tax evasion over recent years. The most high profile case of voluntary disclosure involved the leak of confidential client data from HSBC.

[17]Civil Service People Survey available from: https://www.gov.uk/government/publications/hmrc-people-survey-results-2015
[18]BBC, Lib Dem Conference: Minister signals tax crackdown, 11 September 2011, available from: http://www.bbc.com/news/uk-politics-14960364
[19]NAO, HM Revenue and Customs' 2015-16 Accounts, Report by the Comptrollor and Auditor General, figure 5, (London, 2016)

What is voluntary disclosure?

In 2010 HMRC were given a list of clients of HSBC Switzerland.

In total it identified 3,600 UK clients of HSBC Switzerland who were potentially evading taxation by hiding assets in Swiss bank accounts. Rather than pursue criminal investigations, many were offered the opportunity to 'voluntarily' declare their assets through the Lichtenstein Disclosure Facility (LDF). The LDF offered individuals the ability to voluntarily declare assets they had been hiding tax free in Lichtenstein. In return, instead of being subject to a fine of 100% of tax due the fine was reduced to 10%.

Opening the LDF to individuals on the Swiss Leaks list was seen by many as an obtuse development. Switzerland is not in Lichtenstein and the LDF was not supposed to be open to anyone already under investigation by HMRC in the UK.

Only one criminal prosecution was brought as a result of the list and the Public Accounts Committee were highly critical of the way in which HMRC handled the affair. The then Chair, Margaret Hodge referred to the response as 'pathetic'.

HMRC claims that that the scheme was a success and that it collected £135m in unpaid taxes from the Swiss Leaks List. However, France and Spain each collected significantly more (£188 and £220m) despite the fact that a similar number of people in those countries appeared on the list.

The Lichtenstein disclosure scheme closed at the end of 2015. In total it had generated £1.26bn in additional tax yield, against an estimate of £3bn given by Dave Harnett of HMRC, in 2013.

The LDF has not been the only disclosure facility that has failed to live up to its promise. In 2013 the Public Accounts Committee were told that the agreement that the government made with Switzerland on tax evasion would fall £2.2bn short of its target of £3bn. That agreement encouraged account holders of Swiss bank accounts to voluntarily disclose their holdings.

In 2013 HMRC launched the Channel Islands disclosure facility, which was forecast to bring in revenues of around £1bn until 2015. The Office for Budget Responsibility (OBR) later revised that figure down to £800m. At the time the scheme closed in 2015 the total amount of revenue generated was around £270m.

HMRC in their submission to the OBR suggested that the department did not have the resources to follow up on the extra cases received. The OBR report said:[20]

> *"HMRC is also now less optimistic about how much of the lost yield can be recouped through additional compliance activity, on the basis that they are unlikely to be able to work the higher number of additional cases on top of existing workloads."*

PRIVATE SECTOR TAX COLLECTION

Over a number of years HMRC has contracted extensively with the private sector to deliver services. The two most significant contracts are with Mapeley and Cap Gemini. Respondents to the PCS survey highlighted a great deal of concern about the involvement of the private sector. Less than ten per cent thought the private sector had a positive impact on staff, the ability to collect tax or the ability to enforce tax. That was the lowest positive sentiment recorded in all the questions asked in the survey. Over two thirds thought it had a negative impact on staff (68%), and just over half thought it had a negative impact on tax collection (56%) and enforcement (55%). The question can be seen in table 5 of Appendix 1.

The Mapeley contract was originally a sale and lease back agreement, under which HMRC sold a large part of their estate to Mapeley and received an upfront payment in return. HMRC then leased back the offices and paid Mapeley for maintenance and facilities management.

The deal became hugely embarrassing for the government when it emerged that tax avoidance was fundamental to the way in which Mapeley structured their investment. Shortly after buying the HMRC estate Mapeley had transferred ownership of the buildings to a company registered in Bermuda which would ensure that no capital gains tax was paid when Mapeley sold them on. Parliament, the government and the NAO have all been highly critical of the Mapeley contract.

In addition to the Mapeley contract, in 2004 the department entered into a ten year contract with Cap Gemini. The contract was to provide HMRC with all of its IT equipment, maintenance and to implement new IT projects. The contract was named Aspire, was later extended to 2017 and is the government's largest IT contract accounting for 84% of HMRC's spending on IT.

A report from the PAC found that the contract was over-priced and that HMRC managers had negotiated away key value for money controls when renegotiating the contract. This included HMRC rights to share in excess profits generated by the contractors. This led to the

[20] Office of Budget Responsibility, Budget 2016: Policy Costings, para B.23 (London, 2016)
[21] For a comprehensive review of the Aspire Contract see, Public Accounts Committee, Managing and Replacing the ASPIRE Contract, (House of Commons, 2015)

department spending much more than they should have done.[21]

More recent privatisation of HMRC services have fared even more disastrously.

In 2014 HMRC contracted with "Concentrix" to collect fraudulent or incorrect tax credit payments. The contract was awarded on a "payment by results" basis.

In August 2016 when hundreds of thousands of tax credit claimants had been wrongly stripped of their benefits causing major hardship or being left literally destitute and losing their employment, HMRC realised there was a problem. In September HMRC announced they would not be renewing the Concentrix contract in 2017.

In October after a very public scandal at how claimants had been treated and much parliamentary scrutiny the government announced first that the work performed by Concentrix would be brought back in-house and staff in Concentrix transferred to HMRC.

The government then announced that such work would not be performed in future by private contractors. The involvement of private contractors in delivering services to often vulnerable members of the public, together with a "too close" relationship between those responsible for the governance of HMRC has been of concern to staff in HMRC for many years.

In the PCS survey, which was carried out prior to the Concentrix "scandal" coming to public light, a number of respondents had expressed particular concern over the use of staff from the big four accountancy companies to advise the department. One respondent told us:

> *"HMRC already allow too much interference from large accountancy firms who effectively decide on policy changes making it difficult for staff to properly enforce tax laws."*

Another said:

> *"HMRC has not yet tried to privatise my job. I am sure it is just a matter of time... but any privatisation in the compliance area would go to the big accountancy firms and that's like asking organised crime to run the police and prison service."*

Privatisation and private sector involvement in HMRC has attracted significant public criticism. This criticism is strongly echoed in the PCS survey, which shows that the majority of respondents think it has been a negative influence on staff, tax collection and compliance.

[21]For a comprehensive review of the Aspire Contract see, Public Accounts Committee, Managing and Replacing the ASPIRE Contract, (House of Commons, 2015)

90%

the percentage of its estate HMRC plans to close by 2021

CHAPTER 2: BUILDING OUR FUTURE – BUILDING AN UNCERTAIN FUTURE

The "Building our Future" programme, the latest reorganisation plan from HMRC management, is the most worrying and controversial yet to PCS members working in HMRC. The programme continues the policy that the department has been following for years. Seeking to cut costs by moving more people to digital services.

One of the most far reaching changes will be the removal of an HMRC presence from large areas of the country. If the plans are implemented Scotland will have no HMRC office north of Glasgow and Edinburgh.

This will place taxpayers in Inverness facing a three and a half hour train journey from their nearest HMRC office. There will be no tax office in England west of Bristol, resulting in a five hour train journey for HMRC officials wanting to reach parts of Cornwall.

The whole of the East of England will be served by an office in London.

In total the department seeks to close down over 90% of its estate of 170 offices, including offices in major cities such as Sheffield (the UK's fourth largest city) and major UK ports.

The plan is to replace them with 13 regional centres and 4 specialist centres. A list of locations for the new regional centres is included as Appendix 2 to this report.

HMRC's plans, outlined in their latest annual report, rely on the proposition that the new digital services will make face to face contact, phone and post queries redundant.

HMRC's plans to rely so heavily on digital services, introduce significant risks to tax collection in the UK. In the latest report on HMRC's annual accounts the NAO say:

> *"HMRC's past experience demonstrates that there are serious risks if major assumptions underpinning its strategy do not prove realistic. For example, achieving HMRC's vision relies on the critical assumption that taxpayers will move over to online services and reduce the demand for telephone and postal services.*
>
> *"In the last Parliament, HMRC made over optimistic assumptions about how much change it could make all at once. To live within its spending plans, it released customer service staff before it had reduced the demand from personal taxpayers for contact by phone. This significantly impaired the quality of its service for some 18 months."*

HMRC insist that the "Building our Future" programme will improve tax collection, and the work environment for many staff. Their argument is that, by bringing employees together under one roof, staff will be able to collaborate better. Training and staff recruitment will be better through offices being closer to large universities. New digital tools will make tax collection more effective. The PCS survey demonstrates that many staff do not share this view.

THE IMPACT ON STAFF

When asked whether they thought the "Building our Future" programme would have a positive impact on staff, only 10.8% of respondents agreed. A total of 73% of respondents thought it would have a negative impact, with 16.2% saying there would be neither a positive or negative impact.

A particular concern of staff at HMRC about the "Building our Future" programme is the uncertainty the office closure programme has generated. One of the consequences of HMRC's estate regeneration programme is that many staff will have to relocate or face redundancy.

HMRC say that they are engaging with staff about the changes and that the majority have attended events explaining how the changes will impact on them. However, the experience of staff is that the messages from the centre are unclear. The result is that many staff have been left uncertain about their future and this affects their motivation. One respondent told us:

> *"The management of the "Building Our Future" has been disastrous. Staff have been living in a hiatus since its introduction that has curtailed productivity. HR randomly cascade messages, so there is no clear communication about it even. The discussions that are supposed to be happening between staff and managers are ineffective as the guidance is bad and managers are all faced with the same issues (particularly in the South East of England, which is virtually closing down). Staff see the decision-making behind this as bad and generally consider the organisation is being led by the wrong people as a result."*

Another told us:

> *"I've been to all three BOF events and no one can advise what I need to do in order to be part of HMRC in the next 5–20 years. My ambition and attitude is to do what it takes but if there is no roadmap in front of you."*

HMRC claim that 90% of staff will be within reasonable commuting distance of a new regional centre, which is defined as approximately one hour of travel. For many staff, most of whom are not well paid, this represents a significant additional cost to access work and will lead to enormous difficulties in managing their home life.

To put this into some perspective, almost half of all staff at HMRC employed outside London are paid between £16,453 and £22,252 per annum before tax.

A season ticket between Sheffield and Manchester on the train currently costs £2,200.

For a person earning £20,000, who will have after tax an income of around £16,750, assuming they have no pension contributions or other outgoings such as student loan payments, their travel to work will mean their disposable income could decline by 13%. Some staff would be prepared to relocate to new locations, but if they are considered to be within reasonable commuting distance then HMRC is offering them no assistance to do so.

The reality will be that many staff that HMRC considers to be within a reasonable distance of the new offices will seek work elsewhere. One staff member told us:

> *"commuting long distances with a disability is not an option. I am facing potentially not being able to pay my mortgage if I don't get moved to another department. I have no family to rely on. I have worked for 30 years in several civil service departments and have never felt so vulnerable in the face of change as I do now. Our employer is treating long serving, hard working employees like disposable assets. It's disgraceful."*

Another said:

> *"Forcing people to travel to large regional centres will mean only the young and childless will be able to maintain a job with HMRC. The majority of their experienced staff will seek employment elsewhere. I know I am.*
>
> *"I have worked in the civil service for 30 years and this is the first reorganisation that has driven me to seek employment elsewhere.*
>
> *"Previously I have relocated for work 3 times in fact. If they were offering relocation to all they would retain their experienced staff. As it is, it is only if you live 1.5 hrs away, in their opinion, not in the reality of public transport and individuals' physical restrictions."*

Even those that thought the "Building our Future" changes would be positive expressed concern that HMRC would not manage the changes well, and that poor management would end up being damaging to staff. One respondent said:

> *"I think that in the end it will be positive – more interesting and varied work in areas where there is a better chance of promotion. However, there will be a lot of misery before we get to this stage."*

Another told us:

> *"Sounds good on paper as everything does but as per usual promises will not be kept and staff will be screwed or lose their jobs."*

THE VIRTUAL TAX COLLECTION SERVICE

When it came to the impact on tax collection and enforcing tax compliance, 14% of respondents thought that "Building our Future" would be positive. Around 55% of respondents thought that the changes would have a negative impact, with 15% feeling the changes would be neither positive nor negative.

A particular concern was expressed by Customs Officers. As one summarised:

> *"How can an organisation with the name Customs in its title propose to have so few port/airport offices? We are becoming a bit of a joke in terms of business respect."*

There are some parts of an HMRC officer's work that simply can't be done online. Customs Officers cannot attend to people arrested for customs offences virtually. They cannot inspect cargo coming into major ports from an office in London. VAT inspections of businesses need to be done at the business premises. In the words of one respondents, "Building our Future will be a 'disaster for customs work'".

As a result of the "Building our Future" plans there will be no HMRC office on the South Coast of England or East of England. The major ports of Southampton, Portsmouth, Dover, Ipswich and Harwich will be served by an office in Croydon or Stratford.

At the core of compliance work is checking that information declared to HMRC by business and individuals matches the reality on the ground. Frequently this means officers making physical inspections. As one respondent told us:

> *"Compliance requires contact with our customers and in the customs world includes the inspection of goods as well as records. Central offices create remoteness and allied to reductions in travel and subsistence will create challenges for the future HMRC. This will impact*

on staff. How will they do compliance activity in Wick or St Ives?"

There is a real concern that changes will make the work of "customs officers" more difficult and encourage fraud and tax evasion. One customs officer from the East of England told us:

"Moving to Stratford will make attending ports in the East to deal with arrested persons very difficult. You only get 24hrs detention and it could take 3 hours to get to Harwich. My last time attending Harwich led to a 23 hour shift."

Another told us:

"The announcement that there will be no regional centre covering compliance in the south has compromised our ability to combat evasion. It is not practical to be face to face in Southampton from Stratford / Croydon. Long round trips to arrest or have interventions will not happen and the South will become an evasion hot spot."

THE DIGITAL FUTURE

When it came to the questions about HMRC's plans to provide services digitally, respondents had more positive scores than they had with any other questions, but there were still significant concerns. This reflects a view that the move to digital is inevitable, or as one respondent put it – "it is inevitable progress".

Respondents were asked about HMRC's plans to provide services digitally – 28.4% thought that it would have a positive impact on the department's ability to collect tax and 39% thought it would be negative. When it came to enforcement, 22% thought it would have a positive impact and 44% negative.

Concerns were expressed about implementation and hard to reach tax payers. One respondent told us:

"In theory its good, and in practice good as well when it comes to getting information pretty much at a couple of clicks. On line services mostly work and are efficient. However we all know that the platforms are not fit for purpose (just try running even half our Webex licenses at the same time – it crashes) equally a question I did put to a BOF some time ago, what happens to our aging, non digital 'customers', my parents and my mother in law who are not on-line and are now deprived of a local walk in office."

Another concern is that the removal of local offices and the over reliance on computer data will mean that HMRC will lose valuable human intelligence and the visible deterrent of having HMRC staff on the ground.

Local knowledge about local industries and businesses can be helpful in helping taxpayers to complete their tax returns and ensuring effective compliance. One employee told us:

"On-the-ground compliance staff still see local knowledge, visiting businesses, and third-party information as crucial to effective policing of the tax system. Reliance on IT to replace individual skill and judgement in selecting and working cases is seen as more about cost-saving than positively investing in an alternative, and it hasn't delivered any improvements for front-line staff."

Another said:

"It sends the signal that we've abandoned huge swathes of the country and those who think they can get away with it will be more inclined to try. And we're losing so many good experienced people. We're heading for meltdown."

VIRTUAL COMPLIANCE

If we were simply to rely on everyone to pay the right amount of taxes then there would be little work for HMRC. The department has a substantial amount of work to do to ensure compliance with the tax code. That work is more than about simply wielding the stick. Tax is complicated. The tax code runs to over 17,000 pages, so that for a small business or lone trader working out the right amount of taxes can be a worrying task, and genuine mistakes can be made.

HMRC officers do visit businesses to check their tax returns are correct. These compliance checks are a deterrent to people thinking of engaging in tax avoidance. However, they can also be there to correct genuine and honest mistakes.

If a taxpayer has made their best efforts to comply, and has made a genuine mistake then their tax returns can be adjusted without the need for enforcement action. Sometimes a business might have paid too much and HMRC will grant them a refund.

It is difficult to see how HMRC officers will complete this task when they are based many hours away from the business. Instead, it is likely that HMRC will simply stop visiting many small businesses in many parts of the country.

That will mean that mistakes will simply not be picked up, which may lead to significant losses in revenue. One respondent told us:

"50% of tax revenue is paid by customers in the SME category. After we move into regional centres we will be unable to reach most of these customers. Figures

show that 57% of these customers make mistakes in their tax returns. We have no current method of reliably checking their tax affairs, PEAR had already failed, we have no envisaged replacement for visiting will simply lose this revenue and any deterrent effect we retain."

THE REAL CHALLENGE FOR HMRC

"Building our Future" comes at a time when making sure there is an effective and well resourced revenue collection service is as important as it has ever been.

Years of austerity, coupled with several high profile tax avoidance scandals have put tax collection high on the political agenda. So why is it that the department is embarking on a programme that its own staff see as being so damaging?

HMRC justifies these changes by producing official figures claiming to show that the department is doing very well in terms of tax collection and tackling avoidance and evasion.

However, these statistics are not straightforward. The way in which they are compiled suggest that the management of HMRC choose measurements which are designed to put their own performance in the best light, rather than to guide government as to how they can improve tax collection through promoting policies designed to create a more effective tax collection service. The problem this creates is that the real needs of the department can be overlooked.

THE TAX GAP

Every year HMRC publishes an estimate of how much tax is lost to the exchequer called the tax gap.

This estimate states the amount of tax that should be collected if everybody paid the right amount of tax, and measures that number against the actual amount of tax paid. HMRC estimate the tax gap to be in the region of £34bn.[22]

The tax gap is an important measure when it comes to the allocation of the HMRC budget and management of the department. If the tax gap is small, then this will suggest that management is performing relatively well and there is little point in allocating more resources to HMRC to collect more taxes.

A small tax gap would suggest that any additional resources would only lead to marginal gains, and may not be worth the expense. If on the other hand the tax gap is much larger, then it will suggest that an investment of additional resources could be justified to increase tax collection.

The case that HMRC management make is that the tax gap is small and getting smaller. In the press release accompanying their 2015 tax gap report HMRC said that the gap is "6.4% of tax due, continuing a long-term downward trend, reflecting that HMRC's approach is delivering steady and sustained progress." The Financial Secretary to the Treasury, David Gauke said:[23]

"The UK has one of the lowest tax gaps in the world, and this Government is determined to continue fighting evasion and avoidance wherever it occurs."

It is true to say that the HMRC approach is one of the more fully developed among tax authorities internationally, although that's not a high benchmark.

Where it struggles most for credibility is in the corporate tax component, and specifically the component attributed to multinationals.

The tax gap – corporation tax

The latest 2016 estimate of corporation tax avoided is £3.7bn. This has been roughly the same as previous years and means the corporate tax gap is significantly less than 1% of the UK's actual tax due from all sources.

Researchers at the International Monetary Fund find that OECD countries on average lose 2–3% of total tax revenues to tax avoidance from large multinational companies alone. The HMRC figures includes SMEs, which they claim are responsible for most of the losses.

Overall, HMRC appears to think that the UK is uniquely good at resisting multinational profit-shifting, despite international evidence to the contrary.

In addition, HMRC shows the corporate tax gap as the biggest success, claiming a 44% proportionate fall since 2005–6 (while internationally, the evidence shows a major expansion in profit-shifting over this period). Since HMRC's estimate will be based on the UK's corporation tax rate which has been dramatically reduced over this period the falling tax gap estimate is likely to be driven by the falling tax rate rather than any effort from HMRC. Presenting this as a success shows at best a very poor understanding of the actual phenomenon.

In 2010 PCS commissioned Tax Research UK to conduct their own analysis of the tax gap. This found that the tax gap to be many multiples of the HMRC assessment, at least £120bn.

[22]HMRC, Measuring Tax Gaps 2015 Edition, (London, 2015)
[23]HMRC Press Release, UK Tax Gap falls to 6.4%, 22 October 2015, available from:https://www.gov.uk/government/news/uk-tax-gap-falls-to-64-per-cent

The difference is largely accounted for in the way in which HMRC measure the tax gap. One factor is that when it comes to direct taxes, (corporation tax and income tax), the department starts from the assumption that companies are declaring the correct amount of tax.

It then calculates the tax gap on the basis of whether it has found errors or evidence of avoidance on those tax returns. However, as HMRC itself admits, most tax avoidance is hidden. Indeed, the reduction in staffing levels at HMRC is certain to lead to an increase in the amount of tax avoided which HMRC does not know about. Hence, these measures are likely to seriously underestimate the amount of tax avoidance, and the underestimation may be exacerbated by the measures themselves.

This was asserted by the PAC, which wrote in 2013:[24]

> *"HMRC's calculation of the tax gap does not include an assessment of the amount of tax lost through tax avoidance, therefore it represents only a fraction of the amount that the public might expect to be payable."*

The second issue is that HMRC only appear to look at cases of avoidance and evasion where the department considers it can take legal action. Any tax loss caused by tax planners finding loop holes in the law, which are difficult to challenge, are not included in the tax gap calculations.

HMRC has a role in crafting legislation, so as a matter of public policy and should consider how its own advice and actions may improve the outcomes they seek.

The exclusion of these figures suggests that HMRC does not consider its tax gap analysis as a tool for improving performance and tax collection, but one to justify its level of performance despite extensive reductions in resources.

Interestingly, HMRC do include a figure for the impacts of legislative change in their accounting of how much extra tax they collect as a result of their compliance activities (see right). HMRC therefore appears to be picking and choosing measures which might make the department look better or worse, rather than choosing those which may help guide it to perform better.

How HMRC measures its efforts to counter tax avoidance and tax evasion

As the public and government increasingly focus their attention on the performance of HMRC in tackling evasion and avoidance the department has sought to highlight its efforts in the area of compliance.

HMRC reports 'compliance' revenue, which it defines as the revenue generated from its compliance activities to be £26.6bn in 2015–2016.

Compliance revenue however is not quite what it seems. The HMRC 2015–2016 annual report lists how much cash is collected as a result of compliance activities. This figure is an estimate, as HMRC cannot quantify the actual amount collected due to "various activities being kept on different IT systems."

Nevertheless the amount of cash HMRC estimates it receives is less than half of the total compliance income reported, and this has barely increased over the last few years. In 2011/12 the amount of cash collected by HMRC on compliance activities was £8.2bn. The next year, 2012/13 the amount collected increased to £8.9bn.

For the latest year we have figures on 2015/16 the amount of cash collected was £9bn.[25]

Other components of HMRC's compliance revenues include what it calls a 'future revenue benefit' or FSB, which some inside HMRC refer to as 'fantasy revenue benefit'.

This is a highly subjective figure which involves estimating how taxpayer behaviour will change as the result of an action taken by HMRC. In the latest HMRC annual report future revenue benefit accounts for £6.8bn in HMRC compliance revenues.

In the latest figures available, the amount of cash collected though compliance activities fell by £800m. What HMRC counts as compliance revenues overall would have fallen from the previous year had it not been for a substantial increase in the amount accounted for by the accelerated payments system.

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[24] Public Accounts Committee, HMRC Tax Collection: Annual Report & Accounts 2012-13, (House of Commons, 2013)
[25] See Figure 6: NAO, HM Revenue and Customs 2015-16 Annual Accounts, Report of the Auditor and Comptroller General, (London, 2016)

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This system requires companies and individuals involved in a tax avoidance scheme which are challenged by HMRC to make a payment in advance. Again, there is some conflict here with the way in which the department calculates the tax gap, which excludes tax paid late, even though tax paid early now seems to be included under 'compliance'.

Furthermore, the accelerated tax payments used to calculate the compliance figure are not simply a measure of cash paid in. They also include an estimate of how behavioural change induced by the policy has increased tax revenues. Again this is a highly subjective figure.

These estimations are significant. In 2015–16 the Treasury set HMRC a target of £26.3bn in compliance revenue. The department beat this target by £300m, reporting revenue of £26.6bn.

This was less than the £340m included as the amount of compliance revenue it booked from the impacts of behavioural change in the Accelerated Payments Scheme figure. HMRC does not report the margin of error in its various estimates (as it was asked to by the NAO) and so it is more than possible that the department actually failed to meet its targets this year. Given that a very substantial component of the compliance revenue figure is comprised of estimations of behavioural change, then it is more than likely that HMRC's compliance revenue target is within the margin of error of their reported figures.

THE RESOURCES TO DO THE JOB

There is no doubt that Digital services have opened up an avenue of communication and have improved services for taxpayers, but 10 years of experience should have told HMRC management that it is simply not credible to believe that online services can almost entirely replace human contact.

"Building our Future" is based on a set of principles that have been tried, tested and failed, and the tax payer has never been at the heart of the changes that the department has implemented. Instead, the management have sought to make efficiency savings without quantifying what those savings mean in terms of service users experience or the impact on staff.

HMRC is in crisis. Staff morale is at an all time low and trust in the management is poor. Experienced staff now believe that "Building our Future" poses a real challenge to the ability of HMRC to tackle tax avoidance and collect taxes.

Continuing down the road that the government have laid out will be a false economy.

HMRC significantly need to increase the service provided to tax payers and could collect significantly in more of the taxes due if more resources were allocated to the department.

If the government is serious about cutting its deficit and adequately funding our public services, then it needs to commit to providing HMRC with the funds it needs to do the job.

THE NEED TO LISTEN

No private sector business would behave like HMRC are currently. No bank would close all of its branches without conducting some serious market research to show that people would prefer not to visit them (in fact research for the financial sector shows the opposite).

And yet despite the sweeping changes being proposed, there has been almost no consultation with businesses or the public on how HMRC should deliver its services in the future.

HMRC are also clearly not listening to staff.

The survey conducted by PCS demonstrates that HMRC staff overwhelmingly believe that the changes being proposed under the "Building our Future" programme will be damaging to the core mission of the department, collecting taxes and enforcing compliance.

The solution to these issues is simple. HMRC must stop the "Building our Future" programme and undertake a meaningful consultation with staff and the public as to how they think HMRC can deliver a better service in the future. A service that makes it much easier for people who want to pay their taxes to pay them, and makes it much harder for people who don't want to pay their taxes to not pay them.

CONCLUSIONS AND RECOMMENDATIONS

HMRC collects the taxes that pay for our health service, schools, police, armed forces, pensions and welfare, the taxes that fund the very fabric of our society.

For over a decade the staff have faced continuous cuts and top down re-organisation. Since 2013 staff have been subject to a draconian performance management system. From the staff who work in the department the message is clear; the cuts don't work.

This report draws together a wealth of research, from public documents and parliamentary committees to catalogue the cuts which have taken place and the approach to staff management and tax collection taken by the department. It takes a critical look at digitalisation, voluntary disclosure and privatisation. It argues that HMRC should learn lessons from the past in developing policies for the future.

The report gives the verdict of HMRC staff on the changes of the last decade, privatisation and digitalisation. The results of our highly representative survey, show that, HMRC staff strongly believe that these policies have had a negative effect on staff, on the ability of the department to collect tax and to enforce compliance.

But most importantly the report gives the verdict of the staff on HMRC's future plans, called "Building Our Future", which will close the majority of its offices up and down the country, and lead to job cuts and thousands of staff leaving the department.

The report exposes that HMRC staff are highly critical of "Building Our Future"; with nearly three quarters of staff saying that the plans will have a negative impact on staff. The survey responses show that HMRC's ability to collect tax is intrinsically linked to its ability to retain the skills and experience of its staff. "Building Our Future" risks large numbers of staff leaving the department as offices are closed. Over 55% of respondents told us that "Building Our Future" will have a negative impact on the ability of the department to collect tax and to enforce compliance.
The most important conclusion from this report is that HMRC should listen to its staff.

The report also highlights the issues which have arisen because of digitalisation and the withdrawal of face to face contact. These policies have never been subjected to public scrutiny. We also conclude that HMRC should also consult tax payers about the type of HMRC it wants to see in the future.

RECOMMENDATIONS

We believe that there is a different way: that the tax gap is much bigger than HMRC suggests; that additional resources, better trained and better paid staff, will increase the tax yield and reduce tax avoidance, evasion and non-collection. We believe that digital services should be combined with face to face tax advice and the resources to provide telephone support for tax payers. We believe that retaining a network of local tax offices will retain experienced staff, and local knowledge to support businesses and investigations, and also give the possibility of re-introducing a face to face service to support tax collection. However, we don't have all the answers, we have highlighted the problems with the current approach and the views of staff.

We recommend that HMRC should:

- Halt the implementation of "Building Our Future"
- Halt the privatisation of further HMRC functions
- Undertake a public consultation about the future of the department, including their plans for office closures, privatisation and digitalisation
- Subject their estimate of the tax gap to independent scrutiny
- Consult with recognised Trade Unions and HMRC staff about a strategy to retain existing staff, develop in-house services and to increase staff with the aim of reducing the tax gap.

£120bn

the annual tax gap – money that is uncollected, evaded and avoided every year – estimated by Tax Research UK for PCS

£27,600

The national average wage which the majority of HMRC staff earn less than

£536.8bn

amount collected by HMRC in 2015/16 – the source of the vast majority of the government’s revenue

2,000

Number of additional tax “inspectors” then Chief Secretary to the Treasury, Danny Alexander pledged to recruit in 2011 but never arrived

APPENDIX 1: SURVEY RESULTS ANALYSIS AND RESEARCH METHODS

Research was conducted using an on-line survey of a random sample of 9986 PCS members in HMRC.

There were 335 hard email bounces[26], leaving a sample of 9651. 2079 responses were received giving a response rate of 21.5% (for statistical purposes a sample size of 400 is sufficient to be representative in this size of population).

The response pattern closely matches the HMRC department grade demographic.

Table 1 outlines the percentage of all staff in each grade in HMRC (source ONS civil service statistics 2015), and the percentage of respondents to the survey in each grade. The respondents group has a slight bias towards more senior staff. In HMRC 57.3% of employees are women and 57.02% of the respondents are women. The demographic information suggest that the respondent population is highly representative of HMRC employees in terms of grade and gender.

TABLE 1	Senior Civil Service	Grade 6/7	Senior and Higher Executive Officer	Executive Officer	Admin Officer and Assistant
HMRC	0.5%	6.9%	23.1%	23.5%	44.3%
Survey	0.7%	9.8%	20.7%	25.8%	42.5%

Responses were received from staff in 40 out of the 42 business streams of HMRC. No responses were received from staff in Corporate Functions and Real Time Information. Staff in PT Operations (23%) and Local Compliance (20%) made up the largest number of respondents. 30% of the respondents group have been employed by HMRC for more than 30 years.

QUANTITATIVE ANALYSIS

The survey asked a range of demographic questions and four substantive questions. The Reponses to the four questions are outlined in the tables 2–5 below.

Responses were on a 5 point positive-negative scale. For ease of report the tables below aggregate positive and negative responses as a percentage of total responses to that question.

Table 2: In your view have the departmental change plans implemented by HMRC since 2006 had an overall positive or negative impact on your business stream? Please answer in relation to:

Answer Options	Positive	Neither positive or negative	Negative	Response count
Staff	10.8%	20.2%	69.0%	2071
HMRC's ability to collect tax	17.4%	31.1%	51.4%	2023
HMRC's ability to enforce compliance	18.6%	30.8%	50.6%	2023
Answered question				**2079**

Table 2 shows the responses to a question about past re-organisations. Nearly 70% of respondents thought that the re-organisations had had a negative impact on staff, and only 11% a positive impact. Over 50% of respondents also thought that the re-organisations had had a negative impact on HMRC's ability to collect tax and enforce compliance. Less than 20% of respondents thought that the change programme implemented since 2006 had a positive impact on tax collection or enforcing compliance.

[26] Email not functioning

Table 3: In your view do you think the new HMRC plan called "Building Our Future" will have a positive or negative impact on:				
Answer Options	**Positive**	**Neither positive or negative**	**Negative**	**Response count**
Staff	10.8%	16.2%	73.0%	2070
HMRC's ability to collect tax	14.7%	16.6%	55.3%	2021
HMRC's ability to enforce compliance	14.0%	16.8%	56.2%	1997
Answered question				**2079**

Table 3 shows the responses to a question about "Building Our Future". 73% of responses show a negative assessment of the impact of "Building Our Future" on staff, with over 55% giving a negative assessment of the impact of the ability to collect tax and enforce compliance. The table shows less than 15% of respondents believe that "Building Our Future" will have a positive impact on either staff, tax collection or compliance.

Table 4: In your view do you think HMRC's plans to provide services digitally will have a positive or negative impact? Please answer in relation to:				
Answer Options	**Positive**	**Neither positive or negative**	**Negative**	**Response count**
Staff	30.6%	25.3%	44.0%	2072
HMRC's ability to collect tax	28.4%	32.6%	39.0%	2001
HMRC's ability to enforce compliance	22.1%	33.4%	44.4%	1980
Answered question				**2079**

Table 4 shows the responses to a question about the provision of digital services. The responses show that the largest proportion of respondents believe that HMRC's digital programme will have a negative impact on staff (44%), tax collection (39%) and enforcing compliance (44%), the positive scores were higher than in relation to previous questions. 31% thought that the digital programme would have a positive impact on staff, 28% on tax collection and 22% on enforcing compliance.

Table 5: In your view, has private sector involvement in HMRC had a positive or negative impact? Please answer in relation to:				
Answer Options	**Positive**	**Neither positive or negative**	**Negative**	**Response count**
Staff	6.2%	25.5%	68.4%	2074
HMRC's ability to collect tax	7.6%	37.0%	55.5%	1960
HMRC's ability to enforce compliance	6.8%	38.3%	54.9%	1965
Answered question				**2079**

Table 5 shows the responses to a question about the involvement of the private sector in HMRC. This question shows the lowest positive scores of any of the questions, with less than 10% of respondents viewing private sector involvements as positive. Over two-thirds of respondents (68.%) viewed private sector involvement as having a negative impact on staff, and over half as having a negative impact on tax collection (56%) and enforcing compliance (55%).

QUALITATIVE ANALYSIS

Qualitative responses were also sought for each of the four questions reported in tables 2–5. Respondents were given the opportunity to respond to each element of each question (staff, tax collection and enforcing compliance). A very high number of qualitative responses were received; in total 6,326 qualitative responses were received. The highest number of qualitative responses to a question element was 765 and the lowest 302. Qualitative data is used throughout the report to support the narrative.

APPENDIX 2

The tables below set out the proposed new regional hubs and those offices currently closest to them

NORTHERN IRELAND – BELFAST REGIONAL CENTRE

Location	Building
Coleraine	Fern House
Enniskillen	Abbey House
Londonderry	Foyle House
Craigavon	Marlborough House
Belfast	Custom House
Belfast	Dorchester House
Belfast	Beaufort House
Belfast	Carne House
Lisburn	Moira House
Newry	Custom House

SOUTH WEST – BRISTOL REGIONAL CENTRE

Location	Building
Bournemouth	Holland House
Exeter	Longbrook House
Gloucester	Twyver House
Plymouth	West Point
Plymouth	The Apex
Redruth	Piran House
St Austell	Penhaligon House
Taunton	Michael Paul House
Avonmouth	Custom House
Swindon	Wiltshire Court
Bristol	Inter City House / 101 Victoria Street
Bristol	The Crescent Centre

SCOTLAND – LOCATIONS DEEMED NEAREST TO GLASGOW REGIONAL CENTRE

Location	Building
Cumbernauld	Accounts Office
Glasgow	Scottish Crime Campus
East Kilbride	Plaza Tower
East Kilbride	Queensway House
East Kilbride	Hawbank Stores
Glasgow	Portcullis House
Glasgow	Cotton House

SCOTLAND – LOCATIONS DEEMED NEAREST TO EDINBURGH REGIONAL CENTRE

Location	Building
Aberdeen	Ruby House
Dundee	Sidlaw House
Dundee	Caledonian House
Inverness	River House
Bathgate	Bathgate Contact Centre
Livingston	Barbara Ritchie House
Edinburgh	Grayfield House
Edinburgh	Elgin House
Edinburgh	Meldrum House

WALES – CARDIFF REGIONAL CENTRE

Location	Building
Porthmadog	Ty Moelwyn
Swansea	Ty Nant
Cardiff	Ty Glas
Merthyr Tydfil	Government Buildings

NORTH WEST – LOCATIONS DEEMED NEAREST TO LIVERPOOL REGIONAL CENTRE

Location	Building
Wrexham	Plas Gororau
Bootle	The Triad
Bootle	New St Johns Building
Bootle	Litherland House
Liverpool	Regian House
Liverpool	Graeme House
Liverpool	Imperial Court Building
St Helens	63 College House
Warrington	Mersey Bank House
Netherton	Comben House

NORTH WEST – LOCATIONS DEEMED NEAREST TO MANCHESTER REGIONAL CENTRE

Blackburn	Chaucers Walk
Blackpool	Ryscar House
Stoke on Trent	Blackburn House
Bolton	Stone Cross House
Preston	Charles House
Preston	St Marks House
Preston	St Marys House
Preston	Diadem House
Preston	Guild Centre
Preston	UniCentre
Manchester	Albert Bridge House
Manchester	Building 302
Manchester	Ralli Quays
Manchester	Trinity Bridge House
Carlisle	Stocklund House
Workington	West Cumbria House

NORTH EAST – BENTON PARK REGIONAL CENTRE

Location	Building
Middlesbrough	Eustace House
Middlesbrough	100 Russell Street
Stockton on Tees	George Stephenson House
Sunderland	Waterside House
Washington	Waterview Park
Washington	Weardale House
Peterlee	Emerald Court
Newcastle upon Tyne	Benton Park View

EAST MIDLANDS – NOTTINGHAM REGIONAL CENTRE

Location	Building
Grimsby	Imperial House
Lincoln	Cromwell House
Lincoln	Lawress Hall
Chesterfield	Markham House
Derby	Northgate House
Leicester	Saxon House
Nottingham	Castle Meadow Campus

YORKSHIRE AND THE HUMBER – LEEDS REGIONAL CENTRE

Location	Building
Hull	Cherry Court
Hull	Custom House & Chemical Store
Sheffield	Concept House
Bradford	The Interchange
Bradford	Centenary Court
Harrogate	Crown Buildings
Harrogate	2 Victoria Avenue
Shipley	Accounts Office
York	Swinson House
Leeds	Peter Bennett House
Leeds	Castle House
Leeds	1 Munroe Court
Leeds	Windsor House

WEST MIDLANDS – BIRMINGHAM REGIONAL CENTRE

Location	Building
Coventry	Sherbourne House
Northampton	Princess House
Northampton	Northgate House
Wolverhampton	Crown House
Worcester	Government / Council Buildings
Brierley Hill	Bridge House
Brierley Hill	Waterfront Business Park / Merry Hill
Solihull	Sapphire East
Solihull	Royal House
Telford	Parkside Court
Telford	Abbey House
Telford	Boyd House L
Telford	Matheson House
Telford	Boyd House L1
Walsall	Pattison House
Birmingham	Norfolk House
Birmingham	City Centre House

LONDON – LOCATIONS DEEMED NEAREST TO STRATFORD REGIONAL CENTRE

Location	Building
Bedford	Chailey House
Cambridge	Eastbrook
Harwich	Custom House
Luton	King House
Norwich	Nelson House
Peterborough	Churchgate
Peterborough	Clifton House
Peterborough	1 to 6 Manasty Road
Colchester	14 Headgate
Felixstowe	Custom House
Southend on Sea	Alexander House
Ipswich	Haven House
Ipswich	St Clare House
London	Custom House
London	Euston Tower
London	International House
London	Custom House Annexe
Chelmsford	Parkway House
Romford	Queens Moat House
Tilbury	Custom House
Watford	Cambridge House
Wembley	Olympic House
London	Berkley House
London	Capitol House
London	Goggs East Site / 100PS
London	Jubilee House
London	Bush House SW Wing
London	Raleigh (Storage facility)
Erith	Chaucer House Erith
London	Riverside House

LONDON – LOCATIONS DEEMED NEAREST TO CROYDON REGIONAL CENTRE	
Location	**Building**
Brighton	Crown House
Canterbury	Charter House
Milton Keynes	Bowback House
Oxford	Trinity House
Crawley	Innovis House
Maidstone	Medvale House
Southampton	Compass House
Staines	Staines Business Centre
Staines	Heliting House
Portsmouth	Wingfield House
Portsmouth	Lynx House
Worthing	Durrington Bridge House
Chatham	Anchorage House
Gravesend	Custom House
Redhill	Warwick House
Surbiton	Tolworth Tower
Uxbridge	Valiant House
Woking	Dukes Court
Reading	Sapphire Plaza
Worthing	Iro Durrington
Croydon	Southern House
London	Dorset House

The table below gives more specific details of the proposed office closures.

Region/Nation	Proposed Site	Building	Closure
Yorkshire and Humberside	Leeds	Crown Buildings, Harrogate	2016–17
East Midlands	Nottingham	Markham House, Chesterfield	2016–17
East Midlands	Nottingham	Cromwell House, Lincoln	2016–17
West Midlands	Birmingham	Bridge House, Brierley Hill	2016–17
West Midlands	Birmingham	Pattison House, Walsall	2016–17
East Midlands	Outside RDT	Northgate House, Northampton	2016–17
South West	Bristol	Michael Paul House, Taunton	2016–17
South West	Outside RDT	The Apex, Plymouth	2016–17
South West	Outside RDT	Crownhill Court, Plymouth	2016–17
London, South East and East	Stratford, East London	Chailey House, Bedford	2016–17
London, South East and East	Stratford, East London	Parkway house, Chelmsford	2016–17
London, South East and East	Stratford, East London	Queen's Moat House, Romford	2016–17
London, South East and East	Stratford, East London	14 Headgate, Colchester	2016–17
London, South East and East	Stratford, East London	Custom House, Felixtowe	2016–17
London, South East and East	Stratford, East London	Nelson House, Norwich	2016–17
London, South East and East	Stratford, East London	Berkeley House, London	2016–17
London, South East and East	Stratford, East London	Capital House, London	2016–17
London, South East and East	Stratford, East London	Custom House, Tilbury	2016–17
London, South East and East	Outside RDT	Orton Southgate, Peterborough	2016–17
London, South East and East	Outside RDT	Woodston, Peterborough	2016–17
London, South East and East	Stratford, East London	Chaucer House, Erith	2016–17
London, South East and East	Stratford, East London	Totman Crescent, Rayleigh	2016–17
London, South East and East	Croydon	Anchorage House, Chatham	2016–17
London, South East and East	Croydon	Bowback House, Milton Keynes	2016–17
Northern Ireland	Outside RDT	Fern House, Coleraine	2016–17
North West	Outside RDT	Stocklund House, Carlisle	2017–18
South West	Bristol	Custom House, Avonmouth	2017–18
South West	Bristol	101 Victoria Street, Bristol	2017–18
South West	Bristol	Crescent Centre, Bristol	2017–18
South West	Bristol	Wiltshire Court, Swindon	2017–18
South West	Bristol	Twyver House, Gloucester	2017–18
London, South East and East	Stratford, East London	Custom House, Harwich	2017–18
London, South East and East	Outside RDT	Clifton House, Peterborough	2017–18
London, South East and East	Croydon	Tolworth Tower, Surbiton	2017–18
London, South East and East	Croydon	Innovis House, Crawley	2017–18
London, South East and East	Croydon	Riverside House, London	2017–18
London, South East and East	Croydon	Dukes Court, Woking	2017–18
London, South East and East	Croydon	Southern House, Croydon	2017–18
London, South East and East	Croydon	Heliting House, Staines	2017–18
London, South East and East	Croydon	Forum House, Staines	2017–18
London, South East and East	Outside RDT	Trinity House, Oxford	2017–18

Scotland	Outside RDT	Caledonian House, Dundee	2017–18
Scotland	Outside RDT	River House, Inverness	2017–18
North West	Outside RDT	West Cumbria House, Lilyhall	2018–?
North East	Newcastle	100 Russell Street, Middlesborough	2018–19
North West	Liverpool	Litherland House, Bootle	2018–19
North West	Liverpool*	Comben House, Netherton*	2018–19
North West	Liverpool*	63 College St, St Helens*	2018–19
North West	Liverpool	Mersey Bank House, Warrington	2018–19
North West	Liverpool	Regian House, Liverpool	2018–19
East Midlands	Nottingham	Northgate House, Derby	2018–19
South West	Outside RDT	Piran House, Redruth	2018–19
London, South East and East	Stratford, East London	Eastbrook House, Cambridge	2018–19
London, South East and East	Croydon	Warwick House, Redhill	2018–19
London, South East and East	Croydon	Valiant House, Uxbridge	2018–19
London, South East and East	Worthing Specialist Site	Crown House, Brighton	2018–19
Northern Ireland	Belfast	Marlborough House, Craigavon	2018–19
Northern Ireland	Outside RDT	Abbey House, Enniskillen	2018–19
Northern Ireland	Befast*	Dorchester House, Belfast*	2018–19
Northern Ireland	Belfast	Beaufort House, Belfast	2018–19
Northern Ireland	Belfast	Custom House, Belfast	2018–19
North East	Newcastle	Eustace House, Middlesborough	2019–20
North East	Newcastle	Waterside House, Sunderland	2019–20
North West	Liverpool	St Johns House, Bootle	2019–20
North West	Liverpool	The Triad, Bootle	2019–20
North West	Manchester	Chaucer's Walk, Blackburn	2019–20
North West	Manchester	Stone Cross House, Bolton	2019–20
North West	Manchester	Blackburn House, Stoke–on–Trent	2019–20
North West	Manchester	Trinity Bridge House, Salford	2019–20
North West	Manchester	Ralli Quays, Salford	2019–20
North West	Manchester	Building 302, Manchester Airport	2019–20
Yorkshire and Humberside	Leeds	Interchange, Bradford	2019–20
Yorkshire and Humberside	Leeds	Peter Bennett House, Leeds	2019–20
Yorkshire and Humberside	Leeds	Castle House, Leeds	2019–20
Yorkshire and Humberside	Leeds	1 Munroe Court, Leeds	2019–20
Yorkshire and Humberside	Leeds	Swinson House, York	2019–20
Yorkshire and Humberside	Leeds	Victoria Street, Shipley	2019–20
West Midlands	Birmingham	Council Buildings, Worcester	2019–20
West Midlands	Birmingham	Parkside Court, Telford+	2019–20
West Midlands	Birmingham	Norfolk House, Birmingham	2019–20
West Midlands	Birmingham	Sherbourne House, Coventry	2019–20
West Midlands	Birmingham	Crown House, Wolverhampton	2019–20
West Midlands	Birmingham	Sapphire East, Solihull	2019–20
West Midlands	Birmingham	Royal House, Solihull	2019–20
South West	Outside RDT	Holland House, Bournemouth	2019–20

London, South East and East	Stratford, East London	Custom House, London	2019–20
London, South East and East	Stratford, East London	Custom House Annexe, London	2019–20
London, South East and East	Stratford, East London	Bush House, London	2019–20
London, South East and East	Croydon/Stratford	Dorset House, London	2019–20
London, South East and East	Stratford, East London	Alexander House, Southend	2019–20
London, South East and East	Outside RDT	Compass House, Southampton	2019–20
London, South East and East	Croydon	Charter House, Canterbury	2019–20
London, South East and East	Croydon/Stratford	Custom House, Gravesend	2019–20
Scotland	Glasgow	Portcullis House, Glasgow	2019–20
Scotland	Glasgow	Cotton House, Glasgow	2019–20
Scotland	Glasgow	St Mungo's Road, Cumbernauld	2019–20
Scotland	Edinburgh	Barbara Ritchie House, Livingston	2019–20
Scotland	Edinburgh	Pyramids Bus Park, Bathgate	2019–20
Scotland	Edinburgh	Grayfield House, Edinburgh	2019–20
Scotland	Edinburgh	Meldrum House, Edinburgh	2019–20
Scotland	Edinburgh	Elgin House, Edinburgh	2019–20
Northern Ireland	Belfast	Moira House, Lisburn	2019–20
Wales	Outside RDT	Ty Moelwyn, Porthmadog	2019–20
Wales	Cardiff/Outside RDT	Ty Nant, Swansea	2019–20
Wales	Cardiff	Ty Glas, Cardiff	2019–20
North East	Newcastle	George Stephenson House, Stockton	2020–21
North East	Newcastle	Emerald Court, Peterlee	2020–21
North West	Liverpool/Manchester	Charles House, Preston	2020–21
North West	Liverpool/Manchester	St Mark's House, Preston	2020–21
North West	Liverpool/Manchester	St Mary's House, Preston	2020–21
Yorkshire and Humberside	Leeds	Centenary Court, Bradford	2020–21
Yorkshire and Humberside	Leeds	Windsor House, Leeds	2020–21
Yorkshire and Humberside	Leeds/Nottingham	Concept House, Sheffield	2020–21
Yorkshire and Humberside	Outside RDT	Cherry Court, Hull	2020–21
Yorkshire and Humberside	Outside RDT	Imperial House, Grimsby	2020–21
East Midlands	Nottingham	Saxon House, Leicester	2020–21
East Midlands	Nottingham	Lawress Hall, Lincoln	2020–21
East Midlands	Outside RDT	Princess House, Northampton	2020–21
South West	Outside RDT	Longbrook House, Exeter	2020–21
London, South East and East	Stratford, East London	Olympic House, Wembley	2020–21
London, South East and East	Stratford, East London	Euston Tower, London	2020–21
London, South East and East	Stratford, East London	Jubilee House, Stratford	2020–21
London, South East and East	Stratford, East London	International House, Ealing	2020–21
London, South East and East	Stratford, East London	King House, Luton	2020–21
London, South East and East	Stratford, East London	Cambridge House, Watford	2020–21
London, South East and East	Outside RDT	Churchgate, Peterborough	2020–21
London, South East and East	Croydon/Stratford	Medvale House, Maidstone	2020–21
Scotland	Glasgow	Plaza Tower, East Kilbride	2020–21
Scotland	Outside RDT	Ruby House, Aberdeen	2020–21

Northern Ireland	Outside RDT	Foyle House, Londonderry	2020–21
Wales	Liverpool	Plas Gororau, Wrexham	2020–21
North East	Newcastle	Waterview Park, Washington	2024–25
London, South East and East	Outside RDT	Sapphire Plaza, Reading	2024–25
London, South East and East	Outside RDT	Lynx House, Portsmouth	2025–26
London, South East and East	Outside RDT	Wingfield House, Portsmouth	2025–26
Scotland	Glasgow	Queensway House, East Kilbride	2025–26
London, South East and East	Outside RDT	Haven House, Ipswich	2026–27
North West	Liverpool/Manchester*	Ryscar House, Blackpool*	DWP
North West	Manchester*	Guild Centre, Preston*	DWP
North West	Manchester*	Unicentre, Preston*	DWP
West Midlands	Birmingham*	Merry Hill CC, Brierley Hill*	DWP
South West	Bristol*	Penhaligon House, St Austell*	DWP
Scotland	Outside RDT*	Sidlaw House, Dundee*	DWP
North West	Liverpool/Manchester*	Diadem House, Preston	DWP Closure
North East	Newcastle	Benton Park View, Newcastle	Not Closing
North East	Newcastle	Baliol Park CC	Not Closing
West Midlands	Telford Specialist Site	Abbey House, Telford	Not Closing
West Midlands	Telford Specialist Site	Boyd House I, Telford	Not Closing
West Midlands	Telford Specialist Site	Boyd House II, Telford	Not Closing
West Midlands	Telford Specialist Site	Matheson House, Telford	Not Closing
West Midlands	Telford Specialist Site	Telford Plaza, Telford	Not Closing
West Midlands	Telford Specialist Site	St James' House, Telford	Not Closing
West Midlands	Telford Specialist Site	Partnership House, Telford	Not Closing
West Midlands	Telford Specialist Site	International House, Telford	Not Closing
London, South East and East	Not Closing**	Parliament Street, London	Not Closing
London, South East and East	Dover Specialist Site	Priory Court, Dover	Not Closing
London, South East and East	Worthing Specialist Site	Barrington Road, Worthing	Not Closing
London, South East and East	Worthing Specialist Site	Durrington BH, Worthing	Not Closing
Scotland	Gartcosh Specialist Site	Gartcosh Crime Campus	Not Closing
North West	Liverpool*	Graeme House*	tbc
North West	Liverpool*	Imperial Court*	tbc
East Midlands	Nottingham	Castle Meadow, Nottingham	tbc
KEY			
*Possible UC transfers			
**Some staff transferring			
RDT = Reasonable Daily Travel			

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