



National Audit Office

**REPORT BY THE
COMPTROLLER AND
AUDITOR GENERAL**

**HC 1595
SESSION 2010–2012
2 DECEMBER 2011**

HM Revenue & Customs

Core skills at HM Revenue & Customs

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Amyas Morse
Comptroller and
Auditor General

National Audit Office

28 November 2011

Staff skills are vital to HMRC achieving its business objectives of collecting the appropriate amount of tax, ensuring customers feel the tax system is simple for them and even-handed, and being seen as a professional and efficient organisation.

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This report can be found on the
National Audit Office website at
www.nao.org.uk/hmrc-core-skills-2011

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Key facts

£96.5m

estimated total investment in skills 2010-11

215,495

Number of days of training undertaken in 2010-11

38%

Respondents to 2011 staff survey who agreed that training completed had improved their performance

- £96.5 million** estimate of HMRC's total investment in skills in 2010-11
- £6.3 million** HMRC expenditure on external training costs in 2010-11
- £19.7 million** total cost of developing the tax professionalism programme since 2006
- 215,495** number of days training undertaken during 2010-11
- 2,037** number of training courses undertaken during 2010-11
- £1,419** average cost of learning per head in 2010-11
- 38 per cent** respondents to 2011 staff survey who agreed that training completed had improved their performance
- 44,000** number of HMRC staff employed in the operational delivery profession
- 17,000** number of HMRC staff employed in the tax profession
- 9,000** number of staff due to be retrained and redeployed into high value enforcement and compliance work
- 16 per cent** the HMRC workforce aged 56 or over

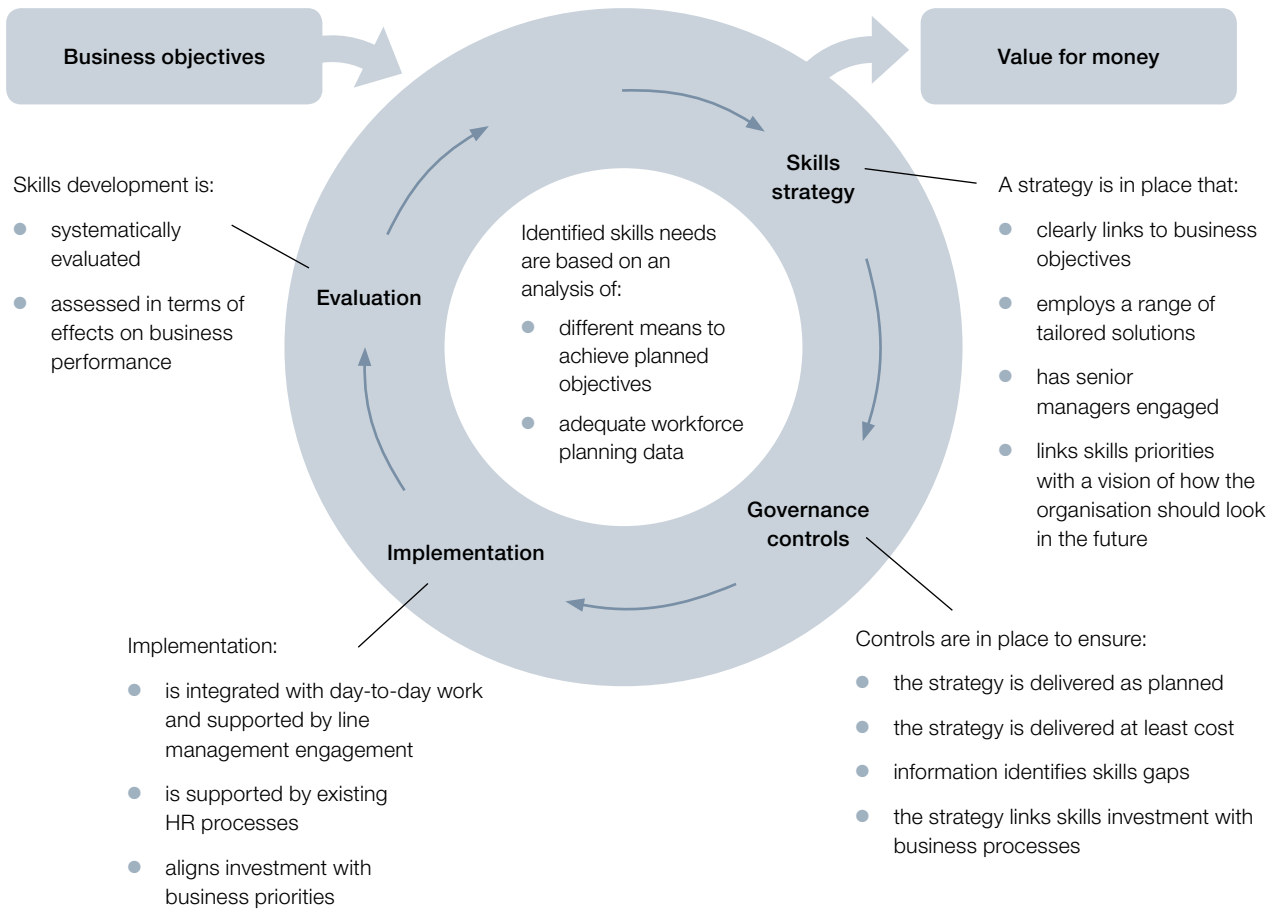
Summary

1 HM Revenue & Customs (HMRC) employs some 68,000 staff at an annual salary cost of £2,219 million. Most staff are directly involved in tax collection and administering benefits and credits. Around 17,000 staff are tax professionals, carrying out compliance and enforcement, working with businesses and dealing with technical issues for all taxpayers. A further 44,000 are in operational delivery roles dealing directly with the public. They include staff working in telephone contact centres and face-to-face enquiry centres, and those processing tax returns and post. The remaining staff are in other roles such as policy, project management and human resources.

2 Staff skills are vital to HMRC achieving its business objectives of collecting the appropriate amount of tax, ensuring customers feel the tax system is simple for them and even-handed, and being seen as a professional and efficient organisation. Tax professionals need technical expertise and supporting skills such as negotiation, interviewing and risk management. Operational delivery staff also need an appropriate level of tax knowledge as well as customer-service skills. HMRC develops staff skills through formal training, coaching, mentoring and on-the-job experience. It also increasingly uses technology to support skills, such as online guidance or systems to support decision-making. We estimate that in 2010-11, HMRC invested around £96.5 million in delivering skills.

3 This report focuses on HMRC's core tax and operational delivery roles, and the technical and generic skills and knowledge those staff need to undertake their roles effectively. It does not examine the skills required by staff in other specialisms such as finance, information technology and human resources. Our 2011 report, *Identifying and meeting central government's skills requirements*, set out the features that can ensure value for money in delivering skills. The key elements include a skills strategy supported by workforce data and skills gap analysis, governance controls and an aligned implementation plan (**Figure 1** overleaf). This report assesses whether HMRC is achieving value for money from its investment in skills and examines how far these elements are used. While the report focuses on tax and operational delivery roles, we have covered more general aspects of HMRC's management of skills such as its skills strategy and how it assesses skills gaps, prioritises investment and evaluates whether training is leading to improved business results. Part One sets out the challenges facing HMRC in delivering skills and the action it has taken. Part Two examines the structures and information that HMRC employs to manage delivery of skills. Further details of the scope of the study and how it fits with the wider programme of audit we conduct on HMRC are at Appendix One.

Figure 1
Elements required to achieve value for money in delivery skills



Source: National Audit Office Assessment Framework from C&AG's report, *Identifying and meeting central government's skills requirements*, HC 1276, 2010-12 (adapted for this report)

Key findings

Skills are crucial to HMRC achieving its business objectives

4 HMRC faces significant challenges and it will need skilled staff to meet them. HMRC faces significant challenges in delivering its change plan and Spending Review commitments to reduce its running costs by 25 per cent by 2014-15 and bring in additional tax revenues of £7 billion a year. HMRC recognises these challenges and has identified not having enough people in the right places with the right skills as a significant risk. By March 2015, 50 per cent of HMRC staff will either have moved to different work in the organisation or will have left. In addition, since its formation in 2005, HMRC has faced significant operational challenges. These result from many complex underlying issues but the organisation recognises that maintaining and improving skills will raise performance.

5 HMRC is doing much to ensure it has the skills it needs including developing major professional programmes and using new technologies. HMRC is developing training programmes for its tax and operational delivery professions. The operational delivery programme is still in its early stages while the tax programme will be fully implemented in 2012. The latter has gained external accreditation but it is too early to assess fully whether the tax training is meeting business needs. In addition, HMRC is making more use of e-learning than other departments and uses online systems to help contact centre staff deal with queries.

HMRC needs to direct its investment in skills at business priorities more systematically and at a more strategic level

6 There are examples of HMRC directing investment in skills at business priorities to contribute to business results. HMRC is addressing investment in skills in some key business areas, for example, by training those staff transferred into enforcement and compliance work to collect more tax and in its management of IT skills. There is also evidence of HMRC changing learning programmes to address new priorities. Existing learning programmes have been reviewed and content revised in the light of the challenges HMRC faces.

7 HMRC considers that investment in skills contributed to the recent improvements in business results. There has been an increase since 2009-10 of over £1 billion of tax generated by enforcement and compliance activity, increased accuracy of PAYE coding from 80 per cent to 90 per cent and a reduction of taxpayer debt of £3.5 billion since 2010. While staff skills will have been a factor in achieving these results, it is not yet possible to identify a direct evidential link between results and learning and development activity.

8 HMRC does not yet have a strategic and systematic approach to its investment in skills at the level of the organisation as a whole. It does not know the scale of its full investment in skills across HMRC and cannot say whether it is being spent in the right places. HMRC is taking steps to develop a skills strategy, but it has not yet carried out workforce planning to clarify the investment required and further strategic planning will be necessary before finalising a detailed skills development plan. Currently there is no link between a strategy and a model of how the organisation should operate in the future, given its business objectives, and the contribution that investment in skills can make. Without this, it is difficult to compare existing skills with what will be required in the future and identify systematically priorities for investment and set them out in a workforce plan.

9 HMRC's human resources function needs to develop its capacity for a more enhanced strategic role. Because HMRC has focused on a decentralised approach to skills management, the human resources function has not built up the capacity required to develop skills strategy in the way it needs to, for example to ensure a systematic alignment of investment in skills with business priorities.

10 HMRC needs better data and information on its skills gaps which would help it take a more strategic approach. As well as having limited information on its investment in skills, HMRC does not, at the level of the organisation as a whole, know its current skills gaps or gain an early warning of future skills gaps. There are good examples of action taken by business areas to identify skills gaps but the approach taken has varied. It does not, for example, systematically identify key roles in the 'value chain', that is, those roles that are critical to business performance, and identify skills gaps in those roles. Evidence from the staff survey, customer survey and external stakeholders suggests that HMRC does not have all the skills it needs to meet business objectives. This evidence is based on individuals' perceptions but, in the absence of a systematic approach to identifying skills gaps, it is the only information available. Depleting skills as experienced staff retire is also a risk with nearly one in five staff in key business areas being over 55. HMRC is aware of this risk but its information is insufficiently segmented to identify which roles are most affected.

11 HMRC also needs better information to hold the organisation to account for its investment in skills. There are governance structures in place for managing skills but there is no clear line of sight from HMRC's Executive Committee to business areas that would enable the Executive Committee to evaluate whether business areas are delivering expected business benefits from their investment in skills. There is little performance information to give assurance to the Executive Committee and its supporting committees that investment in learning and development is value for money. Problems are slow to be resolved. Many of the points in this report were raised by HMRC's own reviews in 2008 and 2009, but HMRC has not made the changes needed. For example, HMRC's total number of courses has not reduced since 2009, when an internal review found there were 2,000 training courses and raised concerns about poor focus in training provision.

12 HMRC has not effectively communicated and embedded with business areas and staff its approach for aligning skills with business objectives. Without a strategic workforce plan, business areas are not set clear expectations from senior management about skills investment and what must be delivered to meet business objectives. Similarly, there is a mismatch between staff's expectations of learning and development as reported in the staff survey and HMRC's interpretation of the survey findings. In 2011, 54 per cent of staff said that they were able to access the right learning and development opportunities when they needed to. Only 38 per cent said that training they had completed had improved their performance. There may be a need for improved communication on 'the deal' in terms of the level of investment in training staff can expect and what improvement in business performance is expected as a result. HMRC has not, however, carried out any analysis to confirm whether this is the case. In addition, although HMRC is moving in the direction of aligning training with business needs, more can be done. Other organisations, for example, give operational staff more of a formal role in identifying training and development needs and performance.

13 Evaluation of learning does not give HMRC a clear view of whether training contributes to business results. Evaluation of learning is widely recognised as challenging, particularly establishing that training has led to business results. HMRC is moving in the right direction, for example by developing best practice guidance for evaluating training, but we found the guidance was not consistently applied and that evaluating the contribution of training to achieving business outcomes was rare. Management information on evaluation of learning is poor and it is not clear how the results are captured, disseminated and fed back.

14 HMRC's current arrangements for managing investment in skills are not out of line with those in the rest of central government, which also need to be improved. Our 2011 report, *Identifying and meeting central government's skills requirements*, illustrated a similar picture across government on the issues outlined above, and concluded that departmental skills strategies and governance arrangements have not been adequate to ensure that skills development is well aligned with departmental business needs, while data weaknesses limit departments' understanding of the skills they already have.

Conclusion on value for money

15 HMRC is doing much to develop the skills of its staff, investing £96.5 million in 2010-11. It has taken on the challenge of redeploying a large number of staff, has developed its professional tax programme and is at the forefront of central government practice in using more IT-based training than other departments. Staff skills will also have been a factor in the improvement of business results such as the extra £1 billion tax generated by enforcement and compliance activity, although there is not a direct evidential link between business results and training and development activity. HMRC could, however, get better value for money if it directed its investment more systematically at business priorities. In common with other departments, HMRC lacks:

- an effective skills strategy supported by a workforce plan, embedded in its change programme, to direct investment towards areas that produce the most important business results and which links investment in skills to a model of how the organisation should operate in the future;
- governance arrangements or structures to hold the organisation to account for delivering investment in training and to evaluate its impact on business objectives; and
- effective communication with staff so that they understand ‘the deal’ in terms of the level of investment in training and development they can expect and what improvement in business results is expected of them.

Recommendations

16 Our recommendations aim to help HMRC achieve value for money from its investment in skills. HMRC should take a more strategic and informed approach to its investment. Senior management can then align skills needs and learning and development with business objectives, and can hold business areas to account for performance. Organisations that have done this, for example KPMG, have reduced waste and inefficiency, which has met the cost of taking this approach.

- a** **HMRC’s current approach to learning and skills focuses on service delivery at business area level but it does not manage its investment in skills at the level of the organisation as a whole.** HMRC has begun to develop a skills strategy but there is an absence of engagement in staff skills at senior level, and learning and development is not sufficiently recognised as an agent for change. HMRC needs to develop a detailed workforce plan so that it can establish the investment required to take forward its skills strategy. It should fully integrate learning and development with the overall strategy for delivering business objectives, as well as aligning it with the change programme. To take a more strategic approach, HMRC should also build up capacity within the human resources function.

- b** **HMRC's vision for learning and development and its role in achieving business objectives is not communicated effectively to business areas and staff.** Staff surveys show that staff feel they need greater levels of skills but this may be because staff don't have a clear understanding of how their skills will support delivery of HMRC's business objectives. HMRC needs to have a clear contract with business areas and staff that sets out how HMRC is preparing to invest in them and their skills and what is expected in return.
- c** **There is no specific body in HMRC that examines the total investment in skills across the organisation and decides whether it is being made in the right places.** HMRC needs a body, for example the performance committee, that considers the investment in learning and development and how it contributes to the organisation's business objectives and vision.
- d** **Senior management needs better information on where skills gaps are, or where they may arise, for HMRC to assess whether its investment in skills is effective.** HMRC has not systematically analysed skills gaps, and the action taken by business areas has varied. Information on gaps emerging, as experienced staff retire, is patchy. To get a better picture of skills gaps, HMRC should analyse whether staff in the roles that are key to the delivery of business objectives have the skills they need now and in the future and what investment is needed. It should also investigate the poor results in staff and customer surveys and use individual performance data more systematically. This would avoid additional expensive or resource-intensive analyses of skills.
- e** **There is insufficient performance information for skills and learning and development to show that it is having the desired impact on the business.** In common with many other organisations, HMRC's evaluation of learning and development does not demonstrate whether training is contributing to business results and mostly measures the immediate reactions of staff. Performance indicators on skills should be introduced that allow a senior management body (possibly the same body as suggested in 16c above) to assess performance and the impact of key training, drive out waste and duplication, and to hold the business areas to account for their investment in skills.
- f** **HMRC's decentralised approach for managing skills means that information and issues are escalated to senior management by exception.** Senior management do not have assurance that business areas have taken the actions they have agreed or information about the outcomes. To ensure that the decentralised model works effectively, HMRC should improve its governance controls on skills in similar ways as it has done in other areas, such as by introducing a self-certification system, where business areas need to confirm to senior management that they have taken the actions they need to.
- g** **Many of the findings in this report have been raised in previous internal reviews but HMRC has not taken action to address the issues.** HMRC now needs to ensure that appropriate action is taken to manage skills and achieve business objectives and should identify an individual at Executive Committee level with accountability for the changes we propose.

Part One

Skills to help HMRC achieve its business objectives

HMRC employs a large number of staff whose skills are important to the business

1.1 HM Revenue & Customs (HMRC) employs some 68,000 staff at an annual salary cost of £2,219 million.¹ Most staff are directly involved in tax collection and administering benefits and credits. Around 17,000 staff are tax professionals, carrying out compliance and enforcement activity, working with businesses and dealing with technical issues for all taxpayers. A further 44,000 are in operational delivery roles dealing directly with the public. They include staff working in telephone contact centres and face-to-face enquiry centres, and those processing tax returns and post. The remaining staff are in other roles such as policy, project management and human resources (**Figure 2** and **Figure 3**). We estimate that, in 2010-11, HMRC invested £96.5 million in delivering skills, including in-house trainers' salaries, learning time, developing training materials, training facilities and external costs.

HMRC requires skilled staff to meet its significant challenges

1.2 The 2010 Spending Review announced significant spending reductions across government departments. HMRC will contribute to reducing the budget deficit by spending less and by increasing tax revenues. Over the review period, HMRC aims to create a more efficient, flexible and effective tax administration that focuses on customer needs. It has committed to reducing its running costs by 25 per cent by 2014-15, amounting to cumulative savings of £1.6 billion. Over this period, HMRC will reinvest £917 million of these savings in enforcement and compliance work to tackle tax evasion and avoidance and bring in additional tax revenue of £7 billion a year by 2014-15.

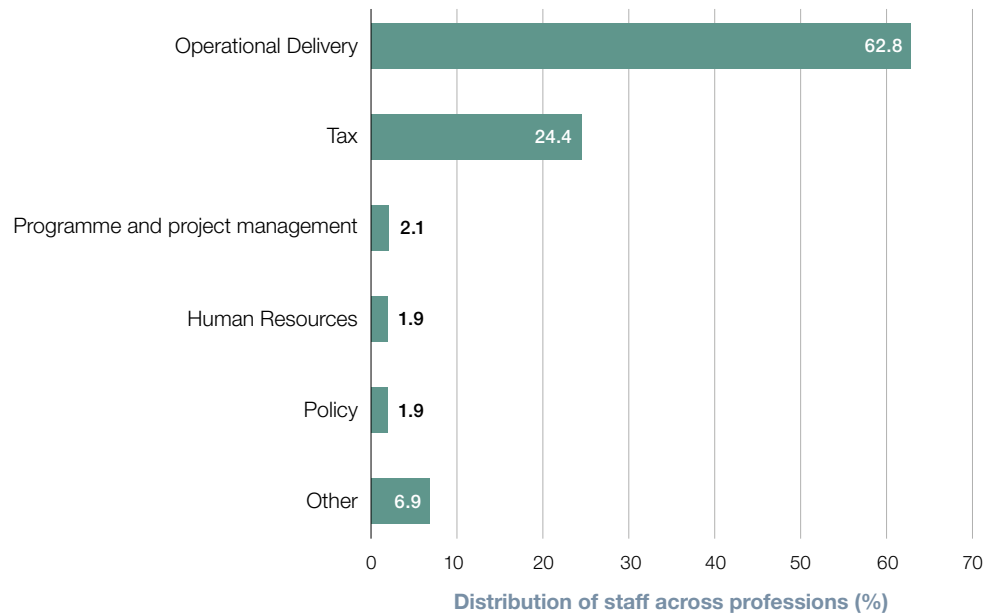
1.3 HMRC needs to improve and maintain existing skills to meet operational challenges such as stabilising the PAYE system, handling tax disputes with large companies and reducing losses from tax credit fraud, as examined in our report on HMRC's 2010-11 accounts.² In addition, meeting spending review commitments means making fundamental changes to how HMRC operates. In 2011, it published a change plan setting out how it will achieve these changes. The plan will increase technology-enabled working. HMRC will need additional skills to support these changes.

¹ *HMRC Annual report and accounts 2010-11*, HC 981.

² *Comptroller and Auditor General, HM Revenue & Customs 2010-11 accounts, Session 2010-2012*, HC 981, National Audit Office, July 2011.

Figure 2

Percentage of HMRC staff in the main professions

**NOTE**

1 'Other' includes staff in criminal investigation, information technology, finance, Pacesetter, communication, intelligence analysis, lawyers, procurement, compliance accountants, internal audit, statisticians, economists, operational research, banking, knowledge and information management, social researchers.

Source: National Audit Office analysis

Figure 3

HMRC's core professions

Types of role (estimate of proportion of staff within HMRC)**Tax profession (17,000)**

Case worker (74 per cent)
 Customer relationship manager (1.4 per cent)
 Specialist (technical/policy) (15 per cent)
 Other (9.6 per cent)

Operational delivery profession (44,000)

Contact management agent (62 per cent)
 Processing (28 per cent)
 Face-to-face worker (6 per cent)
 Other (4 per cent)

Business areas

There are tax professionals in all of HMRC's business areas but, predominantly, in enforcement and compliance and business tax.

There are operational delivery professionals in all of HMRC's business areas but large numbers in personal tax and benefits and credits.

Source: HM Revenue & Customs

1.4 HMRC has reduced staff numbers by 29 per cent since it formed in 2005. It plans to reduce headcount by a further 10,000 posts by 2015. To ensure it has the right people in the right place, HMRC is planning a major programme to redeploy, retrain and recruit staff. It aims to move staff within the enforcement and compliance business area from lower value into higher value work, and then to fill vacancies created with suitable staff from outside the business area and through external recruitment. Overall, it expects to redeploy some 9,000 staff.

HMRC recognises these challenges pose major risks

1.5 In our report, *Reducing costs in HM Revenue & Customs*³ we emphasised that HMRC will change substantially as it reduces staff, redeploys and retrains some 9,000 staff, halves the number of offices, reorganises corporate services and implements changes in enforcement and compliance and personal tax business areas. These wide-ranging changes carry significant risks.

1.6 HMRC recognises these challenges and has identified people, skills and capability as a significant risk. The risk is therefore closely monitored by HMRC's Executive Committee and its People Committee.

HMRC is working to achieve the right skills to meet the challenges

It has developed major tax and operational delivery professions but it is unclear whether they fully meet business objectives

1.7 HMRC has focused on its core tax and operational delivery professions in developing learning and training. These staff require varying skills and levels of knowledge to perform their roles and meet business objectives.

1.8 HMRC's tax professionalism programme was started in 2006 to develop the capability of tax staff. The merger of HM Customs and Excise and HM Inland Revenue created changes in roles and the previous training was no longer fit for purpose. The programme is aimed at all staff in tax roles, around 17,000 staff, and consists of mostly manual-based training modules with some classroom-based training. HMRC has gained accreditation for its tax professionalism programme with the Association of Accounting Technicians for the foundation level and Manchester Metropolitan University for the higher level. The tax professionalism programme is well-respected by many external stakeholders who have told us that they consider the training for tax specialists to be good.

³ Comptroller and Auditor General, *Reducing costs in HM Revenue & Customs*, Session 2010–2012, HC 1278, National Audit Office, July 2011.

1.9 HMRC considers that the investment made in tax professionalism has contributed to the doubling in tax yield since 2005 to £13.9 billion (an increase of over £1 billion), increased accuracy of PAYE coding from 80 per cent to 90 per cent, and a reduction of taxpayer debt of £3.5 billion. While staff skills will have been a factor in achieving these results, it is not yet possible to identify a direct evidential link between results and learning and development activity.

1.10 HMRC estimates that the total cost since 2006 of developing the tax professionalism programme will be £19.7 million including external costs and the salaries of trainers and those developing materials. HMRC does not have information on what it planned to spend on the programme. It originally estimated that the majority of the programme would be implemented by September 2011. It currently expects it to be complete in March 2012. Full implementation has taken time which has at times had an impact on capability:

- In its 2007 report, *Management of large business corporation tax*,⁴ the Committee of Public Accounts recommended training to improve the technical capacity and skills of tax specialists. To meet this need, HMRC is introducing higher-level learning products covering commercial understanding and complex case working skills. Both these modules will play a key role in providing knowledge and skills for handling enquiries into large businesses and will cover areas including negotiation, communication and dispute resolution. These modules will not be fully available until spring 2012.
- Customer relationship managers in HMRC's Large Business Service need knowledge of a broad range of taxes rather than just their own specialism. The full range of tax professional modules are not yet available so the Large Business Service has developed specific training in some taxes to meet requirements in the short term.

1.11 HMRC set objectives at the outset of the programme and worked with business areas to determine what tax training was required. However, it is not clear how HMRC will measure achievement of the programme's objectives. Rather than directly measuring the impact of the programme on performance, HMRC is evaluating the programme using feedback from staff undertaking the modules and, particularly, through an annual survey of staff who had used the modules and their managers. There are indications that the modules are not fully meeting staff needs or the needs of the business. For example, the 2010 survey found that, although 65 per cent of both staff and managers said that it had improved their tax professional knowledge, only 48 per cent of managers and 40 per cent of staff said that the learning had improved the quality of their work. However, these results may reflect that many staff surveyed had only recently completed the training and some respondents felt it was too soon to form a judgement.

⁴ HC Committee of Public Accounts, *Management of large business corporation tax*, Thirtieth Report of Session 2007-08, HC 302, June 2008.

1.12 The operational delivery profession was established in response to the government skills strategy in 2008. Across government there are an estimated 350,000 operational delivery staff, defined as staff delivering a direct service to external customers. HMRC employs around 44,000 operational delivery professionals, some 58 per cent of their workforce.

1.13 HMRC began initial work to develop its operational delivery profession in 2008 and formally launched the programme in April 2011. It held workshops to establish the skills needed for each role and to identify the learning required. HMRC has developed an induction course, which has so far been completed by 89 per cent of the profession, and courses to develop the essential skills for the operational delivery role. More role-specific in-depth training for non-technical skills is not yet in place.

1.14 The programme to develop the operational delivery profession is not yet sufficiently advanced to evaluate. Although some baseline data is now being collected, HMRC did not collect any baseline information to assess existing skills and whether there were any skills gaps prior to the introduction of the programme, which may make it difficult to assess whether the programme has met its objectives and improved customer service.

HMRC is using new technologies in delivering skills

1.15 Our analysis of HMRC's online learning system revealed that staff took 2,037 training courses in 2010-11, covering all areas of learning. The majority of these courses were manual-based but there is also significant use of e-learning and less face-to-face classroom-based training (**Figure 4**). This contrasts with the picture across government. Our cross-government report *Identifying and meeting central government's skills requirements* found that in other departments more than twice as many delegate days are committed to classroom-based learning as e-learning.

1.16 As HMRC implements its change programme it expects to increase technology-enabled working. Staff gain skills through training but skills can also be delivered through supporting systems and processes, reducing the need for training. For example, contact centre staff receive around six weeks induction training covering basic taxes knowledge and call handling and other technical and customer service skills. This reduced from around nine weeks in 2008 because HMRC has increasingly used supporting systems and processes to supplement staff skills and knowledge. We estimate this has saved an average of £1,362 per person.

Figure 4
HMRC learning products by type

	Number of courses in use	Number of staff taking these courses in 2010-11	Average number of staff per course	Learning time recorded in days
Manuals, etc.	955	77,788	81	165,447
E-learning	723	615,305	851	
Face-to-face	359	37,493	104	50,048

NOTE

1 The Department's online learning system does not allow disaggregation of learning time recorded in days for manuals and e-learning.

Source: National Audit Office analysis of management information contained in HMRC's online learning system on training courses and products

1.17 HMRC introduced 'call type process' guidance for contact centre staff in 2009. Each type of call staff will handle has a series of prompts to help the agent find relevant guidance in the online customer adviser guide. However, professional tax agents we consulted expressed concerns that contact centre staff responses often seem to be scripted and queries are not dealt with satisfactorily.

1.18 Contact centre staff can also refer more complex queries to technical experts. Reports published in 2007 and 2008 by the NAO and Committee of Public Accounts on *Helping individuals understand and complete their tax forms*⁵ recommended that HMRC should improve call handling quality by referring complex queries appropriately. Although the Department considers it has strengthened its processes, recent evidence submitted to the Treasury Select Committee suggests that taxpayers with complex queries were finding it increasingly difficult to obtain answers within an acceptable timeframe. The Committee recommended that HMRC examine its processes for escalating such queries quickly and appropriately.⁶

1.19 HMRC's 2011 staff survey suggests that staff may need better information, guidance or supporting systems to do their jobs. Around 54 per cent of respondents said they have the information they need to do their job well, while 59 per cent said they had the tools they need to do their job.

5 Comptroller and Auditor General, *HM Revenue & Customs, Helping individuals understand and complete their tax forms*, Session 2006-07, HC 452, National Audit Office, April 2007 and Committee of Public Accounts, *HM Revenue & Customs, Helping individuals understand and complete their tax forms*, Twentieth Report of Session 2007-08, HC 47, April 2008.

6 Treasury Select Committee 16th Report: *Administration and Effectiveness of HM Revenue & Customs*, HC 731, 2010-2012.

Central government changes in human resources bring further challenges

1.20 Next generation HR was initiated in 2009 and introduced major cross-government changes to departmental human resources functions, seeking efficiencies through providing standardised services centrally. In April 2011, a new centralised learning and development function (Civil Service Learning) was created to serve the entire civil service. Our report *Identifying and meeting central government's skills requirements*⁷ made recommendations for the Cabinet Office in taking Civil Service Learning forward.

1.21 There will be radical changes in providing training for HMRC staff. All generic, non-department specific training will be delivered centrally, including training for HMRC operational delivery professionals once all training materials have been fully developed. Developing in-depth, role-specific training for operational delivery professionals has been deferred until Civil Service Learning decides how this training should be designed and developed. In the meantime, the timeline for development of centrally provided role-specific training is still uncertain.

1.22 HMRC is the only department employing tax professionals and is fully responsible for delivering learning and development for its tax professionals, as well as the tax knowledge of operational delivery professionals. HMRC business areas, rather than central government training providers, will be responsible for the tax training of operational delivery staff. It is not yet clear how generic training delivered centrally and tax knowledge delivered by HMRC business areas will meet the needs of individual roles.

⁷ Comptroller and Auditor General, *Identifying and meeting central government's skills requirements*, Session 2010–2012, HC 1276, National Audit Office, July 2011.

Part Two

Managing the delivery of skills

HMRC manages skills in a decentralised way but it does not manage its investment at the level of the organisation as a whole

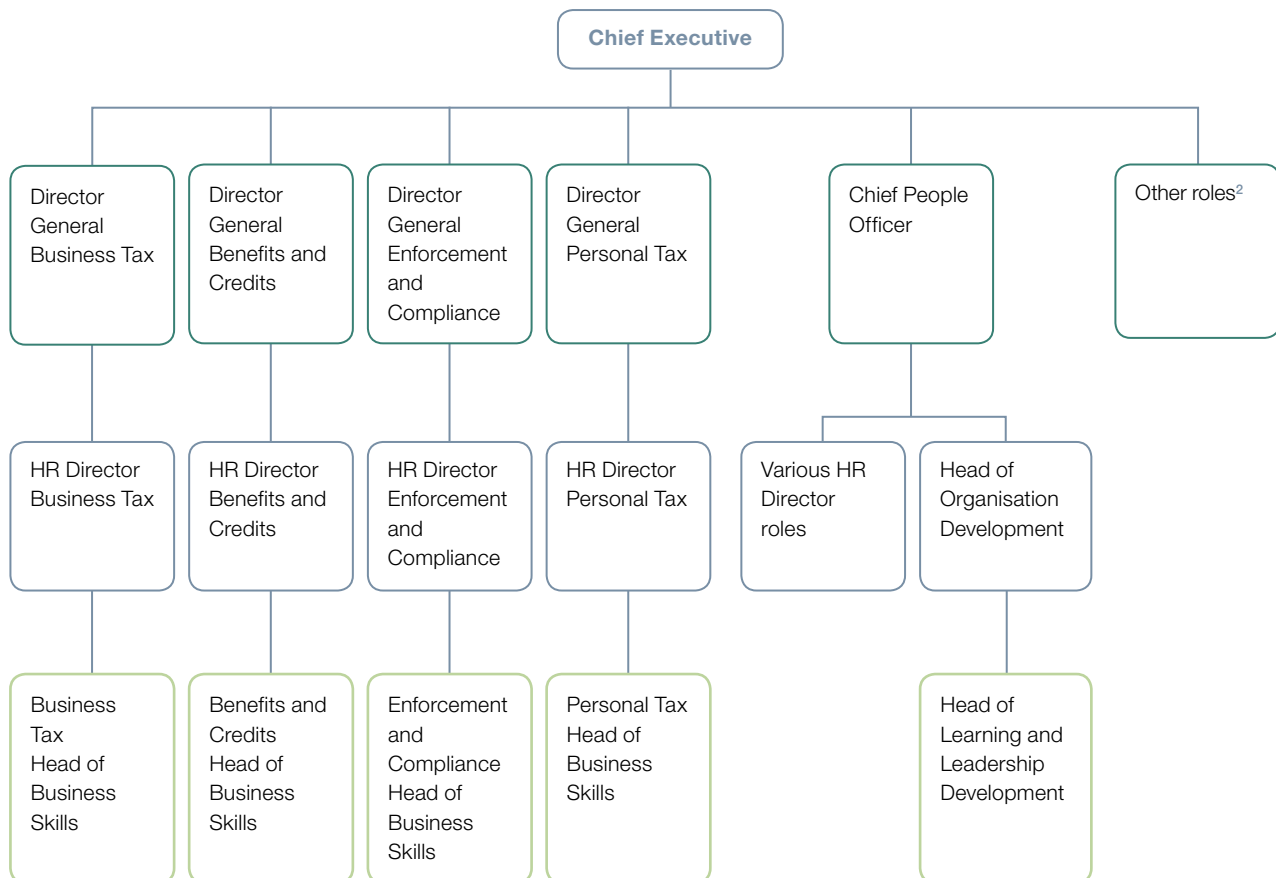
Various parts of HMRC play different roles in resourcing and skills management

2.1 HMRC uses a decentralised structure, with different parts of the organisation playing different roles in resourcing and skills management. The Chief People Officer is responsible for human resources operations, organisational design, corporate responsibility and diversity, and learning and talent. Each of HMRC's business areas also has human resource directors reporting to their director generals, who are responsible for designing and delivering learning and development to meet business needs. Furthermore, HMRC has a head of profession for each of its 22 professions with responsibility for commissioning new or revised training (**Figure 5** overleaf). Our 2011 report *Identifying and meeting central government's skills requirements*⁸ found that this is a common picture across the civil service, with fragmented approaches to skills management and highly devolved structures. HMRC's structure does allow business areas to operate according to their own requirements but this may lead to a lack of coherence across the organisation and a lack of board oversight.

2.2 HMRC recognises that the different elements of learning and development need to be more joined up. In 2011, it introduced a new organisational structure to bring the professions, management and leadership and technical learning requirements together. The aim is to ensure that technical and business requirements are clearly understood and these are reflected in the skills strategy. It is too early to assess the success of this change.

⁸ Comptroller and Auditor General, *Identifying and meeting central government's skills requirements*, Session 2010–2012, HC 1276, National Audit Office, July 2011.

Figure 5
Managing learning and development across HMRC



NOTES

- 1 Heads of each of the 22 professions are not attached to a specific business area but sit alongside the business areas and work across the Department as a whole.
- 2 Other roles including: Permanent Secretary for Tax; Chief Finance Officer; Chief Information Officer; General Counsel and Solicitor; Director Communications and Marketing.

Source: National Audit Office

HMRC is developing a skills strategy that aligns skills with its change programme but key elements are not yet in place

2.3 HMRC staff will require increased levels of learning and development between 2011 and 2015. Therefore, HMRC needs greater assurance that its investment in skills is value for money. In 2010, it developed a people strategy which identifies three priorities for developing its people. These priorities are leadership, professionalism and sustainable cost base. In 2011, HMRC began developing a new skills strategy that aligns skills with its change plan. The draft strategy does not yet set out the investment in learning required to achieve HMRC's business priorities but it does identify reducing staff numbers, reinvestment and redeployment as areas of focus. It makes clear that further strategic thinking will be necessary before finalising a detailed skills development plan. In particular, HMRC recognises the need for detailed workforce planning so that it can agree skills priorities and determine resource requirements for re-skilling and up-skilling. A strategic workforce plan would set business areas clear expectations on what the investment in skills would be and what must be delivered to meet business objectives. It would also allow HMRC to measure the impact of people leaving and joining, assess whether it has the right balance of staff in each profession, or establish how using more sophisticated technology could change the skills HMRC needs.

HMRC does not know its total investment in skills

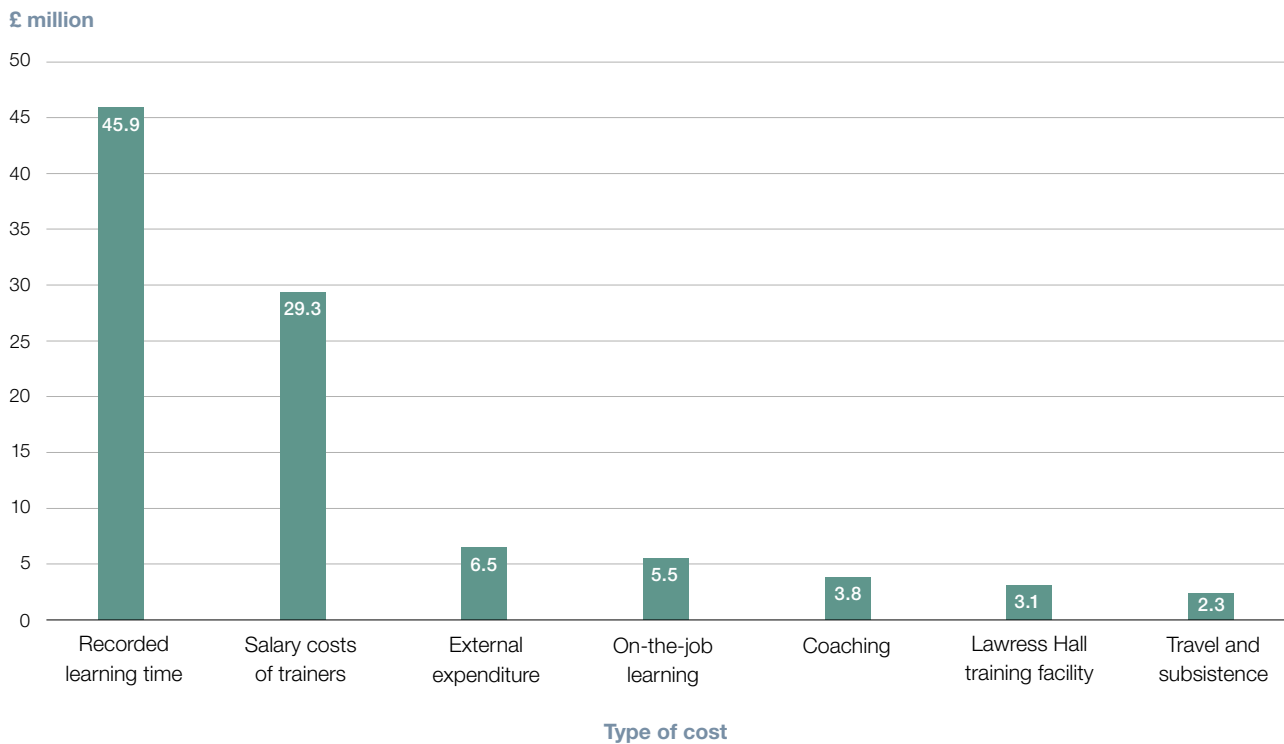
2.4 HMRC invests a significant amount in developing staff skills but does not routinely quantify its full investment. HMRC monitors centrally its spending on external learning and development services, which was £6.3 million in 2010-11. However, this accounts for a small proportion of the total investment in skills. The full investment includes in-house trainers, developing materials, training facilities, time spent both in formal and informal learning and development activities, time spent delivering coaching and other on-the-job learning. We performed a special exercise to quantify these costs and estimate that, in 2010-11, HMRC invested approximately £96.5 million in learning and development (**Figure 6** overleaf). Our report on HMRC's Pacesetter programme also found that HMRC did not record the cost of frontline staff's time on Pacesetter workshops and training.⁹

2.5 We faced challenges in quantifying HMRC's full investment in skills. A central learning team monitors the budget for external spending but other costs are the responsibility of the various business areas or professions. These are not consistently monitored and staff we spoke to often viewed learning and development activities developed in-house as having no cost. Costs associated with informal learning are not recorded. While HMRC has stated its intention to place more emphasis on coaching and mentoring, it does not currently monitor what this costs, nor does it evaluate the impact of coaching on performance.

⁹ Comptroller and Auditor General, *Pacesetter: HMRC's programme to improve business operations*, Session 2010-2012, HC 1280, National Audit Office, July 2011.

Figure 6
2010-11 learning and development costs by type

Total expenditure (£96.5 million)



NOTES

- 1 Total costs of learning as shown above are based on certain assumptions and estimates. We have calculated minimum costs to be £96.5 million and maximum costs to be £169 million. More detail is included in our Detailed Methodology.
- 2 Salary costs of trainers, external expenditure, cost of the Lawress Hall training facility and travel and subsistence costs are actual recorded costs. We estimated the costs of recorded learning time, on-the-job learning and coaching based on average salary information.
- 3 Recorded learning time includes cost of learning days recorded on HMRC's online learning system and tax professional trainees' learning time. Continuous professional development which has not been recorded is not included.
- 4 On-the-job learning and coaching are included where we have been told that specific activity takes place – in reality the costs are likely to be higher as further activity is likely to take place but not be recorded. Estimated minimum and maximum figures for these costs are shown in our Detailed Methodology.
- 5 External expenditure is the only element of the learning costs recorded in HMRC's accounts as training expenditure.

Source: National Audit Office analysis

2.6 Since 2008-09, total investment in learning and development has reduced by 28 per cent (**Figure 7**). External spend has dropped by 40 per cent since 2008-09. However, there has also been a reduction in the workforce of 17 per cent over the period.

2.7 We calculate the annual average cost of learning per full-time equivalent is £1,419 (2010-11). This includes all elements of the investment including time spent in both formal and informal learning activities. It is difficult to obtain comparative data to establish if this total investment is typical of an organisation of HMRC's size and complexity. However, our 2011 report, *Identifying and meeting central government's skills requirements*,¹⁰ analysed central government spend on skills development and estimated an average spend by department of £547 per head (2009-10). This figure is not comparable with our analysis of the annual average learning cost per full-time equivalent because, as the report recognises, it excludes informal learning, much professional and technical training, overheads associated with in-house training and the cost of staff time spent training. The report stated an average spend for HMRC of £480 per head. It concluded that the lower than average figure reflected the higher-volume, lower-cost training of a department with many staff working in call centres and processing centres.

Figure 7

Trend in total investment in learning and development

	2008-09	2009-10	2010-11
Total costs of learning and development	£122m	£104m	£96.5m
Cost per head of learning and development	£1,581	£1,411	£1,419

NOTES

- 2008-09 data was calculated for an internal HMRC review and updated to provide 2009-10 figures for the purposes of this report. The 2008-09 and 2009-10 estimates have not been fully validated and may not be directly comparable with NAO analysis of the 2010-11 figures.
- Figures shown are the in-year costs of learning and development and have not been adjusted for inflation.

Source: National Audit Office and HM Revenue & Customs analysis

¹⁰ Comptroller and Auditor General, *Identifying and meeting central government's skills requirements*, Session 2010–2012, HC 1276, National Audit Office, July 2011.

The Department does not currently hold business areas sufficiently to account for investment in skills

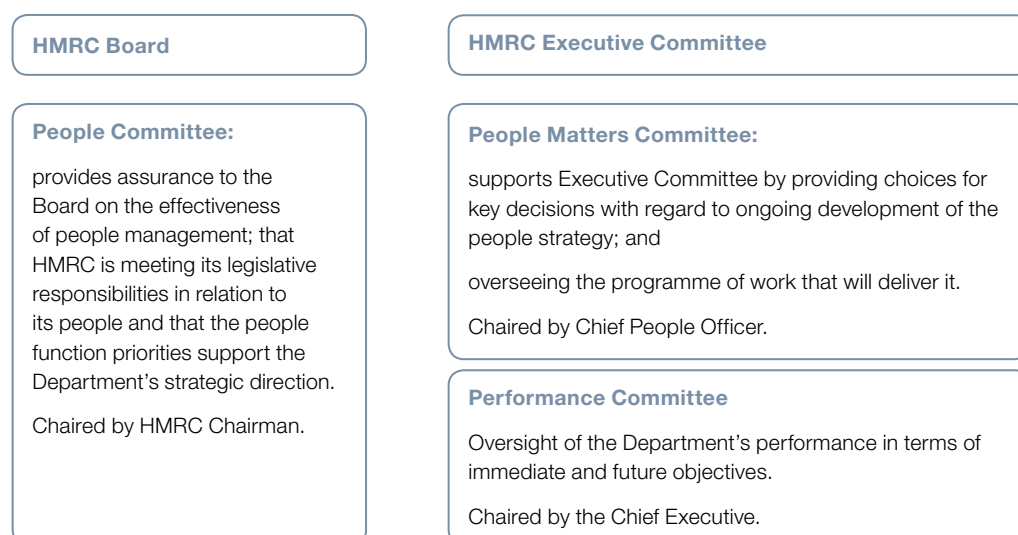
Governance mechanisms are in place but there is no clear line of sight that would enable the Board to hold business areas to account for investment in skills

2.8 There are mechanisms in place to allow HMRC's Board and Executive Committee to monitor the people, skills and capability risk. The Executive Committee is supported by a Performance Committee which measures progress against key performance indicators. The Board and Executive Committee are also supported by People Matters and People committees (**Figure 8**).

2.9 We carried out a review and analysis of HMRC Board, Executive Committee and supporting sub-committee minutes to establish how resourcing and skills issues are managed at this level. Although formal agendas and minutes do not always record every conversation, we found that between April 2010 and March 2011 all of the committees focused on resourcing issues such as the plans to redeploy 9,000 people in response to the spending review, sickness absence, leadership and staff engagement. However, it is not clear how these groups work together and what their different responsibilities for investment in skills are.

Figure 8

Human resource governance by the Board and Executive Committee



NOTE

1 The Board provides strategic direction for HMRC. Executive Committee is the executive decision-making body.

Source: National Audit Office review of HM Revenue & Customs's governance arrangements

2.10 The Performance Committee uses key performance indicators to track performance but there is currently no measure for monitoring skills across the organisation. The Performance Committee recognises it needs a measure of skills and capability. HMRC expects the indicator, which is currently in development but will not be measured before 2012, to be based on staff survey questions about whether staff have the skills they need and input indicators such as training days undertaken. A lack of coherent management information to provide a clear picture of learning and development activities to senior management was previously identified by HMRC when it commissioned external consultants to review its learning and development.

2.11 HMRC's business areas carry out their own performance monitoring, including individuals' performance appraisals, monitoring staffing levels and training. However, this information is not collated centrally.

Current governance arrangements have not ensured HMRC has made changes needed

2.12 A consequence of the devolved structure and current governance arrangements are that HMRC has been slow to address issues where it has recognised that changes are needed. For example, internal reviews of learning and development in 2008 and 2009 identified some of the issues set out above including the lack of:

- an overarching learning and development strategy defining outcome, priorities and approach;
- cohesive management information giving a clear line of sight on learning activities and related costs; and
- prioritisation and focus in the provision of learning and development.

Investment may be wasted

2.13 The absence of information on the level of investment restricts HMRC's ability to decide where to target its investment in skills to deliver business objectives, determine whether it is getting value for money and manage risks. While HMRC delivers much of its training to the right people at the right time, we found two instances of waste where HMRC has introduced training products which have either not delivered desired business results or have been delivered at the wrong time (**Figure 9** overleaf). In particular, initial training on 'new penalties' did not result in the expected change of behaviour. A review of the guidance and learning led to a recommendation for a further one day classroom event, based around a series of case studies. HMRC does not have details of how many staff completed the original training, but, based on the number of people at whom the supplementary training was targeted, the original training would have cost a minimum of £9.43 million.

Figure 9

Training expenditure which could have been avoided

Learning and development product	Issue	Number of staff involved	Estimated cost (£m)
HMRC introduced new training in 'new penalties' regime	Following the training, HMRC did not achieve the expected increase in penalties collected.	15,045	9.43 (cost of original training)
	It concluded that the training had not been successful and the training had to be supplemented.		1.89 (cost of supplementary training)
Training in new Caseflow software	Staff who undertook the training did not use what they had learned until some months later. Retraining may now be necessary.	16,000	1.97

NOTES

- 1 NAO estimated cost of 'new penalties' training undertaken which had to be supplemented. This is the minimum cost of staff time spent training and is based on the average salary cost per staff member for the lowest grade of staff undertaking the training. It does not include the cost of developing or delivering the training nor any yield lost as a result of time spent training.
- 2 NAO estimated cost of time spent on Caseflow training based on average salary cost per staff member in the enforcement and compliance business area. This does not include the cost of developing or delivering the training nor any yield lost as a result of time spent training.

Source: National Audit Office analysis

2.14 HMRC's online learning system to monitor all training activity is not used effectively. Data on informal learning, including coaching and mentoring activity, is not captured. Our analysis of the system revealed that staff took 2,037 training courses in 2010-11. Although comparable data is difficult to obtain, over 2,000 training courses seems high, even for an organisation of HMRC's size and complexity. A further 1,700 courses are available but were not used during 2010-11. Although HMRC is now starting an exercise to remove some obsolete courses, at the start of the exercise in 2011 the number of training courses had not reduced since 2009, when consultants engaged by HMRC also identified over 2,000 separate learning products. The consultants were concerned that this suggested poor prioritisation and focus in training provision. Developing large numbers of training courses may risk duplication or waste. For example, we found that HMRC has 64 separate leadership and management courses on its system. We also found that 90 courses had been attended by only one person in 2010-11; 8 of these were trainer-led, and 844 courses (including 118 trainer-led) were attended by 20 staff or fewer.

HMRC has identified some skills gaps but does not have a complete picture of skills across the organisation

There are good examples of action to identify skills gaps but the approach has been inconsistent

2.15 HMRC has not carried out a systematic analysis of its skills gaps across the organisation to measure, for example, the numbers of staff in key roles, their locations, key training to meet business objectives and the length of time staff have spent in the role. HMRC's view is that, in a large organisation, skills databases are difficult to keep up to date and the results are too generic to be useful.

2.16 However, without a systematic assessment of skills, HMRC cannot clearly see whether it has the skills it needs. Without this information, it will be more difficult to successfully redeploy and reskill some 9,000 staff to meet spending review commitments.

2.17 Instead, assessing skills gaps is devolved to HMRC's business areas and professions rather than organisation-wide. There are some good examples of action to identify skills gaps while other areas have not yet assessed skills gaps (**Figure 10**).

Figure 10

Skills analysis carried out by business areas and the core professions

Business area/profession	Skills analysis
Enforcement and compliance	In 2008-09, enforcement and compliance recognised the need for a more structured approach to workforce and skills. It implemented a project to establish a baseline of skills, qualifications and behaviours as well as numbers, grades and locations and aimed to perform a gap analysis of future capability needs. The business area established a need for real-time compliance skills and debt recovery skills, and identified gaps in specialist areas such as risk behavioural profiling and criminal justice.
Business tax	Business tax has not carried out a systematic exercise but has identified skills gaps as they emerge. For example, HMRC's Large Business Service has concluded that its customer relationship managers need more than basic knowledge of the taxes in which they are not specialist. Negotiation skills have also been identified as a training gap.
Benefits and credits	This area developed a skills matrix for assessing individual staff skills. The matrix is used at team level rather than for collating skills information across the business area.
Personal tax	Personal tax has not carried out a systematic skills analysis, although some teams have carried out skills analysis and the business area has a number of skills matrices and monitors numbers of staff who have had key training. It is working with the Operational Delivery Profession to develop a single matrix to capture skills needs.
Tax profession	Worked closely with business areas when developing tax professional qualification modules taking into account skills needs. A job-mapping exercise is under way to identify skills requirements, and HMRC then plan to analyse skills gaps across the profession.
Operational delivery	Has used workshops to establish what skills are required for roles but has not carried out an analysis of skills gaps across the profession.

Source: National Audit Office analysis

There are indications that HMRC does not have all the required skills to meet business objectives and this affects performance

2.18 Evidence from HMRC's staff and customer surveys, as well as views of HMRC's stakeholders in the tax agent community and in the voluntary sector, suggest that there are skills shortages, particularly in customer-facing roles. However, HMRC has not established whether these views are justified. HMRC's response to the people survey has focused on challenges around leadership and communication rather than on skills and learning.

2.19 The results of HMRC's people survey show that staff perceptions of whether they have the skills they need and the effectiveness of learning and development are lower than for most other government departments surveyed. In particular, in 2010, 75 per cent of HMRC staff said they had the skills they needed to do their job effectively, the worst result of all 103 departments surveyed, although this result has improved to 79 per cent in 2011 (**Figure 11**). In response to the same question, 15 per cent in 2010 and 13 per cent in 2011 neither agreed nor disagreed. Analysis of the results by HMRC business area or by profession reveals a broadly similar pattern.

2.20 HMRC considers that the staff survey results do not indicate a failure in training provision but that staff have expectations of greater levels of training than they require. However, it has not carried out any analysis to confirm whether this is the case.

2.21 HMRC's 2010 customer survey also suggests potential skills gaps (**Figure 12**). While there may be various underlying factors, we identified survey questions where staff skills may be a factor. In particular, the responses of professional tax agents suggest HMRC staff skills could be improved. We spoke to tax agents and other customers to understand their perspectives on HMRC staff skills. While large businesses said there had been an improvement in staff skills over the last two years, tax agents and the voluntary sector were concerned about the skills of contact centre staff. These organisations said that staff did not have the knowledge to deal with more difficult questions. Evidence presented by HMRC's stakeholders to the Treasury Select Committee in 2011 was consistent with our findings.¹¹

HMRC needs better information on retirement hot spots or other succession planning

2.22 Skills are depleted as experienced individuals leave the organisation or move into roles in different parts of HMRC. In key roles, succession planning is important. HMRC has recently 'refreshed' the top three tiers of the organisation – some people have left HMRC – and it has identified who would be able to move up and fill the roles higher up.

11 House of Commons Treasury Select Committee Report: *Administration and Effectiveness of HM Revenue & Customs*, 16th Report, HC 731, 2010–2012.

Figure 11
Staff survey results on skills and learning

Survey question	Percentage of HMRC staff that agreed or strongly agreed	Autumn 2010		Autumn 2011	
		Civil Service average percentage of staff that agreed or strongly agreed	HMRC position out of 103 departments	Percentage of HMRC staff that agreed or strongly agreed	Civil Service average percentage of staff that agreed or strongly agreed
I have the skills I need to do my job effectively	74	88	103	79	88
I am able to access the right learning and development opportunities when I need to	47	55	75	54	54
Learning and development activities I have completed in the past 12 months have helped to improve my performance	33	48	94	38	45
There are opportunities for me to develop my career in HMRC	12	28	98	26	31
Learning and development activities I have completed while working for HMRC are helping me to develop my career	16	41	101	25	40

NOTE

1 Results of these surveys have been tested and the differences are statistically significant. The differences between HMRC and the Civil Service are statistically significant at the 1 per cent level, which means that there is only a 1 per cent chance that these differences occurred by chance.

Source: Civil Service and HM Revenue & Customs People Surveys 2010 and 2011. Departmental rankings for the 2011 people survey were not available at time of publication

Figure 12
Responses from HMRC 2010 Customer survey

Survey question	Small businesses	Individuals	Tax agents
Percentage that agreed that HMRC staff are good at getting things right	80	74	58
Percentage that agreed that it was hard to get away with paying less tax than they owed	69	56	56

NOTE

1 HM Revenue & Custom's survey tracks changes in customer perceptions of HM Revenue & Custom and of the experience of dealing with the Department for each of three main customer groups.

Source: HM Revenue & Customs Customer Survey 2010

2.23 In evidence to the Treasury Select Committee in 2011, the Confederation of British Industry raised concerns that staff turnover is too rapid.¹² Tax agents we consulted also perceived a downward trend in skills levels and suggested that many of HMRC's more experienced staff have left the organisation. However, HMRC does not measure length of time in role so it is difficult to establish which roles have low numbers of experienced staff and the impact of this. We found that average salaries have reduced by 7.4 per cent between 2009-10 and 2010-11. HMRC suggests that this is because a larger proportion of staff at the higher end of the pay scale have left the organisation, and these are likely to be more experienced staff.

2.24 Depleting skills, as experienced staff retire, is a significant risk to HMRC. The average age of HMRC staff is 49 and around 16 per cent of its workforce are 56 or over (**Figure 13**). Numbers of young people joining the department are limited by the freeze on recruitment except for graduate trainees since 2009. This position is similar across government. In March 2010, nearly a third of the civil service were aged 50 or over. The Government's plans to abolish the retirement age may result in staff working for longer than expected but increases uncertainty in workforce planning.

2.25 HMRC faces particular problems in business areas that employ greater numbers of tax professionals. In enforcement and compliance 18 per cent of staff are over 55. In business tax 19 per cent of staff are over 55. Our 2007 report on large business corporation tax¹³ reported that around a quarter of Large Business Service staff were due to retire within the following ten years. Currently, 22 per cent of staff in the Large Business Service are over 55. The Committee of Public Accounts recommended that the Department should assess the number and skills of staff it needs over the next ten years and how it will recruit them.¹⁴ To meet spending review challenges, the Large Business Service is working with the tax professionalism team to develop a new training programme to meet its specific needs, to be delivered between 2011 and 2015. This key change programme should have an impact on skills but it is too early to determine the outcomes at this stage.

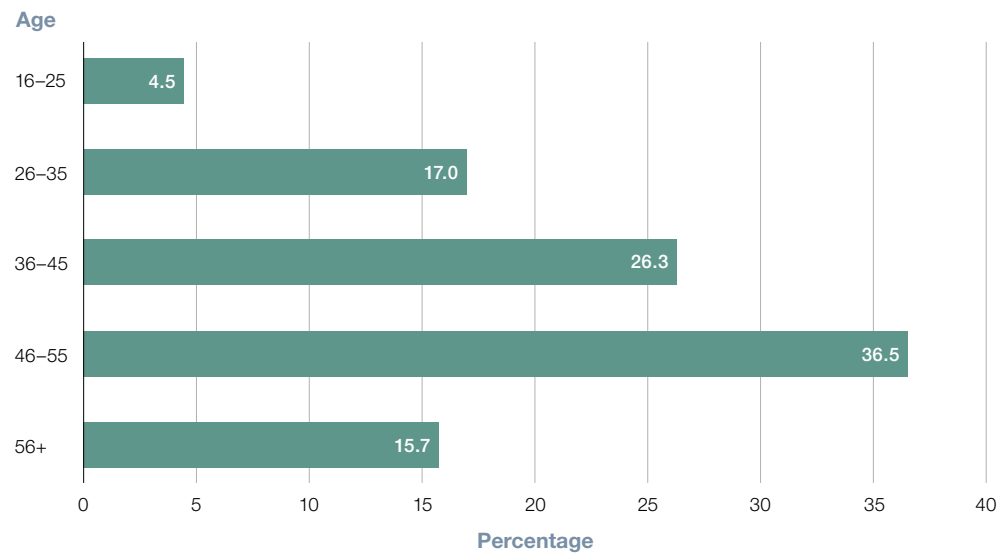
2.26 HMRC needs better management information to identify roles with significant skills gaps as experienced staff retire, and develop strategies for maintaining skills in these roles. The draft skills strategy recognises that it faces a potential loss of skills as staff retire, but action to assess and deal with the problem has been variable. Some business areas have examined age profile data to identify hotspots, while other areas lack useful information such as age profile data by role.

¹² House of Commons Treasury Select Committee: *Administration and Effectiveness of HM Revenue & Customs*, 16th Report, HC 731, Session 2010–2012.

¹³ Comptroller and Auditor General, *Management of large business corporation tax*, Session 2006–07, HC 614, National Audit Office, July 2007.

¹⁴ HC Committee of Public Accounts, *Management of Large Business Corporation Tax*, Thirtieth report of Session 2007–08, HC 302, June 2008.

Figure 13
HMRC Age Profile



NOTE

1 All HMRC business areas have the highest number of staff in the 46-55 age range but this is particularly significant in enforcement and compliance and business tax.

Source: National Audit Office analysis

Evaluation of learning does not tell HMRC whether it helps achieve business objectives

2.27 Evaluation establishes whether learning is effective and timely and it measures the return on investment. The Chartered Institute of Personnel and Development found that post-course evaluations are the most commonly used methods of evaluating learning and development, being used by 93 per cent of the organisations it surveyed.¹⁵ Evaluating the impact of learning and development is difficult in practice and approaches vary across the public and private sector. The Chartered Institute found that less than 50 per cent of the organisations it surveyed measure the impact of training on business outcomes.

¹⁵ Chartered Institute of Personnel and Development Annual Survey Report 2011: *Learning and Talent Development*.

2.28 HMRC developed best practice guidance to evaluate training in 2009. However, we found that the guidance was not consistently applied across the department and many staff we interviewed were unaware of the guidance. HMRC does not currently seek to evaluate the effectiveness of informal learning, including mentoring and coaching. The tax and operational delivery professions are at different stages of establishing performance measures for learning and development (also covered in Part One). HMRC concluded that it was impractical to directly link training to business outcomes. It is evaluating the tax professionalism programme using a staff survey to measure perceptions of the effectiveness of the training. The operational delivery programme is not sufficiently advanced and HMRC has not yet fully decided how to evaluate its success.

2.29 HMRC's management information on evaluation is poor. Its best practice guidance states that all learning and development products should be subject to post-course evaluation of user views. However, evaluations at this level have been completed on only 5 per cent of courses on the online learning system. The Department has told us that only some management information is recorded on the online learning system and it is not an exhaustive list of all evaluations. However, it is not clear how the results of other evaluations are captured, disseminated and fed back.

Appendix One

Scope and methodology

1 This report focuses on HMRC's core tax and operational delivery roles, and the technical and generic skills and knowledge those staff need to undertake their roles effectively. It does not cover the skills required by staff in other specialisms such as finance, information technology and human resources. The report covers the various elements that contribute to delivering skills including formal and informal learning, on-the-job experience and supporting systems HMRC uses to deliver knowledge.

2 The report is part of a wider programme of audit we conduct on HMRC. This programme includes our annual audit of HMRC's accounts and examination of its systems for assessing and collecting taxes, value-for-money studies, and other Department or cross-government work. In devising our programme we have regard to the NAO's three strategic themes of cost-effective service delivery, financial management and informed government.

Selected Method

1 Document review and analysis. We examined corporate documentation about HMRC's management of staff skills as well as HMRC staff and customer survey reports.

2 Analysis of management information. We examined data on amounts and types of learning activity, skills and skill gaps assessments and age profile information.

3 Financial analysis. We performed a special exercise to calculate the full investment in learning and development and trend analysis.

Purpose

To examine HMRC's approach to establishing whether it has the right people with the right skills in the right places.

To assess HMRC's approach to assessing and addressing skills gaps at business area level.

To establish the full investment made in skills and whether HMRC has quantified the investment and measured how it is being used.

Selected Method

4 Examination of HMRC's approach to carrying out quality assessments and evaluating learning outcomes. We examined both HMRC and external best practice guidance on evaluation and reviewed HMRC's evaluation exercises.

5 Semi-structured interviews. We conducted interviews with staff leading learning and development in HMRC, HMRC staff and external stakeholders including trade unions, tax agents, voluntary sector and businesses.

6 Consultation with reference partners.

Purpose

To assess whether HMRC is following best practice in evaluating the outcomes of its learning and development.

To understand the respective responsibilities of the central learning function, the professions and the business area learning functions as well as the perspectives of staff and external stakeholders.

To gain an understanding of the approach to skills management in other organisations.



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