

Service Order


HM REVENUE & CUSTOMS SERVICE ORDER	
A1. HMRC Information	
Purchase Order to be issued under separate cover	
CD Reference:	SR553097308
Purchase / Limit Order No	TBC
HMRC Commercial Contact	
Name:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
email:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
HMRC Work Manager	
Name:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
Contact Telephone No.:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
Contact Address:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
email:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
HMRC Authorised Officer: (Sponsor/Budget Approver/Invoicing & timesheets)	<div style="background-color: black; width: 100px; height: 1.2em;"></div>

A2. Supplier Information	
Supplier:	Kantar UK Ltd
Contact:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
Contact Tel No:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
Contact Address:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
	<div style="background-color: black; width: 100px; height: 1.2em;"></div>
email:	<div style="background-color: black; width: 100px; height: 1.2em;"></div>

A3. Contractual Detail	
Special Terms and Conditions: e.g. overtime, expenses, travel & subsistence, notice period.	This agreement will be governed by HMRC's Mandatory Clauses as set out within Appendix 1: Authority's Mandatory Terms.

A4. Project Information	
Project Title	Qualitative deep dives into the annual customer survey results
Primary Location: (including full address)	
Services Start Date:	16/02/2021
End Date:	15/02/2022

A5. Commercial Detail			
Project stage	Assumptions	Cost (ex. VAT)	Team days / rate
Grand Total (£) exclusive of VAT:			£64,772.00

A6.	Specification
The section below should be used to provide clear details relating to the requirements for delivery of the project/assignment. It should include, where appropriate, milestones / key deliverables with dates, and proposals for skills transfer.	
<p>1. Introduction</p> <p>1.1 HM Revenue & Customs (HMRC) requires a provision for a supplier to undertake research aimed at understanding the drivers of “ease” and “getting things right” within HMRC’s annual Individuals, Small Businesses and Agents (ISBA) survey.</p> <p>1.2 HMRC intends for this contract to be in place as soon as possible, with final outputs expected by May 2021.</p> <p>1.3 HMRC will maintain the overall management of the project.</p> <p>2. Context</p> <p>2.1. It’s HMRC’s aim to design a customer-centric service and build simplicity within our systems, products and processes. To do this, we must understand the drivers behind the scores in HMRC’s annual customer surveys – key sources for monitoring our progress.</p> <p>2.2. </p> <p>2.3. There is a lack of full understanding on what customers’ experiences on these issues mean. We are therefore looking to conduct follow-up research that allows us to explore differences in customers’ perceptions on these issues, and provide actionable insight into how we can improve on the scores.</p> <p>3. Research Aims & Objectives</p> <p>3.1. The core objectives of this research are:</p> <ul style="list-style-type: none"> a. To develop a robust evidence-based understanding of what drives individuals, small businesses and agents to score on “ease” and “getting things right” in the annual ISBA customer survey. b. To dig underneath the surface of those who scored positively and negatively on these scores of the annual survey and 	

provide a clear, accurate picture to ascertain any barriers that they may have come across in their dealings with HMRC's services.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

4. Methodology and Scope

Approach to be aligned to the Supplier proposal provided in '**Appendix 3: Supplier Proposal**'.

Scope

- 4.1 This research is to follow up on the scores of the 2020 ISBA survey, in which positive ratings on "ease" and "getting things right" have recently been more volatile than in previous years. We feel an in-depth exploration of the drivers of these scores is required to help us fully understand what customers mean. We invite the tendering agency to propose a detailed qualitative methodology that will fully address the aims, objectives and requirements of this research project.
- 4.2 The research will continue to cover the three separate groups from the ISBA survey: Individuals, Small Businesses and Agents. Like the ISBA survey, we feel it's important that the experience of each group is reported separately.
- 4.3 We believe that qualitative interviews and focus groups are the best method to systematically draw out themes that can be analysed to develop actionable insight in how to improve on the scores.
- 4.4 We will work with the appointed agency to develop a topic guide for the qualitative methods to fulfil the research objectives.

[REDACTED]

- 4.5 The supplier is welcome to provide alternative approaches to the suggested methodology and innovative methods of recruitment.

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

5 Length of Contract

- 5.1 We intend for this contract to be in place by late January 2021 and delivered by June 2021
- 5.2 The contract will be for 12 months to allow for any delays.
- 5.3 All stages of the contract must be completed by the end of June. Tenderers should state if they can meet this deadline, but can also suggest alternative timetables with an accompanying justification.

6 Outputs

- 6.1 We anticipate working closely with the contractor. The deliverables required for this research are:

[REDACTED]

[REDACTED]

[REDACTED]

- iv. A full written report in PowerPoint (or other format to be approved in advance), documenting the methodology, all analysis, findings and insights in an engaging manner and with clear recommendations for further action, which can be circulated to internal stakeholders.
- v. A full written report of the research findings that will be

published on the HMRC website, in accordance with the standard Government publication processes and Government accessibility guidelines.

- vi. All summaries, reports, data outputs (eg tables and graphs) and presentations should be provided in an electronic format, compatible with Microsoft Office applications. All presentations and reports should be concise and written in plain English. They should be of a high (publishable) standard suitable for online publication. HMRC expects all drafts to be complete, to have been proof-read before delivery and for data in the drafts to have been quality assured. HMRC may arrange for any final reports produced to be peer-reviewed, either in-house or externally.

Contractors are also reminded that any research reports to be published on www.gov.uk must meet the accessibility requirements for public sector bodies' publications:

<https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps#accessibility-standards>

7 Quality and Risk Management

- 7.1 The Supplier shall include a project plan and time schedule for the work that identifies the main tasks and key milestones that shall be used to monitor progress, indicating clearly where HMRC is expected to contribute.
- 7.2 The Supplier shall include a quality control plan with its proposal, which shall demonstrate its internal procedures to assure quality control. In particular, this shall include strategies for monitoring of interviewer performance, securing reliable data from respondents, ensuring high standards of data analysis, and ensuring final outputs meet HMRC's needs.

The proposal shall also include an assessment of the key risks to this project. This shall identify the most significant risks to successful completion of the programme of work, assess the degree of risk (likelihood and impact), and set out strategies for minimising these risks and managing the consequences if problems occur.

8 Expertise and Capability

4.1. We acknowledge that the supplier may have all the skills and ability within its organisation to undertake all or part of this research but may not have sufficient resources required to successfully deliver the whole research requirement. We therefore encourage agencies to collaborate with other suppliers to ensure that they are fully capable of undertaking the work.

4.2. The Suppliers team will incorporate those with:

- a. Experience of conducting qualitative research with individuals on potentially sensitive topics, related to tax and/or tax compliance behaviour; and
- b. Relevant experience and skills that match the requirements for the proposed research methodology.

9 Project Management and Contract Administration

9.1 [REDACTED] is HMRC Manager for this project. They will be responsible for the day to day management of the contract. Once the contract has been awarded, all contact with HMRC concerning the project should be made through them. The research organisation will be required to appoint a contract manager who will act as the principal point of contact for the Department.

9.2 The research organisation will be expected to work closely with the HMRC project manager and through them, with internal customers within HMRC throughout the duration of the contract. They must be kept informed of progress and be involved in key decisions. Proposed changes in project staffing (at all levels) or deviations from the agreed work programme must be discussed and agreed with the project manager in advance.

10 Security

11.1 Security Management plan can be found in '**Appendix 2: Security Management Plan**

The Agreement effected by the signing of this Form of Agreement constitutes the entire agreement between the Parties relating to the subject matter of the Agreement and supersedes all prior negotiations, representations or understandings whether written or oral.

Signed for and on behalf of:

	The Commissioners for HM Revenue & Customs:		Kantar UK Ltd
Signature:	<div></div>	Signature:	<div></div>
Name:	<div></div>	Name:	<div></div>
Capacity:	<div></div>	Capacity:	<div></div>
Date:	<div></div>	Date:	<div></div>
Address:	<div></div>	Address:	<div></div>
Telephone:	<div></div>	Telephone:	<div></div>
email:	<div></div>	email:	<div></div>



Appendix 1:
AUTHORITY'S MANDATORY TERMS

- A.** For the avoidance of doubt, references to 'the Agreement' mean the attached Call-Off Contract between the Supplier and the Authority. References to 'the Authority' mean 'the Buyer' (the Commissioners for Her Majesty's Revenue and Customs).
- B.** The Agreement incorporates the Authority's mandatory terms set out in this Appendix 1.
- C.** In case of any ambiguity or conflict, the Authority's mandatory terms in this Appendix 1 will supersede any other terms in the Agreement.

1. Definitions

"Affiliate"	in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time;
"Authority Data"	(a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are: (i) supplied to the Supplier by or on behalf of the Authority; and/or (ii) which the Supplier is required to generate, process, store or transmit pursuant to this Agreement; or (b) any Personal Data for which the Authority is the Controller, or any data derived from such Personal Data which has had any designatory data identifiers removed so that an individual cannot be identified;
"Charges"	the charges for the Services as specified in section A5 of the Service Order;
"Connected Company"	means, in relation to a company, entity or other person, the Affiliates of that company, entity or other person or any other person associated with such company, entity or other person;
"Control"	the possession by a person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or

	otherwise) and "Controls" and "Controlled" shall be interpreted accordingly; take the meaning given in the GDPR;
"Controller", "Processor", "Data Subject", "Data Protection Legislation"	(a) the GDPR, the Law Enforcement Directive (Directive EU 2016/680) and any applicable national implementing Laws as amended from time to time; (b) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; (c) all applicable Law about the processing of personal data and privacy;
"GDPR"	the General Data Protection Regulation (Regulation (EU) 2016/679);
"Key Subcontractor"	any Subcontractor: (a) which, in the opinion of the Authority, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services; and/or (b) with a Subcontract with a contract value which at the time of appointment exceeds (or would exceed if appointed) ten per cent (10%) of the aggregate Charges forecast to be payable under this Call-Off Contract;
"Law"	any applicable Act of Parliament, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, exercise of the royal prerogative, enforceable community right within the meaning of section 2 of the European Communities Act 1972, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;
"Personal Data"	has the meaning given in the GDPR;
"Purchase Order Number"	the Authority's unique number relating to the supply of the Services;
"Services"	the services to be supplied by the Supplier to the Authority under the Agreement, including the provision of any Goods;
"Subcontract"	any contract or agreement (or proposed contract or agreement) between the Supplier (or a Subcontractor) and any third party whereby that third party agrees to provide to the Supplier (or the Subcontractor) all or any part of the Services, or facilities or services which are material for the provision of the Services, or any part thereof or necessary for the management,

	direction or control of the Services or any part thereof;
"Subcontractor"	<p>any third party with whom:</p> <ul style="list-style-type: none"> (a) the Supplier enters into a Subcontract; or (b) a third party under (a) above enters into a Subcontract, <p>or the servants or agents of that third party;</p>
"Supplier Personnel"	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor of the Supplier engaged in the performance of the Supplier's obligations under the Agreement;
"Supporting Documentation"	sufficient information in writing to enable the Authority to reasonably verify the accuracy of any invoice;
"Tax"	<ul style="list-style-type: none"> (a) all forms of tax whether direct or indirect; (b) national insurance contributions in the United Kingdom and similar contributions or obligations in any other jurisdiction; (c) all statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imports, contributions, levies or liabilities (other than in return for goods or services supplied or performed or to be performed) and withholdings; and (d) any penalty, fine, surcharge, interest, charges or costs relating to any of the above, <p>in each case wherever chargeable and whether of the United Kingdom and any other jurisdiction;</p>
"Tax Non-Compliance"	<p>where an entity or person under consideration meets all 3 conditions contained in the relevant excerpt from HMRC's "Test for Tax Non-Compliance", as set out in Annex 1, where:</p> <ul style="list-style-type: none"> (a) the "Economic Operator" means the Supplier or any agent, supplier or Subcontractor of the Supplier requested to be replaced pursuant to Clause 4.3; and (b) any "Essential Subcontractor" means any Key Subcontractor;
"VAT"	value added tax as provided for in the Value Added Tax Act 1994.

2. Payment and Recovery of Sums Due

- 2.1** The Supplier shall invoice the Authority as specified in Clause A5 of the Agreement. Without prejudice to the generality of the invoicing procedure specified in the Agreement, the Supplier shall procure a Purchase Order Number from the Authority prior to the commencement of any Services and the Supplier acknowledges and agrees that should it commence Services without a Purchase Order Number:
- 2.1.1** the Supplier does so at its own risk; and
 - 2.1.2** the Authority shall not be obliged to pay any invoice without a valid Purchase Order Number having been provided to the Supplier.
- 2.2** Each invoice and any Supporting Documentation required to be submitted in accordance with the invoicing procedure specified in the Agreement shall be submitted by the Supplier, as directed by the Authority from time to time via the Authority's electronic transaction system.
- 2.3** If any sum of money is recoverable from or payable by the Supplier under the Agreement (including any sum which the Supplier is liable to pay to the Authority in respect of any breach of the Agreement), that sum may be deducted unilaterally by the Authority from any sum then due, or which may come due, to the Supplier under the Agreement or under any other agreement or contract with the Authority. The Supplier shall not be entitled to assert any credit, set-off or counterclaim against the Authority in order to justify withholding payment of any such amount in whole or in part.

3. Warranties

- 3.1** The Supplier represents and warrants that:
- 3.1.1** in the three years prior to the Effective Date, it has been in full compliance with all applicable securities and Laws related to Tax in the United Kingdom and in the jurisdiction in which it is established;
 - 3.1.2** it has notified the Authority in writing of any Tax Non-Compliance it is involved in; and
 - 3.1.3** no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue and the Supplier has notified the Authority of any profit warnings issued in respect of the Supplier in the three years prior to the Effective Date.
- 3.2** If at any time the Supplier becomes aware that a representation or warranty given by it under Clause 3.1.1, 3.1.2 and/or 3.1.3 has been breached, is untrue, or is misleading, it shall immediately notify the Authority of the relevant occurrence in sufficient detail to enable the Authority to make an accurate assessment of the situation.
- 3.3** In the event that the warranty given by the Supplier pursuant to Clause 3.1.2 is materially untrue, the Authority shall be entitled to terminate the Agreement pursuant to the Call-Off clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

4. Promoting Tax Compliance

- 4.1** All amounts stated are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Authority following delivery of a valid VAT invoice.
- 4.2** To the extent applicable to the Supplier, the Supplier shall at all times comply with all Laws relating to Tax and with the equivalent legal provisions of the country in which the Supplier is established.
- 4.3** The Supplier shall provide to the Authority the name and, as applicable, the Value Added Tax registration number, PAYE collection number and either the Corporation Tax or self-assessment reference of any agent, supplier or Subcontractor of the Supplier prior to the provision of any material Services under the Agreement by that agent, supplier or Subcontractor. Upon a request by the Authority, the Supplier shall not contract, or will cease to contract, with any agent, supplier or Subcontractor supplying Services under the Agreement.
- 4.4** If, at any point during the Term, there is Tax Non-Compliance, the Supplier shall:
 - 4.4.1** notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and
 - 4.4.2** promptly provide to the Authority:
 - (a)** details of the steps which the Supplier is taking to resolve the Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and
 - (b)** such other information in relation to the Tax Non-Compliance as the Authority may reasonably require.
- 4.5** The Supplier shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, that is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any Tax relating to payments made to the Supplier under this Agreement. Any amounts due under this Clause 4.5 shall be paid in cleared funds by the Supplier to the Authority not less than five (5) Working Days before the date upon which the Tax or other liability is payable by the Authority.
- 4.6** Upon the Authority's request, the Supplier shall provide (promptly or within such other period notified by the Authority) information which demonstrates how the Supplier complies with its Tax obligations.
- 4.7** If the Supplier:
 - 4.7.1** fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with Clauses 4.2, 4.4.1 and/or 4.6 this may be a material breach of the Agreement;
 - 4.7.2** fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with a reasonable request by the Authority that it must not contract, or must cease to contract, with any agent, supplier or Subcontractor of the Supplier as required by Clause 4.3 on the grounds that the agent, supplier or Subcontractor of the Supplier is involved in Tax Non-Compliance this shall be a material breach of the Agreement; and/or
 - 4.7.3** fails to provide details of steps being taken and mitigating factors pursuant to Clause 4.4.2 which in the reasonable opinion of the

Authority are acceptable this shall be a material breach of the Agreement;

and any such material breach shall allow the Authority to terminate the Agreement pursuant to the Call-Off Clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

- 4.8 The Authority may internally share any information which it receives under Clauses 4.3 to 4.4 (inclusive) and 4.6, for the purpose of the collection and management of revenue for which the Authority is responsible.

5. Use of Off-shore Tax Structures

- 5.1 Subject to the principles of non-discrimination against undertakings based either in member countries of the European Union or in signatory countries of the World Trade Organisation Agreement on Government Procurement, the Supplier shall not, and shall ensure that its Connected Companies, Key Subcontractors (and their respective Connected Companies) shall not, have or put in place (unless otherwise agreed with the Authority) any arrangements involving the use of off-shore companies or other off-shore entities the main purpose, or one of the main purposes, of which is to achieve a reduction in United Kingdom Tax of any description which would otherwise be payable by it or them on or in connection with the payments made by or on behalf of the Authority under or pursuant to this Agreement or (in the case of any Key Subcontractor and its Connected Companies) United Kingdom Tax which would be payable by it or them on or in connection with payments made by or on behalf of the Supplier under or pursuant to the applicable Key Subcontract ("**Prohibited Transactions**"). Prohibited Transactions shall not include transactions made between the Supplier and its Connected Companies or a Key Subcontractor and its Connected Companies on terms which are at arms-length and are entered into in the ordinary course of the transacting parties' business.
- 5.2 The Supplier shall notify the Authority in writing (with reasonable supporting detail) of any proposal for the Supplier or any of its Connected Companies, or for a Key Subcontractor (or any of its Connected Companies), to enter into any Prohibited Transaction. The Supplier shall notify the Authority within a reasonable time to allow the Authority to consider the proposed Prohibited Transaction before it is due to be put in place.
- 5.3 In the event of a Prohibited Transaction being entered into in breach of Clause 5.1 above, or in the event that circumstances arise which may result in such a breach, the Supplier and/or the Key Subcontractor (as applicable) shall discuss the situation with the Authority and, in order to ensure future compliance with the requirements of Clauses 5.1 and 5.2, the Parties (and the Supplier shall procure that the Key Subcontractor, where applicable) shall agree (at no cost to the Authority) timely and appropriate changes to any such arrangements by the undertakings concerned, resolving the matter (if required) through the escalation process in the Agreement.
- 5.4 Failure by the Supplier (or a Key Subcontractor) to comply with the obligations set out in Clauses 5.2 and 5.3 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

6 Data Protection and off-shoring

6.1 The Processor shall, in relation to any Personal Data processed in connection with its obligations under the Agreement:

6.1.1 not transfer Personal Data outside of the United Kingdom unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

- (a)** the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with GDPR Article 46 or LED Article 37) as determined by the Controller;
- (b)** the Data Subject has enforceable rights and effective legal remedies;
- (c)** the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and
- (d)** the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data;

6.2 Failure by the Processor to comply with the obligations set out in Clause 6.1 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

7 Commissioners for Revenue and Customs Act 2005 and related Legislation

7.1 The Supplier shall comply with, and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 18 of the Commissioners for Revenue and Customs Act 2005 ('CRCA') to maintain the confidentiality of Authority Data. Further, the Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the aforesaid obligations may lead to a prosecution under Section 19 of CRCA.

7.2 The Supplier shall comply with, and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 123 of the Social Security Administration Act 1992, which may apply to the fulfilment of some or all of the Services. The Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the Supplier's obligations under Section 123 of the Social Security Administration Act 1992 may lead to a prosecution under that Act.

7.3 The Supplier shall regularly (not less than once every six (6) months) remind all Supplier Personnel who will have access to, or are provided with, Authority Data in writing of the obligations upon Supplier Personnel set out in Clause 7.1 above. The Supplier shall monitor the compliance by Supplier Personnel with such obligations.

- 7.4** The Supplier shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data sign (or have previously signed) a Confidentiality Declaration, in the form provided at Annex 2. The Supplier shall provide a copy of each such signed declaration to the Authority upon demand.
- 7.5** In the event that the Supplier or the Supplier Personnel fail to comply with this Clause 7, the Authority reserves the right to terminate the Agreement with immediate effect pursuant to the clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

Annex 1

Excerpt from HMRC's "Test for Tax Non-Compliance"

Condition one (An in-scope entity or person)

1. There is a person or entity which is either: ("X")
 - 1) The Economic Operator or Essential Subcontractor (EOS)
 - 2) Part of the same Group of companies of EOS. An entity will be treated as within the same Group of EOS where that entities' financial statements would be required to be consolidated with those of EOS if prepared in accordance with *IFRS 10 Consolidated Financial Accounts*¹;
 - 3) Any director, shareholder or other person (P) which exercises control over EOS. 'Control' means P can secure, through holding of shares or powers under articles of association or other document that EOS's affairs are conducted in accordance with P's wishes.

Condition two (Arrangements involving evasion, abuse or tax avoidance)

2. X has been engaged in one or more of the following:
 - a. Fraudulent evasion²;
 - b. Conduct caught by the General Anti-Abuse Rule³;
 - c. Conduct caught by the Halifax Abuse principle⁴;
 - d. Entered into arrangements caught by a DOTAS or VADR scheme⁵;
 - e. Conduct caught by a recognised 'anti-avoidance rule'⁶ being a statutory provision which targets arrangements where either a main purpose, or an expected benefit, is to obtain a tax advantage or where the arrangement is not effected for commercial purposes. 'Targeted Anti-Avoidance Rules' (TAARs). It may be useful to confirm that the Diverted Profits Tax is a TAAR for these purposes;

¹ <https://www.iasplus.com/en/standards/ifrs/ifrs10>

² 'Fraudulent evasion' means any 'UK tax evasion offence' or 'UK tax evasion facilitation offence' as defined by section 52 of the Criminal Finances Act 2017 or a failure to prevent facilitation of tax evasion under section 45 of the same Act.

³ "General Anti-Abuse Rule" means (a) the legislation in Part 5 of the Finance Act 2013; and (b) any future legislation introduced into Parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions

⁴ "Halifax Abuse Principle" means the principle explained in the CJEU Case C-255/02 Halifax and others

⁵ A Disclosure of Tax Avoidance Scheme (DOTAS) or VAT Disclosure Regime (VADR) scheme caught by rules which require a promoter of tax schemes to tell HM Revenue & Customs of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Section 19 and Part 7 of the Finance Act 2004 and in secondary legislation made under powers contained in Section 19 and Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868 made under s.132A Social Security Administration Act 1992.

⁶ The full definition of 'Anti-avoidance rule' can be found at Paragraph 25(1) of Schedule 18 to the Finance Act 2016 and Condition 2 (a) above shall be construed accordingly.

- f. Entered into an avoidance scheme identified by HMRC's published Spotlights list⁷;
- g. Engaged in conduct which falls under rules in other jurisdictions which are equivalent or similar to (a) to (f) above.

Condition three (Arrangements are admitted, or subject to litigation/prosecution or identified in a published list (Spotlights))

- 3. X's activity in *Condition 2* is, where applicable, subject to dispute and/or litigation as follows:
 - i. In respect of (a), either X:
 - 1. Has accepted the terms of an offer made under a Contractual Disclosure Facility (CDF) pursuant to the Code of Practice 9 (COP9) procedure⁸; or,
 - 2. Has been charged with an offence of fraudulent evasion.
 - ii. In respect of (b) to (e), once X has commenced the statutory appeal process by filing a Notice of Appeal and the appeal process is ongoing including where the appeal is stayed or listed behind a lead case (either formally or informally). NB Judicial reviews are not part of the statutory appeal process and no supplier would be excluded merely because they are applying for judicial review of an HMRC or HMT decision relating to tax or national insurance.
 - iii. In respect of (b) to (e), during an HMRC enquiry, if it has been agreed between HMRC and X that there is a pause with the enquiry in order to await the outcome of related litigation.
 - iv. In respect of (f) this condition is satisfied without any further steps being taken.
 - v. In respect of (g) the foreign equivalent to each of the corresponding steps set out above in (i) to (iii).

For the avoidance of doubt, any reference in this Annex 1 to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time including any implementing or successor legislation.

⁷ Targeted list of tax avoidance schemes that HMRC believes are being used to avoid paying tax due and which are listed on the Spotlight website: <https://www.gov.uk/government/collections/tax-avoidance-schemes-currently-in-the-spotlight>

⁸ The Code of Practice 9 (COP9) is an investigation of fraud procedure, where X agrees to make a complete and accurate disclosure of all their deliberate and non-deliberate conduct that has led to irregularities in their tax affairs following which HMRC will not pursue a criminal investigation into the conduct disclosed.

Annex 2 Form
CONFIDENTIALITY DECLARATION

CONTRACT REFERENCE: SR522957309 ('the Agreement')

DECLARATION:

I solemnly declare that:

- 1.** I am aware that the duty of confidentiality imposed by section 18 of the Commissioners for Revenue and Customs Act 2005 applies to Authority Data (as defined in the Agreement) that has been or will be provided to me in accordance with the Agreement.
- 2.** I understand and acknowledge that under Section 19 of the Commissioners for Revenue and Customs Act 2005 it may be a criminal offence to disclose any Authority Data provided to me.

SIGNED:
FULL NAME:
POSITION:
COMPANY:
DATE OF SIGNATURE:

Appendix 2: Security Management Plan

Appendix 3: Supplier Proposal



Qualitative deep dives into the annual customer survey results

Service Order Number SR553097308

Job Number: [REDACTED]

February 2021

Proposal

HMRC project manager	[REDACTED]
Kantar project lead <i>Day to day contact for HMRC</i>	[REDACTED]
Kantar project director	[REDACTED]

Aims and objectives

The aim of this research is to **understand the drivers of “ease” and “getting things right”** within HMRC’s annual Individuals, Small Businesses and Agents (ISBA) survey. A deeper understanding of the experiences and perceptions which underlie customers’ survey scores will assist HMRC in identifying improvements to the design of its services to make it as easy as possible for customers to meet their tax obligations.

The objectives of the study are:

- To develop a robust evidence-based understanding of what drives individuals, small businesses and agents to score on “ease” and “getting things right” in the annual ISBA customer survey.
- To dig underneath the surface of those who scored positively and negatively on these scores of the annual survey and provide a clear, accurate picture to ascertain any barriers that they may have come across in their dealings with HMRC’s services.
- To develop actionable insight that will inform the delivery of HMRC’s objective of making it easy to get things right.

The more detailed questions to be addressed in the study are outlined below and will inform the sample and topic coverage

- How does channel use impact on perceived ease?
 - *What channels do they use, and are different channels perceived as easier or more difficult?*
 - *How does single/multiple channel impact on ease?*
 - *What drives people to use multiple channels to interact with HMRC?*
- What are customers’ expectations around ease of dealing with tax?
 - *What do they expect HMRC to provide in terms of support?*
 - *Where do these expectations come from?*

- *What can HMRC do to manage these expectations?*
- *How did expectations match with experience?*
- What does an easy experience with HMRC look like?
 - *What are customers thinking about in terms of ease of dealing with tax (what do they take into account)?*
 - *Which factors affect whether customers regard their interaction as easy or difficult? What is their relative importance?*
 - *What features of their dealings with HMRC influenced their rating (positive or negative)?*
 - *How does ease affect attitudes towards HMRC?*
- Why have customers had difficult experiences with HMRC?
 - *What factors led to customers rate their experience as difficult?*
 - *Are there particular issues experienced by younger and older age groups that have led to a drop in customer ease for these groups in 2019?*
- Understanding customers' experiences of getting transactions right
 - *What do customers think about when they rate their own experiences?*
 - *What kinds of transactions have they experienced? How many and how frequently?*
 - *How complex are the transactions?*
- What are customers' expectations of HMRC for getting things right?
 - *What level of support do they expect?*
 - *To what extent do they expect to have to interact with HMRC?*
 - *How do their expectations match with their experiences?*
- Understanding how customers think about HMRC effectiveness in ensuring customers pay/receive the correct amount and applying penalties and sanctions?
 - *What do customers think about when they assess whether HMRC is effective?*
 - *How influential is their own experience when considering this issue?*
 - *What other factors are influential, and what is their relative importance?*
 - *How do customers find information to enable them to make a judgement on this issue?*
- What are customer expectations of HMRC effectiveness?
 - *How closely do their views match their expectations?*
 - *How can HMRC manage these expectations?*

The research needs to be completed within 6 months of inception, with as much of the work conducted before the end of the financial year (March 2021) as possible. However, both parties recognise that delays in issuing the brief and commissioning as well the proposed approach will extend timings from those outlined in the ITT. We will work closely together to mitigate any delays and undertake the project as quickly as possible.

The budget for the study is £65,000 plus VAT. It will not be possible to fully achieve the requirements of the research as outlined in the ITT within this budget. Our proposals are in line with the budget, but we indicate where further work might be advantageous and provide marginal rates.

Approach

Costs and invoice schedule

The total cost for this study is **£64,772 ex. VAT**. This is broken down in the table below.

Project stage	Cost (ex. VAT)	Assumptions	Team days / rate

Director, Kantar Public

5 February 2021