Customer Feedback Survey 2015

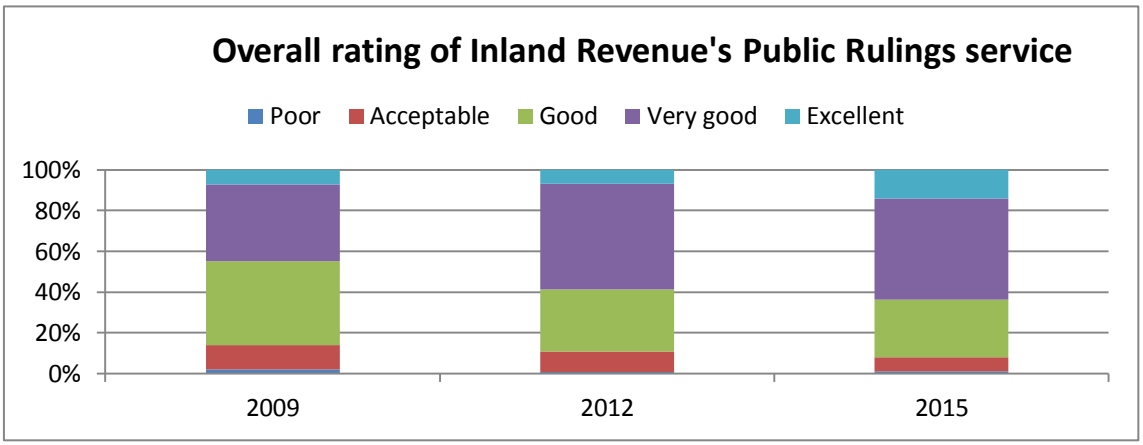
Context

During November 2015, we (the Public Rulings unit in the Office of the Chief Tax Counsel) ran a survey to identify levels of customer satisfaction and to invite comments on how we could improve our products and services.

We conducted similar surveys in 2009 and 2012 (also on the website).

Response rate

Thank you to everyone who took part in our survey. It was pleasing to see 91% of respondents rated the service as good (or better). The graph below shows the small increase from 89% in 2012 and 86% in 2009. Especially pleasing is the doubling of the proportion of respondents rating the service as excellent. (The results in the graph are also shown in a table on page 8.)



The overall response rate in 2015 was 6.2% (350 responses from the 5,633 questionnaires sent out). This compares with an overall response rate of 12.0% in 2012 and 12.8% in 2009. Although the response rate has decreased, more questionnaires were sent out in 2015 than in 2012 and the number of responses has remained constant at about 350.

Improvements to our service since the 2012 survey

After analysing the results of the 2012 survey, we identified areas in which we wanted to improve. In the report on that survey, we listed the key recommendations for change in specific areas that would improve our performance.

We have delivered on the vast majority of the recommendations for change. Our expectation is that in addressing these matters we have improved the service we provide to both the wider Inland Revenue and taxpayers generally. The (slightly) better satisfaction ratings received in the 2015 survey indicate some improvement has been achieved.

The main improvements are in the areas of:

- communication
- the work programme
- brevity and clarity
- the Inland Revenue website.

Communication

We are now communicating more information about our work programme. By reformatting the work programme, we now provide more detailed information about items, including why an item is on the work programme, its current status, and the next steps.

We have also implemented a fortnightly newsletter that gets emailed to everyone we consult with on our items. This "Public Consultation email" summarises and provides links to the items that, in the last fortnight:

- have been finalised
- have been released for consultation
- are still at consultation.

This newsletter seems to have been well received and is now the preferred method by which people receive our items (see the discussion about question 13 below).

Work programme

We have focused on improving our work programme to better meet the needs of taxpayers. For example, we have aimed for a better balance of the different types of public items. We tested this with Chartered Accountants Australia and New Zealand, the New Zealand Law Society and the Corporate Taxpayers Group. However, obtaining input from smaller accounting firms on this matter remains difficult. This remains an area of focus for us.

We are working more closely with other areas of Inland Revenue (such as the Property Compliance Programme), and have formulated some items based on issues they were facing.

Brevity and clarity

In terms of improving the brevity and clarity of our items, we have focused on:

- providing a clear opening statement in each item that states the issue simply and summarises why it is of concern or interest
- stating the answer to the issue covered by each item succinctly at the beginning of the item
- using more examples and illustrations.

Inland Revenue website

We have made little progress in making it easier for people to navigate the website (such as improving the format of items, search functionality and indexing) across all public items on the Inland Revenue website. However, this area of improvement will now be addressed through Inland Revenue's overall Business Transformation programme.

Two improvements we have made are:

- archiving rather than removing exposure drafts from the website – once consultation closes, the item automatically moves from the consultation page to the expired items page
- making the reformatted work programme available on the website and updated each month.

Highlights from the 2015 survey

It is reassuring to see some significant improvements in external respondents' perceptions of the service Public Rulings offers since the last survey. These improvements relate to the:

- relevance and usefulness of items
- frequency with which items are used and the extent to which they assist in removing uncertainty and improving compliance
- quality of technical thinking and analysis
- quality of communication and consideration of feedback.

Areas of focus from the 2015 survey

We continue to do very well in terms of how respondents rate the quality of our technical research and analysis and our provision of certainty to taxpayers and agents. This comes through both the scores and the comments for the 2015 survey, as was the case in 2012.

The areas for improvement continue to relate to:

- the brevity and clarity of some items
- the relevance and usefulness of some items
- how we communicate, particularly with submitters
- the accessibility of technical items on the Inland Revenue website.

Brevity and clarity

While we have made pleasing progress in this area, several respondents said our items are sometimes still too long, complex and legalistic, making them hard to understand.

To address this feedback, we will:

- continue to embed plain English principles in our work (for example, to reduce legal and technical jargon)

- experiment with producing a simple guide (a "fact sheet") to accompany some public items
- continue working to make summaries of items clearer
- continue to experiment with using flowcharts, diagrams and other illustrations to convey the main points of an item and make items less text dense
- continue using questions in headings (which is a plain English technique to help readers access information and more easily determine the relevance of information)
- use appendices for long legal analysis, so the analysis is available for those who want it but it does not clutter the main body of the item
- include overt statements in draft items about what taxpayers or advisors should do before the item is finalised.

Relevance and usefulness

Submitters continue to ask us how they can suggest items for the work programme. We also received feedback that it is not always clear why we have produced a particular item and that some items do not seem current.

To address these concerns we will:

- use our email newsletter to invite items for the 2016/17 work programme
- try harder to connect with smaller accountants and advisers to identify work programme items of interest and use to them
- reserve space on our work programme to respond to current issues (such as those generated by the *Diamond* and *Trustpower* decisions)
- expand the explanation section of the work programme to be clearer ***why*** we are undertaking the item;
- include more examples to explain how the thinking will be applied in clear cases in practice
- include more examples of situations where the answer is less clear where this would be helpful and not imprudent for the Commissioner to do so.

Communication

Some of our ratings from internal respondents dropped from their 2012 levels and we want to raise them at the next survey. In addition, we want to further improve the work programme and work more closely with the other provider of public statements in Inland Revenue, Legal and Technical Services.

To these ends we will:

- treat internal submitters more like external customers – more promptly responding to submissions, more formally thanking submitters for their submission, and giving a more detailed response to issues raised
- provide more regular and fulsome updates on the progress of items – expanding the work programme information and making updates more visible through the fortnightly email newsletter

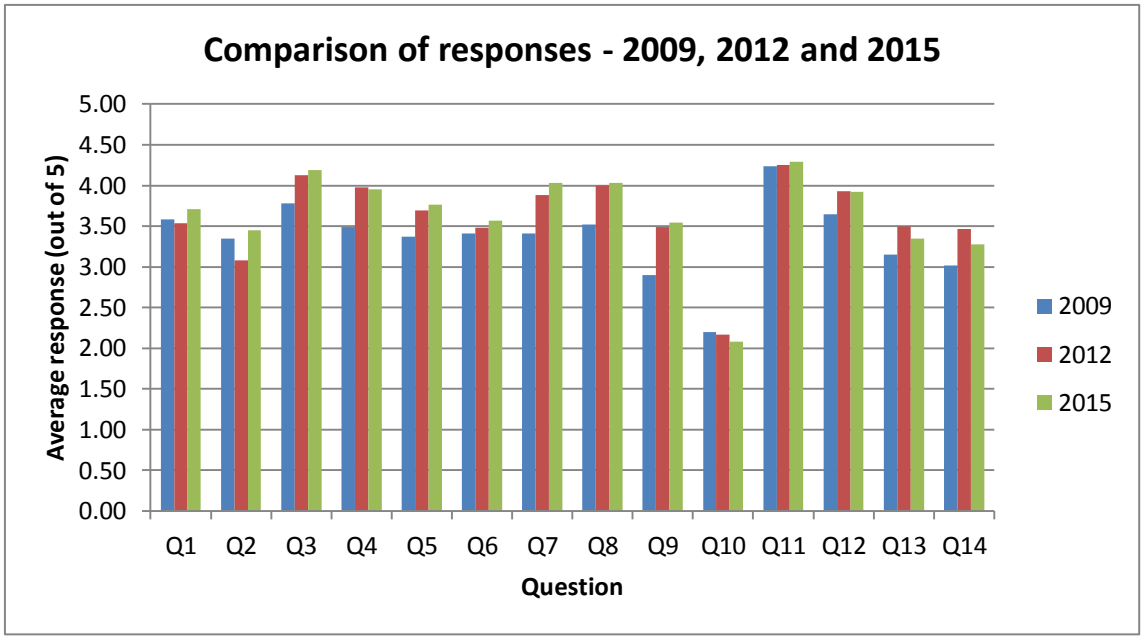
- discuss with Legal and Technical Services how to align our processes and increase consistency across all items
- make it easier for external submitters to call us with their submission rather than having to submit in writing – inviting people to set up a time for a discussion if that is their preference
- trial using a "short form" feedback option during external consultation to help submitters who have only a brief point on the item (currently available only for internal consultation).

Inland Revenue website

Respondents continue to find their ability to access and search information on the Inland Revenue website constrained. As noted above, improvements to the website are now part of the wider Business Transformation programme.

Response highlights

The graph below shows the results from the 2009, 2012 and 2015 surveys. We asked you to rate each of 14 questions on a scale of 1 (never) to 5 (always). The graph compares the average rating received by the question in 2015 with the equivalent ratings in 2012 and 2009. The 2015 responses for each of the 14 questions are shown in detail in the Appendix.



Questions 1, 2 and 7: It was pleasing to know that you regularly use our items and that they are useful for you and your clients. The increases in ratings seem to have been matched by an increase in the number of people agreeing that our items remove uncertainty and assist with compliance. These increases were led by more favourable responses received from external respondents (than from internal respondents).

Questions 3, 4, 5 and 6: We have made steady progress in the areas of:

- demonstrating sound technical thinking, research and analysis

- making impartial decisions and considering all arguments and views
- making our items easy to understand and apply
- ensuring relevance to real tax situations.

These results are pleasing. Of particular note is the shift upwards in perceptions from the "sometimes" category to the "usually" and "always" categories. Two main challenges for Public Rulings are to maintain the current high standards in technical thinking, research and analysis and to maintain the ease of use and ease of application of the items.

Question 8: You told us that we are making progress in the way we present our items. We intend to maintain our focus on clarity and brevity in our items, assisted by more advanced writing and editing software tools.

Question 9: The survey shows a steady level of satisfaction with the timeliness of our items. However, several respondents consider our items are "rarely" or "never" timely so there is still room for improvement. Decreasing the time between external consultation and publication will continue to be a focus for us.

Questions 10, 11 and 12: As was the case in 2012, in 2015 the responses show that consultation is still highly valued both inside and outside Inland Revenue. Further, the responses suggest that you are reasonably comfortable with the 4- to 6-week timeframe for consultation. However, your comments made it clear that you are facing increasing pressures on your time, which is making it harder for you to make submissions on our items. We are investigating ways of making submissions easier for you, for example, by introducing easier methods of providing feedback such as web forms and inviting people to set up a time for a discussion as an alternative to providing written submissions.

Questions 13 and 14: How we communicate with you through the consultation process has slightly deteriorated. While satisfaction with the consultation process increased among external submitters (which is pleasing), it decreased substantially among internal submitters. This will be a specific focus area for improvement.

Further survey information

In addition to the 14 questions discussed above, we also asked you about:

- how you access our public items
- the best things you like about our service
- the areas where we need to improve
- whether we should issue more public items
- the overall rating of our service.

We have set out the main themes from your responses in each of those areas below. Additionally, we have summarised the further comments you provided on how we could improve our products and processes. Finally, we show a high-level breakdown of the organisations that you work for.

Accessing public items

You have diverse preferences for accessing public items. It is pleasing to see that the Public Consultation newsletter that was introduced following the 2012 survey has become your preferred medium for hearing about and accessing exposure drafts. We will continue to support multiple ways of accessing public items.

The best things about our service

We were very pleased to receive positive feedback on the items we produce and the way we go about producing them (see a sample of your comments in the box below). Particularly pleasing were the comments acknowledging the technical quality of the items and our willingness to listen to and consider different views. The same themes were evident in the 2012 survey results.

Your comments

"They address common areas in which there may be uncertainty around Inland Revenue's view."

"They are easy to communicate with and are willing to listen and consider different viewpoints."

"Provides robust analysis and certainty on tax issues."

"The considered feedback that I receive to my suggestions and the open discussion of the issues. And, to be frank, your staff are very good at researching and providing good rulings - well done!"

The areas where we need to improve

The three main areas in which you suggested we needed to improve, from most to least important, were:

- brevity, clarity and relevance
- timeliness
- communication.

Timeliness was the predominant issue raised in the 2012 survey, in particular the time between consultation and items being finalised. Timeliness is still a significant issue, but the brevity, clarity and relevance of public items was a more predominant theme in 2015.

In terms of brevity, clarity and relevance the two main concerns were:

- the length and accessibility of items
- that examples tended to deal with scenarios where the outcome was clear cut rather than scenarios with less clear outcomes.

Your comments

"Accessibility of information in the rulings - these are often very technical documents and sometimes stating these more simply may mean a greater readership."

"The examples that are used are generally situations where the answer could have been easily reached. It would be more useful to have more borderline fact situations used."

"The rulings are often too long, with too much analysis of points that can be shortly stated, and the structure is sometimes hard to understand. In some items the reader 'gets lost'. A much shorter commentary with extra detail in appendices is the way to go. Keep the reader in the game for the whole item."

"Quicker timeframes for issue would be preferable but then we don't want to risk compromising quality."

Inland Revenue should issue more public rulings and statements

As in the earlier surveys, you confirmed that we should issue more rulings and statements provided we are sufficiently resourced to do so without compromising quality.

Overall rating of our service

The survey responses show a steady improvement in the overall rating of our service. The percentage rating the service as a 4 (very good) or 5 (excellent) increased from 45% in 2009 to 59% in 2012 to 63% in 2015. Conversely, the percentage rating the overall service as 1 (poor) or 2 (acceptable) has declined from 14% in 2009 to 8% in 2015.

The results in the table below are also shown graphically on page 1.

Year	Rating (%)				
	Poor	Acceptable	Good	Very good	Excellent
2015	1	7	28	49	14
2012	1	10	30	52	7
2009	2	12	41	38	7

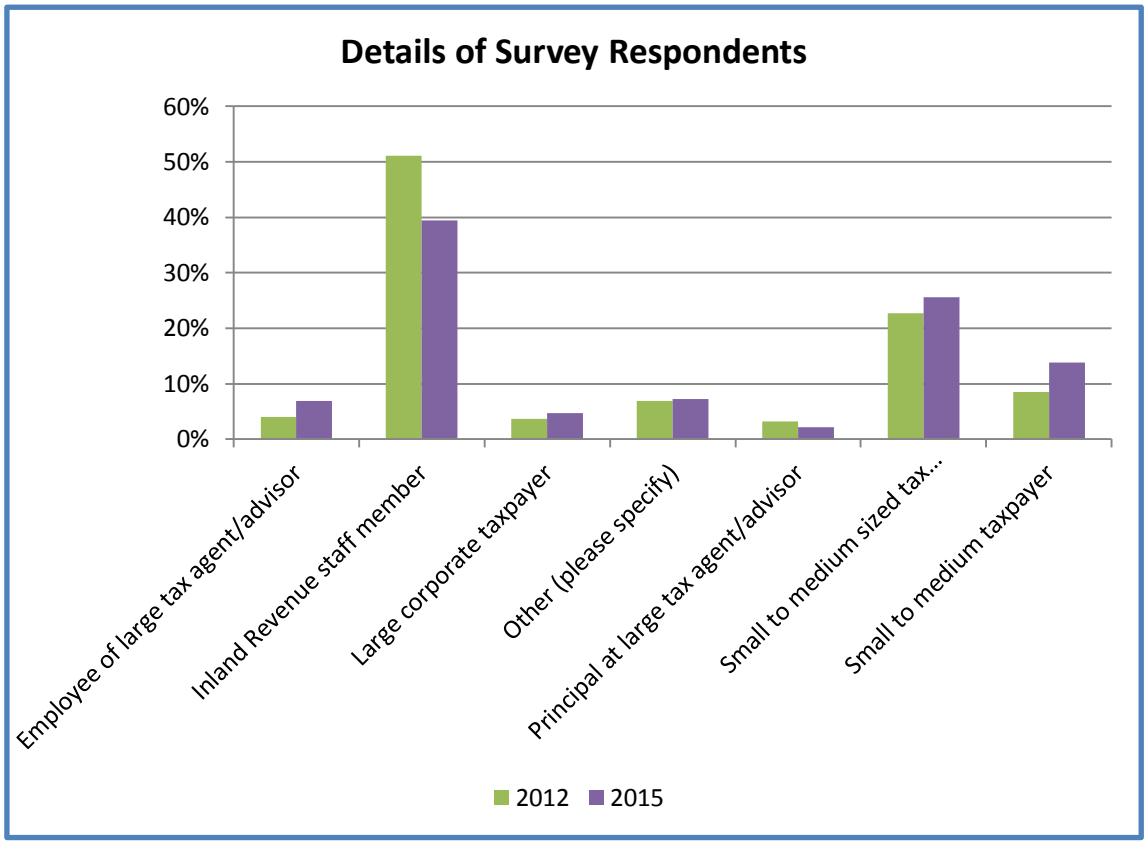
Further comments to help us improve our products and processes

Website layout and search function was raised as an area that could be improved. It was suggested that given the poor search functionality of the website, an overall index would assist with finding relevant items, especially as different item types are filed separately and differently (ie, some by year, some by subject matter).

Some smaller practitioners felt we could make more of an effort to find out what areas and issues they are struggling with. They felt that we were not interested in their views, or that their views would not be given the consideration that may be given to larger firms. We are looking at different ways to engage with smaller practitioners in setting our work programmes.

Details of survey respondents

In terms of the organisation they worked for, the respondents to the 2015 survey showed a similar profile to those who participated in the 2012 survey. While the split between Inland Revenue staff member and external survey respondents was about 50:50 in 2012, this changed to 40:60 in 2015.



Conclusion

Conducting the customer feedback survey for the third time has been worthwhile. It has again provided us with useful information about the current situation and how we have evolved since 2009. The results from the 2012 and 2015 surveys allow us to see whether the changes we have made since 2012 have had the desired impact. For the most part it appears they have. It is clear that the 2015 results will assist in further improving our products and services. We are grateful for the feedback and suggestions received and will try and improve in the areas of focus identified by you.

Appendix: Responses to questions 1 to 14

Statement	Responses	1 Never	2 Rarely	3 Sometimes	4 Usually	5 Always	Total
1. Items produced by the Public Rulings Unit are useful to me and/or my clients	Number	3	24	105	157	61	350
	%	1%	7%	30%	45%	17%	100%
2. I use the items you produce	Number	5	47	136	111	51	350
	%	1%	13%	39%	32%	15%	100%
3. The quality of these items demonstrates sound technical thinking, research and analysis	Number	3	4	46	168	129	350
	%	1%	1%	13%	48%	37%	100%
4. Items produced reflect impartial decision making, and consider all arguments	Number	2	6	66	172	69	315
	%	1%	2%	21%	55%	22%	100%
5. Items produced are easy to understand and apply	Number	3	14	79	177	42	315
	%	1%	4%	25%	56%	13%	100%
6. Items produced are relevant to my or my clients' tax situations	Number	2	23	120	133	37	315
	%	1%	7%	38%	42%	12%	100%
7. Public items assist in removing uncertainty and improving compliance	Number	2	8	42	187	73	312
	%	1%	3%	13%	60%	23%	100%
8. The presentation and format of these items is very good	Number	2	9	45	178	78	312
	%	1%	3%	14%	57%	25%	100%
9. The timeliness in completing these items is very good	Number	2	24	116	143	27	312
	%	1%	8%	37%	46%	9%	100%
10. I have provided comments on exposure drafts of public items	Number	104	88	84	18	3	297
	%	35%	30%	28%	6%	1%	100%
11. It is desirable to have the opportunity to comment on exposure drafts of public statements	Number	3	4	50	87	153	297
	%	1%	1%	17%	29%	52%	100%
12. The consultation period of 4 to 6 weeks is adequate to think about the issues and provide comment	Number	5	13	46	170	63	297
	%	2%	4%	15%	57%	21%	100%
13. When I provide comments, you communicate well with me during and after the consultation process	Number	60	16	52	99	70	297
	%	20%	5%	18%	33%	24%	100%
14. I feel that my feedback on exposure drafts has been appreciated and fairly considered	Number	63	14	62	95	63	297
	%	21%	5%	21%	32%	21%	100%