

Panel Study of Tax Credits and Child Benefit Customers

Telephone Survey 2011
Headlines Report

HMRC Revenue and Customs Research Report 184

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Executive Summary

This report presents the findings of the 2011 Panel Study of Tax Credits and Child Benefit Customers – a major research study of the experiences of tax credits recipients. The study was carried out by the NatCen Social Research and commissioned by HM Revenue & Customs (HMRC). Child Benefit only recipients were not included in the 2011 survey (only tax credits recipients or tax credits and Child Benefit recipients). The report focussed on a number of issues that are currently of policy interest.

Timeliness and quality

The research provides an overview of the application process for recipients who applied for tax credits in the past three years. Overall experience was positive:

- Three quarters of recipients (77 per cent) found the application form easy or very easy to complete (although we do not know from this survey if forms were completed correctly).
- Most recipients (75 per cent) said they received their first tax credit payment within one month of applying, and 48 percent said they received the first payment within three weeks.
- The majority of recipients said the length of time between applying and receiving the first payment was about as long as they had been expecting (63 per cent) or shorter than expected (20 per cent).
- A quarter of recent recipients (24 per cent) said that they would have liked additional information provided when making the claim.

With respect to the reporting of changes of circumstances:

- Two-thirds of all tax credit recipients (66 per cent) reported the changes of circumstances as soon as they happened and another 17 per cent within one month. However, eight per cent waited until renewal to report.
- Almost all tax credit recipients reported their changes over the phone (96 per cent). However, the proportion for whom this was the preferred method was lower – 82 per cent.
- There was a small minority of recipients who would have preferred to report changes via internet or e-mail (13 per cent).

Tax credit recipients had positive views on the quality and accuracy of the services provided by HMRC:

- Three quarters of recipients (75 per cent) disagreed with a statement “I feel that HMRC makes things difficult for me”;
- Three quarters (77 per cent) also disagreed with a statement “I cannot trust HMRC to get things right”;

- Eighty-one per cent agreed with a statement “If I need help, HMRC give me correct information”;
- Ninety-three per cent agreed with a statement “I know what to do to get my tax credits claim right”.

Half of the recipients (50 per cent) cited Tax Credits Helpline as their first choice for getting help and advice about tax credits. Another one in five (19 per cent) said the HMRC website was their first choice. A minority (eight per cent) mentioned Citizens Advice Bureau as a source of help for tax credits. When asked about alternative sources for help and advice, two thirds of recipients (67 per cent) who did not use Citizens Advice Bureau were willing to use Citizens Advice Bureau for help with tax credits. Half (48 per cent) of recipients were willing to use Post Office ‘check and send’ service if it were to be provided.

Interactive Voice Recording

A majority of recipients recalled hearing each of the Interactive Voice Recording (IVR) messages:

- Three quarters (73 per cent) of those who had called recalled reminders about renewals deadline
- Another seven-in-ten recalled reminders to have all information available and messages about information available on HMRC website (both 69 per cent).

Some recipients who heard each of the messages indicated that the message prompted them to do something:

- This was most common for reminders to have relevant information about childcare or income at hand (37 per cent took action).
- Hearing messages about penalties or prosecution was less likely to result in specific action (nine per cent).

Recipients were asked how they would respond to an IVR message about Universal Credit:

- Most recipients indicated that they would try to find out more, either by asking the helpline adviser (39 per cent), looking on the internet (17 per cent) or using some other method.
- Only one tenth of recipients (11 per cent) said they would not do anything, and 19 per cent did not know what action they would take.

The majority of recipients (73 per cent) agreed that IVR messages on Tax Credit Helpline were useful. For comparison, recipients were asked about usefulness of IVR in other organisations. Much lower proportion (45 per cent) of recipients found messages in other organisations to be useful.

Changes to tax credits

More than half of recipients (56 per cent) were not aware of the changes introduced to the tax credit system in April 2011. However, when probed about specific changes, more recipients remembered having heard about these. More than half of recipients (55 per cent) were aware of reduction in tax credits for people with higher income. The awareness of this change was predictably highest among those with higher income themselves. Awareness of reduction in the 'income disregard' was much less common – only 17 per cent of recipients had heard about it.

Among other changes, the proportion of childcare costs that can be covered by the childcare element were reduced. A majority of recipients (79 per cent) with children and claiming Working Tax Credit (WTC) were not aware of this change.

Questions were also asked about **short-term childcare costs**:

- Thirteen per cent of all claimants with children claiming WTC were aware that they could claim for short periods of childcare and have this paid during the specific period.
- Of all of those recipients with children claiming WTC who had not yet made use of this facility 18 per cent said that they would make use of it in the future, and another six percent said that they may make use of it depending on their circumstances.

Responsibilities as tax credit customers and views on error and fraud

The majority of recipients, claiming over 3 years, said that they had never renewed late (91 per cent).

More than half of all recipients (58 per cent) said that HMRC should send out reminders to report changes of circumstances throughout the year. Views on preferred frequency of reminders varied, with most recipients (75 per cent) thinking two to four reminder a year would be sufficient.

A majority of tax credit recipients agreed that large numbers of people these days falsely claim both benefits and tax credits. However, more people believed this to be true for benefits than for tax credits (70 per cent and 58 per cent respectively). Further questions about this showed most respondents did not think this was acceptable:

- A vast majority of tax credit recipients (82 per cent) believed that it was always unacceptable to claim more tax credits than one is entitled to.
- More than half of tax credit recipients (57 per cent) agreed that people who claim too much on their tax credits usually get caught.

Financial management and payment process changes

A majority of tax credit recipients budgeted either weekly (42 per cent) or monthly (45 per cent). Budgeting monthly was more common among those in full-time work and with higher household income.

Almost half of tax credit recipients received their tax credit payments weekly. Of those receiving weekly payments:

- Four out of five (80 per cent) said that they would be affected if tax credits were paid four weekly instead.
- Almost two thirds (63 per cent) said that a transition period of fortnightly payments would be helpful.

The majority of recipients (82 per cent) who were in receipt of both Working and Child Tax Credit had these paid into account owned by the same person.

Of those who said they were receiving other state benefits, the majority of them (84 per cent), said that it would be helpful to see information about all of their benefits in one place.

HMRC letters about undeclared changes

HMRC sends letters to recipients who are suspected to have had a change in their circumstances that they have not reported. The majority of recipients had not received either type (a letter about an undeclared partner or a letter about another change) of letter themselves (99 and 96 per cent), nor had they heard about others who had received them (96 and 93 per cent).

- Eleven per cent took action as a result of hearing about a letter received by others about an undeclared change.
- There were too few participants reporting receiving or hearing about others receiving letters to conduct further analysis of actions taken.

Introduction

1.2 Introduction

Tax credits were introduced in April 2003 with the primary aims to provide adequate financial incentives to work, to reduce child poverty, and to increase financial support for all families. Latest statistics show that over six million families benefited from tax credits in 2009-10.¹

The aim of this report is to provide information on a number of topics related to tax credits and to assess the tax credit system from the customer's perspective. The report covers the following topics:

- Timeliness and quality
- Interactive Voice Recordings
- Changes to tax credits
- Responsibilities of tax credit customers and views on error and fraud
- Financial management and payment process changes
- HMRC letters about undeclared changes

The study was conducted by NatCen Social Research on behalf of HMRC. The first wave of the Panel Survey was carried out in 2008. The report is based the results from the 2011 wave of the Panel Survey of Tax Credits and Child Benefit claimants involving telephone interviews with 1031 tax credit recipients. Two-thirds of the recipients had been interviewed in the previous waves of the study and had made a claim for tax credits before July 2008. The remaining one third of recipients were interviewed for the first time and had made a claim for tax credits in July 2008 or later. New recipients were included in the study to ensure that the sample remained representative of all current and recent tax credit recipients. More information about the methodology used can be found in a separate technical report.

The survey explored a range of topics related to HMRC's strategic aims and past and future changes to the tax credit system. The report presents frequencies for all questions in the survey that had been answered by a sufficient number of respondents. Key questions were also analysed by selected respondent characteristics to provide greater understanding of the issues involved.

1.3 Guide to methods used in tables and figures cited in the text

The information presented in this report uses data from the Panel Study that has been statistically weighted to take account of the technical issues such as sample design. The

¹ Child and Working Tax Credits Statistics Finalised Annual Awards 2009-10.
<http://www.hmrc.gov.uk/stats/personal-tax-credits/cwtc-final-awards-may11.pdf>

majority of tables report on questions with mutually exclusive responses, for example how long respondents had to wait to receive the first payment after making an application for tax credits. In these tables the percentages will generally sum to 100, however there may be some instances where percentages will not sum to exactly 100 per cent because of rounding.

Where the question allowed multiple responses, (i.e. the tax credits recipient could chose a number of responses rather than just one) the percentages will not sum to 100.

The tables use the following notations:

Base The weighted count is the base presented in all tables.

0 Percentage value is greater than 0, but less than 0.5, which is rounded down.

* Figures are based on less than 25 unweighted cases and are not robust, therefore results are not presented in this report.

[] Figures are based on 25-49 unweighted cases and are therefore less reliable. Findings based on these tables have not been described in the main body of the report but are in the appendix.

- A per cent figure is expected indicates that there were no responses in the category.

Statistical significance was tested using logistic regression for complex samples². Unless stated otherwise, all the differences cited in the text or presented in the charts are statistically significant at the 0.05 level (the level at which there is a 1 in 20 chance of an observed difference being solely due to chance).

The report includes some cross-tables that present the findings by key recipient characteristics. It should be noted that some of the characteristics that are analysed in this report are related to each other as well as to the outcome that is considered. This means that a statistically significant relationship between two variables could in fact be affected by a third variable. It is possible to untangle relationships between three or more variables by using multivariate analysis techniques, however, this type of analysis was out of scope for this report.

² PASW 18 does not include a Chi-square procedure for complex samples. Equivalent analysis can be performed with the logistic regression command and specifying only on independent variable (break variable).

2 Timelines and Quality

2.1 Introduction

The first section of the questionnaire asked recipients about their experiences of making new claims for tax credits and then reporting subsequent changes in circumstances to HMRC. The questions focused on recipients' views on the complexity of the application process and their expectations and experiences of how long it takes HM Revenue & Customs (HMRC) to process these initial applications and subsequent changes of circumstances.

This section then went on to ask recipients about their perceptions and experiences of quality and accuracy in the tax credits process. The section concluded by asking recipients about the use of third parties for advice or the processing of tax credit claims.

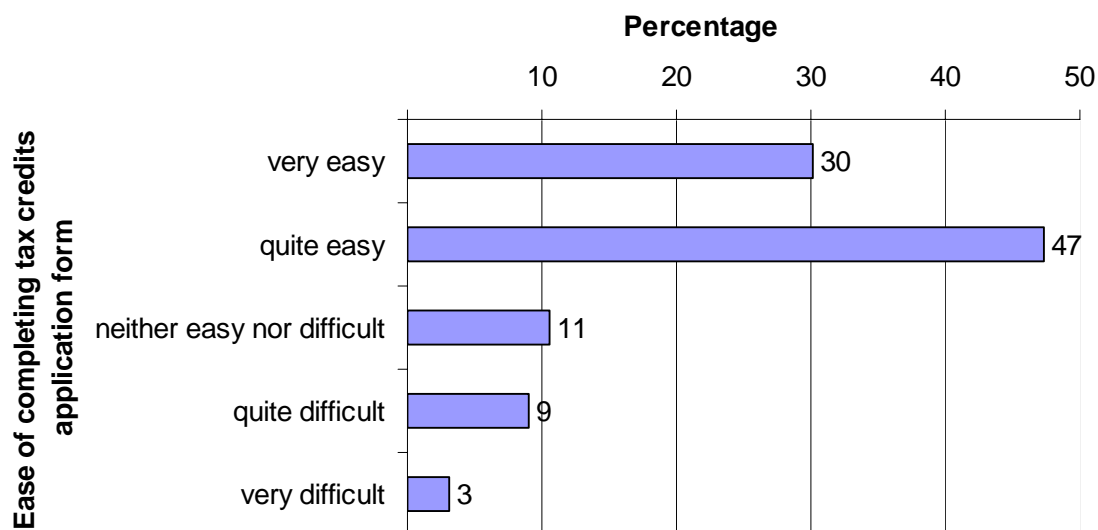
2.2 Making a claim and receiving a first payment

Respondents who had started receiving tax credits in the past three years were asked about their experiences of making the claim and receiving the first payment. Where respondents had previously made claims they were asked to focus only on their most recent claim.

2.2.1 Ease or difficulty of making the first claim

The majority of recipients (77 percent) reported that they had found it either very easy or quite easy to complete the tax credits claim form (Figure 2.1). Only a minority (12 percent) reported that they found it quite difficult or very difficult to complete the form. The remaining 11 per cent found the process neither easy nor difficult:

Figure 2.1 Ease of completing tax credit application form



Base: All recipients who made a new claim for tax credits in the past three years
 Weighted base: 318

How easy recipients assessed the process to be varied by employment status:

Table 2.1 Ease of completing tax credit application form by employment status					
		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Ease of completing tax credits application form	Very easy	20	31	39	30
	Quite easy	50	46	46	47
	Neither easy nor difficult	15	10	7	11
	Quite difficult or very difficult	16	13	8	12
	Total	100	100	100	100
<i>Weighted base</i>		<i>104</i>	<i>104</i>	<i>110</i>	<i>318</i>

Base: All recipients who made a new claim for tax credits in the past three years

- Recipients who were not working were more likely to have reported that they found the form very easy to complete (39 per cent) compared to those working full time (20 per cent) (Table 2.1). The differences between those not in work and part-time workers as well as part-time workers and full-time workers were not found to be significant.
- There were no differences in likelihood of finding the process quite easy, neither easy nor difficult, difficult, or very difficult.

2.2.2 What may have made it easier to fill in the form

All recipients were asked if there was anything that could have made it easier to fill in the form. Recipients were not given any predefined answers to choose from, so their responses were spontaneous. Their responses are listed in Table 2.2.

Table 2.2 Whether anything could have made it easier to complete the form	
	%
Nothing	74
More information about how tax credit award calculated	11
More advice on how to calculate income	9
Knowing what information was required	7
More advice on how to calculate childcare cost	3
Access to help or support for filling in the form	3
Not having to calculate income	2
Doing it/being able to do it over the phone	2
Doing it/being able to do it on the internet	1
Less paperwork/shorter form	1
Not having to calculate childcare costs	0
Amounts broken down by week rather than month	0
Other	5
<i>Weighted base</i>	328

Base: All recipients who made a new claim for tax credits in the past three years

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Perhaps reflecting the relatively low proportion of recipients who reported finding the form difficult to fill in, most recipients (74 per cent) reported that there was nothing that would have made it easier to complete the form. Others did have suggestions:

- Eleven per cent reported that they would have liked more information about how tax credit awards were calculated (follow-up research is needed to understand why this is).
- Nine per cent would have liked more advice about how to calculate income.
- Seven per cent of recipients would have liked to know more about what information was required.

- Other suggestions were less common.

2.2.3 Calculating childcare costs and income

Eighteen per cent of recipients, who had made a claim in the last three years (and had at least one child under 16), reported that they had applied for help towards the cost of childcare as a part of their claim (Appendix Table A.4).

Across all of the tax credit recipients who had applied for tax credits in the past three years only a minority (17 per cent) reported any difficulty in calculating their income when completing their tax credits claim (Appendix Table A.6). To better understand where recipients may have experienced problems calculating their income, the recipients were also asked about two particular aspects of the income calculations:

- A majority of recipients (77 per cent) reported understanding the difference between net and gross income (Appendix Table A.7).
- Of those recipients who worked, or whose partner worked, and had received paid overtime, 92 per cent reported that they included the income from this paid overtime in their tax credits claim (Appendix Table A.8).

Looking in greater detail at reported knowledge of the difference between net and gross income, there were some significant variations between different groups:

- Those who were working full-time were more likely to report knowing the difference (87 percent) compared to those who worked part-time (74 per cent) and those who did not work (70 per cent) (Table 2.3). The difference between part-time workers and those not in work were not found to be statistically significant.

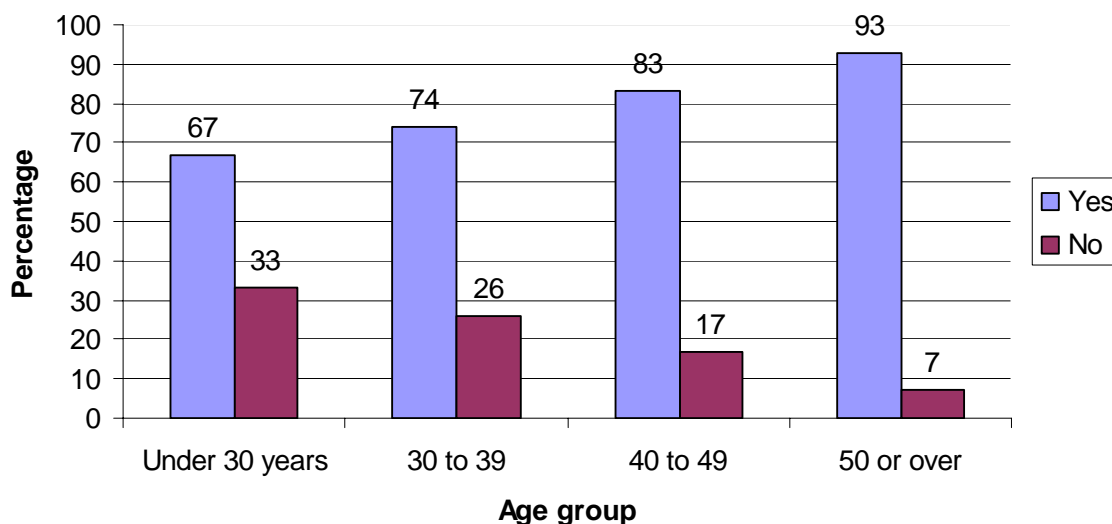
Table 2.3 Knowledge of the difference between net and gross income by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Understands the difference between net and gross income	Yes	87	74	70	77
	No	13	26	30	23
	Total	100	100	100	100
<i>Weighted base</i>		<i>109</i>	<i>112</i>	<i>111</i>	<i>331</i>

Base: All recipients who made a new claim for tax credits in the past three years

- Those aged under 30 were significantly less likely than those over 30 (i.e. those in the three older age groups taken together) to say they understood the difference, whilst those aged 50 or over were more likely to know the difference compared to any other age group (Figure 2.2). The difference between those aged 30-39 and those aged 40-49 was not statistically significant.

Figure 2.2 Knowledge of the difference between net and gross income by age group



Base: All recipients who made a new claim for tax credits in the past three years
 Weighted base: 331

2.2.4 Timeframe between application and receipt of first payment

As shown in Table 2.4 below, the length of time between making a claim and receiving the payment varied between recipients, with 48 percent receiving the first payment within three weeks, and around a quarter (27 per cent) reporting that they waited between three weeks and a month and another 25 percent reporting that they waited over one month for their first payment.

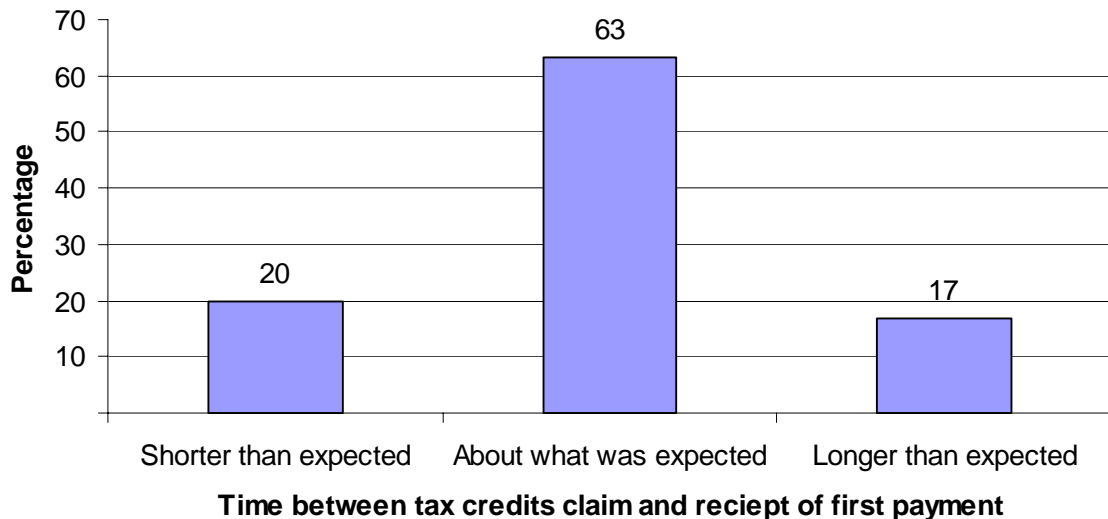
Table 2.4 Length of time between claim and receipt of first payment	
	%
Within a week	7
Within 2 weeks	21
Within 3 weeks	20
Within 1 month	27
More than 1 month	25
Total	100
<i>Weighted base</i>	<i>318</i>

Base: All recipients who made a new claim for tax credits in the past three years

2.2.5 How timeframes compared to expectations

Tax credit recipients who had applied for tax credits in the past three years were asked whether the time between making the claim and receipt of their first payment was longer or shorter than expected (Figure 2.3):

Figure 2.3 How time taken for the first tax payment to arrive after their claim was made compared to their expectations



Base: All recipients who made a new claim for tax credits in the past three years
Weighted base: 329

The majority of recipients (63 per cent) reported that the time taken for the first payment to arrive was in line with expectations although 20 per cent reported that it was shorter than expected and 17 per cent reported that it took longer.

Looking at variation across different groups of tax credit recipients single parents were more likely than other groups to report that the time between making a claim and receipt of first payment was shorter than expected (Table 2.5):

- 32 per cent of single parents reported that the wait was shorter than expected whilst only 14 per cent of those with no children, and ten percent of couples with children, gave this response.
- There was no significant difference between those with no children and couples with children.
- None of the other differences were statistically significant.

		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
Time between tax credits claim and receipt of payments as expected	Shorter than expected	14	32	10	20
	Longer than expected	22	12	19	17
	About what was expected	63	56	71	63
	Total	100	100	100	100
<i>Weighted base</i>		<i>52</i>	<i>138</i>	<i>139</i>	<i>329</i>

Base: All recipients who made a new claim for tax credits in the past three years

2.2.6 Checking claim with HMRC

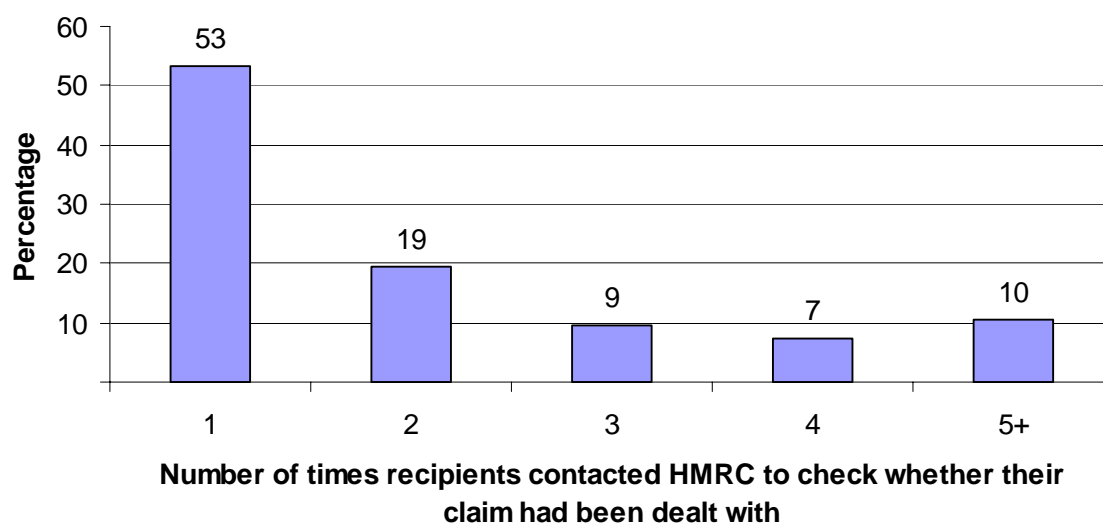
Tax credit recipients who had recently made a claim for tax credits were also asked whether they had contacted HMRC to check that their claim was being dealt with. Thirty-eight per cent of recipients reported that they had contacted HMRC (Appendix Table A.14). As reported in Table 2.6 below, there was wide variation in the length of time these recipients waited before contacting HMRC with 18 per cent making contact within one week, whilst 19 per cent waited more than a month.

Table 2.6 Length of time between making the claim and contacting HMRC	
	%
Within a week	18
Within 2 weeks	30
Within 3 weeks	21
Within 1 month	11
More than 1 month	19
Total	100
<i>Weighted base</i>	<i>118</i>

Base: Contacted HMRC to check if claim had been dealt with

The number of times recipients contacted HMRC to check on their claim varied (Figure 2.4).

Figure 2.4 Number of times contacted HMRC to check that they had dealt with the claim



Base: Contacted HMRC to check if claim had been dealt with
Weighted base: 120

The majority of those who contacted HMRC to check if their claim had been processed (53 per cent) only contacted HMRC once but a sizable minority (19 per cent) contacted HMRC twice and 10 per cent contacted HMRC five or more times.

2.2.7 Usefulness of additional information for claimants

When asked, 24 per cent of recipients said that they would have liked to have been provided with some additional information when making their claim (Appendix Table A.17). The only significant variations between different groups of tax credit recipients were between those with different employment statuses:

Table 2.7 Would have liked some additional information when making claim by employment status					
		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Would have liked to have been provided with any additional information when making claim	Yes	34	22	17	24
	No	66	78	83	76
	Total	100	100	100	100
<i>Weighted base</i>		<i>104</i>	<i>112</i>	<i>110</i>	<i>326</i>

Base: All recipients who made a new claim for tax credits in the past three years

- Those who worked full-time were more likely to have indicated that they would have liked more information (34 per cent) compared to those who were not working (17 per cent). The difference between those working part time and those working full time was not statistically significant.
- There was no significant difference between those working part-time and those who were not working.

Recipients gave a range of responses about what exactly they would have liked (Table 2.8). Two out of five recipients (41 per cent) who would have liked additional information said that they would have liked to know more about how tax credits awards would be calculated. What changes of circumstances need to be reported, how to avoid overpayments and when to report changes of circumstances were all mentioned by one fifth (21 per cent, 21 per cent and 19 per cent) of recipients. Other types of information were mentioned less frequently.

Table 2.8 Additional information that recipients reported that they would like to have had	
	%
How the tax credit award will be calculated	41
What changes of circumstances need to be reported	21
How to avoid overpayments	21
When changes of circumstances should be reported	19
Information about other benefits	12
Usual length of time to receive the first payment	11
More information about how to calculate income	6
More information about income brackets	4
Information in plainer language	4
Other	32
<i>Weighted base</i>	79

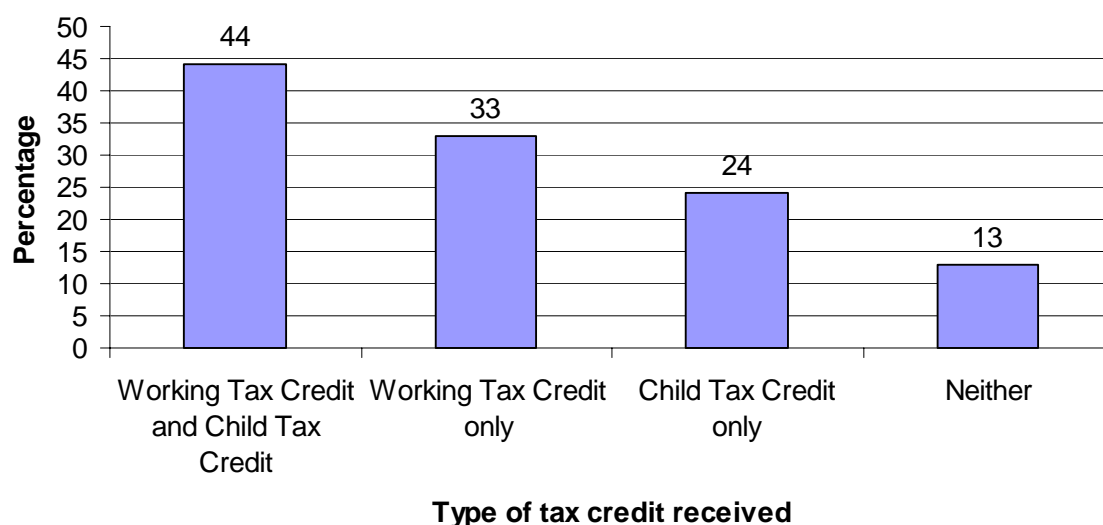
Base: Would have liked additional information when making their claim

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

2.2.8 Likelihood of contacting the Tax Credits Helpline when making an initial claim

Thirty-two percent of claimants who had applied for tax credits in the past three years reported that they had contacted the HMRC Tax Credits Helpline for help completing their claim form (Appendix Table A.20). Whether recipients contacted the helpline varied by type of tax credits received (Figure 2.5):

Figure 2.5 Ever contacted the Tax Credits Helpline for help completing claim form by type of tax credit received



Base: All recipients who made a new claim for tax credits in the past three years
 Weighted base: 316

- Those who went on to receive *both* types of tax credit were more likely to contact the helpline (44 per cent) than those who started receiving Child Tax Credit only (24 per cent).
- None of the other differences were statistically significant.

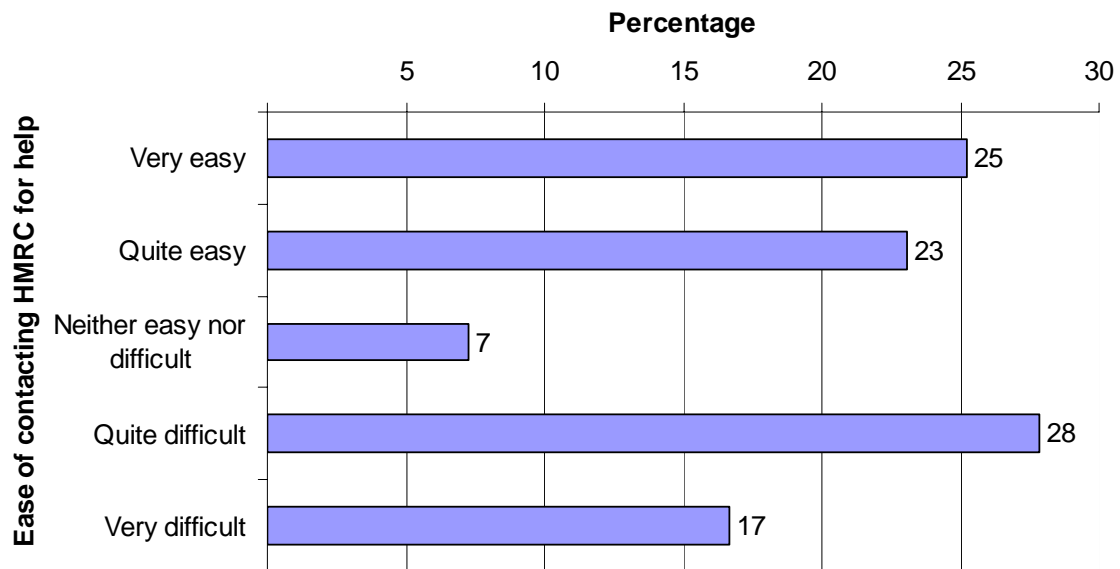
2.2.9 Experience of contacting the Tax Credits Helpline when making an initial claim

Those recipients who did contact the Tax Credits Helpline for assistance when completing their claim forms reported mixed experiences with making contact (Figure 2.6).

As this figure shows, whilst almost half of claimants (48 per cent) found it quite easy or very easy to contact HMRC, 28 per cent found it quite difficult and 17 per cent found it very difficult. Seven percent reported finding it neither easy nor difficult.

Despite these mixed experiences of being able to make contact with HMRC, 58 per cent of recipients found the HMRC Tax Credits Helpline to be very helpful and an additional 36 percent found it to be quite helpful (Table 2.9). Only six per cent of recipients felt that the Tax Credits Helpline was quite or very unhelpful.

Figure 2.6 Ease of contacting HMRC for help with completing initial claim form



Base: Contacted the HMRC Tax Credits Helpline for help in completing claim form
Weighted base: 105

Table 2.9 How helpful or unhelpful was the Tax Credits Helpline in dealing with query about completing the claim form	
	%
Very helpful	58
Quite helpful	36
Quite unhelpful	2
Very unhelpful	4
Total	100
<i>Weighted base</i>	<i>105</i>

Base: Contacted the HMRC Tax Credits Helpline for help in completing claim form

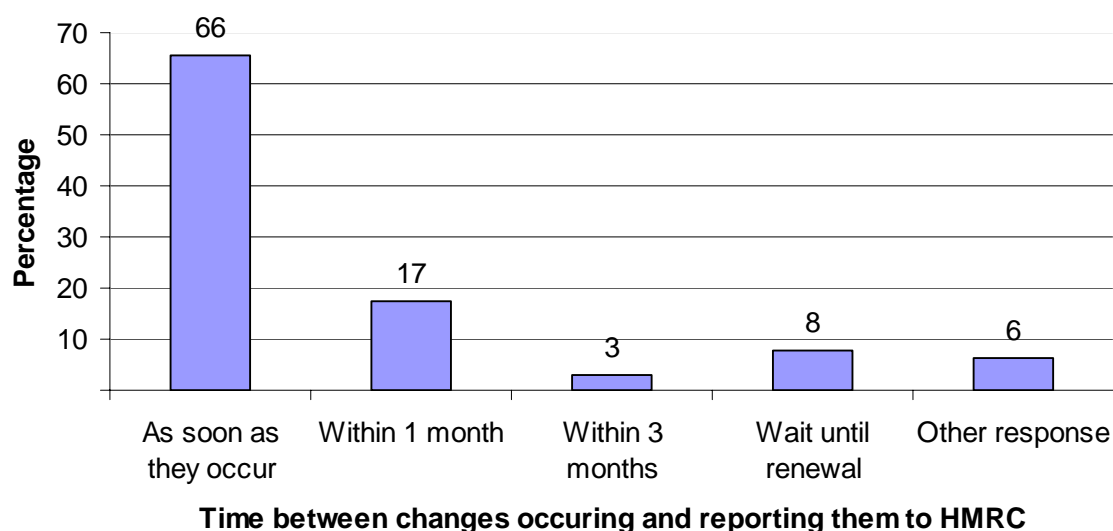
2.3 Reporting a change of circumstances

Tax credit recipients are required to report changes of circumstances throughout the year. All current tax credit recipients were asked about their experiences with this process.

2.3.1 Time between change occurring and reporting to HMRC

Two-thirds of recipients (66 per cent) stated that they reported changes of circumstances as soon as they occurred with 17 per cent reporting the change within one month and three per cent waiting up to three months (Figure 2.7). Eight per cent of recipients stated that they waited until renewal to report changes of circumstances.

Figure 2.7 When usually reports change of circumstances



Base: All respondents
Weighted base: 1026

Reporting changes to HMRC varied by annual household income, type of tax credits received, employment status of main respondent, household type and age of main respondent:

Annual household income:

		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
When usually reports changes of circumstances	As soon as they occur	64	69	65	55	66
	Within 1 month	13	19	17	19	17
	Within 3 months	3	2	3	9	3
	Waits until renewal	7	4	11	13	8
	Never had a change	11	4	3	0	4
	Other	2	1	1	4	2
	Total	100	100	100	100	100
Weighted base		147	485	231	131	1026

Base: All respondents

- Whilst for all income groups the majority of recipients said that they reported changes of circumstances as soon as they occur, those earning £40,000 or more per year were significantly less likely to do this (55 per cent) compared to each of the other income brackets. There were no significant differences between any of the other income groups.
- Recipients in the highest income band were also more likely to say that they reported the changes within three months (nine per cent), or waited until renewal (13 per cent) to report changes, compared to those in the other income groups.
- There was also a significant difference in the proportions in the two middle income groups waiting until renewal to report changes of circumstances. Those with household incomes of £26,000 to £39,999 were more likely to wait until renewal (11 per cent) than those with household incomes of £10,400 to £25,999.
- A significantly higher proportion of those in the lowest income group (11 per cent) reported that they had never had a change of circumstances compared to those in other groups.
- A very small proportion of those in the highest income group (less than one per cent) reported never having a change in circumstances.
- None of the other differences between income groups were statistically significant.

Type of tax credits received:

		Type of tax credits received				Total
		Working Tax Credit only	Child Tax Credit only	Working Tax Credit and Child Tax Credit	No longer receiving tax credits	
		%	%	%	%	%
When usually reports changes of circumstances	As soon as they occur	61	67	72	56	66
	Within 1 month	18	16	18	18	17
	Within 3 months	3	3	2	7	3
	Waits until renewal	12	8	2	13	8
	Never had a change	7	4	5	1	4
	Other	-	2	0	5	2
	Total	100	100	100	100	100
<i>Weighted base</i>		167	402	304	148	1026

Base: All respondents

- Those receiving both Working Tax Credit *and* Child Tax Credit were significantly more likely than those receiving just Working Tax Credit to report changes as soon as they occurred (72 per cent compared to 61 per cent). The differences between these two groups and those receiving just Child Tax Credit were not statistically significant.
- Those who no longer received tax credits were the less likely (56 per cent) to have reported changes of circumstances (while they had been claiming) as soon as they occurred when compared to those who received both types of tax credit (72 per cent), and those who receive only Child Tax Credit (67 per cent). The difference between those no longer claiming and those receiving only Working Tax Credit was not statistically significant.
- Those receiving both Working Tax Credit and Child Tax Credit were less likely than all other groups to wait until renewal before reporting changes in circumstances. Two per cent said that they would wait until renewal compared to 13 per cent of those who no longer received tax credits, 12 per cent of Working Tax Credit only recipients and eight per cent of those receiving Child Tax Credit only
- None of the other differences were statistically significant.

Employment status of main respondent:

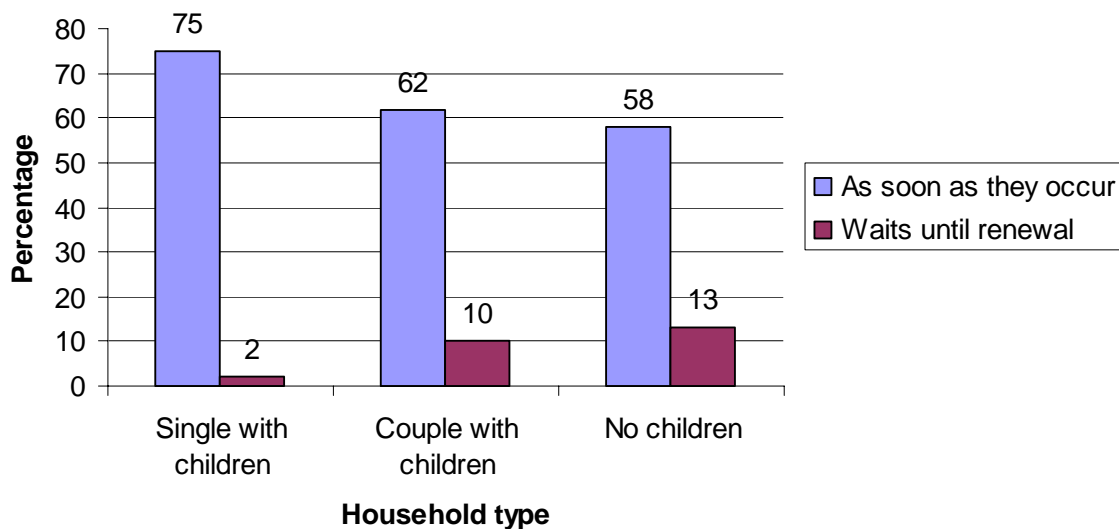
Table 2.12 When usually reports changes of circumstances by employment status					
		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
When usually reports changes of circumstances	As soon as they occur	60	66	72	66
	Within 1 month	19	17	15	17
	Within 3 months	5	2	2	3
	Waits until renewal	10	7	5	8
	Never had a change	4	5	4	4
	Other	1	2	2	2
	Total	100	100	100	100
<i>Weighted base</i>		<i>354</i>	<i>385</i>	<i>287</i>	<i>1026</i>

Base: All respondents

- Those recipients who were not working were significantly more likely to report changes as soon as they occurred (72 per cent), compared to those who worked full-time (60 per cent). None of the other differences were statistically significant.

Household type:

Figure 2.8 When usually reports changes of circumstances by household type (two categories shown*)



Base: All respondents

Weighted base: 1026

*Note: The other categories were: within one month, within three months and never had a change in circumstances. There were no significant differences within these categories.

- Single parents (75 per cent) were more likely than couples with children (62 per cent), or those without children (58 per cent), to report changes of circumstances as soon as they occurred. There was no significant difference between couples with children and recipients with no children (Figure 2.8).
- Single parents were also less likely to wait until renewal to report changes (two per cent) compared to couples with children (ten per cent) or recipients with no children (13 per cent). Again there was no significant difference between couples with children and recipients with no children.
- None of the other differences in the table were statistically significant.

Age of main respondent:

Table 2.13 When usually reports changes of circumstances by age						
		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
When usually reports changes of circumstances	As soon as they occur	75	67	65	54	66
	Within 1 month	16	19	17	16	17
	Within 3 months	3	2	3	5	3
	Waits until renewal	3	7	9	13	8
	Never had a change	3	3	4	10	4
	Other	-	1	3	2	2
	Total	100	100	100	100	100
<i>Weighted base</i>		165	359	343	159	1026

Base: All respondents

- Recipients aged 50 years or over were less likely than those in each of the other age groups to report changes as soon as they occurred. Only slightly more than half of the oldest recipients (54 per cent) said they reported changes as soon as they occurred, compared to 75 per cent of those aged less than 30, 67 per cent of those aged 30-39 and 65 per cent of those aged 40 to 49.
- Conversely, those aged less than 30 were more likely than those in older age groups to report changes as soon as they occurred. There was no significant difference between those aged between 30-39 and those aged 40-49.
- Tax credit recipients aged 50 or over were also more likely than those in the youngest age brackets (under 30 years, and 30-39 years) to wait until renewal before reporting changes of circumstances. Thirteen per cent of recipients aged 50 or over waited until renewal compared to three per cent of those aged under 30 and seven per cent of those aged between 30 and 39. The difference between the other age groups were not statistically significant
- Recipients aged over 50 are also more likely than those in each other age group to say that they had never had a change in circumstances (ten per cent compared to three to four per cent). There were no other significant differences between the other age groups.

2.3.2 Reasons for waiting until renewal

Those who waited until renewal before reporting changes gave a number of reasons for this (Table 2.14):

Table 2.14 Why waits until renewal to report changes	
	%
The renewal acts as a reminder to report changes	28
It won't make any difference to award	22
Its easier to do it all at once	19
This is when changes should be reported	16
Not a priority/don't worry about it	10
Forget	7
Self employed so don't know circumstances until end of financial year	3
Other	10
<i>Weighted base</i>	<i>76</i>

Base: Wait until renewal to report changes in circumstances

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

The most commonly cited answer (28 per cent of recipients) was that the renewal acts as a reminder to report changes or circumstances. Other more commonly cited reasons included:

- The belief that it won't make any difference to the award (22 per cent).
- That it is easier to do it all at once (19 per cent).
- 16 per cent of recipients also felt that renewal was the *correct* time to report such changes.

2.3.3 Reminders to report changes

Recipients who reported changes before renewal were asked if there was anything in particular that reminded them to report these changes. One-third (32 per cent) of recipients reported that there was something that reminds them (Appendix Table A.31). The triggers that reminded recipients to report changes varied (Table 2.15):

Table 2.15 What reminds recipient to report changes	
	%
Remember by myself	37
Radio/TV adverts from HMRC	27
Receiving renewal documentation	22
Change in personal/family circumstance	15
Reminders sent by HMRC throughout the year	10
Friends and family	4
Another letter	1
Adverts/reminders in newspapers	0
Adverts/reminders on the internet	0
Other	10
<i>Weighted base</i>	<i>284</i>

Base: Recipients who said that something reminded them to report changes

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Whilst the most cited response was that claimants remember by themselves (37 per cent), or by the change itself (15 per cent) others did cite a number of specific triggers that reminded them to renew:

- 27 per cent of claimants report being reminded by HMRC radio or television adverts.
- 22 per cent mentioned receiving renewal documentation.
- Ten per cent report being reminded by a letter from HMRC.
- Other responses were less common.

2.3.4 Method of reporting changes of circumstances

As shown in Table 2.16, the vast majority of tax credit claimants (96 per cent) said that they usually reported changes of circumstances to HMRC by telephone.

Table 2.16 Current method of contacting HMRC about changes of circumstances

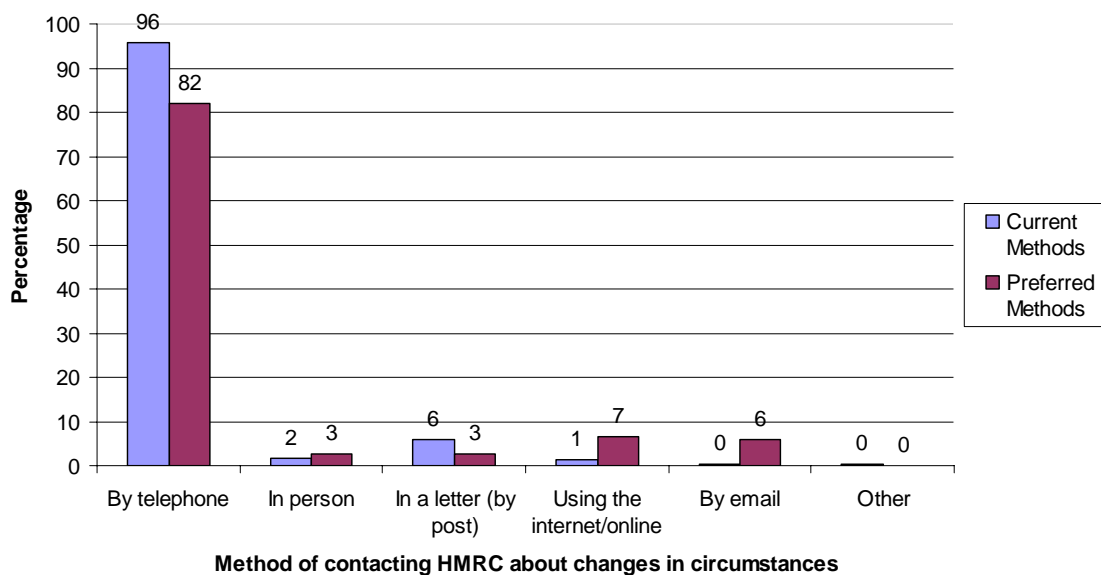
	%
By telephone	96
In a letter (by post)	6
In person	2
Online/on the internet	1
By email	0
Other	0
<i>Weighted base</i>	<i>876</i>

Base: All current tax credit recipients

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Recipients were also asked how they would *prefer* to report changes and were given a list of suggested options (Figure 2.9):

Figure 2.9 Current and preferred method of communicating changes of circumstances to HMRC



Base: All current tax credit recipients

Weighted base: 878

Whilst the telephone was still the favoured method for contacting HMRC to report changes of circumstances a notable proportion of tax credit recipients cited a preference to use electronic communication:

- Seven per cent of recipients would prefer to report changes online (up from one per cent who currently do).
- Six per cent of recipients would prefer to report changes by email (up from less than one per cent (shown as zero in the table) who currently do).

There were some significant differences in the extent of desire to use electronic means of communication to report changes among different groups of tax credit recipients:

Annual household Income:

		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
Preferred way to contact HMRC about changes of circumstances	By telephone	85	85	77	70	82
	In person	3	2	4	-	3
	In a letter/ by post	5	3	1	5	3
	Using the internet	2	5	9	17	7
	By email	5	5	9	8	6
	Other	0	-	-	-	0
	Total	100	100	100	100	100
<i>Weighted base</i>		133	451	208	57	877

Base: All current tax credit recipients

- Those with an income between £10,400 and £25,999 were more likely (85 per cent) than those with a household income of £26,000 to £39,999 (77 per cent), or those with a household income of £40,000 or more (70 per cent), to report a preference for using the telephone. The differences between those earning under £10,400 and those in higher income brackets were not statistically significant. Nor was the difference between the two highest income bands.
- Conversely, those with household incomes of £40,000 or more (17 per cent) were more likely than those with household incomes of up to £10,399 (two per cent), or between £10,400 and £25,999 (five per cent), to report a preference for using the internet to report changes of circumstances. The difference between those with household incomes between £26,000 and £39,999 and those with household incomes in excess of £40,000 was not statistically significant.
- There was also a significant difference between those in the lowest income bracket (two per cent) and those with household incomes of £26,000 - £39,999 (nine per cent) in their likelihood to state a preference for using the internet to

report changes to HMRC, with those on lower incomes being less likely to prefer using the internet. There were no other statistically significant differences.

Type of tax credit received:

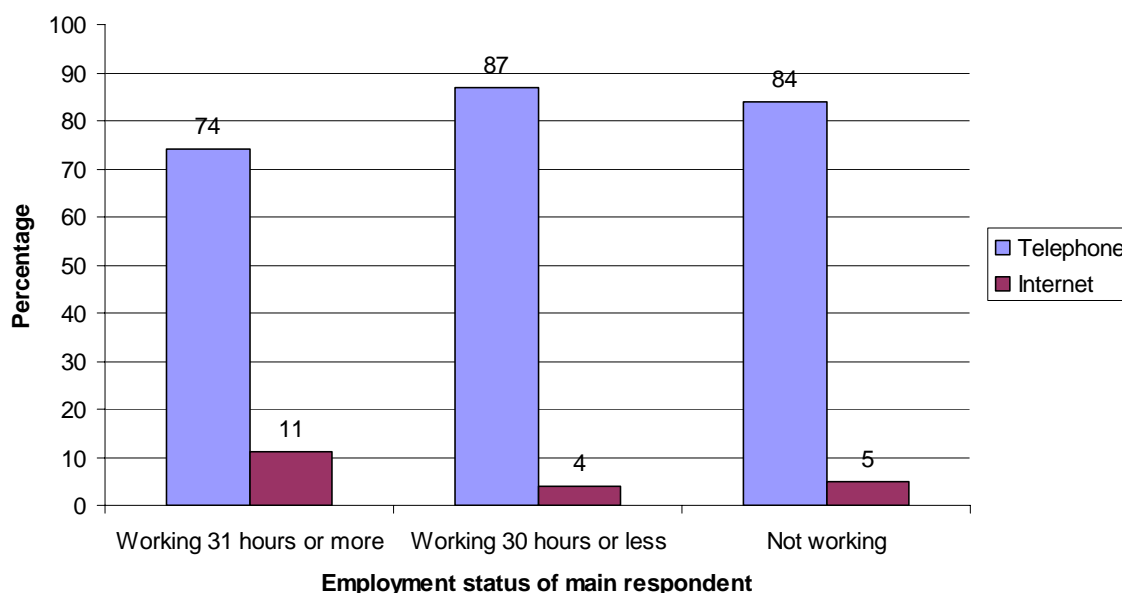
Table 2.18 Preferred method of reporting changes of circumstances by type of tax credits received					
		Type of tax credits received			Total
		Working Tax Credit only	Child Tax Credit only	Working Tax Credit and Child Tax Credit	
		%	%	%	%
Preferred way to contact HMRC about changes of circumstances	By telephone	75	81	87	82
	In person	5	2	2	3
	In a letter/ by post	5	2	3	3
	Using the internet	7	7	5	7
	By email	7	7	3	6
	Other	-	0	-	0
	Total	100	100	100	100
<i>Weighted base</i>		167	402	309	877

Base: All current tax credit recipients

- o Those in receipt of both Working Tax Credit and Child Tax Credit were more likely (87 per cent) than those receiving just Working Tax Credit (75 per cent) to state a preference for contacting HMRC by telephone. The differences with those receiving only Child Tax Credit were not statistically significant.
- o Those in receipt of both Working Tax Credit and Child Tax Credit were less likely (three per cent) than those receiving just Working Tax Credit or just Child Tax Credit (both seven per cent) to state a preference for using email to report changes. There was no significant difference between those receiving only Working Tax Credit and those receiving only Child Tax Credit.

Employment status of main respondent (Figure 2.10). Those who worked full-time (31 hours a week or more) were more likely to state a preference for using the internet:

Figure 2.10 Preferred method for contacting HMRC about changes of circumstances by employment status of main respondent



Base: All current tax credit recipients

Weighted base: 877

- Tax credit recipients who worked full-time were less likely to cite a preference for reporting changes of circumstances by telephone (74 per cent) compared to those who worked part-time (87 per cent) or those who do not work (84 per cent). There was no significant difference between those working part-time and those who were not working.
- Countering this, those working full-time (11 per cent) were significantly more likely to state a preference for using the internet to report changes compared to those who worked part-time (four per cent) and those who were not working (five per cent). Again there was no significant difference between those working part-time and those who were not working.

There were some significant differences by household type:

Table 2.19 Preferred method of reporting changes of circumstances by household type					
		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
Preferred way to contact HMRC about change of circumstances	By telephone	66	90	80	82
	In person	7	2	2	3
	In a letter/ by post	7	2	2	3
	Using the internet	10	3	9	7
	By email	9	3	7	6
	Other	-	0	-	0
	Total	100	100	100	100
<i>Weighted base</i>		<i>102</i>	<i>345</i>	<i>430</i>	<i>877</i>

Base: All current tax credit recipients

- Whilst the telephone was the most commonly cited answer for all of the groups, there were significant differences between all of them in terms of their relative propensity to choose this as their preferred method of contacting HMRC.
 - Ninety per cent of single parents gave this as their preferred method for contacting HMRC to report changes of circumstances.
 - Eighty per cent of couples with children also chose this as their preferred method.
 - Significantly less people without children (66 per cent) chose this as their preferred option.
- Those without children were more likely than either of the other groups to cite a preference for reporting changes in person (seven per cent of those without children compared to two percent of recipients for both of the other groups). There was no significant difference between single parents and couples with children.
- A significantly small proportion of single parents (three per cent) reported a preference for using the internet compared with ten per cent of those with no children and nine per cent of couples with children. There was no significant difference between those without children and couples with children.

Results by age of main respondent is shown in the table below:

Table 2.20 Preferred method of reporting changes of circumstances by age						
		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
Preferred way to contact HMRC about change of circumstances	By telephone	84	82	84	76	82
	In person	3	2	3	3	3
	In a letter/ by post	5	2	1	7	3
	Using the internet	3	9	6	8	7
	By email	5	6	6	5	6
	Other	-	-	0	-	0
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>160</i>	<i>313</i>	<i>277</i>	<i>128</i>	<i>877</i>

Base: All current tax credit recipients

- Those aged 50 or over (seven per cent) were more likely than those aged between 30 and 39 (two per cent), and those aged between 40 and 49 (one per cent) to report a preference for reporting changes by post.
- Those aged under 30 (five per cent) were more likely than those aged 40 to 49 (one per cent) to report a preference for using post to report changes of circumstances to HMRC.
- None of the other differences were statistically significant.

2.3.5 Expectations of timeframes for changes of circumstances

These questions were asked of all recipients who had informed HMRC of a change of circumstances in the past 12 months. These represent 53 per cent of all tax credit recipients (Appendix Table A.40).

As Table 2.21 shows, most recipients (42 per cent) expected HMRC to change their tax credit record within one week of being informed of change in circumstances. Only five per cent expected it to take more than one month.

Table 2.21 Time recipient expects HMRC should take to make change to record	
	%
Within a week	42
Within two weeks	27
Within three weeks	8
Within one month	18
More than one month	5
Total	100
<i>Weighted base</i>	<i>455</i>

Base: Reported a change of circumstances to HMRC in past 12 months

2.3.6 Contacting HMRC to check whether changes dealt with

Twenty per cent of recipients who had reported a change in circumstances in the past 12 months said that they had contacted HMRC to check whether their change in circumstances had been dealt with (Appendix table A.42). Of these:

- Half of all recipients (50 per cent) only contacted HMRC once
- 21 per cent contacted HMRC twice
- 16 per cent contacted HMRC three times
- 12 per cent contacted HMRC four or more times (Appendix Table A.43).

As Table 2.22 shows, there was some variation in the length of time recipients waited before contacting HMRC for the first time:

Table 2.22 Length of time between reporting change of circumstances and checking if HMRC had updated record	
	%
Within a week	29
Within two weeks	27
Within three weeks	18
Within one month	11
More than one month	16
Total	100
<i>Weighted base</i>	<i>92</i>

Base: Contacted HMRC to check that change of circumstances had been dealt with

Whilst 29 per cent of recipients contacted HMRC within one week many waited longer than this. Sixteen per cent waited for more than one month before making contact.

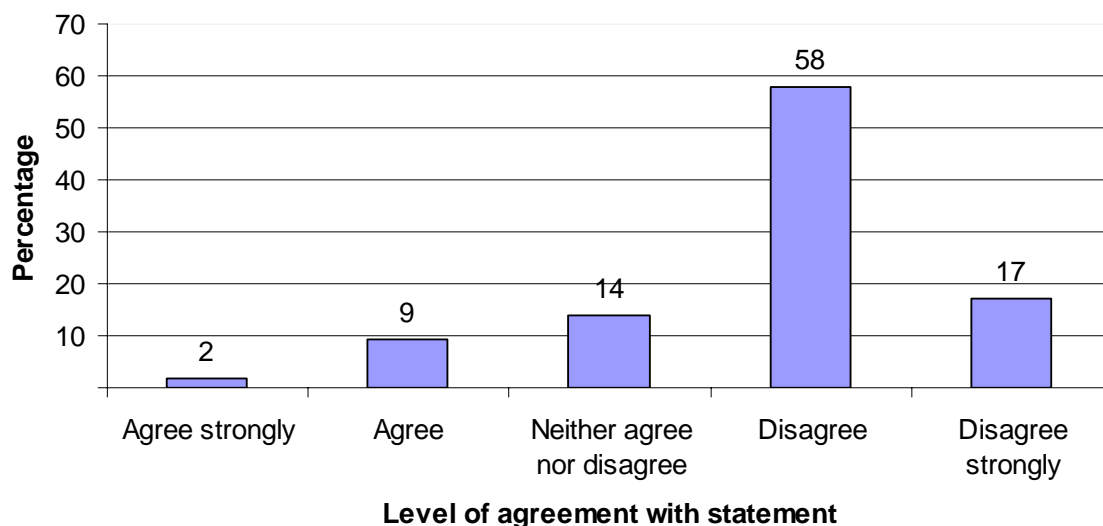
2.4 Perceptions of quality and accuracy

The study collected information about tax credit recipients' views on the quality and accuracy of services provided by HMRC. One set of questions about perceptions of quality and accuracy was asked to all respondents who were currently receiving tax credits. A second set was asked only to those who have begun claiming in the past three years and had had dealings with HMRC in the three months prior to their interview. This second set of questions focussed on respondents' views about that most recent interaction.

2.4.1 General perceptions of all claimants

Recipients were asked to state how much they agreed or disagreed with four different statements. Overall the perceptions were positive and the responses to the individual questions are shown in the Figures 2.11 to 2.14:

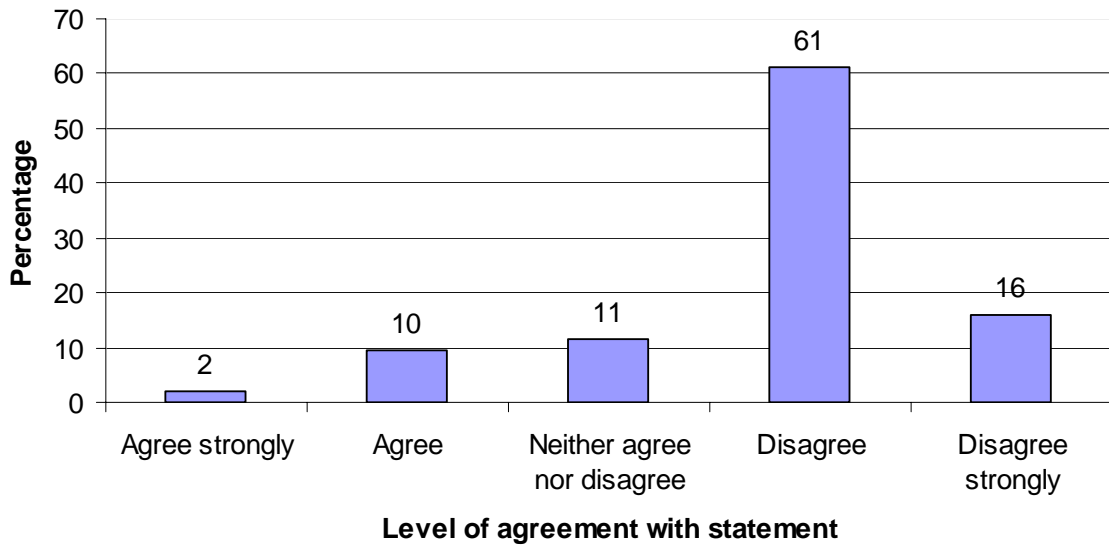
Figure 2.11 Agreeing with the statement: "I feel that HM Revenue and Customs makes things difficult for me":



Base: All current tax credit recipients
Weighted base: 876

- Overall three quarters of recipients (75 per cent) either disagreed, or disagreed strongly, with the statement.
- Nine per cent agreed with the statement, two per cent agreed with it strongly.
- Fourteen per cent neither agreed nor disagreed with the statement.

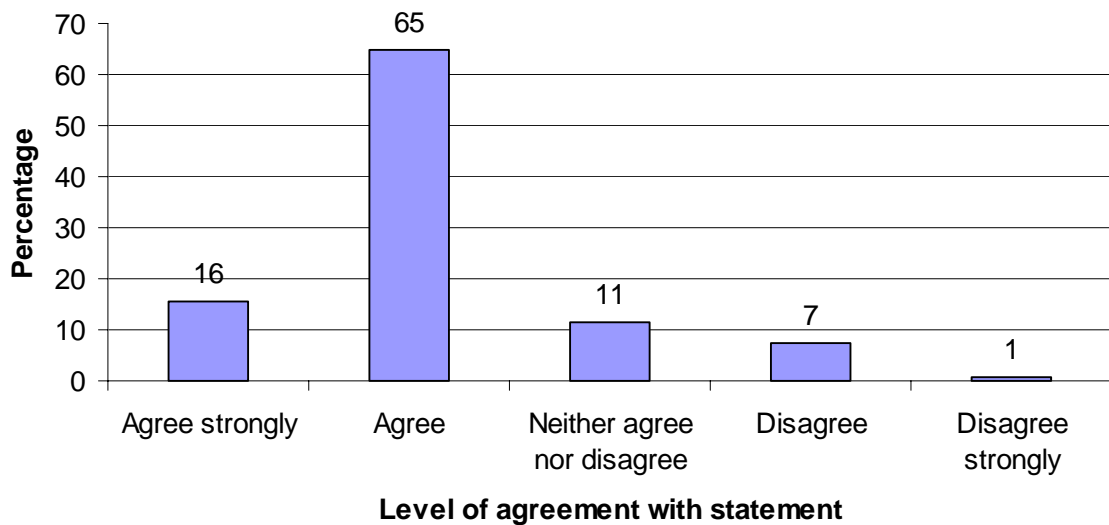
Figure 2.12 Agreeing with the statement: “I cannot trust HMRC to get things right”



Base: All current tax credit recipients
Weighted base: 873

- Over three quarters of recipients (77 per cent) either disagreed, or disagreed strongly, with the statement.
- Ten per cent agreed with the statement and only two per cent agreed with it strongly.
- Eleven per cent neither agreed nor disagreed with the statement.

Figure 2.13 Agreeing with the statement: “If I need help, HM Revenue & Customs give me the correct information”

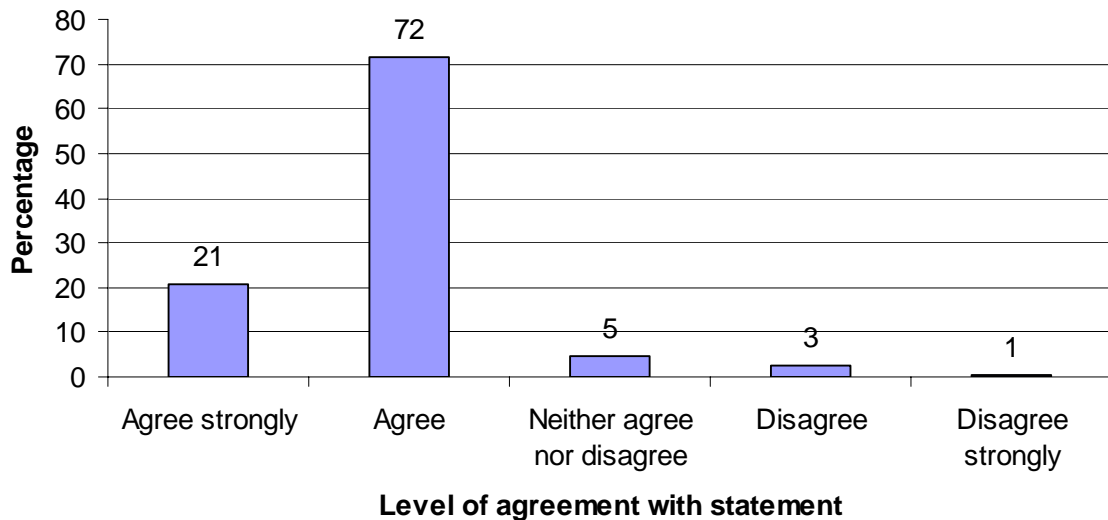


Base: All current tax credit recipients
Weighted base: 874

- Over 80 per cent of recipients either agreed, or agreed strongly, with the statement.

- Only seven per cent disagreed with the statement and only less than one per cent disagreed with it strongly.
- Eleven per cent neither agreed nor disagreed with it.

Figure 2.14 Agreeing with the statement: “I know what I have to do to get my Tax Credits claim right”



Base: All current tax credit recipients
Weighted base: 876

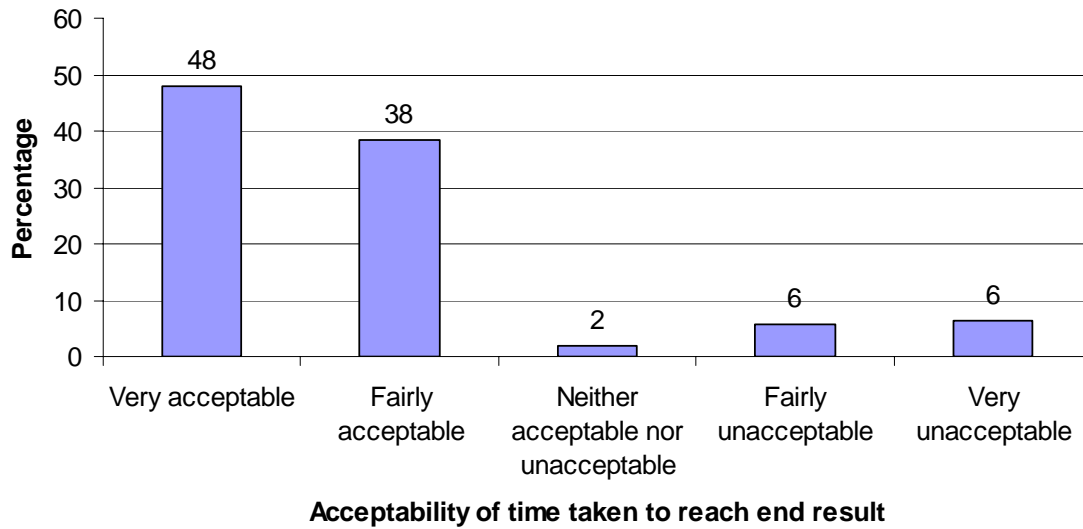
- Ninety-three per cent of claimants either agreed, or agreed strongly, with the statement.
- Only three per cent disagreed with the statement and less than one per cent disagreed with it strongly.
- Five per cent neither agreed nor disagreed with the statement.

2.4.2 Recent claimants’ dealings with HMRC in past three months

Of those claimants who had made an initial claim for tax credits in the past three years 28 per cent had had some dealings with HMRC in the three months preceding their telephone interview (Appendix Table A.49).

These respondents were asked a number of additional questions about their most recent dealings with HMRC based on standard questions in the HMRC customer experience survey. Their views were again generally positive and their responses to the individual questions are outlined in figures 2.15 to 2.18:

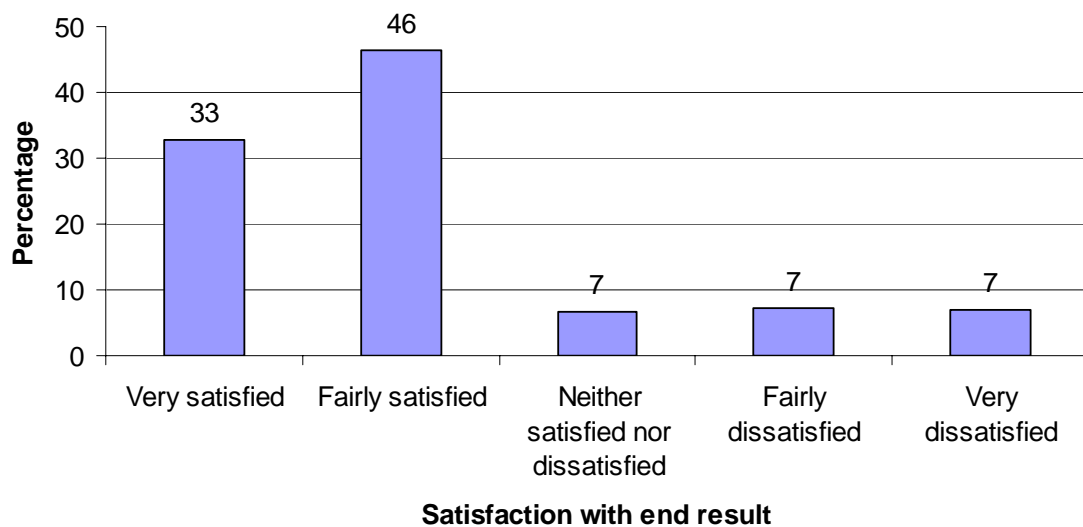
Figure 2.15 The time taken to reach the end result for most recent query



Base: Recipients who had made an initial claim within the past three years and had had dealings with HMRC in the previous three months
 Weighted base: 93

- Almost half (48 per cent) of all recipients found the time taken to reach the end result of their most recent query to be ‘very acceptable’ with another 38 per cent judging it to be ‘fairly acceptable’.
- Six per cent of recipients felt that the time taken to resolve their particular issue was ‘very unacceptable’ and another six per cent judged it to be ‘unacceptable’.
- Two per cent felt it was neither acceptable nor unacceptable.

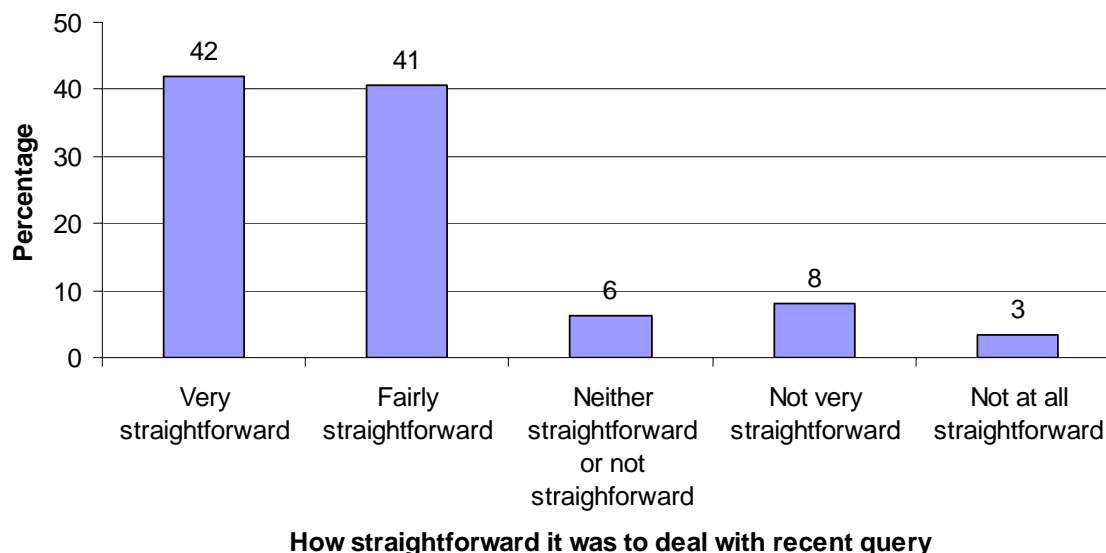
Figure 2.16 Satisfaction with end result of recent dealings with HMRC



Base: Recipients who had made an initial claim within the past three years and had had dealings with HMRC in the previous three months
 Weighted base: 94

- The majority of recipients were either very satisfied (33 per cent) or fairly satisfied (46 per cent) with the outcome of their recent dealings with HMRC.
- A total of 14 per cent were either fairly dissatisfied with the outcome (seven per cent), or very dissatisfied with the outcome (seven per cent).
- An additional seven percent were neither satisfied nor dissatisfied.

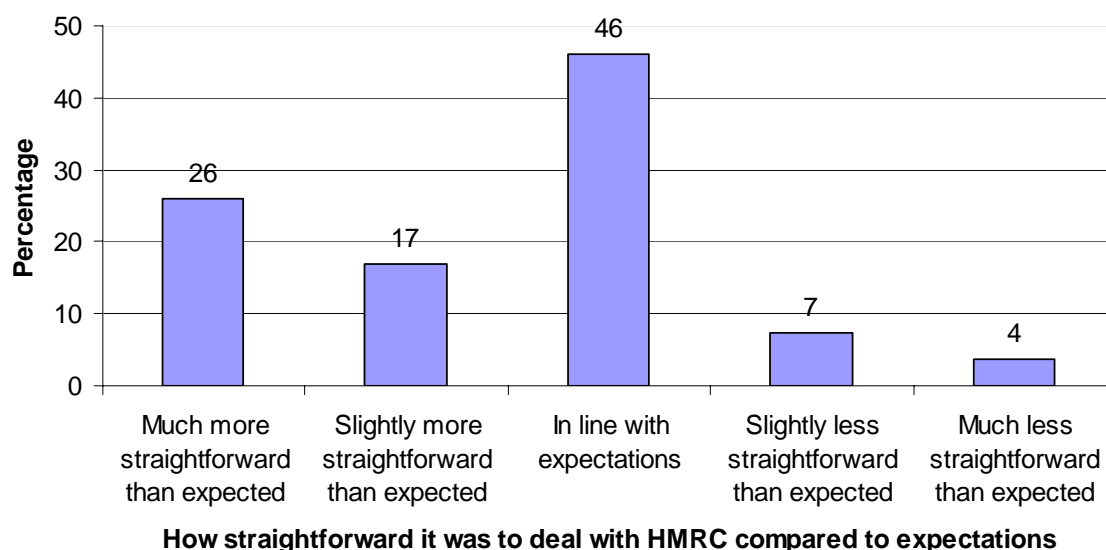
Figure 2.17 How straightforward was the most recent experience of dealing with HMRC



Base: Recipients who had made an initial claim within the past three years and had had dealings with HMRC in the previous three months
 Weighted base: 93

- The majority of recipients felt that their recent query had been very straightforward (42 per cent) or fairly straightforward to deal with (41 per cent).
- Only three per cent felt it was 'not at all straightforward' and a further eight per cent felt that it was 'not very straightforward'.
- Six percent felt it was neither straightforward nor not straightforward.

Figure 2.18 How straightforward was the most recent experience of dealing with HMRC compared to what recipient had expected



Base: Recipients who had made an initial claim within the past three years and had had dealings with HMRC in the previous three months
 Weighted base: 93

- Almost half of recipients (46 per cent) reported that their recent experience had been in line with expectations.
- Around a quarter (26 per cent) reported that it was much more straightforward than expected and another 17 per cent felt that it was slightly more straightforward than expected.
- In total 11 per cent felt that it was slightly or much less straightforward than expected.

2.5 Use of third parties for advice and the processing of claims

The final questions in this section asked respondents about where they went for help and advice about tax credits. Those that had not already indicated that they used them were then asked about using the Citizens Advice Bureau for help or advice. All current recipients were also asked about their willingness to use the Post Office for a 'check and send' service for submitting tax credit claims.

2.5.1 Sources of help or advice

All current tax credit recipients were asked where they tended to go for help and advice about tax credits. Recipients who gave more than one response were then asked which source of help and advice they tended to use *first*.

Table 2.23 shows the responses to the multiple response question:

Table 2.23 Source of help or advice about tax credits	
	%
Call Tax Credit helpline	62
HMRC website	33
Direct.gov website	15
Friends or relatives	8
Citizens Advice Bureau	8
Job centre/ Jobcentre Plus	6
Letter/leaflet previously received from HMRC	5
Visit HMRC Enquiry Centre / Local tax office	4
Another website	2
Independent professional advisor e.g. accountant	2
Email to HMRC	1
A voluntary/community/charitable organisation	1
Write a letter/fax to HMRC	0
Local council offices	0
Visit HMRC Enquiry Centre / Local tax office	0
Do not need advice	3
Other	1
<i>Weighted base</i>	<i>872</i>

Base: All current tax credit recipients

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

- A majority of tax credit recipients (62 per cent) said they contacted the Tax Credits Helpline for help and advice.
- A relatively high proportion used the HMRC website (33 per cent) or Direct.gov website (15 per cent).
- Eight per cent of claimants made use of the Citizens Advice Bureau and six per cent used Job Centres or Job Centre Plus.
- Another eight per cent said they tended to turn to their friends and family to get help and advice about tax credits.
- Other sources for help and advice were less common.

Those who tended to contact more than one source for help or advice were asked which source they used first. The responses given are shown in Appendix Table A.55.

Table 2.24 combines the first choices of these claimants who indicated more than one source of help or advice with the choices of those who only gave one response.

Table 2.24 Overall first choice for help and advice about tax credits	
	%
Call Tax Credit helpline	50
HMRC website	19
Direct.gov website	8
Friends or relatives (including other Tax Credit claimants)	7
Citizens Advice Bureau	3
Job centre/ Jobcentre Plus	2
Letter/leaflet previously received from HMRC	2
Visit HMRC Enquiry Centre / Local tax office	2
Independent professional advisor e.g. accountant	1
Another website	0
A voluntary/ community/ charitable organisation	0
Email to HMRC	0
Local council offices	0
Do not need advice	3
Other	1
Total	100
<i>Weighted base</i>	<i>872</i>

Base: All current tax credit recipients

The table shows that the majority of all tax credit recipients used the Tax Credit Helpline in the first instance if they had a need for help or advice about tax credits:

- Fifty per cent of tax credit claimants used the Tax Credit Helpline as their first source of help or advice about tax credits.
- Nineteen per cent of tax credit claimants used the HMRC website as their first source for help or advice.
- The Direct.gov website (eight per cent) and friends and relatives (seven per cent) are the most common alternatives to HMRC sources.

2.5.2 Using the Citizens Advice Bureau

Whilst Table 2.23 suggests that only eight per cent of recipients currently used the Citizens Advice Bureau (CAB), 67 per cent of those who did not use it did said that they would be willing to use it in the future (Appendix Table A.57).

Willingness to use CAB varied by employment status:

Table 2.25 Willing to use Citizens Advice Bureau for help or advice about tax credits in the future by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Willing to use the Citizens Advice Bureau for help with tax credits	Yes	62	66	74	67
	No	38	34	26	33
	Total	100	100	100	100
<i>Weighted base</i>		253	302	242	797

Base: All current tax credit recipients who have not previously used the Citizens Advice Bureau for advice about tax credits

- o Those not in work were more likely to say they would use CAB compared to those who worked full-time. Sixty-two per cent of recipients who worked full-time said that they would be willing to use the CAB compared to 74 per cent of recipients who were not working. The differences between these groups and those working part-time (working 30 hours or less a week) were not statistically significant.

Those who would not be willing to use the Citizens Advice Bureau gave a range of reasons why this may be the case (Table 2.26):

Table 2.26 Why unwilling to use CAB

	%
Inconvenient	27
CAB are too busy/hard to get hold of	20
Prefers HMRC	13
Prefers another method	9
Would not think to contact CAB ¹	8
Contact to HMRC directly	6
Bad experience with CAB in past	5
Do not need any help with tax credits	7
Other	13
<i>Weighted base</i>	257

Base: Not willing to use the Citizens Advice Bureau for help or support with tax credits

¹ This included any general references to not associating the CAB with tax credits that did not fit into any other category.

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Inconvenience was the most commonly cited reason for not wanting to use the Citizens Advice Bureau but a range of other reasons were also cited:

- Over one quarter (27 per cent) of recipients cited inconvenience.
- Twenty per cent of recipients expressed the view that Citizens Advice Bureaus were too busy or too hard to get hold of.
- Thirteen per cent of recipients simply stated that they were happy using HMRC as their source of information and advice.
- Eight percent of claimants would not even think to contact the Citizens Advice Bureau in relation to tax credits.
- Other reasons were mentioned less frequently.

2.5.3 Using Post Offices for a ‘Check and Send’ service

All current recipients were asked whether they would be willing to use a ‘check and send’ service at the Post Office, if this service was offered. Around half (48 per cent) said that they would be willing to use it for a ‘Check and Send’ service in the future (Appendix Table A.60). As shown in Table 2.27 there were also some significant variations by age, with those under 30 being more willing to use the Post Office for this service (62 per cent) compared to those in older age groups:

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
Willing to use Post Office check and send service	Yes	62	50	39	47	48
	No	31	37	53	41	42
	Not sure/ Maybe/ Possibly	6	12	8	12	10
	Total	100	100	100	100	100
<i>Weighted base</i>		150	311	277	127	874

Base: All current tax credit recipients

Tax Credit recipients aged between 40 and 49 (39 per cent) were the least likely to report a willingness to use this service. This difference was significant when compared to those aged under 30 and those aged 30-39 but not significant when compared to those aged 50 or over. There was also no significant difference between those aged 50 or over and those between 30 and 39.

Those that said they were not willing, or may not be willing, to use such a service gave a range of reasons for this (Table 2.28):

Table 2.28 Why unwilling to use Post Office	
	%
Don't need such a service	29
Too personal/privacy/confidentiality	19
Prefer to deal with tax credits over the phone	16
Concern that there may be a fee for the service	10
Post Office is too busy	8
Inconvenient	8
Post Office lacks expertise/experience	4
Happy with using HMRC/no need ¹	4
Don't trust Post Office	3
Bad experience in past	2
Don't use the Post Office	1
Other	10
<i>Weighted base</i>	<i>449</i>

Base: Would not be willing to use Post Office 'check and send' service if it was offered

¹ This included any general statements about being happy with the service delivered by HMRC or a preference for current system to remain in place. Specific statements about not requiring such a service were given their own category.

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Whilst over one quarter of recipients simply stated that they did not need such a service others gave more substantive reasons why they would prefer not to use the Post Office:

- Twenty-nine per cent of respondents stated that they did not need such a service.
- Nineteen per cent of recipients cited a lack of privacy or confidentiality, often in relation to post offices being within situated in the local community.
- Perhaps reflecting the popularity of the Tax Credits Helpline 16 per cent stated a preference for dealing with tax credit over the telephone.
- Ten per cent had concerns that there may be a fee for the service.
- Eight percent said that the Post Office was too busy and another eight percent cited inconvenience.
- A relatively small percentage of recipients (four per cent) cited concerns over a lack of expertise or experience in post offices.

3 Interactive Voice Recording

3.1 Introduction

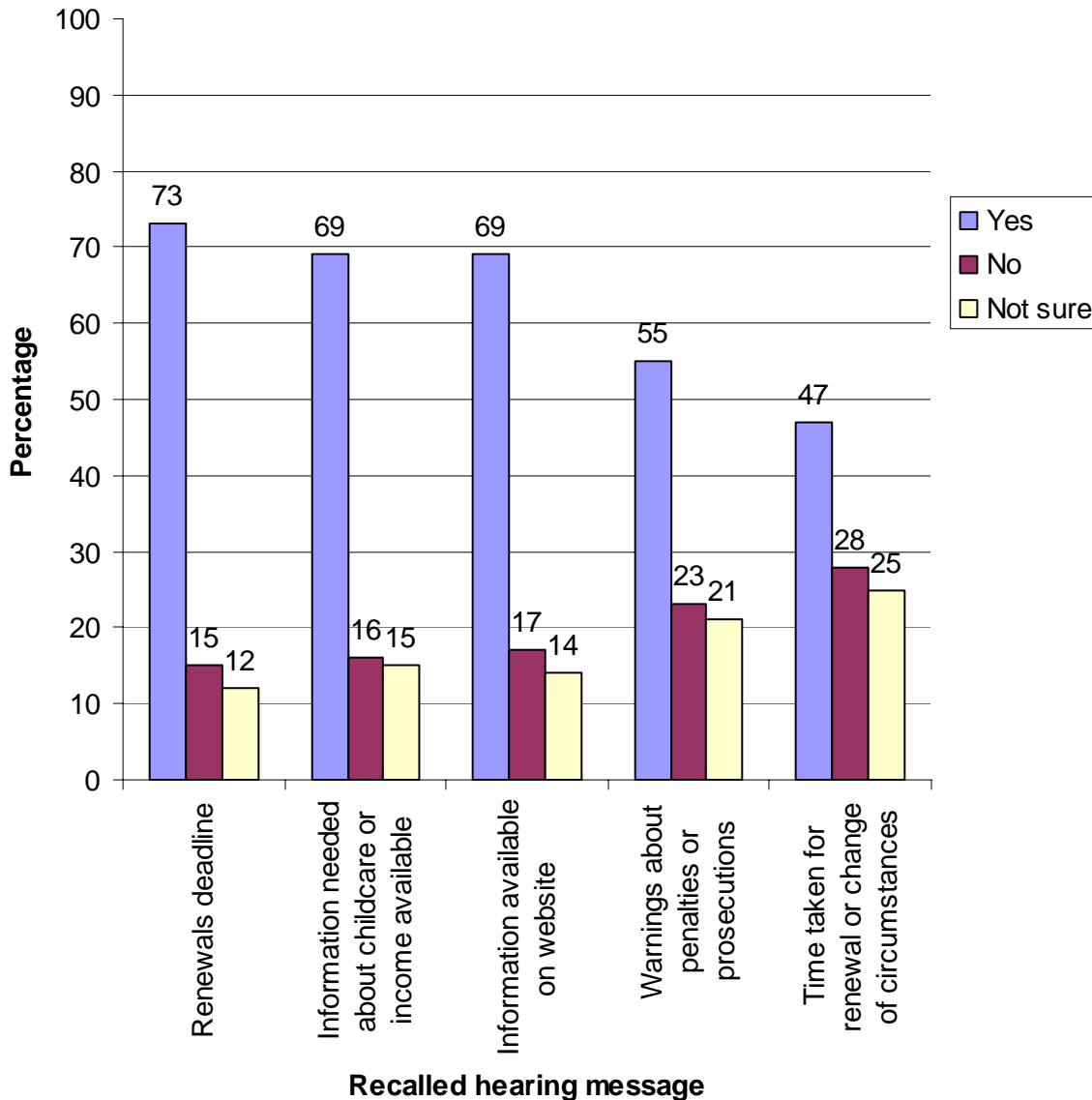
HMRC introduced Interactive Voice Recording (IVR) to play recorded messages to callers while they are waiting to be connected to an advisor. These messages provided a range of information to callers, for example, advising them to make sure that they had all the necessary information at hand, warning them that they may face penalty or prosecution for providing incorrect information etc. Some messages were only played at specific times during the year, for example, during the renewals period. Recipients were asked whether they recalled hearing these messages, whether they took any action as a result of hearing the message and whether they discussed the content of the message with family or friends.

3.1.1 Which recorded messages did recipients recall hearing?

The majority of recipients reported that they had called the Tax Credits Helpline (84 per cent) (Appendix Table B.1). As shown in Figure 3.1 there was some variation in the recorded messages that these recipients recalled hearing (Tables in Appendix B):

- 73 per cent recalled hearing messages about the renewals deadline (31st July).
- 69 per cent recalled hearing reminders to have all the information needed about childcare or income available.
- 69 per cent recalled hearing recorded messages that reminded them about the information available on the HMRC website.
- 55 per cent remembered hearing warnings about penalties or prosecutions.
- 47 per cent recalled hearing statements about the time taken for renewal or changes of circumstances.

Figure 3.1 Type of recorded messages recipients recalled hearing



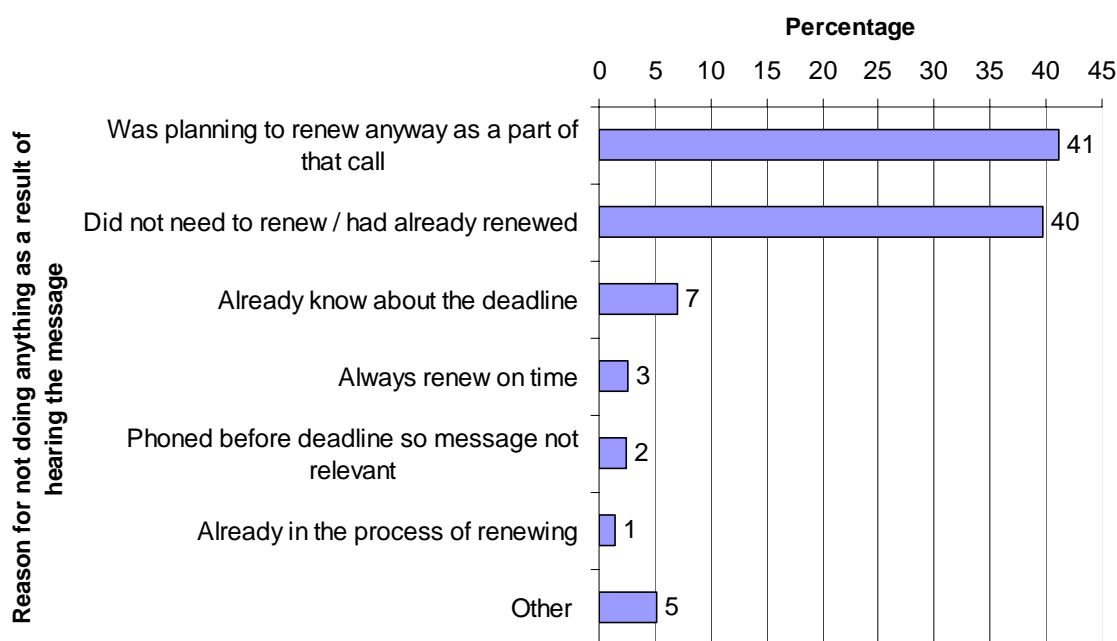
Base: All recipients who started claiming before July 2008 and who had ever called Tax Credits Helpline
 Weighted base: 582

3.1.2 What did recipients do after hearing reminders about the renewals deadline?

Those that recalled the message about the renewals deadline were asked whether they did anything as a result of hearing it. The majority said that they did not do anything (77 per cent) (Appendix Table B.11). The main reasons why recipients did not do anything were (Figure 3.2):

- Already planning to renew as part of the call (41 per cent)
- Did not need to renew or had already renewed (40 per cent)
- Already aware of the deadline (seven per cent)

Figure 3.2 Why recipients did not do anything as a result of hearing message about renewals deadline



Base: Did not do anything as a result of hearing a message
 Weighted base: 318

Twenty-three per cent of recipients said that had taken action as a result of hearing the message (Appendix Table B.13). Of these recipients:

- 38 per cent decided to stay on the line and renew at that point,
- 17 per cent made sure they renewed on time,
- 11 per cent hung up and called back to renew,
- 10 per cent hung up and renewed by post,
- Other courses of action were less common.

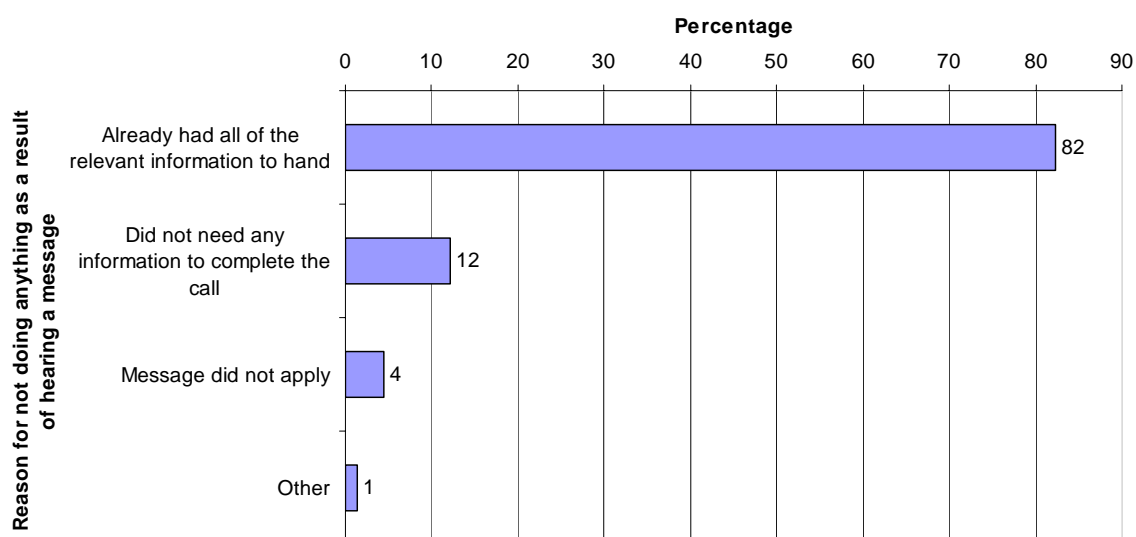
Fourteen per cent of recipients who had heard a message about renewals deadline **told their friends or family** about hearing the message (Appendix Table B.14).

3.1.3 What did recipients do after hearing reminders to have the right information about childcare or income to hand?

Recipients that remembered hearing reminders to have the correct information about childcare or income to hand were asked whether they did anything after hearing the message. Around two-thirds of recipients said that they did not do anything after hearing the message (63 per cent) (Appendix Table B.7). This was for the following reasons (Figure 3.3):

- Already had all the information to hand (82 per cent)
- Did not need any of the information to complete the call (12 per cent)
- Remaining four per cent said that the message did not apply to them.

Figure 3.3 Why recipients did not do anything as a result of hearing message about having all info needed about childcare or income



Base: Did not do anything as a result of hearing a message
Weighted base: 246

Thirty-seven per cent of recipients said that they took action after hearing the message. Of these recipients (Appendix Table B.9):

- 65 per cent stayed on the line and made sure that they had all the information they needed to hand,
- 30 per cent hung up but called back when they had all the necessary information,
- One per cent hung up and forgot to call back.

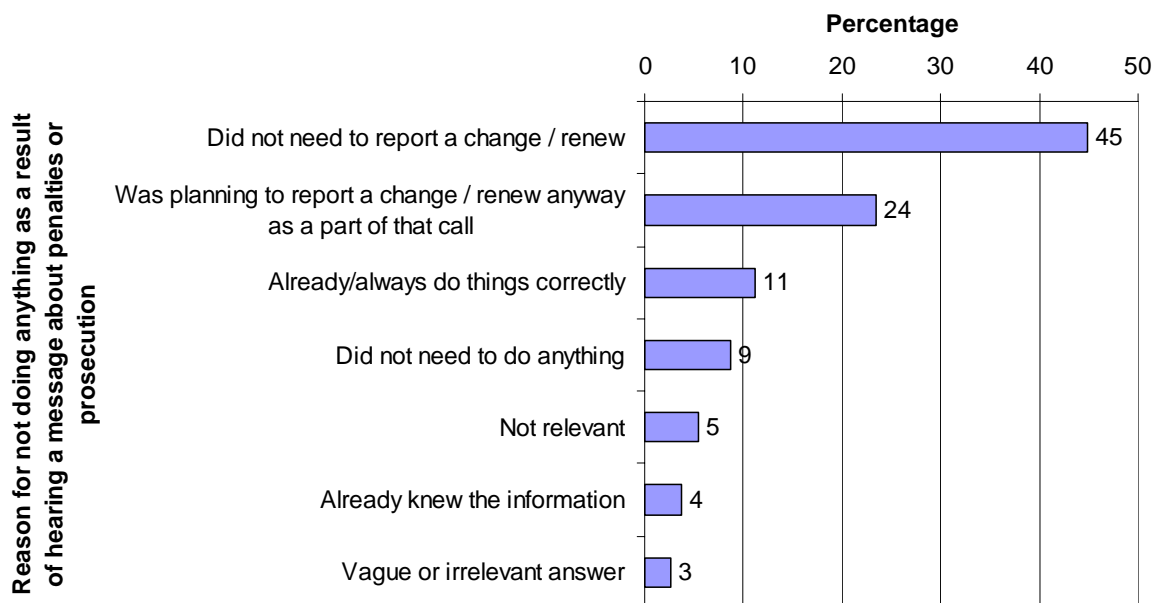
Nine per cent of recipients who had heard a message about having relevant information at hand **told their friends or family** about it (Appendix Table B.10).

3.1.4 What did recipients do after hearing reminders about penalties or prosecution?

We asked recipients that recalled hearing warnings about penalties or prosecutions what they did after hearing these messages. The majority of recipients that heard the message did not take any action as a result (91 per cent) (Appendix Table B.15). The main reasons for not doing anything were (Figure 3.4):

- Did not need to report a change or renew (45 per cent),
- Were planning to report a change of circumstances or renew as part of the call (24 per cent),
- Already or always do things correctly (11 per cent),
- Did not need to do anything (nine per cent).

Figure 3.4 Why did not do anything as a result of hearing message about penalties or prosecution



Base: Did not do anything as a result of hearing a message
Weighted base: 288

Nine per cent of recipients said they took action after hearing the message. There were too few responses to look at reasons in more detail.

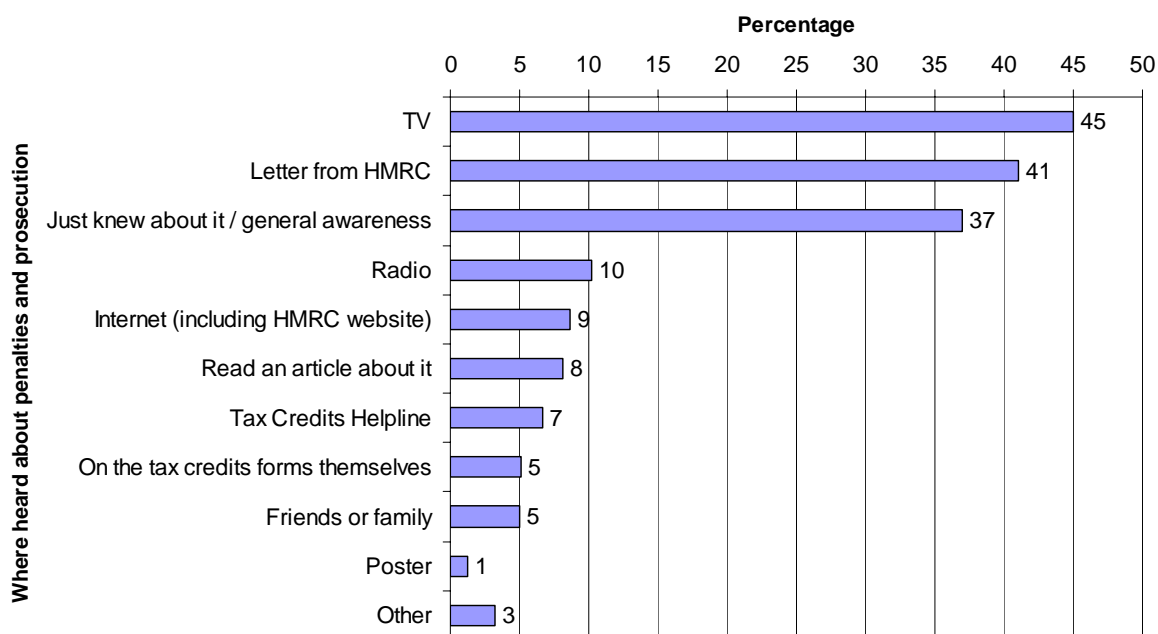
One in ten (10 per cent) recipients who had heard a message about penalties or prosecution **told their friends or family** about it (Appendix Table B.18).

The majority of recipients were aware that they may face penalty or prosecution for providing incorrect information before they heard the recorded message (97 per cent) (Appendix Table B.19).

Recipients mentioned a range of sources for this awareness (Figure 3.5) and could give more than one response. **The three most common ways of finding out about penalties or prosecution were:**

- Television – mentioned by 45 per cent of recipients who were aware of penalties and prosecution.
- Letter from HMRC – mentioned by 41 per cent.
- Just knowing about it / general awareness – mentioned by 37 per cent of recipients.

Figure 3.5 Where recipients heard about penalties or prosecution



Base: Had heard about penalties and prosecution

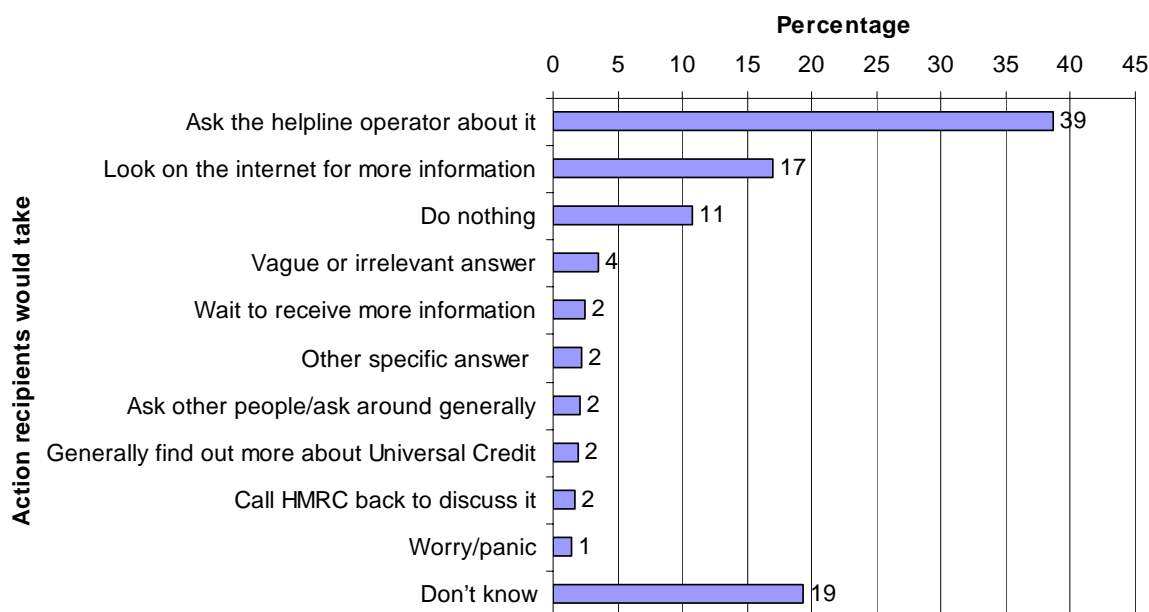
Weighted base: 308

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

3.2 Move to Universal Credit

Recipients were asked about what they would do if they heard a recorded message about a move from tax credits to Universal Credit (Figure 3.6). Trying to find out more was the most common course of action, with two out of five recipients (39 per cent) saying they would ask the helpline advisor about the message and another 17 per cent saying that they would look online for more information. One in ten recipients (11 per cent) said they would not do anything as a result of hearing the message. A substantial minority of recipients were unsure about the course of action they would take (19 per cent). Some recipients in this group mentioned that the reason for this was because they had not heard about Universal Credit before.

Figure 3.6 Action recipients would take if they heard a recorded message about a move to Universal Credit



Base: Ever called Tax Credits Helpline

Weighted base: 585

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

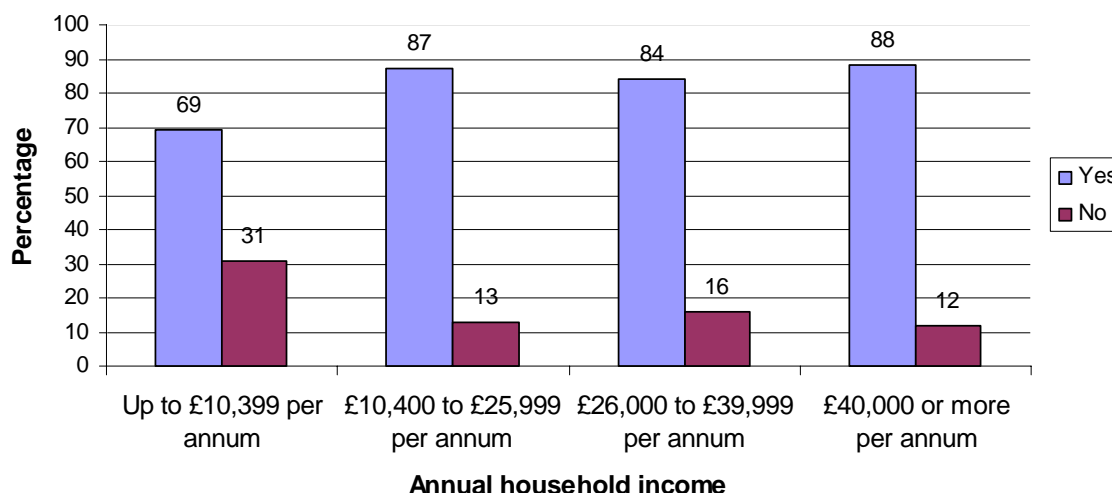
3.3 Recipients' experiences of IVR in other organisations

Recipients were also asked about the use of IVR in other organisations such as telephone, gas or electricity companies to see how it compared to the tax credits helpline. The majority had heard messages of this type when contacting other organisations (85 per cent) (Appendix Table B.22).

Whether recipients had heard messages when calling other organisations varied by household income and type of tax credits received:

- Tax credit recipients with lower household income were less likely to have heard messages when calling other organisations (Figure 3.7). Sixty-nine per cent of recipients with annual household income £10,399 or less said they had heard messages at other organisations, compared to 87 per cent among those with household income between £10,400 and £25,999, 84 per cent of those with household income between £26,000 and £39,999 and 88 per cent among those with household income of £40,000 or more. Differences between the three higher income groups were not found to be statistically significant.

Figure 3.7 Ever heard recorded messages when calling other organisations by annual household income



Base: All recipients who started claiming tax credits before July 2008
 Weighted base: 691

- People receiving Child Tax Credit only were less likely to have heard recorded messages when calling other organisations compared to all other tax credit recipients – 79 per cent of Child Tax Credit only recipients had heard messages at other organisation, compared to 87 to 89 per cent among the rest of the recipients (Table 3.1). Differences between tax credit recipients who received Working Tax Credit only, both types of tax credits, or who were no longer receiving tax credits, were not found to be statistically significant.

Table 3.1 Ever heard messages from other organisations by type of tax credits received

		Type of tax credits received				Total
		Working Tax Credit only	Child Tax Credit only	Working Tax Credit and Child Tax Credit	No longer receiving tax credits	
		%	%	%	%	%
Ever heard recorded messages when calling other organisations	Yes	87	79	89	88	85
	No	13	21	11	12	15
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>88</i>	<i>253</i>	<i>197</i>	<i>149</i>	<i>691</i>

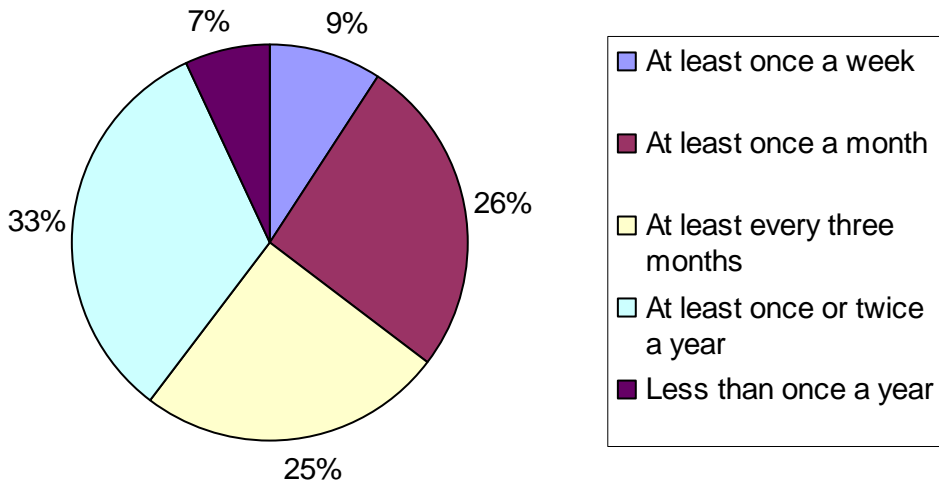
Base: All recipients who started claiming tax credits before July 2008

There was some variation amongst recipients in the frequency in which they called these types of organisations (Figure 3.8):

- Nine per cent called at least once a week,
- 26 per cent at least once a month,

- 25 per cent at least every three months,
- 33 per cent once or twice per year,
- Seven per cent less than once a year.

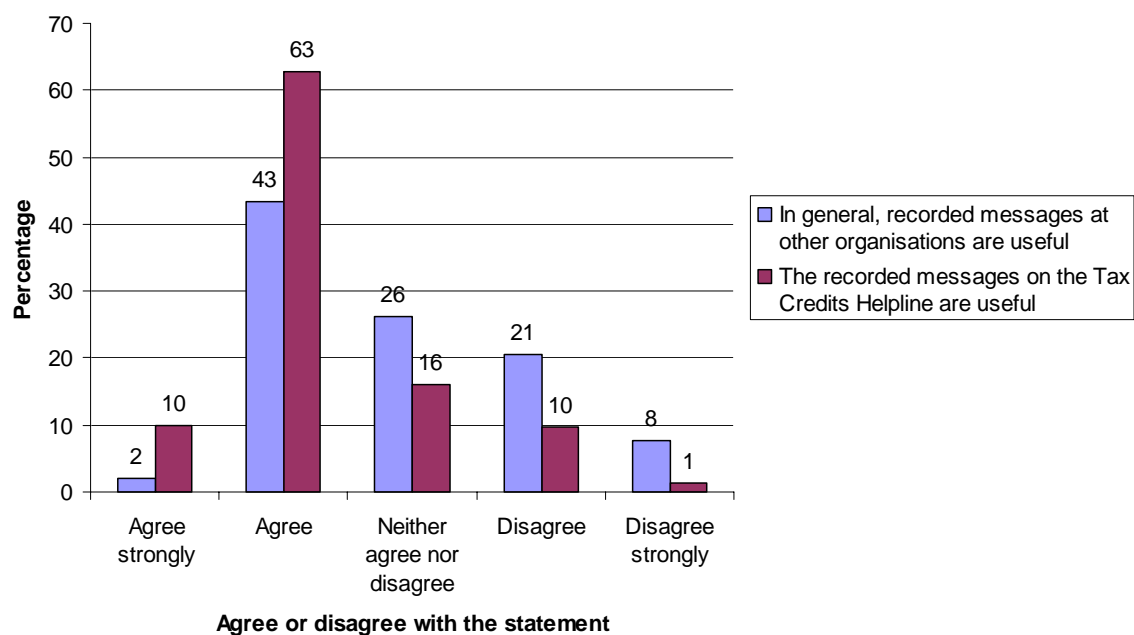
Figure 3.8 How often recipients call organisations that have recorded messages



Base: Tax Credit recipients who started claiming tax credits before July 2008 who had heard Interactive Voice Recordings when calling other organisations
 Weighted base: 584

Recipients were also asked how useful they thought the recorded messages played by these organisations and the Tax Credits Helpline were. Almost three quarters (73 per cent) of tax credit recipients found the recordings played on the Tax Credit Helpline to be useful (Figure 3.9). The proportion saying the same about messages played by other organisations was much lower (45 per cent).

Figure 3.9 Assessment of usefulness of recorded messages on Tax Credit Helpline and other organisations



Base for other organisations: All recipients who started claiming tax credits before July 2008 and heard recorded messages when called other organisations

Weighted base: 583

Base for Tax Credits Helpline: All recipients who started claiming tax credits before July 2008 and heard recorded messages when called Tax Credit Helpline

Weighted base: 522

4 Changes to tax credits and the childcare element

4.1 Introduction

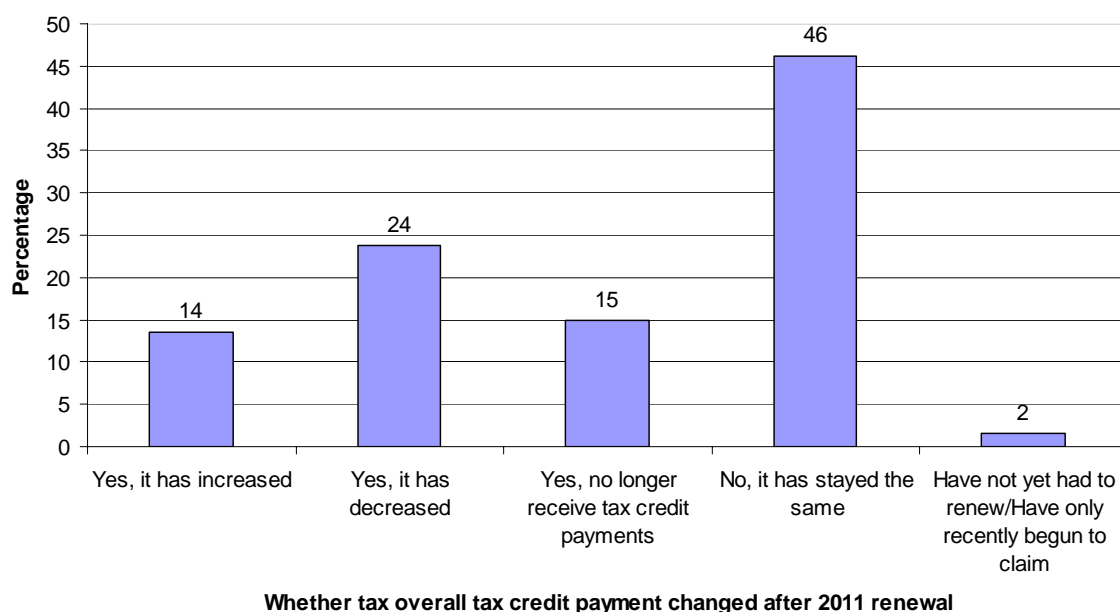
Changes to tax credits introduced in April 2011 included a reduction in tax credit eligibility for families with income above £40,000 and a reduction in the childcare element. Support for childcare costs is provided through an element of Working Tax Credit and is in recognition of the extra costs faced by parents who work. The amount of in year income rise that is disregarded also changed. From April 2011 if recipient's household income goes up by £10,000 or less, their tax credits will not change until the following tax year. If their income goes up by more than £10,000 and they do not report this, they may get too much in tax credits the following year (an overpayment).

This chapter explores recipients' awareness of these changes and the effect the changes that have already been implemented have had on them.

4.2 Changes in tax credit payments

Recipients were asked whether their overall tax credit payments had changed since they renewed in 2011 and then about whether they knew why any change may have occurred. Figure 4.1 shows the changes in tax credit payments that were reported.

Figure 4.1 Change in tax credit payments since 2011 renewal



Base: All recipients who started claiming tax credits before July 2008
Weighted base: 688

- 46 per cent said that their payments had stayed the same
- 24 per cent that their award had decreased
- 15 per cent no longer received tax credits payments
- 14 per cent said that their award had increased.

Recipients who had said their award had changed were asked if they knew why (Table 4.1).

Table 4.1 Why tax credit payment changed in 2011	
	%
A change in personal or family circumstances	81
Changes to the tax credits rules brought in by HMRC	14
Paying back an overpayment	5
Changes linked to the wider economy	1
Other	4
<i>Weighted base</i>	<i>351</i>

Base: Tax credit payment has changed since renewal in 2011

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

- The most commonly reported answer was that their personal or family circumstances had changed (81 per cent).
- 14 per cent attributed it to changes to the tax credit rules.
- Five per cent reported that it was because they were paying back an overpayment.
- One per cent attributed it to changes in the wider economy.

4.3 Awareness of and effect of changes to tax credits system

Recipients were first asked about their general awareness of changes to the tax credit system, and then about their awareness of specific changes, particularly the income disregard. For each of these specific changes recipients were also asked about the impact that these changes may have had on them.

4.3.1 General awareness of changes to tax credits system

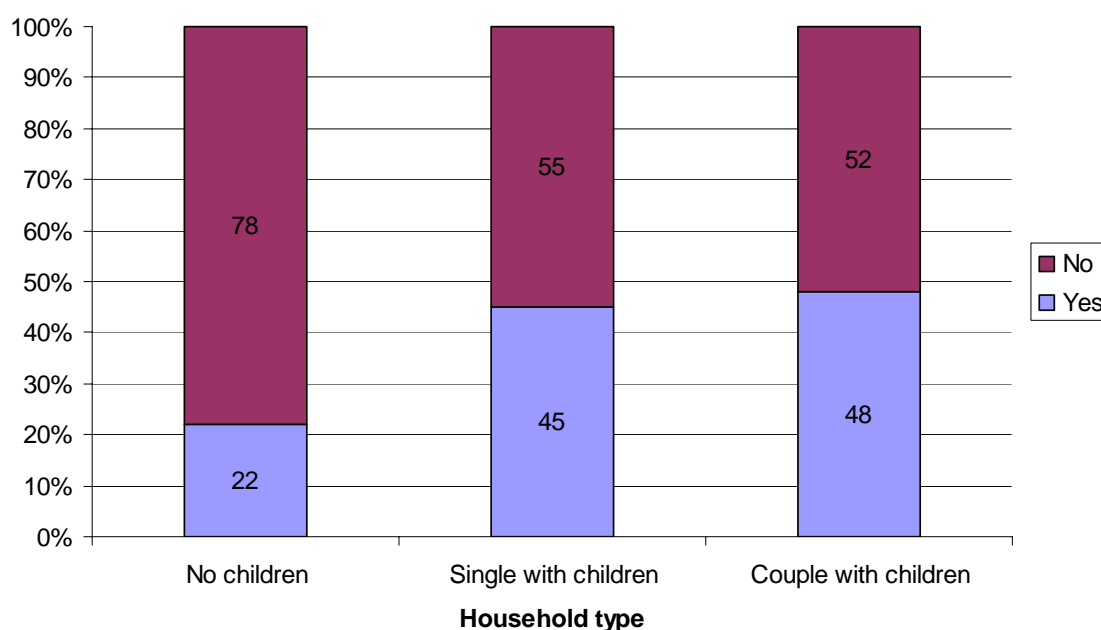
Less than half of recipients (44 per cent) had any awareness of the changes to the tax credit system which were introduced in April 2011 (Appendix Table C.3).

General awareness about changes to the tax credit system varied by household type and age of recipient:

- Recipients who did not have children were less likely to be aware that there had been changes to the tax credit system (Figure 4.2). One out of five recipients without children (22 per cent) said that they had heard about changes to the tax

credit system. This compares to 45 per cent among single recipients with children and 48 per cent among couples with children. The difference between single parents and couples with children in being aware of changes was not statistically significant.

Figure 4.2 Aware of changes to the tax credit system in April 2011 by household type



Base: All recipients who started claiming tax credits before July 2008
Weighted base: 688

- Older tax credit recipients were less likely to be aware of the changes (Table 4.2). Thirty-one per cent of recipients aged 50 or over said they were aware of the changes, while 44 to 49 per cent of recipients in the younger age groups said the same. Differences between the younger age groups themselves were not significant.

Table 4.2 Aware of changes to the tax credit system in April 2011 by age

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
Aware of changes of tax credits system in April 2011	Yes	44	49	44	31	44
	No	56	51	56	69	56
	Total	100	100	100	100	100
<i>Weighted base</i>		69	228	282	109	688

Base: All recipients who started claiming tax credits before July 2008

Of the 44 per cent of tax credit recipients who reported that they were aware of changes:

- Three quarters (75 per cent) were only aware of an overall change.
- 22 per cent said they were aware of some specific changes.
- Three per cent said they were not sure (Appendix Table C.6).

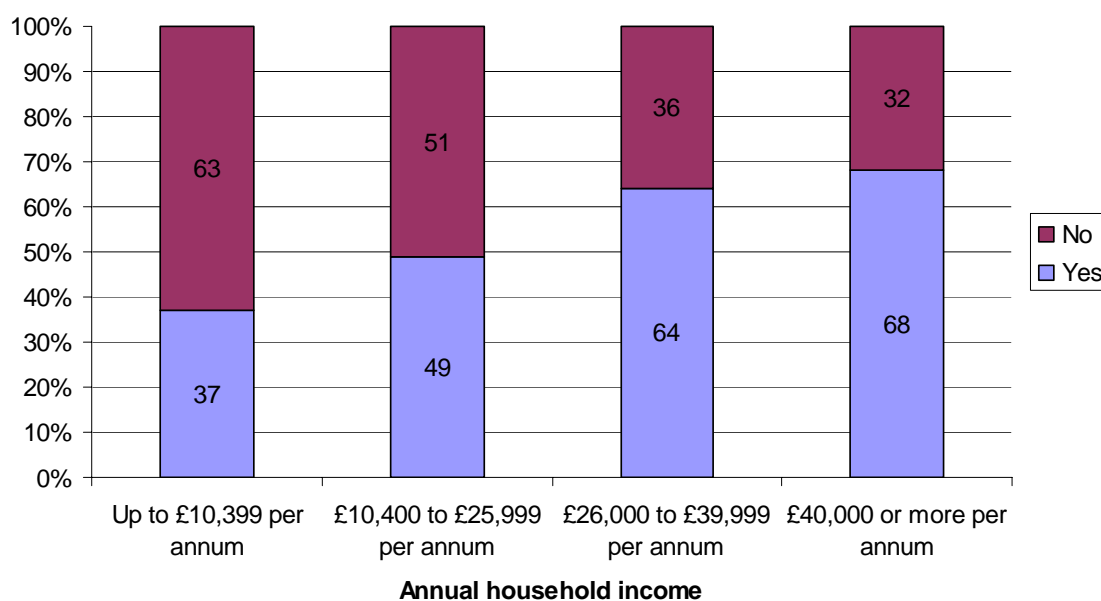
4.3.2 Awareness of reduction of tax credits for people on higher incomes

Just over half of recipients (55 per cent) were aware that households with an income over £40,000 had their tax credits reduced from April 2011 (Appendix Table C.7).

Awareness of reduction of tax credits for people on higher income varied by household income and household type:

- Predictably, recipients with higher annual household income were more likely to be aware of this change (Figure 4.3). Two-thirds (68 per cent) of tax credit recipients with household income of £40,000 or more were aware of reduction of tax credits for people on higher income. This figure was similar (64 per cent) among recipients with an annual household income between £26,000 and £39,999.
- Awareness was significantly lower among recipients in the two lower income groups. Thirty-seven per cent of recipients with income up to £10,399 per year were aware of this change as well as 49 per cent of those with household income between £10,400 and £25,999. The difference between the two lower income groups was not found to be statistically significant.

Figure 4.3 Aware that people with income over £40,000 have had tax credits reduced by annual household income



Base: All recipients who started claiming tax credits before July 2008
Weighted base: 694

- Tax credits recipients without children were least likely to be aware of the fact that tax credits had been reduced for people on higher incomes (Table 4.3). Around one third of this group (36 per cent) were aware of the change. Awareness was higher among single recipients with children (50 per cent) and higher still among couples with children (62 per cent).

Table 4.3 Aware that people with income over £40,000 have had tax credits reduced by household type					
		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
Aware people with income over £40,000 have had tax credits reduced	Yes	36	50	62	55
	No	64	50	38	45
	Total	100	100	100	100
<i>Weighted base</i>		<i>94</i>	<i>203</i>	<i>397</i>	<i>694</i>

Base: All recipients who started claiming tax credits before July 2008

Clearly, recipients who were more likely to be affected by the change were also more likely to be aware of it.

4.3.3 Changes to income disregards

One of the changes brought in during April 2011 was a change to the amount household income had to increase before tax credits would change within that year. Before April 2011 household income had to go up by more than £25,000 before an immediate change was made to tax credit payments but after April 2011 this threshold reduced to £10,000.

Seventeen per cent of recipients were aware of the changes to the income disregards that were introduced in April 2011 (Appendix Table C.10). There were no sub-group differences in awareness of reduction in income disregard (even when those claiming CTC were compared to those whose claim included WTC).

When asked about the various impacts this change could have had:

- Two per cent reported that it had an effect on whether they started working or remained in or out of work (Appendix Table C.11).
- Three per cent reported that this change had an effect on how many hours they worked (Appendix Table C.12).

Nine per cent of recipients reported that an awareness of this change to income disregards either has affected, or may affect, how they report their income to HMRC (Appendix Table C.13). When recipients were asked about this in greater detail they identified a number of possible effects (Table 4.4):

Table 4.4 How reduction in income disregard will change the way recipients report income to HMRC

	%
Change the way they report changes to HMRC ¹	49
Will contact HMRC for clarification	14
Change the way they estimate my/our income	13
It will not have any effect	4
Other	20
<i>Weighted base</i>	62

Base: Changes to income disregard will affect how report income

¹ Information on what respondents would change about the way they report changes was not collected

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

- 49 per cent of recipients said they would change how they reported changes in their income to HMRC.
- 14 per cent said that they would contact HMRC for clarification if their income changed.
- 13 per cent said that they would change the way they estimated their income.

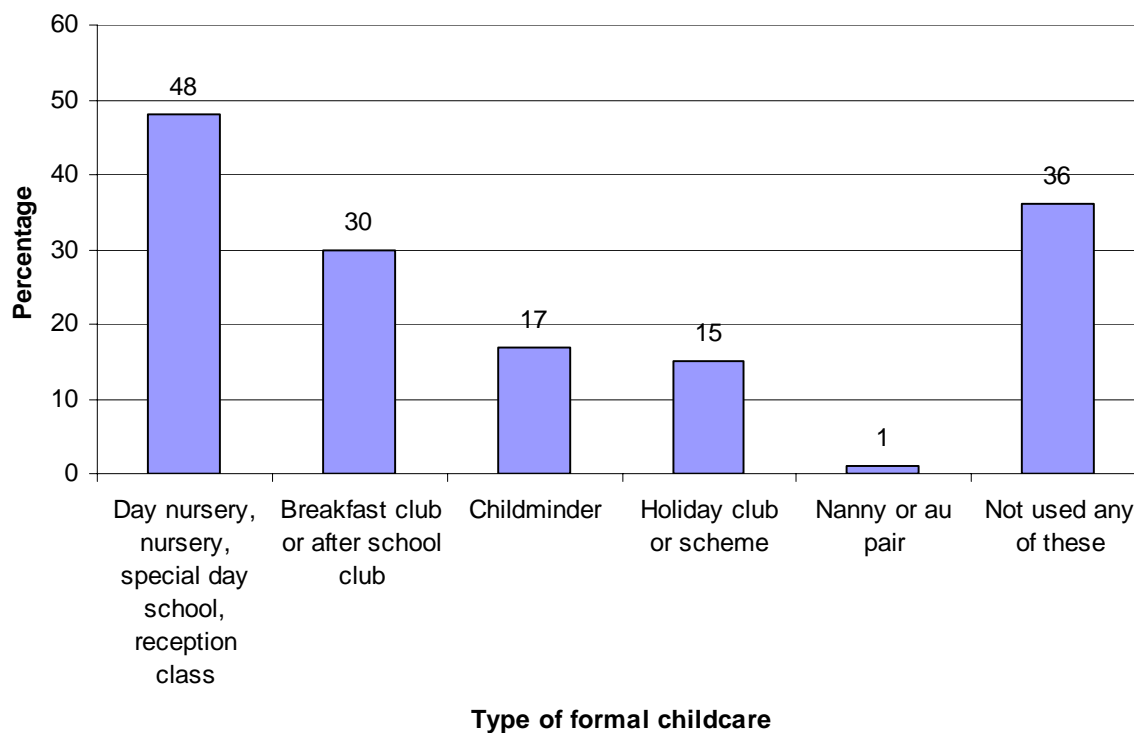
4.4 Use of childcare

These questions asked recipients about their use of formal and informal childcare. They were then asked whether their use of childcare had changed since April 2011 when the latest changes were brought in.

4.4.1 Use of formal childcare

Most recipients who had children aged 15 or under living as a part of their family, and were claiming Working Tax Credits (either in isolation, or alongside Child Tax Credits), reported that they had used formal childcare at some point (Figure 4.4):

Figure 4.4 Formal childcare that tax credit recipients have ever used



Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and who had child or children aged 0-15 as part of their family

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

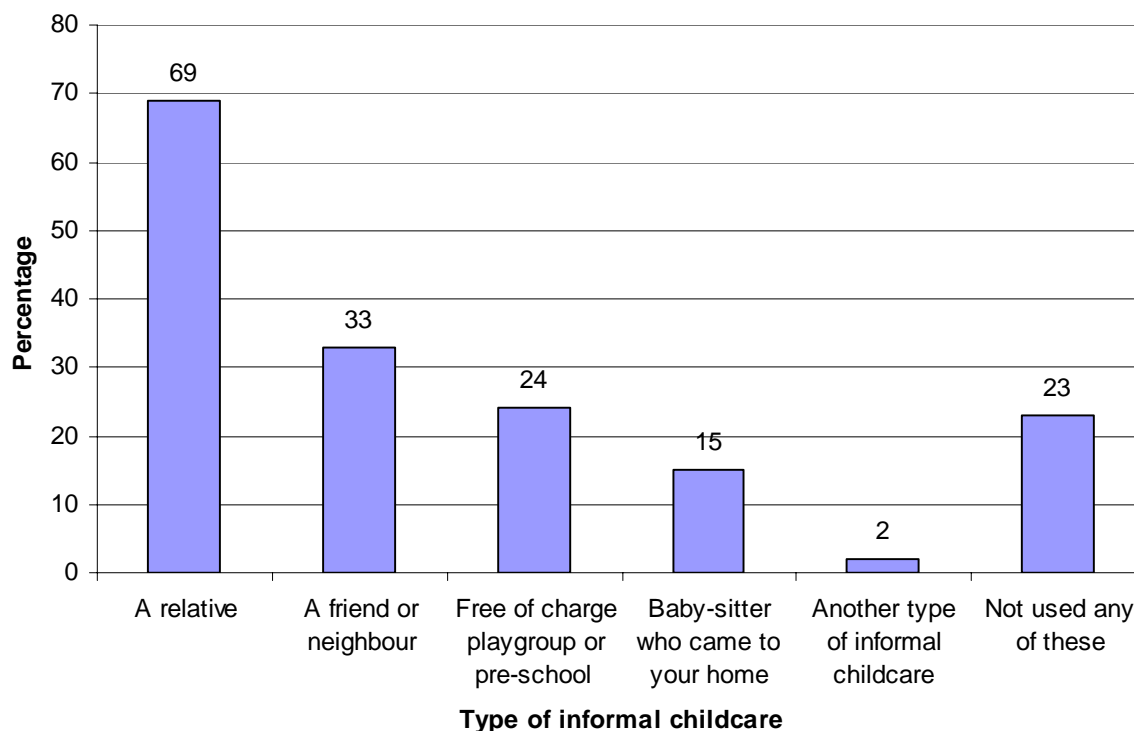
Weighted base: 211

- Just under half of Working Tax Credit recipients with children (48 per cent) had made use of a day nursery, special day school or reception class.
- Around one third (30 per cent) had made use of a breakfast or after school club.
- 17 per cent had made use of a childminder.
- 15 per cent had made use of a holiday club or other holiday scheme.
- One per cent had used a nanny or au pair.
- 36 per cent had never made use of formal childcare.

4.4.2 Use of informal childcare

Tax credit recipients with children had also used a range of informal childcare (Figure 4.5):

Figure 4.5 Informal childcare that tax credit recipients have ever used



Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and who had child or children aged 0-15 as part of their family

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Weighted base: 211

- Over two thirds of Working Tax Credit recipients with children (69 per cent) had had a relative look after the child/children at some point.
- 33 per cent said that a friend or a neighbour had provided them childcare.
- 24 per cent had made use of a free-of-charge playgroup or pre-school.
- 15 per cent had used a babysitter who came to their home.
- Two per cent had used another form of informal childcare.
- 23 per cent had never made use of informal childcare.

4.4.3 Changes in use of childcare

All of those who had made use of formal childcare were then asked whether they had changed their use of it since April 2011. Thirteen per cent said that they had (Appendix Table C.17). There were not enough responses to report on how use of formal childcare had changed or why it had changed.

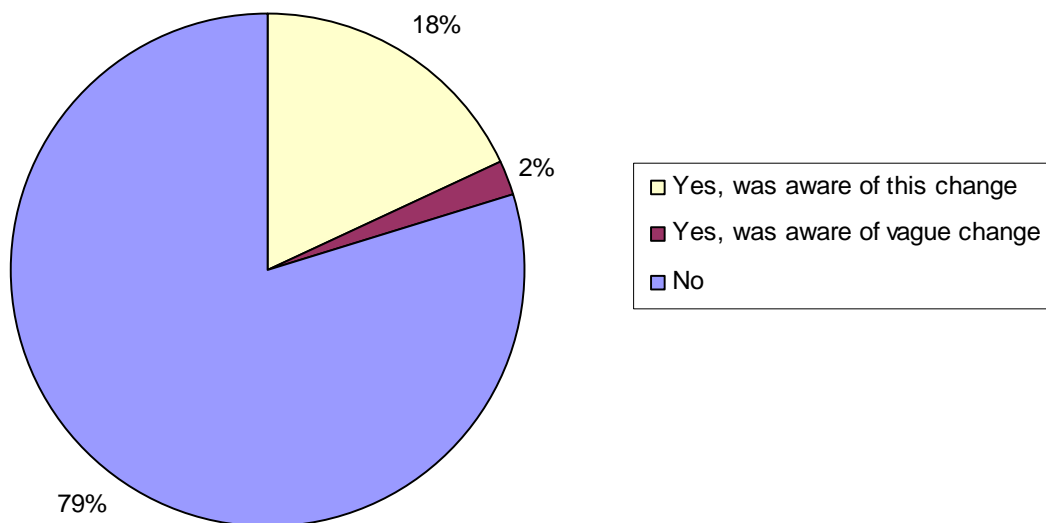
4.5 Impact of reducing the childcare element

These questions asked recipients about the specific reduction in the proportion of childcare costs recipients can claim through tax credits from 80 per cent to 70 per cent.

4.5.1 Awareness of the change

Recipients who had children aged 15 or younger living as a part of their household and claiming WTC were first asked if they were aware whether there had been a change (Figure 4.6):

Figure 4.6 Aware of reduction in percentage childcare costs can claim for



Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and have children aged under 16 years
Weighted base: 207

- Eighteen per cent of recipients of WTC with children were aware of the change.
- An additional two per cent of recipients were aware that there had been a change but were not sure what the change was.
- 79 per cent were unaware of the change.

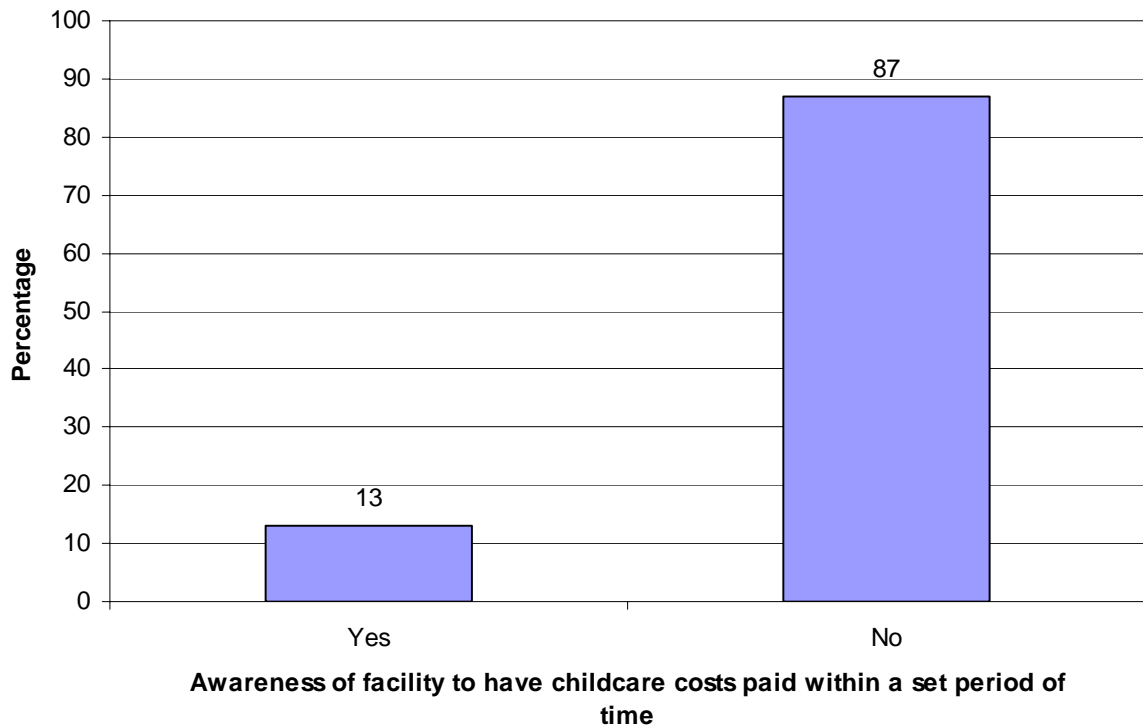
Recipients who were aware of the change were asked if the change had affected whether they worked, or how many hours they worked. However, the number of respondents who answered to this question was too low to allow any further analysis.

4.6 Short-term childcare costs

These questions asked recipients with children, who were also claiming WTC, about their use and awareness of a facility to have short-term childcare costs paid during the specific period rather than spread over the year.

- Ten per cent of recipients reported that reported that they made use of childcare for a set period only (Appendix Table C.23).
- Thirteen per cent of all claimants with children were aware that they could claim for short periods of childcare and have this paid during the specific period (Figure 4.7).

Figure 4.7 Awareness of facility to have childcare costs paid for within the specific period applied for



Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and who had child or children aged 0-15 as part of their family
 Weighted base: 207

- Of all of those recipients with children, and claiming WTC, who had not yet made use of this facility 18 per cent said that they would make use of it in the future, and another six per cent said that they may make use of it depending on their circumstances (Appendix Table C.21).

5 Responsibilities as tax credit customers and views on error and fraud

5.1 Introduction

Tax credits were designed to be flexible, reflecting individual recipients' circumstances and to be responsive to any changes in those circumstances. However, the flexibilities of the system mean that recipients need to ensure that HM Revenue and Customs (HMRC) holds correct and up-to-date information about their circumstances. Recipients are at risk of introducing errors into their award if they fail to renew their tax credit awards on time or when they do not report changes in their circumstances to HMRC within the specified timeframe.

This chapter explores recipients' behaviour around their main responsibilities as tax credits recipients (i.e. renewing on time and reporting changes of circumstances) and measures that may help to improve reporting. The chapter concludes by looking at recipients overall views on error and fraud.

5.2 Late renewal

One in ten (nine per cent) of current tax credit recipients who had applied for tax credits before July 2008 said that they had not renewed on time at least once (Appendix Table D.1). The number of tax credit recipients who had renewed late was too small to conduct any further analysis of their reasons for late renewal and factors that might help them to renew on time in the future.

5.3 Reporting changes of circumstances

One of the potential reasons for not reporting changes of circumstances to HMRC is not knowing that a particular change should be reported. One such change, that was investigated by this survey was knowledge of reporting when children aged 16-19 leave full-time education or training.

Tax credit recipients who had dependent children were asked whether they were aware that it was possible to claim tax credits for a child who was aged 16-19 and in full-time education (other than university) or training. Almost two-thirds (63 per cent) of recipients with children were aware of this (Appendix Table D.6).

When asked whether HMRC needs to know when a child leaves full-time education, 100 per cent of tax credit recipients said that HMRC should be notified of this change

(Appendix Table D.7). Lack of awareness of a requirement to report this particular change is thus unlikely to introduce errors to tax credit claims.

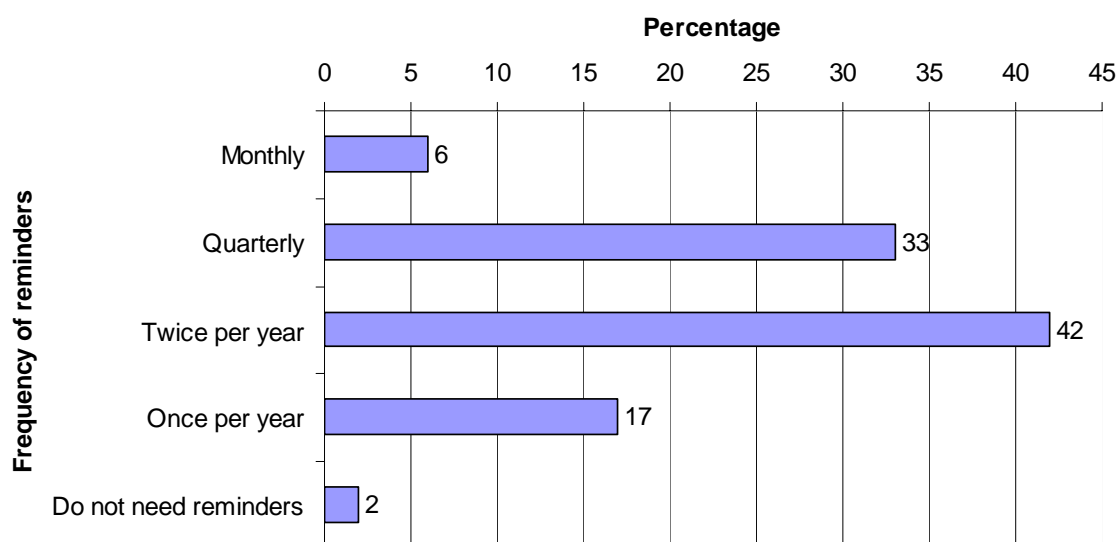
5.3.1 Should HMRC remind recipients to report changes?

Three out five (58 per cent) tax credit recipients said that HMRC should remind people to report changes of circumstances throughout the year (Appendix Table D.8). There were no sub-group differences in thinking that HMRC should send out reminders to report changes of circumstances.

Views on how frequent these reminders should be varied (Figure 5.1):

- Six per cent preferred monthly reminders,
- One third (33 per cent) preferred quarterly reminders,
- 42 per cent said they would prefer twice-yearly reminders and
- 17 per cent thought once a year would be enough.

Figure 5.1 How often should HMRC send reminders to report changes



Base: All current tax credit recipients who started claiming before July 2008 and said that HMRC should remind them to report changes throughout the year

Weighted base: 313

5.4 Recovering overpayments

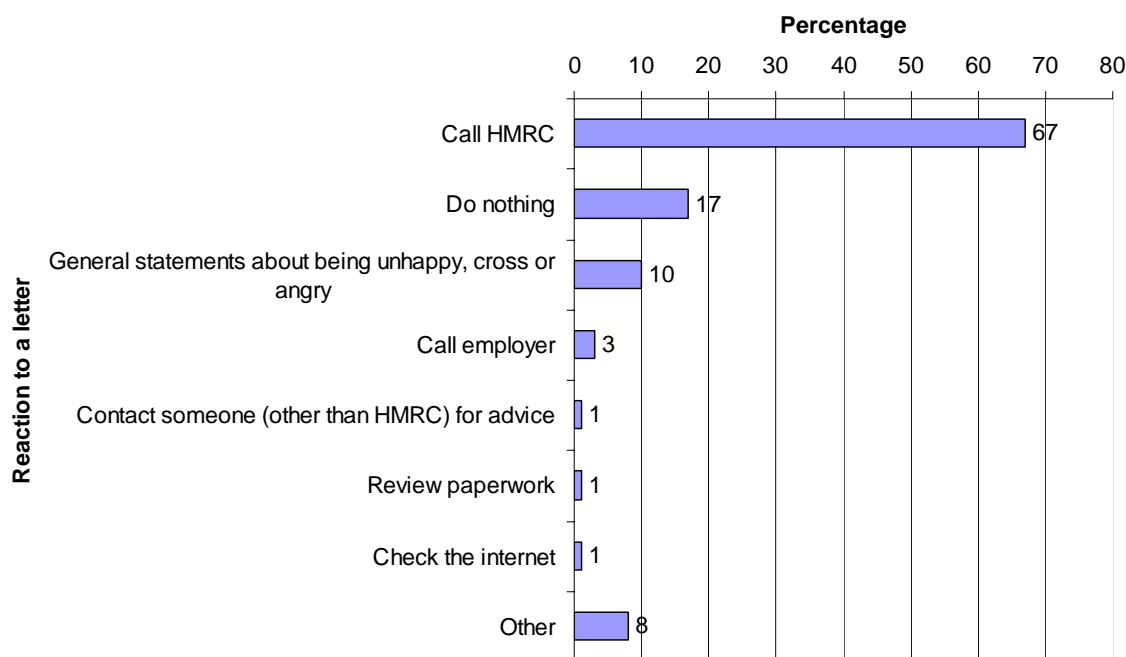
One of the methods that HMRC could use to recover overpayments from recipients who work would be to take it directly from their earnings.

Almost half (48 per cent) of tax credit recipients who worked themselves or whose partner worked and who had applied for tax credits before July 2008 said that they had at one point received an overpayment (Appendix Table D.10). This shows that the change could affect a substantial number of people.

Recipients who had received an overpayment were asked how they would react if they received a letter telling them that an overpayment would be taken directly from their earnings. The main reactions were (Figure 5.2):

- Calling Tax Credits Helpline (67 per cent),
- Not doing anything (17 per cent) and
- Being unhappy or angry (ten per cent).

Figure 5.2 How would react to a letter saying overpayment was taken directly from earnings



Base: All current recipients who started claiming tax credits before July 2008 and recipient or their partner work and have received an overpayment

Weighted base: 220

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

5.5 Views on inaccurate tax credit claims

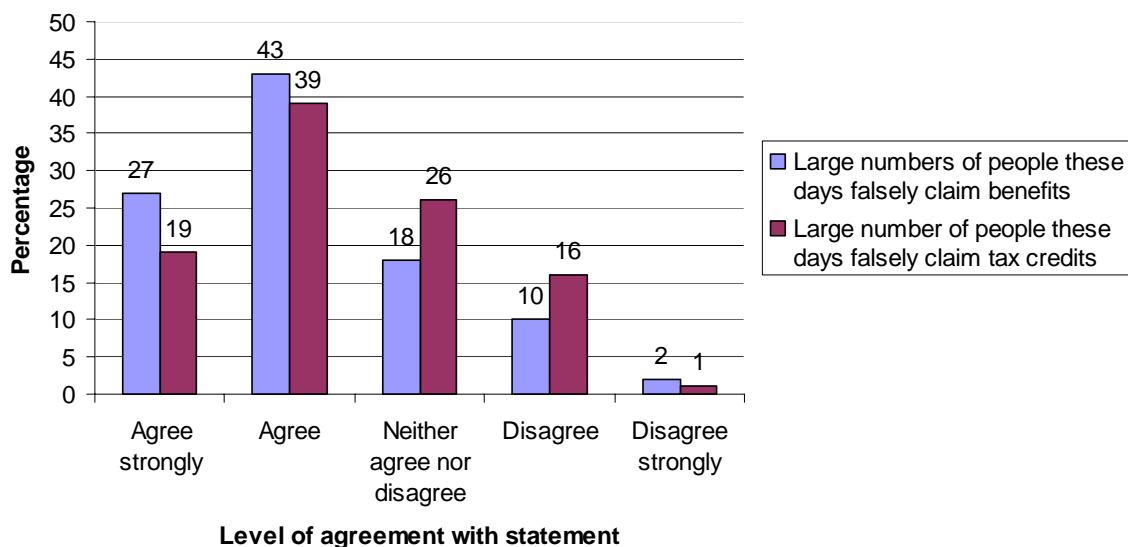
Tax credit recipients who had started claiming tax credits before July 2008 were asked about their views on a number of statements relating to inaccurate tax credit claims.

5.5.1 Views on how common inaccurate claims are

Tax credit recipients were asked how much they agreed or disagreed that a large number of people these days falsely claim benefits. They were then asked the same question about tax credits.

Figure 5.3 compares the results for benefits and tax credits.

Figure 5.3 Agreement with statement: “Large numbers of people these days falsely claim benefits/tax credits”



Base: All recipients who started claiming tax credits before July 2008

Weighted base for benefits statement: 693

Weighted base for tax credits statement: 686

The majority of tax credit recipients believed that large numbers of people falsely claim benefits and tax credits. The agreement was stronger for benefit claims, with 70 per cent of tax credit recipients strongly agreeing or agreeing with the statement. Still 58 per cent of tax credit recipients strongly agreed or agreed with the statement that ‘Large numbers of people these days falsely claim tax credits’.

5.5.2 Views on whether people who falsely claim tax credits get caught

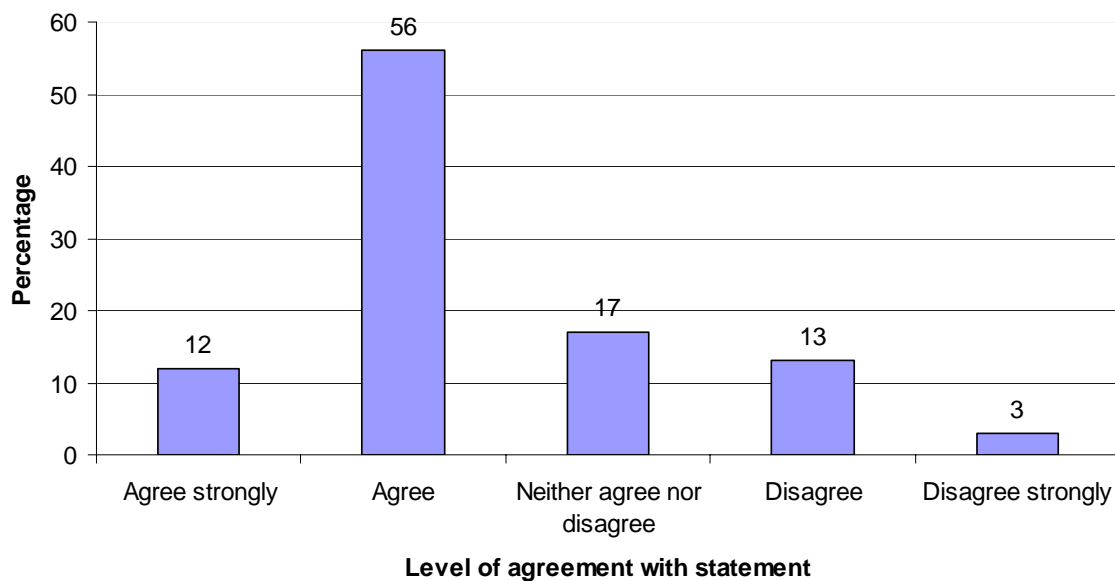
Tax credit recipients were then asked whether they agreed or disagreed with the statement ‘People who claim too much on their tax credits usually get caught’. More than half of the recipients (57 per cent) were in agreement with this statement, but a minority (21 per cent) disagreed (Appendix Table D.14). In particular:

- Eight per cent agreed strongly,
- 49 per cent agreed,
- 21 per cent neither agreed nor disagreed,
- 20 per cent disagreed and
- One per cent disagreed strongly.

5.5.3 Views on whether tax credits are different from other benefits

Tax credit recipients were asked whether they agreed or disagreed with the statement ‘Tax credits are different to other benefits in that they reward those who work’ (Figure 5.4). Two thirds of tax credit recipients (68 per cent) agreed with this statement and only 16 per cent disagreed.

Figure 5.4 Agreement with the statement: “Tax credits are different to other benefits in that they reward those who work”



Base: All recipients who started claiming tax credits before July 2008
Weighted base: 696

5.5.4 Views on acceptability of claiming more tax credits than one is entitled to

Tax credits recipients who started claiming before July 2008 were also asked whether they thought it was acceptable or unacceptable to claim more tax credits than one was entitled to (Appendix Table D.16). A vast majority of tax credit recipients (82 per cent) said it was always unacceptable. Fifteen per cent said it was mostly unacceptable and only two per cent believed it was mostly acceptable.

6 Financial management

6.1 Introduction

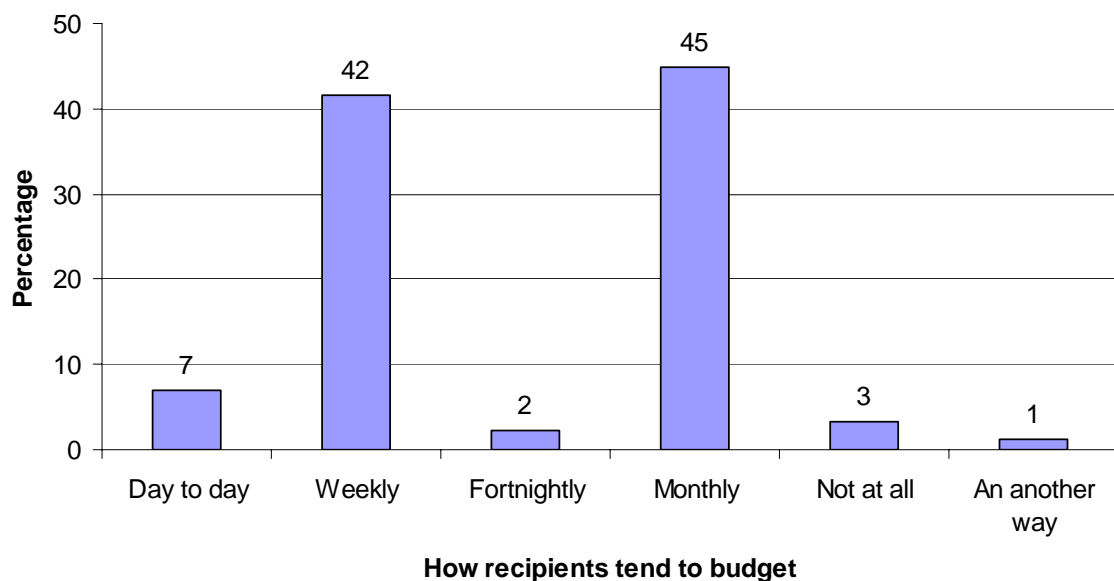
This section of the questionnaire asked tax credit recipients about how they managed their finances in relation to tax credits and receipt of other state benefits.

6.2 Budgeting and use of direct debits

6.2.1 How tax credit claimants budget

The majority of recipients tended to organise their finances either weekly or monthly, with approximately equal numbers for each (Figure 6.1):

Figure 6.1 How tax credit recipients tend to budget



Base: All current tax credit recipients
Weighted base: 876

- 45 per cent of tax credit recipients tended to budget monthly,
- 42 per cent budgeted weekly,
- Two per cent budgeted fortnightly,
- Seven per cent of recipients reported budgeting day-to-day,
- Three per cent reported that they do not budget at all, whilst one per cent budgeted in another way.

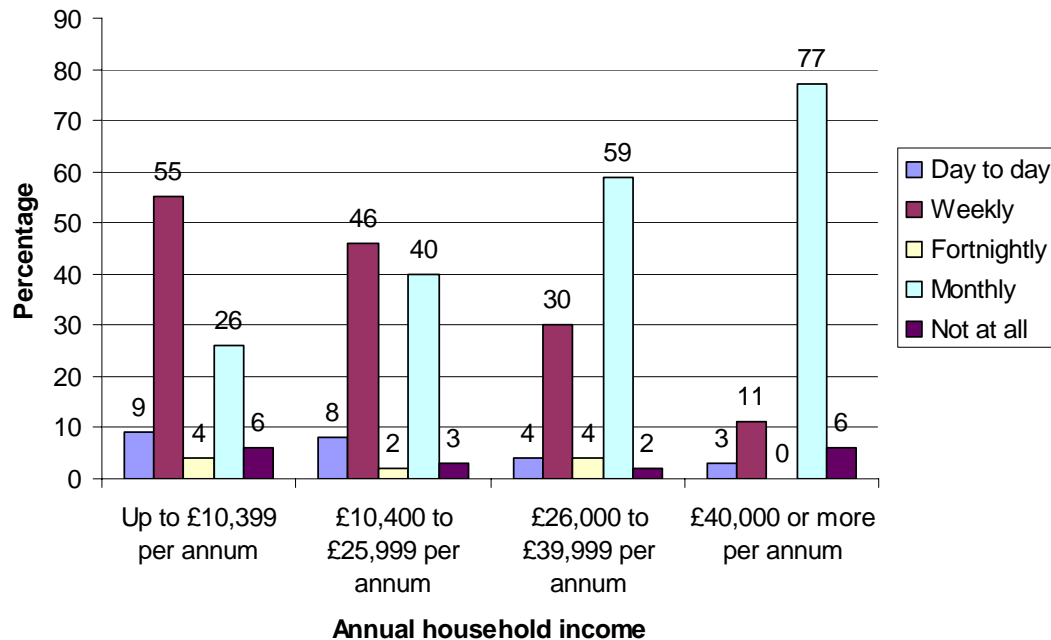
6.2.2 Are there any sub-group differences in the way tax credit recipients budget?

The way tax credit recipients budget varies by household income, employment status, household type and age.

Tax credit recipients with lower annual household income were more likely to budget weekly (Figure 6.2) and recipients on higher income were more likely to budget monthly:

- Fifty-five per cent of recipients with an annual household income up to £10,399 and 46 per cent of recipients with household income between £10,400 and £25,999 said that they budgeted weekly. The difference between these two groups was not statistically significant.
- This compares to 30 per cent of tax credit recipients with household income between £26,000 to £39,999 and 11 per cent among tax credit recipients with income of £40,000 or over. The difference between these two groups was found to be statistically significant.
- Conversely, 77 per cent of recipients in the highest income group budgeted monthly compared to only 26 per cent in the lowest income group.
- Forty per cent of recipients with annual household income between £10,400 and £25,999 budgeted monthly, while 59 per cent of those with an income between £26,000 and £39,999 did the same. The differences in budgeting monthly were significant between all four income groups.

Figure 6.2 How recipient tends to budget by annual household income



Base: All current tax credit recipients
Weighted base: 876

Echoing the findings for income, tax credits recipients who worked full-time were more likely to budget monthly as opposed to weekly or daily (Table 6.1):

- Tax credit recipients who worked 31 or more hours per week were less likely to budget daily than those who did not work. Only three per cent of full-time workers said they budgeted daily, compared to ten per cent among those who did not work. No statistically significant differences were found between full-time and part-time workers and part-time workers and people not in work.
- Thirty per cent of full-time workers said they budgeted weekly. The figure was higher among part-time workers (42 per cent) and higher still among those who did not work (53 per cent).
- Conversely, those not in work were less likely to budget monthly. One quarter (24 per cent) of those who did not work said that they budgeted monthly compared to almost half of part-time workers (47 per cent) and three in five full-time workers (61 per cent). The difference between full-time and part-time workers was also found to be statistically significant.

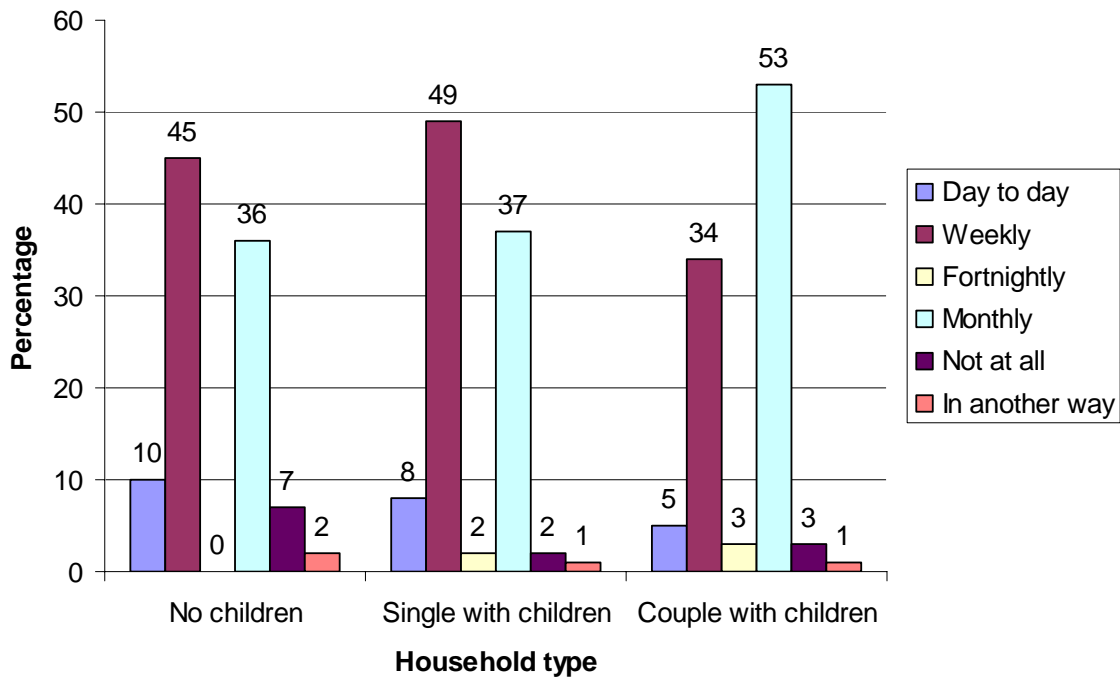
Table 6.1 How recipient tends to budget by employment status					
		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
How tends to budget	Day to day	3	7	10	7
	Weekly	30	42	53	42
	Fortnightly	1	1	6	2
	Monthly	61	47	24	45
	Not at all	3	3	5	3
	In another way	1	1	2	1
	Total	100	100	100	100
<i>Weighted base</i>		<i>278</i>	<i>334</i>	<i>264</i>	<i>876</i>

Base: All current tax credit recipients

Couples with children were more likely than others to budget monthly and less likely than others to budget weekly (Figure 6.3):

- One third (34 per cent) of couples with children said they budgeted weekly compared to 45 per cent of tax credit recipients without children and 49 per cent of single parents. There were no statistically significant differences between those without children and single parents.
- Half of couples with children (53 per cent) budgeted monthly, compared to slightly more than one third of recipients without children and single recipients with children (36 and 37 per cent respectively). The difference between the two latter groups was found not to be statistically significant.

Figure 6.3 How recipient tends to budget by household type



Base: All current tax credit recipients
Weighted base: 876

Young people were less likely than other age groups to budget daily, but more likely to budget weekly (Table 6.2):

- Two per cent of tax credit recipients aged less than 30 said that they budgeted daily. This compared to six to nine per cent among older age groups. The differences between older age groups themselves were not statistically significant.
- On the other hand half of the youngest recipients (51 per cent) budgeted weekly, compared to 38 per cent of those aged 40 to 49 and 34 per cent aged 50 or over. The differences between these two age groups were not found to be statistically significant.
- There were no age differences in the tendency to budget monthly.

Table 6.2 How recipient tends to budget by age						
		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
How tends to budget	Day to day	2	9	6	9	7
	Weekly	51	43	38	34	42
	Fortnightly	4	2	2	3	2
	Monthly	37	43	50	47	45
	Not at all	5	3	3	4	3
	In another way	1	-	2	3	1
	Total	100	100	100	100	100
<i>Weighted base</i>		160	314	275	128	876

Base: All current tax credit recipients

6.2.3 Use of direct debits

Those recipients who reported having either a deposit or a current account with a bank or building society were also asked if they currently pay anything by direct debit. Ninety-five per cent of recipients reported paying for something by direct debit with only five per cent saying that they did not (Appendix Table E.6).

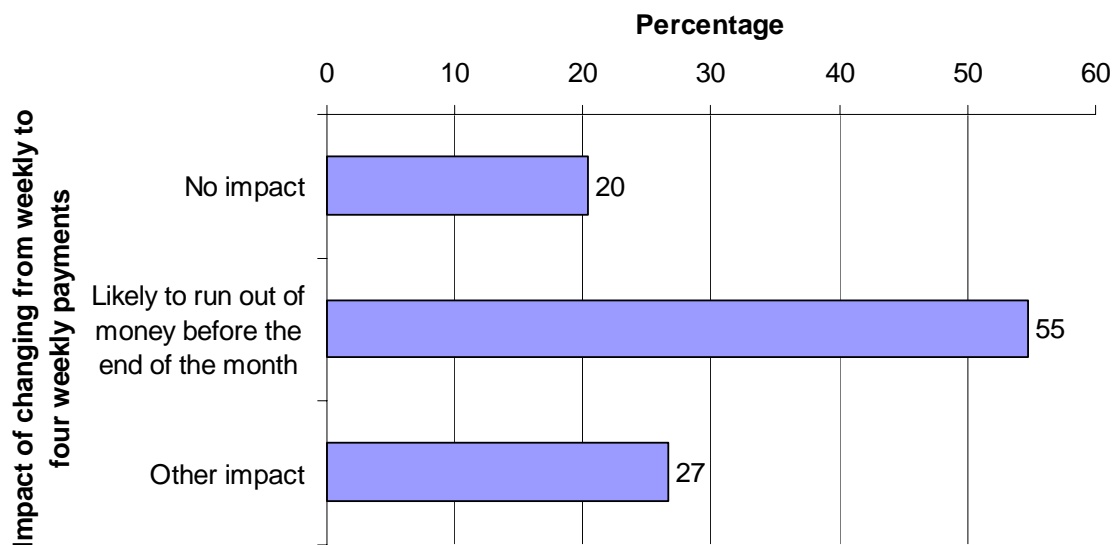
6.3 Four weekly tax credit payments³

There was almost an equal split between those claimants who currently received their tax credits weekly and those who received their tax credits every four weeks (Appendix Table E.7).

Those who reported receiving their tax credit payments every week were then asked if receiving tax credits every four weeks would have any impact on them (Figure 6.4):

³ There are currently no plans to move to four weekly payments

Figure 6.4 How change to four weekly payments would affect recipients who currently receive weekly payments



Base: Currently receives tax credit payments weekly

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Weighted base: 441

- Over half of recipients who currently received tax credit payments weekly (55 per cent) said that a change to being paid four weekly would make it likely that they would run out of money before the end of the month.
- 27 per cent of recipients indicated that such a change could have additional impacts on them.
- Only 20 per cent of recipients who currently received tax credit payments weekly said a change to four weekly payments would not affect them at all.

6.3.1 Support if making a change to four weekly payments

Firstly those recipients who currently receive their tax credits weekly were asked if an interim change to being paid every two weeks, prior to a change to every four weeks, would be helpful (Appendix Table E.9).

- 63 per cent of recipients said that it would be helpful,
- 33 per cent said it would not be helpful,
- Four per cent said that the effect of the interim change would depend on a range of other factors.

Recipients were then asked if there was anything else that could be helpful to them if such a change was made (Table 6.3):

Table 6.3 What would help current recipients who currently receive weekly payments move to four weekly payments

	%
Nothing	64
Leaflets about budgeting	25
Speaking to someone about budgeting	23
Help with setting up new direct debits	14
Other	2
<i>Weighted base</i>	<i>441</i>

Base: Currently receives tax credit payments weekly

Note: These options were read out to respondents

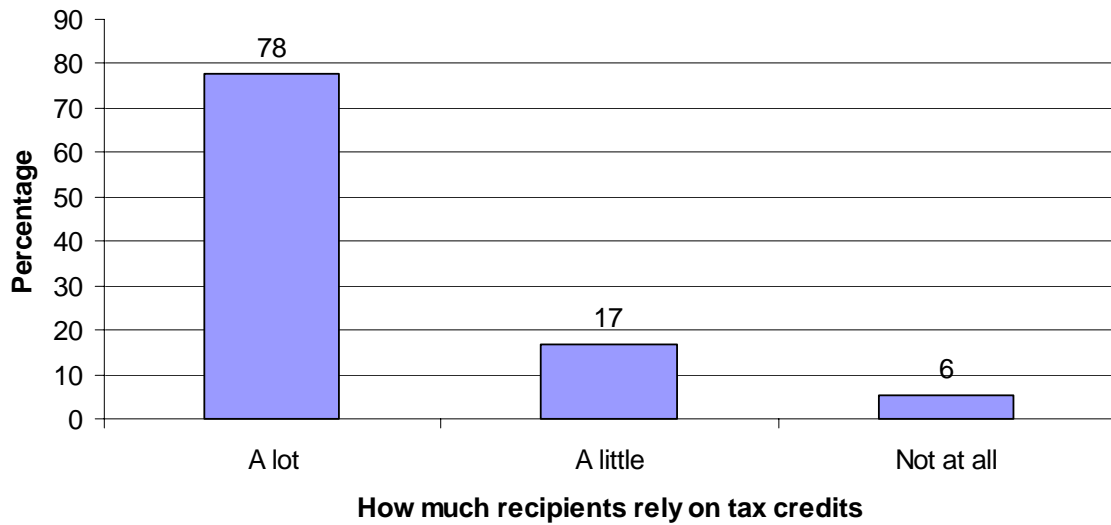
Almost two thirds of recipients said that there was nothing that would be helpful to them if payments changed to being four weekly. Others did say that some of the suggested assistance may be helpful:

- 64 per cent of recipients said that there was nothing that would assist them if such a change was made.
- A quarter of recipients (25 per cent) said that leaflets about budgeting would be helpful.
- Around another quarter of recipients (23 per cent) said that speaking to someone about budgeting would be helpful.
- 14 per cent of recipients said that help with the setting up of new direct debits would be helpful.

6.3.2 Reliance on tax credits

When asked how much they rely on tax credits. A large majority of recipients said that they relied on them a lot. (Figure 6.5):

Figure 6.5 How much tax credit recipients rely on the money received from tax credits



Base: All current tax credit recipients
Weighted base: 875

- 78 per cent of tax credit recipients said that they rely on tax credits a lot.
- 17 per cent said that they rely on them a little.
- Only six per cent said that they do not rely on them at all.

6.4 Organisation of bank accounts

These questions sought to understand how tax credit recipients organise their bank accounts, which accounts tax credits are paid into, and the possible impact of paying tax credits into single accounts. See also section 6.2.3 for findings on use of direct debits.

6.4.1 Types of accounts used

Tax credit recipients have money in a range of places (Table 6.4):

Table 6.4 Use of savings and current accounts by tax credit recipients	
	%
Bank/ Building Society current account	84
Bank/ Building Society deposit account	20
Individual Savings Account (ISA):cash based	18
Building Society savings or investment account	17
Has no savings/accounts ⁴	11
Premium bonds	9
Post Office	3
Any other savings/accounts	3
Individual Savings Account (ISA):stocks and shares based	3
Family bonds	2
National Savings	1
Friendly society/savings club	1
Credit Union	1
<i>Weighted base</i>	<i>875</i>

Base: All current tax credit recipients

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

As would be expected a high proportion of recipients have a bank or building society current account (although it is notable that 16 per cent do not). Recipients also make use of a range of other account types and institutions.

- 84 per cent of recipients reported having money in a bank or building society current account.
- Another 20 per cent reported using a bank or building society deposit account whilst 17 per cent reported having a building society savings or investment account.
- 18 per cent of recipients reported having a cash-ISA whilst three per cent reported having a stocks or shares based ISA.
- A range of other savings and account types were also reported but 11 per cent of recipients reported having no savings or accounts at all.

A question was not asked about how tax credits were paid and they may have been paid into an account not owned by them, for example their partner.

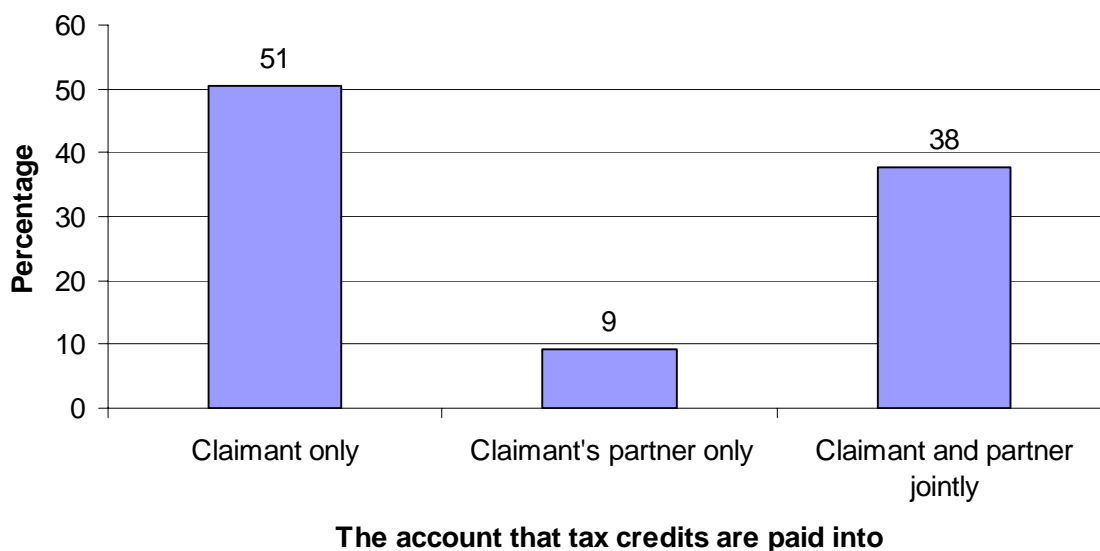
⁴ A question was not asked about how tax credits were paid and they may have been paid into an account not owned by them, for example their partner.

6.4.2 Payment of tax credits: individual or shared account

Recipients with partners were then asked whether their tax credits were paid into an account belonging to themselves, their partner, or into a joint account (Figure 6.6):

- Half of recipients (51 per cent) had tax credits paid to their own account,
- 38 per cent received tax credit payments into a joint account and
- One in ten (nine per cent) had tax credits paid to their partner's account only.

Figure 6.6 Named person on the account that tax credits are paid into



Base: All current tax credit recipients with a partner
Weighted base: 463

6.4.3 Payment of tax credits: single or multiple accounts

Tax credit recipients who received both Working Tax Credit and Child Tax Credit, and who had a partner, were asked whether they had these different tax credits paid into accounts owned by the same, or different, people (Table 6.5):

Table 6.5 Whether Working Tax Credit and Child Tax Credit are paid into separate accounts	
	%
Paid into accounts owned by the same person	82
Paid into accounts owned by different people	18
Total	100
<i>Weighted base</i>	<i>149</i>

Base: Receive both Working Tax Credit, Child Tax Credit and have a partner

Whilst the majority of recipients (82 per cent) had both elements of their tax credits paid into accounts owned by the same person, a significant minority (18 per cent) had them paid into accounts owned by different people. The number of recipients who had tax

credits paid into different accounts was too low to analyse whether it would cause them problems if both elements of their tax credits were to be paid as a single payment into one account.

6.5 Receiving other state benefits

Thirty-seven per cent of tax credit recipients reported receiving other state benefits excluding tax credits (Appendix Table E.16)⁵. Receipt of other state benefits varied significantly by all recipient characteristics considered:

- Predictably recipients with lower annual household income were more likely to receive other state benefits (Table 6.6). More than half (54 per cent) of tax credit recipients with household income up to £10,399 received other state benefits, compared to 30 to 35 per cent among those in higher income groups. Differences between higher income groups themselves were not statistically significant.

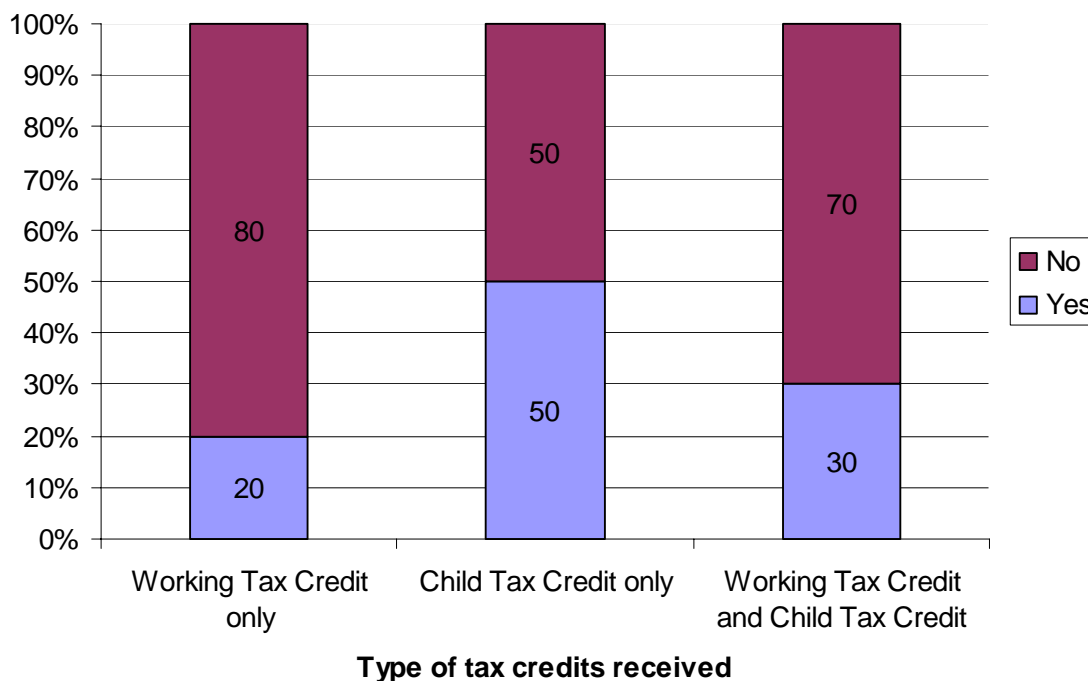
		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
Receives any state benefits	Yes	54	35	34	30	37
	No	46	65	66	70	63
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>133</i>	<i>452</i>	<i>208</i>	<i>57</i>	<i>877</i>

Base: All current tax credit recipients

- Recipients receiving Child Tax Credit only were most likely to receive other state benefits (50 per cent) (Figure 6.7). This figure was lower among those receiving Child Tax Credit and Working Tax Credit (30 per cent) and lower still among those who received Working Tax Credit only (20 per cent). Differences between all three groups were found to be statistically significant.

⁵ A definition of what was a state benefit was not given so it is not know which benefits the respondents were thinking of and it is not clear if respondents were thinking of Child Benefit when asked this question.

Figure 6.7 Receipt of any other state benefits by type of tax credits received



Base: All current tax credit recipients
Weighted base: 877

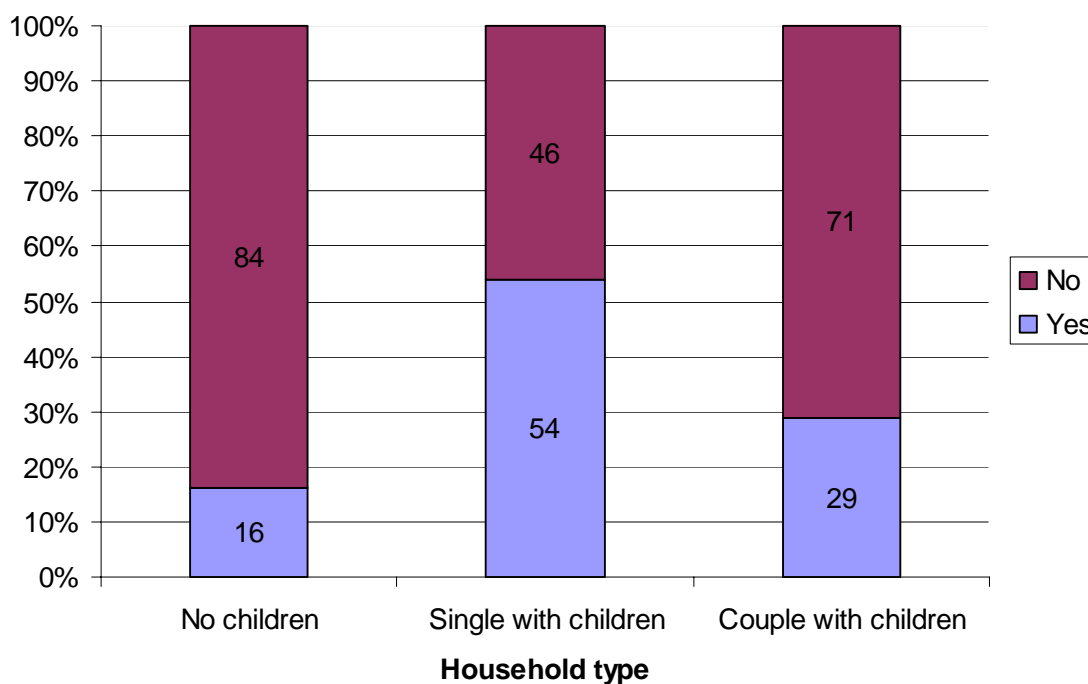
- Recipients who were not working were much more likely than the rest to receive other state benefits (Table 6.7). Sixty-two per cent of those not in work received some type of benefits, compared to 29 per cent of part-time workers and 24 per cent of full-time workers. The differences between part-time and full-time workers were not significant.

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Receives any state benefits	Yes	24	29	62	37
	No	76	71	38	63
	Total	100	100	100	100
<i>Weighted base</i>		278	334	265	877

Base: All current tax credit recipients

- More than half of single recipients with children (54 per cent) received other state benefits (Figure 6.8). This compares to 29 per cent among couples with children and 16 per cent among people without children. The differences between all three groups were statistically significant.

Figure 6.8 Receipt of any other state benefits by household type



Base: All current tax credit recipients

Weighted base: 877

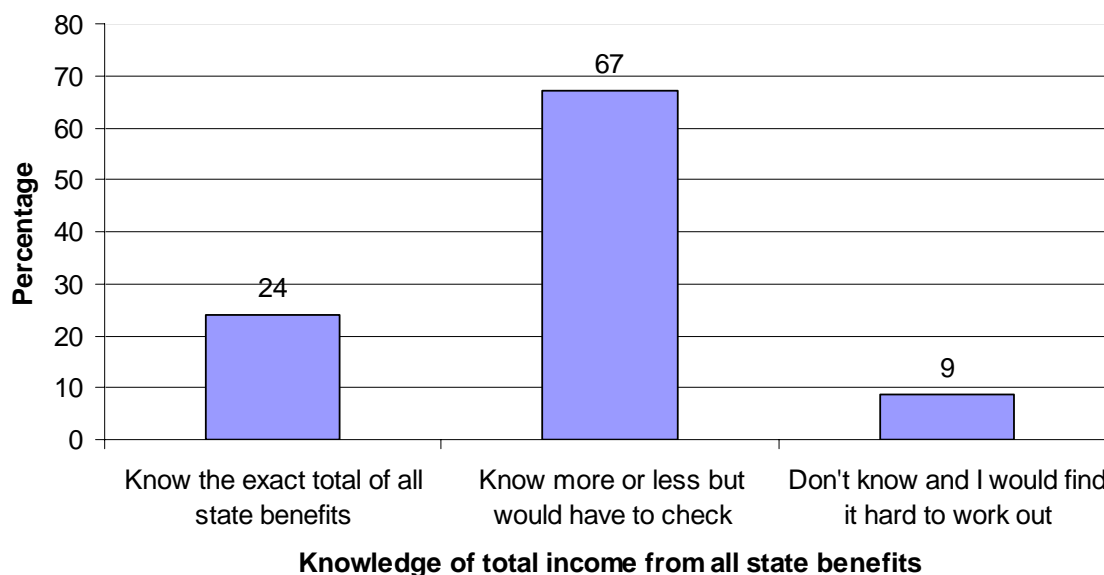
- Recipients in the youngest age group were more likely to receive other state benefits than older recipients (Table 6.8). Nearly half (48 per cent) of recipients aged less than 30 were receiving other state benefits compared to 34 to 36 per cent among the older age groups. Differences between older age groups were not statistically significant.

Table 6.8 Receipt of any other state benefits by age							
		Age of main respondent				Total	
		Under 30 years	30 to 39	40 to 49	50 or over		
		%	%	%	%	%	
Receives any state benefits	Yes	48	36	34	35	37	
	No	52	64	66	65	63	
	Total	100	100	100	100	100	
<i>Weighted base</i>		160	314	276	128	877	

Base: All current tax credit recipients

When these recipients were asked about how much they knew about their total income from state benefits they gave a range of responses (Figure 6.9):

Figure 6.9 How much recipients know about the total income they receive from all state benefits including tax credits



Base: Receive other state benefits in addition to tax credits

Weighted base: 326

- The majority of recipients (67 per cent) reported that they have some idea of their total income from all state benefits but that they would have to check.
- Around one quarter (24 per cent) of recipients reported that they knew exactly what their income was from all state benefits.
- Nine per cent of recipients don't know their total income from state benefits and would find it hard to work out.

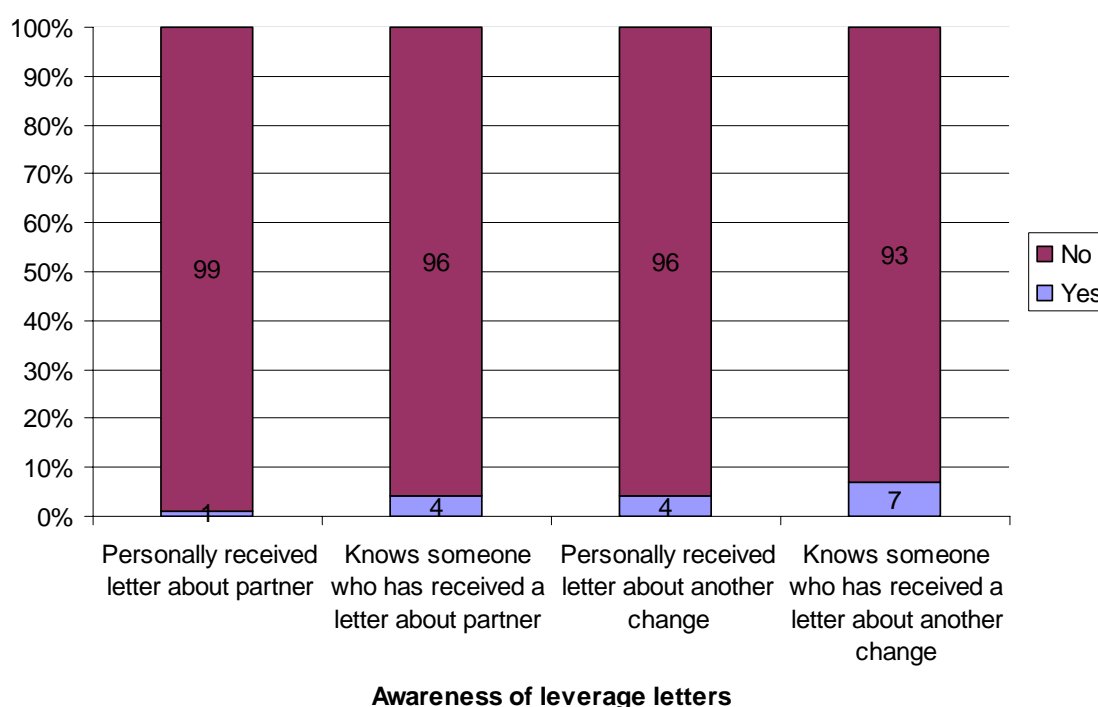
All of these recipients were asked if they would find it helpful to see information about all of their benefits presented in one place. Eighty-four per cent of recipients said that they would find this helpful (Appendix Table E.23).

7 HMRC letters

7.1 Introduction

This section of the questionnaire asked tax credit recipients whether they had either received a letter from HMRC telling them that HMRC thinks their claim may not be correct, or were aware of anyone else having received them. These are sent when HMRC thinks the recipient may be living with a partner but has not notified HMRC of this or the recipient may not have notified HMRC of another type of change. Those who had received these letters, or were aware of others having received them were then asked if they did anything as a result. A summary of the proportions who have received letters, or have heard of others receiving letters, is shown in Figure 7.1:

Figure 7.1 Has received, or knows someone who has received, a letter about undeclared changes from HMRC



Base: All recipients who started claiming tax credits before July 2008

Weighted base: Received a letter about partner, received a letter about another change, knows someone who received a letter about another change – 699, knows someone who has received a letter about partner - 698

7.2 Letters sent to recipients about undeclared partners

Only one per cent of tax credit recipients said they had personally received a letter from HMRC saying that they had not told HMRC about their partner on their tax credit claim (Appendix Table F.1). This means that too few respondents answered the follow up questions to allow them to be reported.

7.3 Letters sent to others about undeclared partners

Four per cent of tax credit recipients had heard about others receiving letters from HMRC about undeclared partners (Appendix Table F.2).

There were too few recipients who had heard of someone receiving letters from HMRC about undeclared partners to conduct further analysis.

7.4 Letters sent to recipients about other undeclared changes

- Four per cent of tax credit recipients said they had personally received a letter from HMRC about another change of circumstances they may not have reported (Appendix Table F.5). There were no sub-group differences in having received this type of letter and too few responses to report on follow-up questions.

7.5 Letters sent to others about undeclared changes

Seven per cent of tax credit claimants had heard about others receiving letters from HMRC about other undeclared changes of circumstance (Appendix Table F.9). There were no sub-group differences in having heard about this type of letter. Of recipients who had heard about someone receiving a letter about other undeclared changes:

- 11 per cent reported that they took some action as a result⁶ (Appendix Table F.10).
- 37 per cent discussed the matter with friends or family (Appendix Table F.11).

⁶ Type of action is not known.

Appendix A

Appendix Table A.1 Ease of completing tax credits application form	
	%
Very easy	30
Quite easy	47
Neither easy nor difficult	11
Quite difficult	9
Very difficult	3
Total	100
<i>Weighted base</i>	<i>318</i>

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.2 Ease of completing tax credit application form by employment status					
		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Ease of completing tax credits application form	Very easy	20	31	39	30
	Quite easy	50	46	46	47
	Neither easy nor difficult	15	10	7	11
	Quite difficult or very difficult	16	13	8	12
	Total	100	100	100	100
<i>Weighted base</i>		<i>104</i>	<i>104</i>	<i>110</i>	<i>318</i>

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.3 Whether anything could have made it easier to complete the form	
	%
Nothing	74
More information about how tax credit award calculated	11
More advice on how to calculate income	9
Knowing what information was required	7
More advice on how to calculate childcare cost	3
Access to help or support for filling in the form	3
Not having to calculate income	2
Doing it/being able to do it over the phone	2
Doing it/being able to do it on the internet	1
Less paperwork/shorter form	1
Not having to calculate childcare costs	0
Amounts broken down by week rather than month	0
Other	5
<i>Weighted base</i>	328

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.4 Applied for help towards childcare costs as a part of claim	
	%
Yes	18
No	82
Total	100
<i>Weighted base</i>	262

Base: All recipients who made a new claim for tax credits in the past three years and had at least one child aged under 16 years

Appendix Table A.5 Experienced any difficulties calculating weekly childcare costs	
	%
Yes	[35]
No	[65]
Total	[100]
<i>Weighted base</i>	46

Base: Applied for help towards childcare costs as part of initial claim for tax credits

Appendix Table A.6 Experienced any difficulties calculating income	
	%
Yes	17
No	81
Did not need to calculate income	1
Someone else filled in the form	1
Total	100
<i>Weighted base</i>	331

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.7 Understands the difference between net and gross income	
	%
Yes	77
No	23
Total	100
<i>Weighted base</i>	331

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.8 Included income from overtime pay in last tax credits claim

	%
Yes	[92]
No	[8]
Total	[100]
<i>Weighted base</i>	46

Base: All recipients who made a new claim for tax credits in the past three years and who work and receive overtime or whose partner works and receives overtime

Appendix Table A.9 Knowledge of the difference between net and gross income by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Understands the difference between net and gross income	Yes	87	74	70	77
	No	13	26	30	23
	Total	100	100	100	100
<i>Weighted base</i>		<i>109</i>	<i>112</i>	<i>111</i>	<i>331</i>

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.10 Knowledge of the difference between net and gross income by age

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
Understands the difference between net and gross income	Yes	67	74	83	[93]	77
	No	33	26	17	[7]	23
	Total	100	100	100	[100]	100
<i>Weighted base</i>		<i>81</i>	<i>126</i>	<i>75</i>	<i>49</i>	<i>331</i>

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.11 Length of time between claim and receipt of first payment

	%
Within a week	7
Within two weeks	21
Within three weeks	20
Within one month	27
More than one month	25
Total	100
<i>Weighted base</i>	318

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.12 Time between tax credits claim and receipt of payments as expected

	%
Shorter than expected	20
Longer than expected	17
About what was expected	63
Total	100
<i>Weighted base</i>	329

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.13 Whether length of time between claim and receipt of first payment was as long as expected by household type

		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
Time between tax credits claim and receipt of payments as expected	Shorter than expected	14	32	10	20
	Longer than expected	22	12	19	17
	About what was expected	63	56	71	63
	Total	100	100	100	100
<i>Weighted base</i>		52	138	139	329

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.14 Whether recipient contacted HMRC to check if claim had been dealt with

	%
Yes	38
No	62
Total	100
<i>Weighted base</i>	321

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.15 Length of time between making the claim and contacting HMRC

	%
Within a week	18
Within two weeks	30
Within three weeks	21
Within one month	11
More than one month	19
Total	100
<i>Weighted base</i>	118

Base: Contacted HMRC to check if claim had been dealt with

Appendix Table A.16 Number of times contacted HMRC to check if they had dealt with the claim

	%
1	53
2	19
3	9
4	7
5 or more	10
Total	100
<i>Weighted base</i>	120

Base: Contacted HMRC to check that claim was being processed

Appendix Table A.17 Would have liked to have been provided with any additional information when making claim

	%
Yes	24
No	76
Total	100
<i>Weighted base</i>	326

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.18 Would have liked some additional information when making claim by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Would have liked to have been provided with any additional information when making claim	Yes	34	22	17	24
	No	66	78	83	76
	Total	100	100	100	100
<i>Weighted base</i>		<i>104</i>	<i>112</i>	<i>110</i>	<i>326</i>

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.19 Additional Information that recipients reported that they would like to have had

	%
How the tax credit award will be calculated	41
What changes of circumstances need to be reported	21
How to avoid overpayments	21
When changes of circumstances should be reported	19
Information about other benefits	12
Usual length of time to receive the first payment	11
More information about how to calculate income	6
More information about income brackets	4
Information in plainer language	4
Other	32
<i>Weighted base</i>	<i>79</i>

Base: Recipients who would have liked additional information with when making their claim

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table A.20 Ever contacted the Tax Credits Helpline for help completing claim form

	%
Yes	32
No	68
Total	100
<i>Weighted base</i>	328

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.21 Ever contacted Tax Credits Helpline for help in completing TC claim form by type of tax credits

		Type of tax credits received				Total
		Working Tax Credit only	Child Tax Credit only	Working Tax Credit and Child Tax Credit	No longer receiving tax credits	
		%	%	%	%	%
Ever contacted the HMRC Tax Credits Helpline for help completing claim form	Yes	33	24	44	*	32
	No	67	76	56	*	68
	Total	100	100	100	*	100
<i>Weighted base</i>		68	140	106	14	328

Base: All recipients who made a new claim for tax credits in the past three years

Appendix Table A.22 Ease of contacting HMRC for help with completing initial claim form

	%
Very easy	25
Quite easy	23
Neither easy nor difficult	7
Quite difficult	28
Very difficult	17
Total	100
<i>Weighted base</i>	105

Base: Contacted the HMRC Tax Credits Helpline for help in completing claim form

Appendix Table A.23 How helpful or unhelpful was the Tax Credits Helpline in dealing with query about completing the claim form

	%
Very helpful	58
Quite helpful	36
Quite unhelpful	2
Very unhelpful	4
Total	100
<i>Weighted base</i>	<i>105</i>

Base: Contacted the HMRC Tax Credits Helpline for help in completing claim Form

Appendix Table A.24 When usually reports change of circumstances

	%
As soon as they occur	66
Within one month	17
Within three months	3
Wait until renewal	8
Never had a change of circumstances	4
Other	2
Total	100
<i>Weighted base</i>	<i>1026</i>

Base: All respondents

Appendix Table A.25 When usually reports changes of circumstances by annual household income

		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
When usually reports changes of circumstances	As soon as they occur	64	69	65	55	66
	Within 1 month	13	19	17	19	17
	Within 3 months	3	2	3	9	3
	Waits until renewal	7	4	11	13	8
	Never had a change	11	4	3	0	4
	Other	2	1	1	4	2
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>147</i>	<i>485</i>	<i>231</i>	<i>131</i>	<i>1026</i>

Base: All respondents

Appendix Table A.26 When usually reports changes of circumstances by type of tax credits received

		Type of tax credits received				Total
		Working Tax Credit only	Child Tax Credit only	Working Tax Credit and Child Tax Credit	No longer receiving tax credits	
		%	%	%	%	%
When usually reports changes of circumstances	As soon as they occur	61	67	72	56	66
	Within 1 month	18	16	18	18	17
	Within 3 months	3	3	2	7	3
	Waits until renewal	12	8	2	13	8
	Never had a change	7	4	5	1	4
	Other	-	2	0	5	2
	Total	100	100	100	100	100
<i>Weighted base</i>		167	402	304	148	1026

Base: All respondents

Appendix Table A.27 When usually reports changes of circumstances by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
When usually reports changes of circumstances	As soon as they occur	60	66	72	66
	Within 1 month	19	17	15	17
	Within 3 months	5	2	2	3
	Waits until renewal	10	7	5	8
	Never had a change	4	5	4	4
	Other	1	2	2	2
	Total	100	100	100	100
<i>Weighted base</i>		354	385	287	1026

Base: All respondents

Appendix Table A.28 When usually reports changes of circumstances by household type

		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
When usually reports changes of circumstances	As soon as they occur	58	75	62	66
	Within 1 month	19	14	20	17
	Within 3 months	4	1	4	3
	Waits until renewal	13	2	10	8
	Never had a change	5	7	3	4
	Other	1	1	2	2
	Total	100	100	100	100
<i>Weighted base</i>		148	354	523	1026

Base: All respondents

Appendix Table A.29 When usually reports changes of circumstances by age

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
When usually reports changes of circumstances	As soon as they occur	75	67	65	54	66
	Within 1 month	16	19	17	16	17
	Within 3 months	3	2	3	5	3
	Waits until renewal	3	7	9	13	8
	Never had a change	3	3	4	10	4
	Other	-	1	3	2	2
	Total	100	100	100	100	100
<i>Weighted base</i>		165	359	343	159	1026

Base: All respondents

Appendix Table A.30 Why waits until renewal to report changes

	%
The renewal acts as a reminder to report changes	28
It won't make any difference to award	22
Its easier to do it all at once	19
This is when changes should be reported	16
Not a priority/don't worry about it	10
Forget	7
Self employed so don't know circumstances until end of financial year	3
Other	10
<i>Weighted base</i>	76

Base: Wait until renewal to report changes in circumstances

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table A.31 Whether anything in particular that reminds recipient to report changes

	%
Yes	32
No	68
Total	100
<i>Weighted base</i>	<i>879</i>

Base: Report changes within three months of them occurring

Appendix Table A.32 What reminds recipient to report changes

	%
Remember by myself	37
Radio/TV adverts from HMRC	27
Receiving renewal documentation	22
Change in personal/family circumstance	15
Reminders sent by HMRC throughout the year	10
Friends and family	4
Another letter	1
Adverts/reminders in newspapers	0
Adverts/reminders on the internet	0
Other	10
<i>Weighted base</i>	<i>284</i>

Base: Something/some things remind them to report changes

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table A.33 Current methods of contacting HMRC about change of circumstances

	%
by telephone	96
in a letter (by post)	6
in person	2
Online/on the internet	1
By email	0
Other	0
<i>Weighted base</i>	<i>876</i>

Base: All current tax credit recipients

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table A.34 Preferred method of contacting HMRC about change of circumstances

	%
By telephone	82
In a letter (by post)	3
In person	3
Online/on the internet	7
By email	6
Other	0
<i>Weighted base</i>	<i>878</i>

Base: All current tax credit recipients

Appendix Table A.35 Preferred method of reporting changes of circumstances by annual household income

		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
Preferred way to contact HMRC about changes of circumstances	By telephone	85	85	77	70	82
	In person	3	2	4	-	3
	In a letter/ by post	5	3	1	5	3
	Using the internet	2	5	9	17	7
	By email	5	5	9	8	6
	Other	0	-	-	-	0
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>133</i>	<i>451</i>	<i>208</i>	<i>57</i>	<i>877</i>

Base: All current tax credit recipients

Appendix Table A.36 Preferred method of reporting changes of circumstances by type of tax credits received

		Type of tax credits received			Total
		Working Tax Credit only	Child Tax Credit only	Working Tax Credit and Child Tax Credit	
		%	%	%	%
Preferred way to contact HMRC about changes of circumstances	By telephone	75	81	87	82
	In person	5	2	2	3
	In a letter/ by post	5	2	3	3
	Using the internet	7	7	5	7
	By email	7	7	3	6
	Other	-	0	-	0
	Total	100	100	100	100
<i>Weighted base</i>		<i>167</i>	<i>402</i>	<i>309</i>	<i>877</i>

Base: All current tax credit recipients

Appendix Table A.37 Preferred method of reporting changes of circumstances by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Preferred way to contact HMRC about change of circumstances	By telephone	74	87	84	82
	In person	4	3	2	3
	In a letter/ by post	3	1	4	3
	Using the internet	11	4	5	7
	By email	8	5	5	6
	Other	-	-	0	0
	Total	100	100	100	100
<i>Weighted base</i>		<i>278</i>	<i>334</i>	<i>265</i>	<i>877</i>

Base: All current tax credit recipients

Appendix Table A.38 Preferred method of reporting changes of circumstances by household type

		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
Preferred way to contact HMRC about change of circumstances	By telephone	66	90	80	82
	In person	7	2	2	3
	In a letter/ by post	7	2	2	3
	Using the internet	10	3	9	7
	By email	9	3	7	6
	Other	-	0	-	0
	Total	100	100	100	100
<i>Weighted base</i>		<i>102</i>	<i>345</i>	<i>430</i>	<i>877</i>

Base: All current tax credit recipients

Appendix Table A.39 Preferred method of reporting changes of circumstances by age

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
Preferred way to contact HMRC about change of circumstances	By telephone	84	82	84	76	82
	In person	3	2	3	3	3
	In a letter/ by post	5	2	1	7	3
	Using the internet	3	9	6	8	7
	By email	5	6	6	5	6
	Other	-	-	0	-	0
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>160</i>	<i>313</i>	<i>277</i>	<i>128</i>	<i>877</i>

Base: All current tax credit recipients

Appendix Table A.40 In the past 12 months informed HMRC of a change of circumstances

	%
Yes	53
No	47
Total	100
<i>Weighted base</i>	<i>875</i>

Base: All current tax credit recipients

Appendix Table A.41 Time recipient expects HMRC should take to make change to record

	%
Within a week	42
Within two weeks	27
Within three weeks	8
Within one month	18
More than one month	5
Total	100
<i>Weighted base</i>	<i>455</i>

Base: Informed HMRC of a change of circumstances within past 12 months

Appendix Table A.42 Contacted HMRC to check if change of circumstances had been dealt with

	%
Yes	20
No	80
Total	100
<i>Weighted base</i>	<i>461</i>

Base: Informed HMRC of a change of circumstances within past 12 months

Appendix Table A.43 Number of times contacted HMRC to check if they had dealt with change of circumstances

	%
1	50
2	21
3	16
4	4
5 or more	8
Total	100
<i>Weighted base</i>	<i>91</i>

Base: Contacted HMRC to check that change of circumstances had been dealt with

Appendix Table A.44 Length of time between reporting change of circumstances and checking if HMRC had updated record

	%
Within a week	29
Within two weeks	27
Within three weeks	18
Within one month	11
More than one month	16
Total	100
<i>Weighted base</i>	<i>92</i>

Base: Contacted HMRC to check that change of circumstances had been dealt with

Appendix Table A.45 Agreement with statement: I feel that HMRC makes things difficult for me

	%
Agree strongly	2
Agree	9
Neither agree nor disagree	14
Disagree	58
Disagree strongly	17
Total	100
<i>Weighted base</i>	<i>876</i>

Base: All current tax credits recipients

Appendix Table A.46 Agreement with statement: I cannot trust HMRC to get things right

	%
Agree strongly	2
Agree	10
Neither agree nor disagree	11
Disagree	61
Disagree strongly	16
Total	100
<i>Weighted base</i>	<i>873</i>

Base: All current tax credits recipients

Appendix Table A.47 Agreement with statement: If I need help, HMRC give me the correct information

	%
Agree strongly	16
Agree	65
Neither agree nor disagree	11
Disagree	7
Disagree strongly	1
Total	100
<i>Weighted base</i>	<i>874</i>

Base: All current tax credits recipients

Appendix Table A.48 Agreement with statement: I know what I have to do to get my tax credits claim right

	%
Agree strongly	21
Agree	72
Neither agree nor disagree	5
Disagree	3
Disagree strongly	1
Total	100
<i>Weighted base</i>	<i>876</i>

Base: All current tax credits recipients

Appendix Table A.49 Whether contacted HMRC in the past three months

	%
Yes	28
No	72
Total	100
<i>Weighted base</i>	<i>331</i>

Base: Made an initial claim for tax credits in the past three years

Appendix Table A.50 Acceptability of time taken to reach end result in recent dealings with HMRC

	%
Very acceptable	48
Fairly acceptable	38
Neither acceptable nor unacceptable	2
Fairly unacceptable	6
Very unacceptable	6
Total	100
<i>Weighted base</i>	<i>93</i>

Base: Recipients who have made an initial claim within the past three years and had had dealings with HMRC in the previous three months

Appendix Table A.51 Satisfaction with end result of recent dealings with HMRC

	%
Very satisfied	33
Fairly satisfied	46
Neither satisfied nor dissatisfied	7
Fairly dissatisfied	7
Very dissatisfied	7
Total	100
<i>Weighted base</i>	<i>94</i>

Base: Recipients who have made an initial claim within the past three years and had had dealings with HMRC in the previous three months

Appendix Table A.52 How straightforward were recent dealings with HMRC

	%
Very straightforward	42
Fairly straightforward	41
Neither straightforward or	6
Not very straightforward	8
Not at all straightforward	3
Total	100
<i>Weighted base</i>	93

Base: Recipients who have made an initial claim within the past three years and had dealings with HMRC in the previous three months

Appendix Table A.53 How straightforward was the most recent experience of dealing with HMRC compared to what recipient had expected

	%
Much more straightforward than expected	26
Slightly more straightforward than expected	17
In line with expectations	46
Slightly less straightforward than expected	7
Much less straightforward than expected	4
Total	100
<i>Weighted base</i>	93

Base: Recipients who have made an initial claim within the past three years and have had dealings with HMRC in the previous three months

Appendix Table A.54 Source of help or advice about tax credits

	%
Call Tax Credit Helpline	62
HMRC website	33
Direct.gov website	15
Friends or relatives	8
Citizens Advice Bureau	8
Job centre/ Jobcentre Plus	6
Letter/leaflet previously received from HMRC	5
Visit HMRC Enquiry Centre / Local tax office	4
Another website	2
Independent professional advisor e.g. accountant	2
Email to HMRC	1
A voluntary/community/charitable organisation	1
Write a letter/fax to HMRC	0
Local council offices	0
Visit HMRC Enquiry Centre / Local tax office	0
Do not need advice	3
Other	1
<i>Weighted base</i>	<i>872</i>

Base: All current tax credit recipients

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table A.55 Method of accessing help or advice recipient tends to use first

	%
Call Tax Credit Helpline	43
HMRC website	25
Direct.gov website	14
Friends or relatives	7
Citizens Advice Bureau	1
Job centre/ Jobcentre Plus	2
Letter/leaflet previously received from HMRC	3
Visit HMRC Enquiry Centre / Local tax office	1
Another website	0
Independent professional advisor e.g. accountant	1
Email to HMRC	1
A voluntary/ community/ charitable organisation	0
Other	2
Total	100
<i>Weighted base</i>	330

Base: Go to more than one place for help or advice about tax credits

Appendix Table A.56 Overall first choice for help and advice about tax credits

	%
Call Tax Credit Helpline	50
HMRC website	19
Direct.gov website	8
Friends or relatives (including other Tax Credit claimants)	7
Citizens Advice Bureau	3
Job centre/ Jobcentre Plus	2
Letter/leaflet previously received from HMRC	2
Visit HMRC Enquiry Centre / Local tax office	2
Independent professional advisor e.g. accountant	1
Another website	0
A voluntary/ community/ charitable organisation	0
Email to HMRC	0
Local council offices	0
Do not need advice	3
Other	1
Total	100
<i>Weighted base</i>	<i>872</i>

Base: All current tax credit recipients

Appendix Table A.57 Willing to use the Citizens Advice Bureau for help with tax credits

	%
Yes	67
No	33
Total	100
<i>Weighted base</i>	<i>797</i>

Base: Currently receive tax credits but do not currently use the Citizens Advice Bureau for help or advice about them

Appendix Table A.58 Willing to use Citizens Advice Bureau for help or advice about tax credits in the future by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Willing to use the Citizens Advice Bureau for help with tax credits	Yes	62	66	74	67
	No	38	34	26	33
	Total	100	100	100	100
<i>Weighted base</i>		253	302	242	797

Base: All current tax credit recipients who have not previously used the Citizens Advice Bureau for advice about tax credits

Appendix Table A.59 Why unwilling to use CAB

	%
Inconvenient	27
CAB are too busy/hard to get hold of	20
Respondent states a specific preference for HMRC	13
Respondent restates that they use other method	9
Would not think that to contact CAB ¹	8
Respondent restates that they use HMRC directly	6
Bad experience of CAB in past	5
Do not need any help with tax credits	7
Other	13
<i>Weighted base</i>	257

Base: Not willing to use the Citizens Advice Bureau for help or support with tax credits

¹ This included any general references to not associating the CAB with tax credits that did not fit into any other category.

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table A.60 Willing to use Post Office 'check and send' service

	%
Yes	48
No	42
Not sure/Maybe/Possibly	10
Total	100
<i>Weighted base</i>	874

Base: All current tax credit recipients

Appendix Table A.61 Willing to use Post Office 'Check and Send' service for tax credit claims by age

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
Willing to use Post Office check and send service	Yes	62	50	39	47	48
	No	31	37	53	41	42
	Not sure/ Maybe/ Possibly	6	12	8	12	10
	Total	100	100	100	100	100
Weighted base		150	311	277	127	874

Base: All current tax credit recipients

Appendix Table A.62 Why unwilling to use Post Office

	%
Don't need such a service	29
Too personal/privacy/confidentiality	19
Prefer to deal with tax credits over the phone	16
Concern that there may be a fee for the service	10
Post Office is too busy	8
Inconvenient	8
Post Office lacks expertise/experience	4
Happy with how it is currently organised/no need ¹	4
Don't trust Post Office	3
Bad experience in past	2
Don't use the Post Office	1
Other	10
<i>Weighted base</i>	<i>449</i>

Base: Currently receive tax credits but do not currently use the Post Office for help or advice about them

Base: Would not be willing to use Post Office 'check and send' service if it was offered

¹ This included any general statements about being happy with the service delivered by HMRC or a preference for current system to remain in place. Specific statements about not requiring such a service were given their own category.

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix B

Appendix Table B.1 Ever called the HMRC Tax Credits Helpline	
	%
Yes	84
No	16
Total	100
<i>Weighted base</i>	697

Base: All recipients who started claiming tax credits before July 2008

Appendix Table B.2 Recalled hearing recorded message about penalties or prosecutions	
	%
Yes	55
No	23
Not sure	21
Total	100
<i>Weighted base</i>	581

Base: Ever called Tax Credits Helpline

Appendix Table B.3 Ever heard recorded messages about information available on the HMRC website	
	%
Yes	69
No	17
Not sure	14
Total	100
<i>Weighted base</i>	579

Base: Ever called Tax Credits Helpline

Appendix Table B.4 Ever heard recorded messages about time taken for renewal or changes of circumstances to be dealt with by HMRC	
	%
Yes	47
No	28
Not sure	25
Total	100
<i>Weighted base</i>	<i>579</i>

Base: Ever called Tax Credits Helpline

Appendix Table B.5 Ever heard recorded messages about having all the information needed about childcare or income available	
	%
Yes	69
No	16
Not sure	15
Total	100
<i>Weighted base</i>	<i>582</i>

Base: Ever called Tax Credits Helpline

Appendix Table B.6 Ever heard recorded messages about the renewals deadline	
	%
Yes	73
No	15
Not sure	12
Total	100
<i>Weighted base</i>	<i>582</i>

Base: Ever called Tax Credits Helpline

Appendix Table B.7 Did anything as a result of hearing message about having all info needed about childcare or income

	%
Yes	37
No	63
Total	100
<i>Weighted base</i>	399

Base: Heard a message about having all info needed about childcare or income

Appendix Table B.8 Why did not do anything as a result of hearing message about having all info needed about childcare or income

	%
Already had all of the relevant information to hand	82
Did not need any information to complete the call	12
Message did not apply	4
Other	1
Total	100
<i>Weighted base</i>	246

Base: Did not do anything as a result of hearing a message

Appendix Table B.9 Action taken after hearing message about having all info needed about childcare or income

	%
Stayed on the line and made sure had all relevant information	65
Hung up and called back when had all the	30
Hung up and forgot to call back	1
Other statements about checking or collating information that do not fit into categories above	3
Other	0
Total	100
<i>Weighted base</i>	145

Base: Did something as a result of hearing the message

Appendix Table B.10 Told friends or family about the message about having all info needed about childcare or income

	%
Yes	9
No	91
Total	100
<i>Weighted base</i>	403

Base: Heard a message about having all info needed about childcare or income

Appendix Table B.11 Did anything as a result of hearing message about renewals deadline

	%
Yes	23
No	77
Total	100
<i>Weighted base</i>	416

Base: Heard a message about having all info needed about renewals deadline

Appendix Table B.12 Why did not do anything as a result of hearing message about renewals deadline

	%
Was planning to renew anyway as a part	41
Did not need to renew / had already renewed	40
Already know about the deadline	7
Always renew on time	3
Phoned before deadline so message not relevant	2
Already in the process of renewing	1
Other	5
Total	100
<i>Weighted base</i>	318

Base: Did not do anything as a result of hearing a message

Appendix Table B.13 Action taken after hearing message about renewals deadline

	%
Stayed on the line and decided at that point to renew	38
Made sure renewed on time	17
Hung up and called back to renew	11
Hung up and renewed by post	10
Improved general awareness around renewal	4
Reminded respondent of the renewal deadline	4
Respondent reviewed their renewal form	3
Prompted respondent to renew (method of renewal not mentioned)	2
Other	11
Total	100
<i>Weighted base</i>	97

Base: Did something as a result of hearing the message

Appendix Table B.14 Told friends or family about the message about renewals deadline

	%
Yes	14
No	86
Total	100
<i>Weighted base</i>	419

Base: Heard a message about having all info needed about renewals deadline

Appendix Table B.15 Did anything as a result of hearing message about penalties or prosecution

	%
Yes	9
No	91
Total	100
<i>Weighted base</i>	321

Base: Heard a message about having all info needed about penalties and prosecutions

Appendix Table B.16 Why did not do anything as a result of hearing message about penalties or prosecution

	%
Did not need to report a change / renew	45
Was planning to report a change / renew anyway as a part of that call	24
Already/always do things correctly	11
Did not need to anything	9
Not relevant	5
Already knew the information	4
Other	3
Total	100
<i>Weighted base</i>	288

Base: Did not do anything as a result of hearing a message

Appendix Table B.17 Action taken after hearing message about penalties or prosecution

	%
Stayed on the line and decided at that point to report a change / renew	[35]
Checked/double checked forms to ensure to ensure they were correct	[22]
Spoke to friends or family about the message	[18]
Contacted HMRC to check what they were doing was correct	[4]
Hung up and did not call back	[3]
Other	[18]
Total	[100]
<i>Weighted base</i>	28

Base: Did something as a result of hearing the message

Appendix Table B.18 Told friends or family about the message about penalties or prosecution

	%
Yes	10
No	90
Total	100
<i>Weighted base</i>	322

Base: Heard a message about having all info needed about penalties and prosecutions

Appendix Table B.19 Aware that may face penalty or prosecution for providing incorrect information before heard recorded message

	%
Yes	97
No	3
Total	100
<i>Weighted base</i>	321

Base: All recipients who started claiming tax credits before July 2008

Appendix Table B.20 Where heard about penalties or prosecution

	%
TV	45
Letter from HMRC	41
Just knew about it / general awareness	37
Radio	10
Internet (including HMRC website)	9
Read an article about it	8
Tax Credits Helpline	7
On the tax credits forms themselves	5
Friends or family	5
Poster	1
Other	1
<i>Weighted base</i>	308

Base: Had heard about penalties and prosecution

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table B.21 Action recipients would take if heard recorded message about move to Universal Credit

	%
Ask the helpline operator about it	39
Look on the internet for more information	17
Do nothing	11
Wait to receive more information	2
Ask other people/ask around generally	2
Generally find out more about Universal Credit	2
Call HMRC back to discuss it	2
Worry/panic	1
Don't know	19
Other	6
<i>Weighted base</i>	<i>585</i>

Base: Ever called Tax Credits Helpline

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table B.22 Heard recorded messages when calling other organisations

	%
Yes	85
No	15
Total	100
<i>Weighted base</i>	<i>691</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table B.23 Ever heard recorded messages when calling other organisations by annual household income

		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
Ever heard recorded messages when calling other organisations	Yes	69	87	84	88	85
	No	31	13	16	12	15
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>68</i>	<i>318</i>	<i>163</i>	<i>127</i>	<i>691</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table B.24 Ever heard messages from other organisations by type of tax credits received

		Type of tax credits received				Total
		Working Tax Credit only	Child Tax Credit only	Working Tax Credit and Child Tax Credit	No longer receiving tax credits	
		%	%	%	%	%
Ever heard recorded messages when calling other organisations	Yes	87	79	89	88	85
	No	13	21	11	12	15
	Total	100	100	100	100	100
<i>Weighted base</i>		88	253	197	149	691

Base: All recipients who started claiming tax credits before July 2008

Appendix Table B.25 How often recipients call organisations that have recorded messages

	%
At least once a week	9
At least once a month	26
At least every three months	25
At least once or twice a year	33
Less than once a year	7
Total	100
<i>Weighted base</i>	582

Base: Heard recorded messages when called other organisations

Appendix Table B.26 Agreement with statement: In general recorded messages at other organisations are useful

	%
Agree strongly	2
Agree	43
Neither agree nor disagree	26
Disagree	21
Disagree strongly	8
Total	100
<i>Weighted base</i>	583

Base: All recipients who started claiming tax credits before July 2008 and heard recorded messages when called other organisations

Appendix Table B.27 Agreement with statement: The recorded messages on the Tax Credits Helpline are useful

	%
Agree strongly	10
Agree	63
Neither agree nor disagree	16
Disagree	10
Disagree strongly	1
Total	100
<i>Weighted base</i>	<i>522</i>

Base: All recipients who started claiming tax credits before July 2008 and heard recorded messages when called Tax Credits Helpline

Appendix C

Appendix Table C.1 Whether overall tax credits payment changed when renewed in 2011

	%
Yes, it has increased	14
Yes, it has decreased	24
Yes, no longer receive tax credits payments	15
No, it has stayed the same	46
Have not yet had to renew/Have only recently begun to claim	2
Total	100
<i>Weighted base</i>	<i>688</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.2 Why tax credit payment changed in 2011

	%
A change in personal or family circumstances	81
Changes to the tax credits rules brought in by HMRC	14
Paying back an overpayment	5
Changes linked to the wider economy	1
Other	4
<i>Weighted base</i>	<i>351</i>

Base: Tax credit payment has changed since renewal in 2011

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table C.3 Aware of changes of tax credits system in April 2011

	%
Yes	44
No	56
Total	100
<i>Weighted base</i>	<i>688</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.4 Aware of changes to the tax credit system in April 2011 by household type

		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
Aware of changes of tax credits system in April 2011	Yes	22	45	48	44
	No	78	55	52	56
	Total	100	100	100	100
<i>Weighted base</i>		95	198	395	688

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.5 Aware of changes to the tax credit system in April 2011 by age

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
Aware of changes of tax credits system in April 2011	Yes	44	49	44	31	44
	No	56	51	56	69	56
	Total	100	100	100	100	100
<i>Weighted base</i>		69	228	282	109	688

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.6 Aware of specific changes or just overall change to tax credit system

	%
Only aware of an overall change	75
Aware of some specific changes	22
Not sure/Don't know	3
Total	100
<i>Weighted base</i>	300

Base: Aware of changes to tax credit system

Appendix Table C.7 Aware that people with income over £40,000 have had tax credits reduced

	%
Yes	55
No	45
Total	100
<i>Weighted base</i>	<i>694</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.8 Aware that people with income over £40,000 have had tax credits reduced by annual household income

		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
Aware people with income over £40,000 have had tax credits reduced	Yes	37	49	64	68	55
	No	63	51	36	32	45
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>66</i>	<i>319</i>	<i>163</i>	<i>132</i>	<i>694</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.9 Aware that people with income over £40,000 have had tax credits reduced by household type

		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
Aware people with income over £40,000 have had tax credits reduced	Yes	36	50	62	55
	No	64	50	38	45
	Total	100	100	100	100
<i>Weighted base</i>		<i>94</i>	<i>203</i>	<i>397</i>	<i>694</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.10 Aware of changes to income disregard	
	%
Yes	17
No	83
Total	100
<i>Weighted base</i>	690

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.11 Whether change in income disregard had an effect on whether or not started working or remained in or out of work	
	%
Yes	2
No	98
Total	100
<i>Weighted base</i>	115

Base: Aware of changes to income disregard

Appendix Table C.12 Whether change in income disregard had an effect on the number of hours worked	
	%
Yes	3
No	97
Total	100
<i>Weighted base</i>	115

Base: Aware of changes to income disregard

Appendix Table C.13 Whether awareness of reduction in income disregard change how income is reported to HMRC	
	%
Yes	9
No	65
No, always report current income	8
Does not or will not apply to me	18
Total	100
<i>Weighted base</i>	686

Base: All recipients who started claiming tax credits before July 2008

Appendix Table C.14 How reduction in income disregard will change the way recipients report income to HMRC

	%
Change the way they report changes to HMRC ¹	49
Will contact HMRC for clarification	14
Change the way they estimate my/our income	13
It will not have any effect	4
Other	20
<i>Weighted base</i>	<i>62</i>

Base: Changes to income disregard will affect how report income

¹ Information on what respondents would change about the way they report changes was not collected

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table C.15 Formal childcare that tax credit recipients have ever used

	%
Day nursery/nursery/special day school/reception class	48
Breakfast club or after school club	30
Childminder	17
Holiday club or scheme	15
Nanny or au pair	1
Not used any of these	36
<i>Weighted base</i>	<i>211</i>

Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and who have child or children aged 0-15 as part of their family

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table C.16 Informal childcare that tax credit recipients have ever used

	%
A relative	69
A friend or neighbour	33
Free of charge playgroup or pre-school	24
Baby-sitter who came to your home	15
Another type of informal childcare	2
Not used any of these	23
<i>Weighted base</i>	<i>211</i>

Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and who have child or children aged 0-15 as part of their family

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table C.17 Changed use of formal childcare since April 2011

	%
Yes	13
No	87
Total	100
<i>Weighted base</i>	133

Base: Has used formal childcare

Appendix Table C.18 Aware of reduction in percentage childcare costs can claim for

	%
Yes, was aware of this change	18
Yes, was aware that there had been a change, but was not sure what the change was	2
No	79
Total	100
<i>Weighted base</i>	207

Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and who have child or children aged 0-15 as part of their family

Appendix Table C.19 Ever made use of childcare for a set period only

	%
Yes	10
No	90
Total	100
<i>Weighted base</i>	209

Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and who have child or children aged 0-15 as part of their family

Appendix Table C.20 Aware that when applying for childcare costs for a set period of time can get entitlement to costs paid during that period

	%
Yes	13
No	87
Total	100
<i>Weighted base</i>	207

Base: All recipients who started claiming tax credits before July 2008, currently claim Working Tax Credit (or both Working Tax Credit and Child Tax Credit), and who have child or children aged 0-15 as part of their family

Appendix Table C.21 Would take-up the offer to get short term childcare costs paid during a set period of time

	%
Yes	18
No	45
It depends	6
Does not apply	31
Total	100
<i>Weighted base</i>	203

Base: Not aware of possibility to get childcare costs paid for a set period or aware but has not used this arrangement

Appendix D

Appendix Table D.1 Ever failed to renew tax credit claim on time	
	%
Yes	9
No	91
Total	100
<i>Weighted base</i>	<i>545</i>

Base: All current recipients who started claiming tax credits before July 2008

Appendix Table D.2 Reasons for not renewing tax credit award on time	
	%
Disorganised / Forgot to renew / Personal circumstances	[58]
Waiting for documents (e.g. P60) / Collecting information	[11]
Unable to get through to the helpline	[8]
Did not know about the deadline	[5]
Did not get a reminder from HM Revenue & Customs	[3]
Award is £0 so don't need to	[1]
Other	[16]
<i>Weighted base</i>	<i>50</i>

Base: Has not renewed on time at least once

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table D.3 How confident that will renew on time in the future	
	%
Very confident	[59]
Fairly confident	[34]
Not very confident	[7]
Total	[100]
<i>Weighted base</i>	<i>50</i>

Base: Has not renewed on time at least once

Appendix Table D.4 Is there anything HMRC could do to help renew on time in the future

	%
Yes	[37]
No	[63]
Total	[100]
<i>Weighted base</i>	50

Base: Has not renewed on time at least once

Appendix Table D.5 Whether a text message reminder about renewals would be useful

	%
Yes	[51]
No	[49]
Total	[100]
<i>Weighted base</i>	50

Base: Has not renewed on time at least once

Appendix Table D.6 Aware that can claim tax credits for a child who 16-19 who is in full-time training or education other than university

	%
Yes	63
No	37
Total	100
<i>Weighted base</i>	501

Base: All current recipients who started claiming tax credits before July 2008 and who have a dependent child or children living as a part of their family

Appendix Table D.7 Whether HMRC need to know if a child aged 16 to 19 leaves full-time education or training

	%
Yes	100
No	0
Total	100
<i>Weighted base</i>	316

Base: All current recipients who started claiming tax credits before July 2008 and who have a dependent child or children living as a part of their family

Appendix Table D.8 Whether HMRC should remind to report changes throughout the year	
	%
Yes	58
No	42
Total	100
<i>Weighted base</i>	<i>543</i>

Base: All current recipients who started claiming tax credits before July 2008

Appendix Table D.9 How often should HMRC send reminders to report changes	
	%
Monthly	6
Quarterly	33
Twice per year	42
Once per year	17
Do not need reminders	2
Total	100
<i>Weighted base</i>	<i>313</i>

Base: All current recipients who started claiming tax credits before July 2008 and said that HMRC should remind them to report changes throughout the year

Appendix Table D.10 Whether recipient has ever been told by HMRC that they have received an overpayment	
	%
Yes	48
No	52
Total	100
<i>Weighted base</i>	<i>461</i>

Base: All current recipients who started claiming tax credits before July 2008 and recipient or their partner work

Appendix Table D.11 How would react to a letter saying overpayment was taken directly from earnings

	%
Call HMRC	67
Do nothing	17
General statements about being unhappy, cross or angry	10
Call employer	3
Contact someone (other than HMRC) for advice	1
Review paperwork	1
Check the internet	1
Other	8
<i>Weighted base</i>	<i>220</i>

Base: All current recipients who started claiming tax credits before July 2008 and recipient or their partner work and have received an overpayment

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table D.12 Agreement with statement: Large numbers of people these days falsely claim benefits

	%
Agree strongly	27
Agree	43
Neither agree nor disagree	18
Disagree	10
Disagree strongly	2
Total	100
<i>Weighted base</i>	<i>693</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table D.13 Agreement with statement: Large numbers of people these days falsely claim tax credits

	%
Agree strongly	19
Agree	39
Neither agree nor disagree	26
Disagree	16
Disagree strongly	1
Total	100
<i>Weighted base</i>	686

Base: All recipients who started claiming tax credits before July 2008

Appendix Table D.14 Agreement with statement: People who claim too much on their tax credits usually get caught

	%
Agree strongly	8
Agree	49
Neither agree nor disagree	21
Disagree	20
Disagree strongly	1
Total	100
<i>Weighted base</i>	688

Base: All recipients who started claiming tax credits before July 2008

Appendix Table D.15 Agreement with statement: Tax credits are different to other benefits in that they reward those who work

	%
Agree strongly	12
Agree	56
Neither agree nor disagree	17
Disagree	13
Disagree strongly	3
Total	100
<i>Weighted base</i>	696

Base: All recipients who started claiming tax credits before July 2008

Appendix Table D.16 How acceptable or unacceptable is it to claim more tax credits than one is entitled to receive

	%
Always acceptable	0
Mostly acceptable	2
Mostly unacceptable	15
Always unacceptable	82
Total	100
<i>Weighted base</i>	699

Base: All recipients who started claiming tax credits before July 2008

Appendix E

Appendix Table E.1 How recipient tends to budget	
	%
Day to day	7
Weekly	42
Fortnightly	2
Monthly	45
Not at all	3
In another way	1
Total	100
<i>Weighted base</i>	876

Base: All current tax credit recipients

Appendix Table E.2 How recipient tends to budget by annual household income						
		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
How tends to budget	Day to day	9	8	4	3	7
	Weekly	55	46	30	11	42
	Fortnightly	4	2	4	-	2
	Monthly	26	40	59	77	45
	Not at all	6	3	2	6	3
	In another way	0	1	1	2	1
	Total	100	100	100	100	100
<i>Weighted base</i>		133	450	208	57	876

Base: All current tax credit recipients

Appendix Table E.3 How recipient tends to budget by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
How tends to budget	Day to day	3	7	10	7
	Weekly	30	42	53	42
	Fortnightly	1	1	6	2
	Monthly	61	47	24	45
	Not at all	3	3	5	3
	In another way	1	1	2	1
	Total	100	100	100	100
<i>Weighted base</i>		<i>278</i>	<i>334</i>	<i>264</i>	<i>876</i>

Base: All current tax credit recipients

Appendix Table E.4 How recipient tends to budget by household type

		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
How tends to budget	Day to day	10	8	5	7
	Weekly	45	49	34	42
	Fortnightly	-	2	3	2
	Monthly	36	37	53	45
	Not at all	7	2	3	3
	In another way	2	1	1	1
	Total	100	100	100	100
<i>Weighted base</i>		<i>102</i>	<i>344</i>	<i>430</i>	<i>876</i>

Base: All current tax credit recipients

Appendix Table E.5 How recipient tends to budget by age

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	
How tends to budget	Day to day	2	9	6	9	7
	Weekly	51	43	38	34	42
	Fortnightly	4	2	2	3	2
	Monthly	37	43	50	47	45
	Not at all	5	3	3	4	3
	In another way	1	-	2	3	1
	Total	100	100	100	100	100
<i>Weighted base</i>		160	314	275	128	876

Base: All current tax credit recipients

Appendix Table E.6 Whether recipient pays for anything via direct debit

	%
Yes	95
No	5
Total	100
<i>Weighted base</i>	752

Base: Have money in a bank or building society current or deposit account

Appendix Table E.7 Receives tax credits payment weekly or every four weeks

	%
Every week	51
Every four weeks	49
Total	100.0
<i>Weighted base</i>	875

Base: All current tax credit recipients

Appendix Table E.8 How change to four weekly payments would affect recipients who currently receive weekly payments

	%
I would be likely to run out of money before the end of the month	55
No impact	20
Other	27
<i>Weighted base</i>	<i>441</i>

Base: Receive tax credit payments weekly

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table E.9 Whether recipients who currently receive weekly payments find it helpful to paid every two weeks before moving to four weekly payments

	%
Yes	63
No	33
It depends	4
Total	100
<i>Weighted base</i>	<i>440</i>

Base: Receive tax credit payments weekly

Appendix Table E.10 What would help current recipients who currently receive weekly payments to move to four weekly payments

	%
Nothing	64
Leaflets about budgeting	25
Speaking to someone about budgeting	23
Help with setting up new direct debits	14
Other	2
<i>Weighted base</i>	<i>441</i>

Base: Receive tax credit payments weekly

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table E.11 How much tax credit recipients rely on the money received from tax credits

	%
A lot	78
A little	17
Not at all	6
Total	100
<i>Weighted base</i>	<i>875</i>

Base: All current tax credit recipients

Appendix Table E.12 Use of savings and current accounts by tax credit recipients

	%
Bank/ Building Society current account	84
Bank/ Building Society deposit account	20
Individual Savings Account (ISA):cash based	18
Building Society savings or investment account	17
Has no savings/accounts	11
Premium bonds	9
Post Office	3
Any other savings/accounts	3
Individual Savings Account (ISA):stocks and shares based	3
Family bonds	2
National Savings	1
Friendly society/savings club	1
Credit Union	1
<i>Weighted base</i>	<i>875</i>

Base: All current tax credit recipients

Appendix Table E.13 Which bank account tax credits payments paid into

	%
Claimant only	51
Claimant and your partner jointly	38
Claimant's partner only	9
Other	3
Total	100
<i>Weighted base</i>	<i>463</i>

Base: All current tax credit recipients with a partner

Appendix Table E.14 Whether Working Tax Credit and Child Tax Credit are paid into separate accounts

	%
Paid into accounts owned by the same person	82
Paid into accounts owned by different people	18
Total	100
<i>Weighted base</i>	<i>149</i>

Base: Receive both Working Tax Credit and Child Tax Credit and have a partner

Appendix Table E.15 Whether would experience problems if Working Tax Credit and Child Tax Credit payments were made as a single payment

	%
Yes	[13]
No	[87]
Total	[100]
<i>Weighted base</i>	<i>26</i>

Base: Receive both Working Tax Credit and Child Tax Credit and has them paid into accounts owned by different people

Appendix Table E.16 Whether tax credit recipients receive other state benefits

	%
Yes	37
No	63
Total	100
<i>Weighted base</i>	<i>877</i>

Base: All current tax credit recipients

Appendix Table E.17 Receipt of any other state benefits by annual household income

		Annual household income				Total
		Up to £10,399 per annum	£10,400 to £25,999 per annum	£26,000 to £39,999 per annum	£40,000 or more per annum	
		%	%	%	%	%
Receives any state benefits	Yes	54	35	34	30	37
	No	46	65	66	70	63
	Total	100	100	100	100	100
<i>Weighted base</i>		133	452	208	57	877

Base: All current tax credit recipients

Appendix Table E.18 Receipt of any other state benefits by type of tax credits received

		Type of tax credits received			Total
		Working Tax Credit only	Child Tax Credit only	Working Tax Credit and Child Tax Credit	
		%	%	%	%
Receives any state benefits	Yes	20	50	30	37
	No	80	50	70	63
	Total	100	100	100	100
<i>Weighted base</i>		167	402	308	877

Base: All current tax credit recipients

Appendix Table E.19 Receipt of any other state benefits by employment status

		Employment status of main respondent			Total
		Working 31 hours or more	Working 30 hours or less	Not working	
		%	%	%	%
Receives any state benefits	Yes	24	29	62	37
	No	76	71	38	63
	Total	100	100	100	100
<i>Weighted base</i>		278	334	265	877

Base: All current tax credit recipients

Appendix Table E.20 Receipt of any other state benefits by household type

		Household type			Total
		No children	Single with children	Couple with children	
		%	%	%	%
Receives any state benefits	Yes	16	54	29	37
	No	84	46	71	63
	Total	100	100	100	100
<i>Weighted base</i>		<i>102</i>	<i>346</i>	<i>429</i>	<i>877</i>

Base: All current tax credit recipients

Appendix Table E.21 Receipt of any other state benefits by age

		Age of main respondent				Total
		Under 30 years	30 to 39	40 to 49	50 or over	
		%	%	%	%	%
Receives any state benefits	Yes	48	36	34	35	37
	No	52	64	66	65	63
	Total	100	100	100	100	100
<i>Weighted base</i>		<i>160</i>	<i>314</i>	<i>276</i>	<i>128</i>	<i>877</i>

Base: All current tax credit recipients

Appendix Table E.22 How much recipients know about the total income they receive from all state benefits including tax credits

	%
Know the exact total of all state benefits	24
Know more or less but would have to check	67
Don't know and I would find it hard to work out	9
Total	100
<i>Weighted base</i>	<i>326</i>

Base: Receive other state benefits in addition to tax credits

Appendix Table E.23 Whether tax credit recipients would find it helpful to see information about all benefits presented in one place

	%
Yes	84
No	16
Total	100
<i>Weighted base</i>	326

Base: Receive other state benefits in addition to tax credits

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix F

Appendix Table F.1 Ever received a letter from HMRC saying that you have not told HMRC about your partner on your tax credits claim	
	%
Yes	1
No	99
Total	100
<i>Weighted base</i>	699

Base: All recipients who started claiming tax credits before July 2008

Appendix Table F.2 Know anyone else who has claimed tax credits and has received a letter from HMRC saying that they may have had a partner they had not told HMRC about	
	%
Yes	4
No	96
Total	100
<i>Weighted base</i>	698

Base: All recipients who started claiming tax credits before July 2008

Appendix Table F.3 Took action after heard other person received letter from HMRC saying they had not reported a partner	
	%
Yes	[18]
No	[82]
Total	[100]
<i>Weighted base</i>	29

Base: Aware of someone (other than themselves) receiving a letter from HMRC about an undeclared partner

Appendix Table F.4 Discussed letter about undeclared partner received by other person with friends and family

	%
Yes	[33]
No	[67]
Total	[100]
<i>Weighted base</i>	29

Base: Aware of someone (other than themselves) receiving a letter from HMRC about an undeclared partner

Appendix Table F.5 Ever received a letter from HMRC saying that you may not have reported a change relevant to your tax credits claim

	%
Yes	4
No	96
Total	100
<i>Weighted base</i>	699

Base: All recipients who started claiming tax credits before July 2008

Appendix Table F.6 Took action after receiving a letter from HMRC saying had not reported another change

	%
Yes	[87]
No	[13]
Total	[100]
<i>Weighted base</i>	27

Base: Received a letter from HMRC about an undeclared change of circumstances

Appendix Table F.7 Discuss the letter saying had not reported a change with family or friends

	%
Yes	[54]
No	[46]
Total	[100]
<i>Weighted base</i>	27

Base: Received a letter from HMRC about an undeclared change of circumstances

Appendix Table F.8 Action taken after receiving letter from HMRC saying had not reported another change

	%
Reported change to HMRC	[42]
Contacted HMRC to deal with problem (other than reporting partner or change)	[32]
Contacted HMRC to say there had been no change	[13]
Made a complaint about HMRC	[6]
Contacted a third party for advice	[2]
Other	[12]
<i>Weighted base</i>	<i>24*</i>

*Although there are only 24 weighted base this variable has been included as there were >25 unweighted base

Base: Received a letter from HMRC about an undeclared change of circumstances

Note: Respondents were able to give more than one response to this question and therefore the sum of the percentages may be greater than 100

Appendix Table F.9 Know anyone else who has claimed tax credits and has received a letter from HMRC saying that they may have not reported a change relevant to their tax credits claim

	%
Yes	7
No	93
Total	100
<i>Weighted base</i>	<i>699</i>

Base: All recipients who started claiming tax credits before July 2008

Appendix Table F.10 Took action after heard other person received letter from HMRC saying they had not reported another change

	%
Yes	11
No	89
Total	100
<i>Weighted base</i>	<i>50</i>

Base: Aware of someone (other than themselves) who has received a letter about an undeclared change of circumstances

Appendix Table F.11 Discussed letter received by other person saying they had not reported a change with friends and family

	%
Yes	37
No	63
Total	100
<i>Weighted base</i>	<i>50</i>

Base: Aware of someone (other than themselves) who has received a letter about an undeclared change of circumstances