

## TAXREP 56/04

### VAT: CUSTOMS' NEW WEBSITE

*Memorandum submitted in November 2004 to Customs by the Tax Faculty  
of the Institute of Chartered Accountants in England and Wales*

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## VAT: CUSTOMS' NEW WEBSITE

### INTRODUCTION AND KEY POINT SUMMARY

1. We set out in this memorandum our comments on the VAT pages of Customs' new website at [www.hmce.gov.uk](http://www.hmce.gov.uk).
2. The new website is so deficient that it calls into question Customs' ability successfully to take forward the government's e-agenda. The worst features include:
  - The 'VAT Updates' page is not up to date: it should be updated the day that something is issued;
  - The 'VAT Updates' page is incomplete: it should contain all new items and changes posted to the website;
  - The 'VAT Updates' page includes at least one item posted on a date later than stated;
  - Public Notices, Business Briefs, etc. can be read only via \*.pdf files: they should be in html format, as on the old site;
  - Pages include items that should not be there, for example the 'Current Consultations' page includes closed consultations;
  - The contents of pages are jumbled up, for example Notices are not in numerical order, consultations are not in date order and JVCC papers are mixed up with minutes;
  - Sequences, for example of Business Briefs and Notices, are incomplete.

### WHO WE ARE

3. The Institute of Chartered Accountants in England and Wales ('ICAEW') is the largest accountancy body in Europe, with more than 128,000 members. Three thousand new members qualify each year. The prestigious qualifications offered by the Institute are recognised around the world and allow members to call themselves Chartered Accountants and to use the designatory letters ACA or FCA.
4. The Institute operates under a Royal Charter, working in the public interest. It is regulated by the Department of Trade and Industry through the Accountancy Foundation. Its primary objectives are to educate and train Chartered Accountants, to maintain high standards for professional conduct among members, to provide services to its members and students, and to advance the theory and practice of accountancy, including taxation.
5. The Tax Faculty is the focus for tax within the Institute. It is responsible for tax representations on behalf of the Institute as a whole and it also provides various tax services including the monthly newsletter 'TAXline' to more than 11,000 members of the ICAEW who pay an additional subscription.

### GENERAL COMMENTS

6. Customs' new website is wholly unsatisfactory. The new one at [www.hmce.gov.uk](http://www.hmce.gov.uk) is not only more difficult to use than the old one at [www2.hmce.gov.uk](http://www2.hmce.gov.uk) and [ww2.hmce.gov.uk](http://ww2.hmce.gov.uk) but is less up to date.

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7. We have noted the Joint VAT Consultative Committee paper 03/04, the main thrust of which was a proclamation by Customs that the new site is, teething troubles apart, a considerable improvement on the old site. We do not share this view.
8. The new site gives the impression that it has been designed by someone who has little perception of the needs of users. Indeed, when it was launched, the new site was so unready for public use that we are surprised that it was launched at all. Three months on, it is still far from satisfactory.
9. The only mitigating factor is that Customs are following best practice in that the old website has been retained and has been running almost in parallel to the new.
10. We do not doubt that Customs are committed in principle to the government's e-agenda. Communication by email, paperless dissemination of information, filing by internet and electronic payment, which are all part of this, are the way forward and we welcome the steps that Customs and the government are taking to make what businesses use as part of their daily activities a reality when dealing with government departments. However, if this strategy is to succeed in practice for a customer-focused organisation such as Customs, it is essential that businessmen and advisers are encouraged and therefore want to participate in this way of doing things.
11. Acceptance of the government's e-agenda by citizens at large will come only if businessmen and advisers can be confident that 'e' dealing with government really is simpler, quicker and cheaper than what they are used to. A website is essentially a showcase for the electronic revolution. Being able easily to access information from a website is the first step. A website that fulfils the realistic expectations of users, whether first-time computer novices or experienced surfers, whether small businessmen or substantial enterprises, whether traders or advisers, will make such users welcome innovations such as e-filing, e-payment, e-registration, etc.
12. We see the Customs' web site as an indicator of how well Customs are implementing the government's e-agenda. We are concerned about the many problems with Customs' new website and set out below our principal observations.
13. Given our understanding that HM Revenue and Customs will have a website that will supersede both Customs' and the Revenue's current sites, we question the need for Customs to launch a new website at this time.
14. Whilst the old website is not perfect, in the circumstances we trust that Customs will not withdraw the old one and will keep it well maintained and up to date until the new one, if it is not abandoned, is at least as good as the old.
15. At the time of writing, 5.30pm on a weekday, the site is unavailable owing to 'upgrading'. Whilst upgrading is urgently needed, we suggest that work of this nature be carried out at weekends in order to minimise the disruption to users.

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## DETAILED COMMENTS

16. We have divided our comments into concerns with the design of the site and timeliness of posting to and completeness of the 'Latest VAT Updates' page.

### Site design

17. The Home Page can best be described as a muddle. There are four columns of choices, plus the top two-tiered menu bar and the links at the bottom. It is confusing and visually unattractive.
18. We question the relevance of the heading: 'Partners and standards' on the Home Page.
19. The 'VAT Updates' page is not in date order and is not up to date. An example of items not in date order includes VAT Notes 03/04 dated September 2004 which is recorded as having been posted to the site on 1.10.04 but is on the page after items dated 4.10.04. As to when this and other items were actually posted, please see below under Updates to the site.
20. There is no clear link from the VAT home page or the VAT Updates page to business briefs and press notices, which are the most important of Customs' updates for advisers. One has to click on Library, then Guides and Business Briefs, then VAT, then Business Briefs 2004, only to discover (on 15.10.04) that the latest business brief (BB 27/04 published on 4.10.04) is not there (it now is).
21. We suggest that there should be a direct link to the Business Briefs, VAT Notes, VAT Information Sheets and press notices pages from the VAT home page and VAT Updates page; the old website has a direct link for Business Briefs from Recent Updates.
22. Following the link for Updates then Import, Export & International Trade Updates', the item dated 11.10.04: 'Shopping on the internet' does not give an indication of the status of this particular document, for example whether it is a press release, leaflet or simply a note drafted for the website.
23. The notes: 'Problem viewing PDF files' would be superfluous if it were possible to view items in html format.
24. Once the user is on the Business Briefs 2004 page, the absence of a tag for other years' business briefs means that there is no obvious access to Business Briefs 2003 or 2002 if the user did not reach Business Briefs 2004 via the VAT Guides and Business Briefs page.
25. On the VAT Business Briefs page, the briefs are in number order, but there are gaps in the sequence, for example BB 11/04 and 13/04. If this is because these business briefs have been withdrawn or superseded then there should be an explanation under the relevant number with a link to whatever has replaced it. In fact, by way of example, Business Brief 11/04 is on a non-VAT section of the site under Imports Exports & International Trade, even though it contains particulars about import VAT.

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26. The Library Page is less user-friendly than one would have hoped, especially in the light of the fact that the old site well meets the needs of users:
- a. For example, when one follows the link to Public Notices, which are ordered numerically, the Notice numbers are not prominent in the listing. The way the Notices are listed also makes it time consuming and less easy to scroll down and focus on particular Notices for particular topics. The old website has an excellent layout in this regard.
  - b. The list of Notices does not show the date of issue. In view of the importance of knowing this and the representations that we and others have made in the past about the importance of Customs ensuring that Notices and other Customs' guidance are not published after they come into force, this is simply unacceptable.
  - c. The Notices are not listed in order. For example, notice 700/2 is after 700/18 and 701/2 is after 701/19, and Notice 75 is after 749. We suspect that is because a leading zero has not been inserted into the field and the list has been sorted electronically.
  - d. The list of notices is too cluttered. It is easier on the eye to scroll down a list rather than have to look at explanations of what the guidance is about. A lot of users will know what number Notice they are looking for and simply want to find it as quickly as possible.
  - e. Some of the Notices, for example Notice 700: 'The VAT Guide', are split into segments. This is not user friendly.
  - f. The notices themselves can be read only by opening \*.pdf files. Using \*.pdf format as the sole access to publications is a retrograde step. It is time-consuming as the user has to wait whilst the files open. The use of \*.pdf files as the only option means that parts of Notices cannot be so easily extracted and copied as with the html option which is available on the old website. This is especially important for large notices such as Notice 700. The html option means that there is no separate file to open and, on the old site, hyperlinked indexes in many of the Notices makes navigation simple.
  - g. The library of Public VAT Notices is incomplete: no Notice with a number beginning with less than a 7 is listed; for example, Notice 48: 'Extra Statutory Concessions'. The old site had solved this neatly by using an on-line version of Notice 999: 'Catalogue of Publications', 'a comprehensive listing of ... Public Notices, information sheets, VAT notes, leaflets and other publications', as the home page for this section.
27. The JVCC Page similarly has poor ordering of papers. Whilst it is appropriate that the papers are in date order with the latest first, the JVCC papers are jumbled up with the minutes, unlike on the old website. Also no publication date is shown. The sequence of JVCC papers is incomplete.
28. The All Other Information Sheets page jumbles up Information Sheets, VAT Notes and Small Business Leaflets. They should be on separate pages.
29. The Internal Guidance page is incomplete: it should include at least what is in CCH British VAT Reporter and all of the V1, V2 and S8 series. We suggest that the guidance should be published in the same format as in the CCH British VAT Reporter; the headings in the CCH publication are also clearer. Again, the content is available only in \*.pdf format, when html would be simpler for the user for the reasons alluded to under Notices.

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30. The link from the Library page for Tribunal reports is a link to the Finance and Tax Tribunals website. As this site is unsatisfactory for a number of reasons, providing a link to it is not fulfilling the function of being able to gain access to tribunal decisions. We suggest that in view of the deficiencies of the Finance and Tax Tribunals website, Customs work with that Department to ensure that there is in fact access to tribunal decisions.
31. Incidentally, it would help traders to get their VAT liability right first time if Customs posted to the website on, say, a monthly basis, a summary of all the latest decisions on technical liability issues and an indication of the implications and the action they propose to take, including both whether Customs agree the decision and whether they intend to appeal or change the law, and similarly for High Court, Court of Appeal, House of Lords and European Court of Justice decisions.
32. The Library link for “Legislation” is also misleading and unhelpful. The narrative reads: ‘Your very own Law library is right here at the click of a mouse. All legislation relating to trade, customs and VAT is listed here’. However, in reality, there is no complete listing of all the primary and secondary legislation and the hyperlink to the HMSO website provides access to the legislation not as it is now, ie as amended, but as originally enacted. This is misleading, and we are concerned that Customs is promoting out-of-date legislation as the statutory basis for VAT.
33. Within the Library, the Consultation pages need improvement:
  - a. There are no posting or issue or deadline dates on the list of consultation documents, which should be in order of posting to website with the latest at the top, and there are not always dates in the introduction to the pdf file.
  - b. The list of condocs is in no intelligible order.
  - c. The list of Current Consultations includes those whose deadline for comments has long since expired and responses to consultations. For example, the first one listed under ‘Current Consultations’, namely ‘**Removal of goods from the UK to another European Community (EC) Member State** - Explains the conditions for zero-rating supplies of goods moved within The Single Market’ closed in January 2004.
34. The website page addresses are extremely long.
35. When the webpage is showing on the bar at the foot of the computer screen, the narrative reads: ‘Welcome to HM Customs and Excise – Microsoft internet explorer’ whatever page one is, on unlike the old website which shows the title of the page.
36. A member who uses Mozilla, which is a standard ‘open source’ browser, rather than Microsoft, reports that access to the Home Page and therefore the rest of the new website is impossible. A Government website ought to work with all browsers.
37. The search facilities are inadequate:
  - a. The search engine on the new site with does not work with Microsoft IE browser. It sends the user back to the home page.
  - b. In order to facilitate the finding of leaflets, we suggest that there ought to be a facility to search within the library section only.

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## Updates to the site

38. The new site is not updated promptly and newsworthy items that users would expect to be featured on the 'VAT Updates' page are not.
39. Two examples of papers that one would expect to find on the 'Latest VAT Updates' page but are not are JVCC Information Paper 03/04 and Business Brief 28/04. These papers can only be found if one knows that JVCC papers and Business Briefs are in the Library section of the site.
40. As an example of slow updates, in the week ending 17 September 2004, the two VAT 'latest updates' were Business Brief 16/04 dated 9 June 2004 and the draft letters in various languages for businesses to ascertain EU customers' VAT numbers which Customs had published months previously
41. More recent examples of slow updates are set out in the following table:

<u>Name of document</u>	<u>Date published if known</u>	<u>Date posted on old website per 'Recent Updates' page</u>	<u>Date posted on new website per 'Latest VAT Updates' page</u>
VAT Notice 704: Retail exports	Nov 04	2.11.04	Not posted at 9.11.04 (although is on website)
BB 28/04	25.10.04	27.10.04	29.10.04
BB 27/04	4.10.04	27.10.04	22.10.04
BB 26/04	17.9.04	21.9.04	22.9.04
BB 25/04	14.9.04	15.9.04	21.9.04
Motor trade	Not known	8.10.04	8.10.04
VAT Notes 03/04 dated Sept 04	Not known	10.10.04 Not on site on 29.10.04	As at 29.10.04 site said 1.10.04 but it was not on there on 15.10.04
VAT Info Sheet 08/04 dated September 04	Not known	4.10.04	4.10.04

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42. Notice 701/20: 'Caravans and Houseboats' is the May 1996 version, not that of February 2004, which was made available in March 2004. The old site contains the current version.

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