

Improving usability

the Employer's Pack

Caroline Jarrett
Presentation at STC Conference, 2002

The Employer's Pack

- Issued to around 1.3 million employers
- 85% employ 20 or fewer employees
- Selection of forms and guidance

UK tax system

- Employer deducts precisely the right amount of tax from each employee's paycheck (PAYE)
- Deductions are few
- Banks pay interest with precisely the right amount of tax deducted
- Most people do not have to do tax returns
 - 27 million people pay tax
 - only 8 million have to do tax returns

How it works

- Typical salary £16000 (approx \$22500)
- 'Tax Code' for single person is 461L
- 461 means £4610 of pay will be free of tax (approx \$6450)
- 'Tax tables' tell employer how to spread the tax-free pay across the year and how to tax the rest
- 'Tax code' can be adjusted by the Tax Office part-way through the year if circumstances change

National Insurance Contributions

- Similar to Social Security Tax
- Deducted from employee's paycheck
- Originally used to finance 'state pensions', sick pay, National Health Service (hospitalization)
- My personal view is: now just another type of tax

Usability 1 - 1997

Example item from 1997 pack



PAYE Tax Tables

April 1997 issue

Taxable Pay Tables

Tables showing tax due on taxable pay for use in accordance with the directions given on Cards 2 and 3 of the Employer's Quick Guide to PAYE and NICs (the CWG1 cards).

These Tax Tables, which have been prepared by the Board of Inland Revenue, **are to be brought into use from 6 April 1997**. You should continue to use them until the Tax Office tells you to destroy them.

You should continue to use Tables A 1993 issue.

IMPORTANT

Pages 2 and 3 tell you which tax table to use.
You must refer to these before you turn to the tables.
If you do not use the correct tax table your employee
may pay the wrong amount of tax.

Annual Bands			
Tax Rate			
20%	up to	£4,100	
23%	from	£4,101 - £26,100	
40%	over	£26,100	

Any suggestions for improving these tables should be sent to Inland Revenue, Room 8/1, 10 Maltravers Street, c/o Somerset House, Strand, London WC2R 1LB.

Changes to the pack in 1997

- **Before:**
 - two packs, one each from Inland Revenue and Contributions Agency
 - employers were sent full selection of required forms
- **Change:**
 - one combined pack
 - employers have to order the forms they need
 - objective: 'Reduce Burden on Employers'



The pack in 1997

- Good points:
 - single mailing, previously two
 - new mailing smaller than previous two added together
 - no issue of unnecessary forms
 - pretty good feedback from market research
- Less good points:
 - lots of usability problems
 - tried working out change of tax year using the instructions
 - had to swap between documents at least 19 times
 - I found it almost impossible to work out what I had to do using the pack

Initial usability testing

- Persuaded Inland Revenue to let me do usability testing as part of an MBA project
- Three employers, one in each test session
- Test looked at:
 - initial opening of the pack
 - first thing they were told to do: order forms

Example problems

- Three conflicting messages on the envelope itself, including two different dates to start
- Participants did not know what to order or when

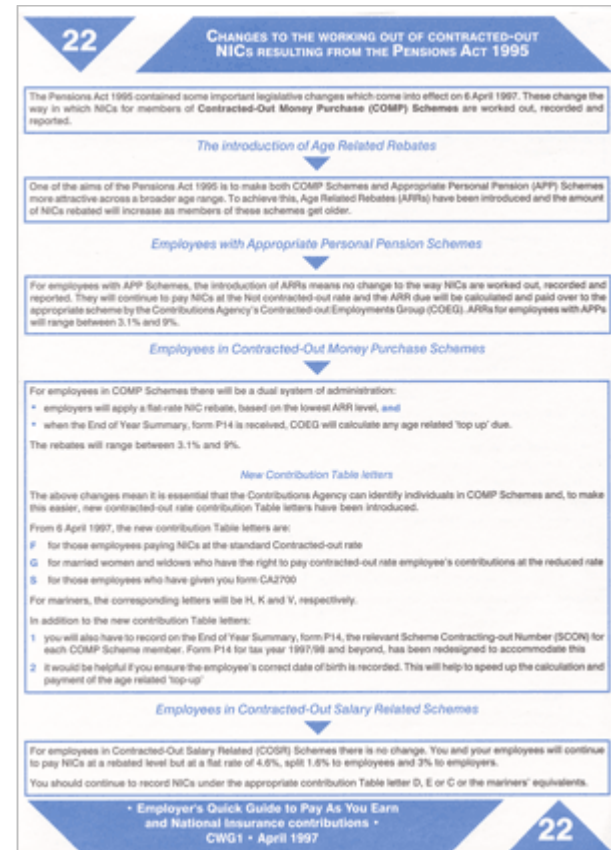
What happened next

- Report was well-received
- Asked to do some paid-for testing on another element of the pack: reference cards.

Usability 2 - 1997

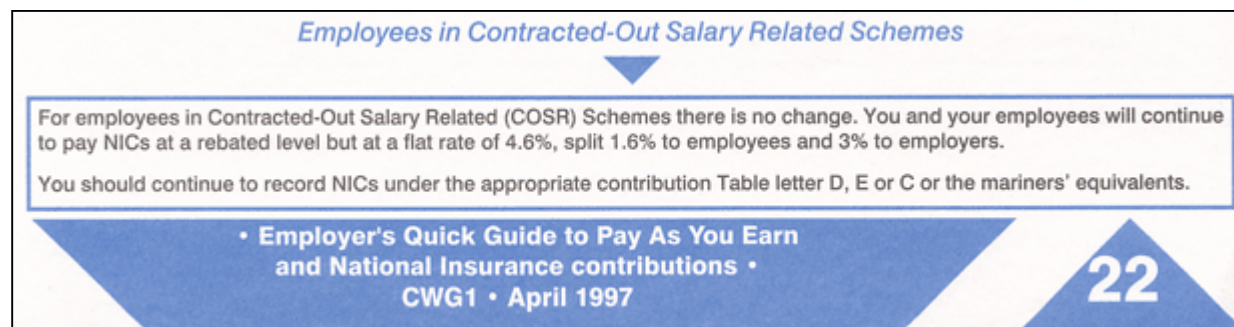
Second round of usability testing

- Two card authors worked with me
- Three employers used the cards
- Authors watched the test on video link



Example problems: Help cards

- Over 400 observations noted
- Only 69 of them were good points
- Typical problems:
 - formal name of cards was
“Employer’s Quick Guide to Pay As You Earn and National Insurance Contributions CWG1”
 - contents listed on *back* of first card



Typical detailed observations

- Statutory Sick Pay - good point
 - clear title to card, easy to find
- Statutory Sick Pay - example problems
 - there is nothing on the front of the card to tell you that there is a step by step guide on the back of the card
 - some parts of the task are described in the wrong order (e.g. employer is twice instructed to read the 3 qualifying conditions)

What happened next

- Dealt with 93 of the recommendations
- Envelope changed to have consistent messages
- Order form redesigned
- Name of cards abbreviated (a little)
- Removed one card from the pack

• Employer's Quick Guide to PAYE and NICs • CWG1 • April 1998

CONTINUES

Cost-justifying usability

- Identified unnecessary help card
- Cost per card approx. 2p per card printed
- Minimum printed: 1.3 million
- Immediate saving: approx. £26,000
- plus the cost of maintaining the card for future years

Usability 2000 and 2001

Four years later

- Pack is getting good reports from quantitative research
- But... big spread in the Daily Mail saying that it is horrible
- Inland Revenue and Contributions Agency now merged
- New enthusiasm for usability of pack.

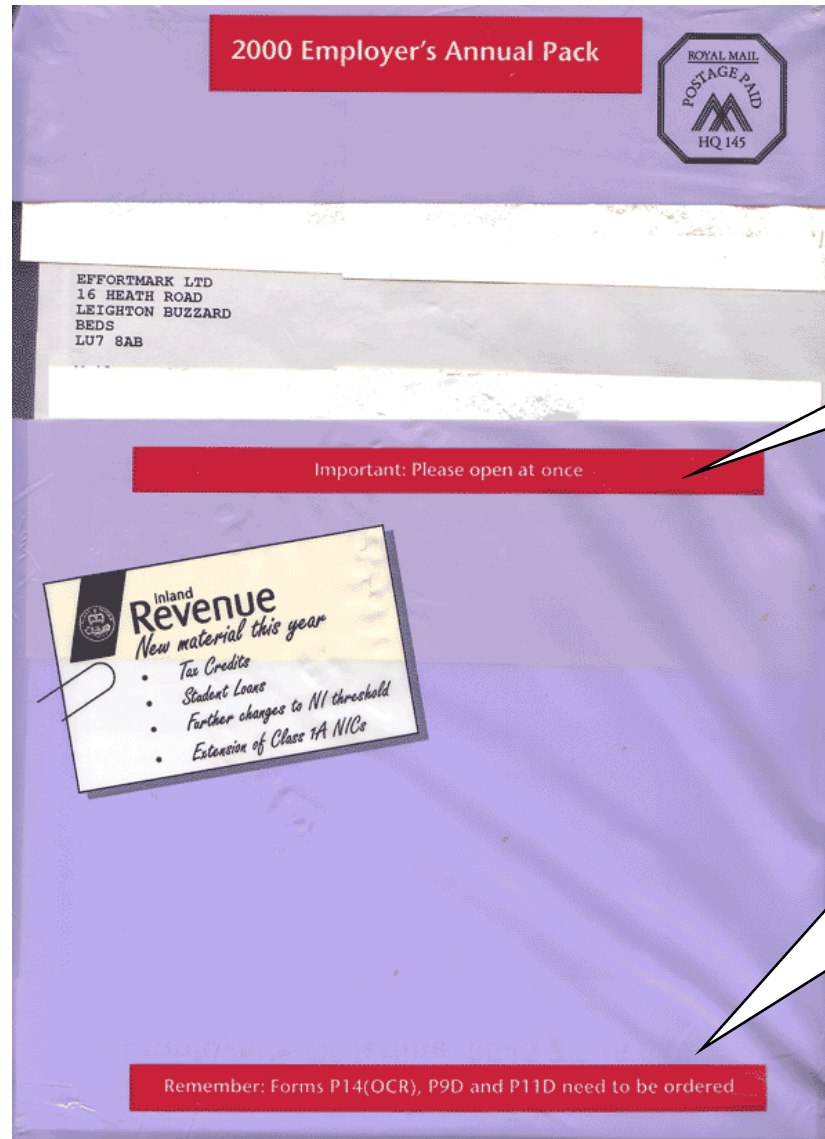
Some items from the 2000 Pack



Usability investigations

- Blend of:
 - contextual enquiry
 - 'classic' usability testing
 - cognitive interviewing
- Feedback based on:
 - video clips
 - personal experience

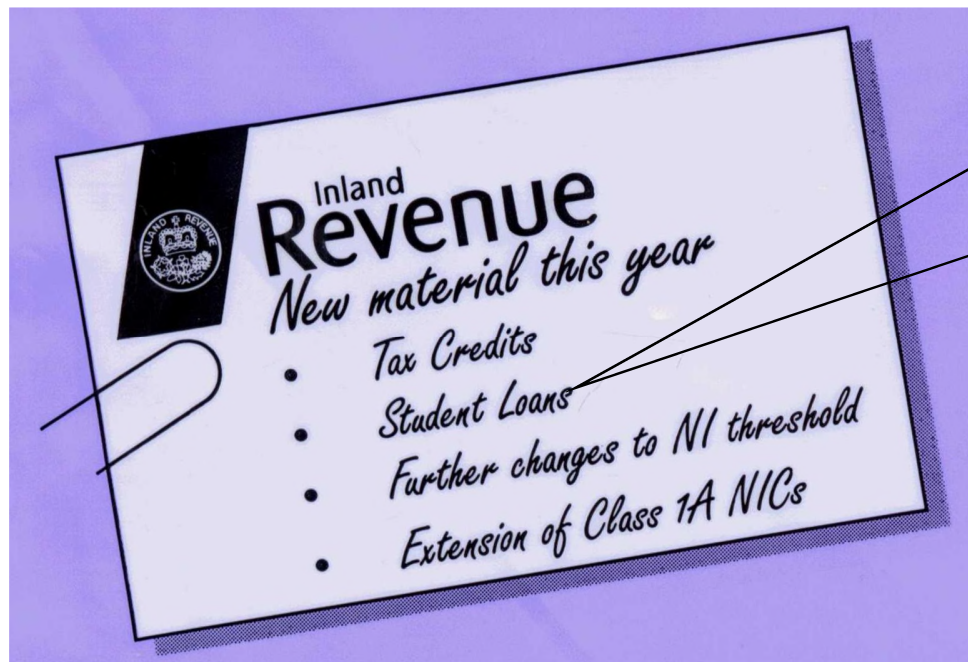
Typical finding: too many messages



Important: Please open at once

Remember: Forms P14 (OCR), P9D and P11D need to be ordered

Typical finding: confusing message



That doesn't apply to me, I don't employ any students

“Student loans”: an employer has to deduct repayments of a student loan from an employee who used to be a student (not one who is currently a student)

Typical finding: not actually using the materials

“Of course the cards are easy to use”

(looks through cards trying to find the one used most recently)

“I remember now, I made some notes on the previous year's card”

Result

- Business support for phased approach
- Year 1:
 - total redesign of pack appearance
 - total redesign of order form
 - items omitted if they could be
 - iterative usability testing
- Year 2:
 - total redesign of cards into booklets
 - more iterative usability testing
- Ongoing: further investigations on what employers really need

Features of new design

Inland Revenue

Tax codes from 6 April 2002

What happens now

Keep this note with any new tax codes – for the year starting on 6 April 2002 – until you are ready to set up your 2002-2003 payroll. You will get new tax codes on:

- form P9(T)

What to do before the new tax year starts

Changes effective from 6 April

- The new threshold (starting point) for PAYE is £89 per week (£385 per month).
- The new emergency code is 461L.

A step-by-step guide to setting up your 2002-2003 payroll.

Manual – Prepare a Deductions Working Sheet, form P11 or equivalent record, for each employee who will be working for you on 6th April 2002. You must use the P11(2002-03) (or equivalent record). These are available from the Employer's Orderline.

Computer – Follow the same steps through your payroll software.

Now enter the tax codes for the new tax year starting 6 April 2002 on each form P11.

P11s for employees with a new tax code on form P9(T) from your Inland Revenue office

- keep and use the form P9(T) with the most recent date for each employee
- scrap any form P9(T), for the same employee, with an earlier date
- copy the tax code from the form P9(T) to the form P11
- update any tax codes where you get a later form P9(T) which is received after you have set up your forms P11.

The P11s for these employees are now ready for the new tax year.

Employer's Pack P9X(2002)

Employees without a new tax code from your Inland Revenue office

Carry forward the tax code from last year's form P11 to the 2002-2003 form P11 but:

- add 8 to any tax code ending in L. For example old tax code 453L plus 8 now becomes 461L.
- add 8 to any tax code ending in A. For example old tax code 572A plus 8 now becomes 580A.
- add 8 to any tax code ending in H. For example old tax code 690H plus 8 now becomes 698H.

Do not add 8 to a tax code where you have a form P9(T).

The P11s for these employees are now ready for the new tax year.

Employee leaving – Do not change the tax code for an employee whose employment with you will finish before the start of the new tax year on 6 April, even if because of 'lying time', you are going to pay them after that date. Use the old tax code.

New employees – If someone starts between 6 April and 24 May, see Part 4 of the Employer's Help Book Day-to-day payroll, E12.

The booklet in your Employer's Pack PAYE and NICs rates and limits for 2002-2003, E12, shows rates and limits for 2002-2003.

What to do on 6 April

- Continue to use Taxable Pay Tables SR + 8 to D (May 2001).
- Keep and use Tax Tables A (1993).

Any problems with setting up your payroll – call one of the Employer's Helplines

New employers	0845 60 70 143
More experienced employers	0845 7 143 143
Deaf employers please use textphone on	0845 602 1380

Computer users please turn over

SB467 12-01 Gibraltar UK B512/01 P9X1105

Simple branding

Use of pictures for description

Bold headings in plain language

Before

- 1 Forms P9(T) or electronic equivalent - code changes to be operated from 6 April 2000

Form P9(T) is a Notice of Employee's Code to be operated from 6 April next.

Notification of code changes may also be sent to you by list, magnetic media or Electronic Data Interchange (EDI) if you require this. Code changes notified on form P9(T) (or list, cartridge, tape or by EDI) will include **all** the changes to be put into effect. Bulk notifications will be sent in February and early March.

Where you receive a code notification for any employee please follow the procedures outlined in Card 6 of the CWG1(2000) enclosed with the Annual Pack.

After

What happens now

Keep this note with any new tax codes – for the year starting on 6 April 2002 – until you are ready to set up your 2002-2003 payroll. You will get new tax codes on

- form P9(T)

Inland Revenue
Notice to employer of employee's tax code

Issued by
Anytown 1
Anytown
AN1 1NY

ABC Ltd
1 High Street
Anytown
AN1 1BC

Date
01.03.02

Employer reference
020/A123

Employee's name
Mr A Smith

National Insurance number
AB 12 34 56 C

Works or payroll number
12462

Tax code
The code of this employee is
552L

Please use for the tax year
to 5 April
2003

Instructions for the employer
1. Keep this form, as your authority, for three years.
2. Please make sure that you put the employer's National Insurance number on:
• your payroll records and
• the end of year document that you send with your annual return after 5 April.
If the National Insurance number on your records is different from the number shown above, please tell your Inland Revenue office.
3. If the employee has left your employment, please destroy this form. Do not send it back to your Inland Revenue office. Send Part 1 of form P43 to your Inland Revenue office if you have not already done so.

P9(T) R512/00

- or, electronic versions of the P9(T). (The type will depend on your individual arrangements with us)
- or, a paper list.

You will not get a new tax code for every employee.

Features of the work

- Business support
- Mixed usability methods
- Mixed usability, design and graphic design team
- Short term visual improvements
- Medium term guidance improvements

Contact details

Caroline can be contacted at:

Effortmark Ltd
16 Heath Road
Leighton Buzzard
Bedfordshire
LU7 3AB

01525 370379

Caroline.Jarrett@Effortmark.co.uk