



**HM Revenue
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Date

4th November 2011

**STATEMENT ON BEHALF OF HM REVENUE AND CUSTOMS TO THE
LEVESON INQUIRY INTO THE CULTURE, ETHICS AND PRACTICES OF THE
PRESS**

PURSUANT TO A REQUEST DATED 27TH SEPTEMBER 2011

ANNEX C

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Standards and procedures

Bogus enquiries

Who makes them

Private sector investigation agencies and credit reference agencies

There is currently a very large market for personal information led by private sector investigation agencies and credit reference agencies. Their main objective is to discover the latest address for the subject of their investigations. They will use a variety of ploys to achieve this aim so the address may not be the immediate line of enquiry. They may seek other information which will enable them to make subsequent calls to us or to other organisations.

Investigative journalists and their agents

HMRC, along with all other major organisations that hold personal information, is to a lesser extent subject to attack by Investigative journalists and their agents. They are usually seeking more personal details about the individual such as sources and amounts of income. This type of attack can lead to considerable adverse publicity for the department if information is disclosed and eventually finds its way into the media.

Facts about bogus enquiries

Note: Whatever the purpose behind any of these calls, you must be aware that

- the attacks are aimed at deceiving you into disclosing the personal information we hold
- the people who make the calls are very good at what they do and are extremely persuasive
- the callers have extensive knowledge of our business and information systems
- frequently they claim to be calling from within HMRC or from another Government Department such as the Child Support Agency, Job Centre Plus or the Pensions Service
- a bogus caller is trying to obtain your trust
- they will often adopt a very friendly approach to try and put you at ease and gain your co-operation
- we train our staff to be helpful and to provide good customer service - a bogus caller is trained to manipulate this culture of helpfulness and co-operation so that you casually give information away
- a bogus caller may already have substantial information about a taxpayer and could be trying to obtain just a small item of information from you, which you may think is insignificant.

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Your responses when asking questions

Think carefully about any comments or responses you make whilst asking questions. Simply confirming or denying a reply could provide confidential information to a bogus caller.

Remember the following when responding

- **do not** comment on a callers replies to your questions
- **do not** tell them if they are right or wrong
- **do not** confirm or deny personal details that are held on the computer records
- just say 'Thank you' and move on to the next question
- ensure you refer to the caller verification guidance appropriate to your line of business.

How to report them

Bogus Calls should be reported using the Bogus Call Report Form, the report form contains an automated email button which will send the report for further analysis and investigation.

We can combat the problem of bogus callers in two ways.

1. We can be as professional as they are in our protection of the confidentiality of the personal information we hold.
2. We can try to find out who is making the calls and take legal action against them.

The guidance on how to protect customer confidentiality when conducting business by telephone is dependant on the business stream in which you work.

HMRC work closely with the Information Commissioner and other Government Departments to

- identify the source of bogus calls
- investigate the activities
- prosecute wherever possible.

The bogus caller is not actually in breach of any Taxes or Social Security legislation unless they pose as an Official of one of our Departments (and that is difficult to prove).

However, they are breaking Data Protection law. The Information Commissioner is the sole investigation and prosecution authority for offences under the Data Protection Act. That is why HMRC work so closely with the Information Commissioner.

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HMRC publicise all successful prosecutions involving attacks on Revenue and Customs offices.

Note: The investigation process is dependent upon accurate and timely reports from you.

Form and instructions for completing

Whenever you suspect that a call may be bogus, you should complete the bogus call report form. You will see that the report form contains the following five categories of information.



Please complete the report form by selecting all applicable data entry fields in each category. The completion of each field will depend on whether you were able to obtain the information from the caller. If you are unable to complete a field on the form because you were unable to obtain the information from the caller, select the N/A option in the drop down menu.

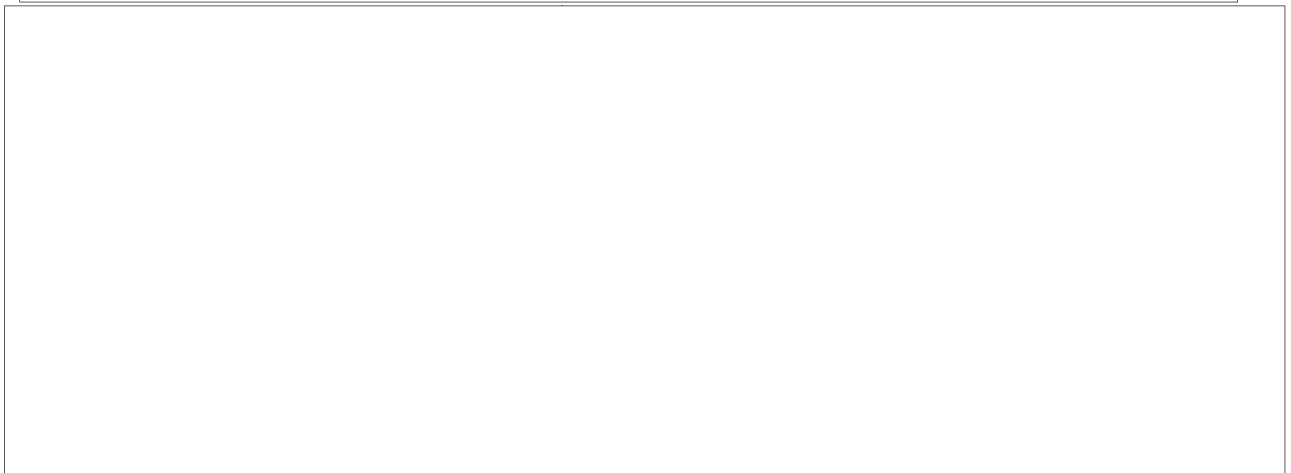
When you have completed the report form, you should select the 'Email Report Form'. This will automatically e-mail the report form to the CCD Strategy and Standards team, who collate, analyse and investigate bogus caller reports. **Please 'cc' your security liaison officer or line manager into to your email before you send.**

Each data entry field contains a help box to guide you in completing the form. Further guidance on completing each entry field is given below.



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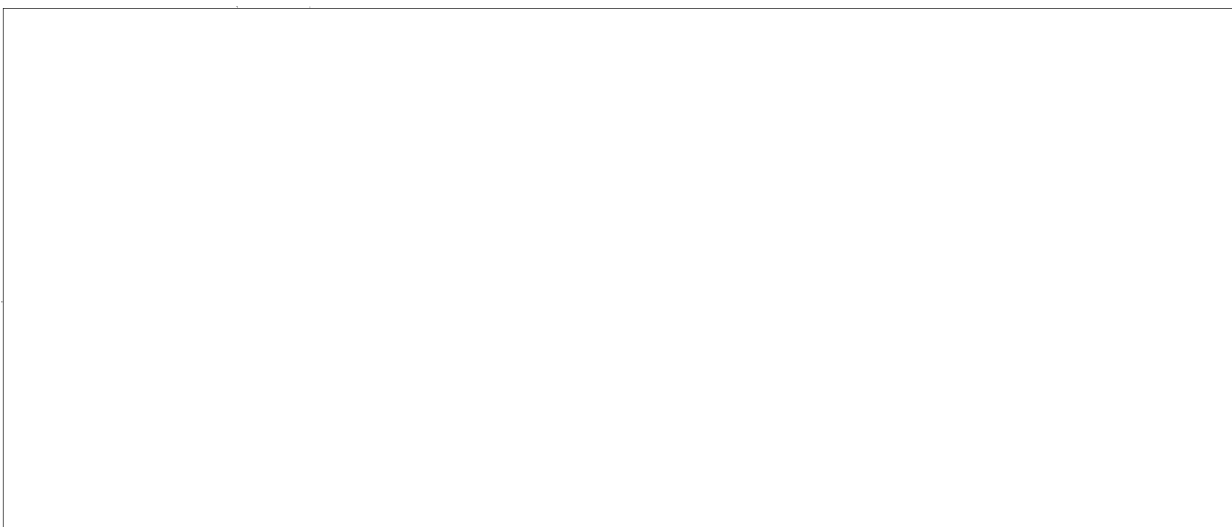
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Investigation process

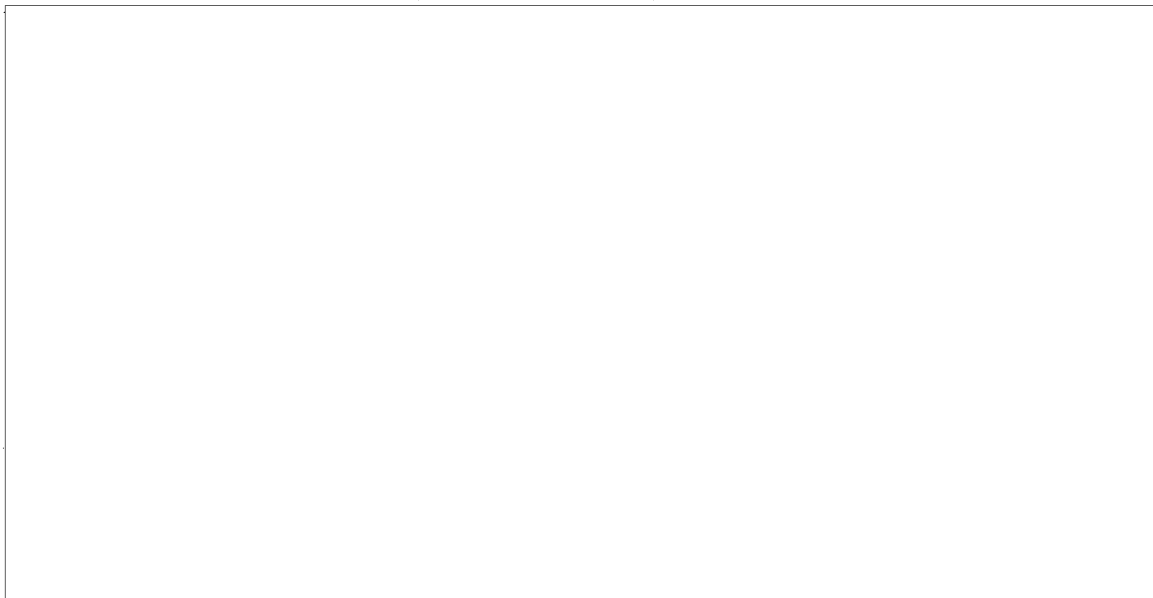
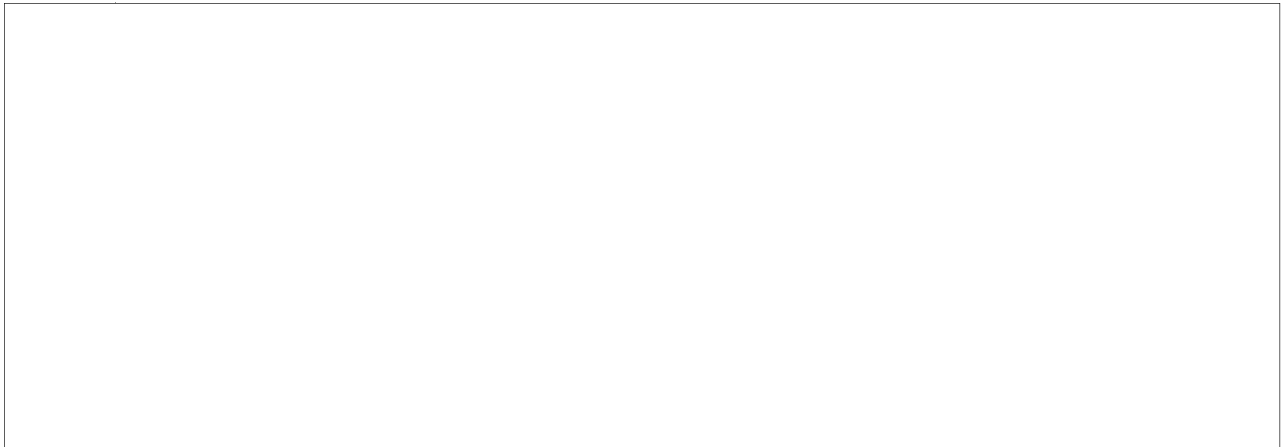
What happens to Bogus Call Reports?

Are they merely filed away? Several years ago the answer would have been 'Yes'. Nobody really knew what to do with the reports or how to prevent the calls being made. We have since established a good working relationship with the Information Commissioner (previously know as the Data Protection Registrar).



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known callers

Recent reports indicate that Bogus Callers are also using names and Pay Identity Numbers of genuine HMRC employees. These employees are from various area's and business streams throughout the department.

Listed below are the names of staff used by bogus callers.

Name	Area	PID no
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Name	Area	PID no

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Why do we need to verify the caller's identity?

Our Responsibility

We have a responsibility to provide good customer service to our genuine customers. However, this responsibility has to be balanced by the legal requirements to protect confidentiality and to guard against fraud.

When Customer information is being discussed, we **all** need to take action to assure ourselves that

- the person we are talking to is who they claim to be
- they have the appropriate authority to conduct the business.

It is you, the receiver of the call, who must be satisfied on these two points. The verification process will not guarantee that the call is genuine, but it will

- help you judge whether to proceed with the call (and the degree to which you conduct business during the call)
- protect both you, and the Department as a whole, against any charge that we have failed to take proper steps to protect the confidentiality of customer information.

Note: If you are not satisfied that the caller is who they claim to be, or that they are entitled to conduct the specific business at issue, then politely terminate the call by asking the caller to put their request in writing.

Why do we need to verify the caller's identity?

Common law duty

We have a common law duty to protect the confidentiality of customer information. The public supplies us with information in confidence and they expect us to treat it accordingly.

Legal requirements

There are legal requirements imposed upon us.

- The Data Protection Act applies to the information we hold and process, **and**
- Section 18 Commissioners for Revenue & Customs Act 2005 imposes a specific responsibility upon us to treat as confidential the information we hold about our customers.

You can find more about these Acts in the Information Disclosure Guide.

Why do we need to verify the caller's identity?

Bogus Enquiries

Most of the calls we receive are genuine, and we are able to conduct business without breaking these rules and laws on confidentiality. However, there are individuals and

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organisations intent on obtaining the information held by the Department. Their motives are many and varied. You can find more about the threat posed by these people in the section on bogus enquiries.

Fraudulent Calls

We must protect against those who attempt to defraud HMRC. This type of caller may seek to provide false information as a prelude to or actual act of fraud. For example, they may report a change of address as the first step in making a fraudulent claim.

Malicious Calls

Some callers motives are purely malicious. They may seek to change personal details on our records just to cause upset or distress to the customer involved.

These cases are few and far between, but we still need to be alive to the possibility of calls being made with these motives in mind.

Why do we need to verify the caller's identity?

Why is the verification process mandatory?

To adequately protect customer confidentiality, guard against bogus calls and to meet the legal requirements described above, the verification process has now been made mandatory.

Our customer's confidentiality may be breached either accidentally or deliberately.

Accidental breaches of customer confidentiality

Accidental breaches may occur when you are duped into believing that you are dealing with a bona fide enquiry or when, in responding to a genuine enquiry, you inadvertently reveal information about a third party.

The extent of any disciplinary action will depend upon the degree to which you are considered to be negligent in protecting the information and adhering to departmental guidelines.

Deliberate breaches of customer confidentiality

Deliberate breaches of customer confidentiality is considered as serious misconduct and attract stringent disciplinary action extending to, and including, prosecution under **Section 18 Commissioners for Revenue & Customs Act 2005**.

Human Resources Division (C&D) will advise on the disciplinary consequences of any deliberate breaches of taxpayer confidentiality.

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Caller verification

What do we mean by verification?

Verification is the process of using the information we hold about the customer to satisfy ourselves that the caller is genuine. That means we can **only** use the information immediately available to us on screen.

The information held will vary depending upon your business stream and the IT business systems available to you. Therefore, this site provides guidance which has been tailored to each business stream but, to ensure departmental consistency, follows a common theme throughout.

During the verification process you must remember

- the responsibility for giving information, at this stage of the call, lies with the caller
- to avoid any acknowledgement that the information you have been given agrees with that held on our records
- to **never** give the information yourself and then ask the caller to confirm it - you can find further advice on how to phrase and ask questions in the section on questioning skills.

When do we need to verify the caller's identity?

You should use your telephone answering skills to determine whether verification of the caller is necessary.

You only need to follow the caller verification process and provide your name whenever you are required to access a customer's record, and the customer's personal information is being or is likely to be discussed.

If the enquiry is of a general nature (for example, if the caller simply requests a leaflet, or seeks confirmation of the current rate of an allowance or an exemption limit), you will not be required to carry out the verification checks.

See call handling – what do I say? for further guidance.

How should we ask questions?

You should use your questioning skills to confirm the identity of the caller. Think carefully about how you ask a question as you may inadvertently disclose confidential information simply by the way you phrase a question.

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You should ask...	You should not say...

If you are required to undertake security/verification checks, you should say

"Thank you for your enquiry, for security reasons, I need to ask you a few questions."

Complete the appropriate security checks – see how should we verify the different caller types. **Remember** that in many instances the opening dialogue may already have provided you with the answer to several questions, leaving only two or three to be asked.

If the caller satisfies the security/verification checks you should say

"Thank you [use customer's name], how I can help you with ---- (the nature of their enquiry)."

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