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**Ed Humpherson, Director General for Regulation**

Sean Whellams  
Chief Statistician and Head of Profession for Statistics  
HM Revenue & Customs  
(by email)

5 November 2019

Dear Sean

**Review of HMRC statistical quality management**

I am writing to thank you for inviting the Office for Statistics Regulation to carry out a review of the quality assurance principles and processes underpinning HMRC's published statistics. The aim of our review is to provide an independent assessment of HMRC's quality management approach and to identify improvements in the way it produces official statistics.

This review was initiated after HMRC identified a significant error in published Corporation Tax receipt statistics, which affected the period from April 2011 to July 2019: estimates for this period were corrected in your [Corporation Tax statistics](#) publication on 24 September. We note that this was a statistical reporting error, which does not affect the amount of tax paid by companies and received by HMRC, or the figures reported in HMRC's accounts; and that the overall trend of increasing onshore Corporation Tax receipts remains the same following this revision.

We know that HMRC very much regrets this error, and we are pleased to help you take a proactive approach to improving quality management processes across your statistics. We intend that our final recommendations will be forward looking and focus on improvements HMRC can make to help avoid issues in the future. The review will consider:

- existing quality assurance (QA) processes and current improvement plans within the Knowledge, Analysis and Intelligence (KAI) directorate of HMRC;
- how QA of official statistics works in practice within KAI;
- the processes in place for handling errors and managing risk during statistical production;
- the levels of risk of different sources of error in KAI's statistical production processes.

We welcome your approach to us to undertake this review and look forward to engaging with you and your teams over the coming months. We aim to publish our initial findings and recommendations at the start of next year.

Yours sincerely



Ed Humpherson  
Director General for Regulation