
Mark Pont, Assessment Programme Lead

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

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Dear Sean

HMRC Inheritance Tax Statistics

Thank you for your team's cooperation in our recent review of HMRC's [Inheritance Tax \(IHT\) Statistics](#) and its commitment to developing the trustworthiness, quality and value of these statistics. We carried out this compliance check as part of our follow-up monitoring of HMRC's progress against the recommendations set out in the [quality review](#) of HMRC's official statistics that we completed in Summer 2020. I am pleased to confirm that they should continue to be designated as National Statistics.

We have found much to commend about the progress HMRC has made against our recommendations:

- We are really pleased to see the updated [quality guidance](#) that HMRC now publishes alongside the statistics. The background information makes extensive reference to the pillars of the Code of Practice and in doing so is able to provide users with helpful context and reassurance about the quality of these statistics.
- The team has also been working to enhance its internal quality assurance documentation since OSR's 2020 review; including producing process maps that detail the journey of IHT data from collection to publication. This additional documentation will help the team to better manage any potential risks to quality in its production processes.
- HMRC recently undertook a department-wide user consultation – the results of which have now been [published](#) on the HMRC website. The team received specific feedback relating to proposals for changes to the IHT statistics which it has taken on board and will inform development priorities. The team plans to engage in a further consultation on the IHT statistics specifically to further explore the feedback it received, which we also welcome.
- The IHT bulletin has been streamlined considerably in the past few years. The commentary is easy to follow and insightful and the key messages are clearly brought out. It is good to hear that the team considers the different needs of its user base when it is compiling the bulletin for these statistics. It is also good to hear that the team is considering adopting RAP principles for these statistics as part of ongoing development plans.

Our review also identified several ways we consider you could further enhance the trustworthiness, quality and value of these statistics as they continue to develop:

- Following its recent department-wide user consultation, HMRC and the IHT team are actively considering changes and developments that could improve the value of their statistics. We would encourage HMRC to communicate its plans for the development of the statistics with its users, by publishing an update on its website as soon as possible, to enhance trustworthiness and transparency.
- We heard from the team that it engages extensively with the Office for Budget Responsibility (OBR) on OBR's [IHT forecasts](#); including on [analysis](#) of how the figures collected by HMRC ultimately differ from the OBR's initial forecasts, and potential reasons for any discrepancies. HMRC providing links to this work for users in its statistical bulletins may further enhance the public value of these statistics.
- HMRC does already provide some useful information on possible sources of sampling and non-sampling error for these statistics, as well as its approach to making revisions to some of the data, in its background documentation. However, we consider that the extent to which errors and revisions impact the quality of the statistics could be made clearer. HMRC should consider how it can better convey this for users in future bulletins.
- We are pleased to hear about recent work to improve the accessibility and machine-readability of the IHT data. We would encourage the team to consult the latest [Good Practice Guidance](#) on producing data tables, to further improve the accessibility of the IHT data.

Currently within the IHT bulletin, Tables 12.10, 12.11 and 12.12, covering various geographical breakdowns of amount of tax due and number of liable estates are designated as official statistics, whilst the statistics in all the other data tables are National Statistics. We are satisfied that the statistics in Tables 12.10, 12.11 and 12.12 are produced to the same standards as the others in this suite and should therefore be labelled as National Statistics for consistency.

We look forward to continuing to engage with yourself and the team on these and other HMRC statistics. Please do not hesitate to get in touch if you would like to discuss any aspects of this letter further or if we can offer further assistance as these statistics continue to develop.

Yours sincerely



Mark Pont
Assessment Programme Lead