The expansion of online filing of tax returns

Detailed Methodology

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1 This document provides a detailed description of the methodology we used for our report, *HM Revenue & Customs: The expansion of online filing of tax returns* (HC 1457, Session 2010-12). A summarised methodology is available in Appendix One of the main report.

2 The report examines the value for money of HMRC's expansion of its use of filing tax returns online. The report covers the costs and achievements of the expansion programme to date; the policies, strategies and governance arrangements within which the programme was developed; and the operational performance of the online filing systems.

3 The main elements of our methodology are set out below:

● document review and secondary analysis of data;

● semi-structured interviews;

● technical systems assessment;

● international comparisons; and

● consultation.

4 The main elements of our fieldwork took place between January and May 2011.

Document review and secondary analysis of data

5 We reviewed a range of documents provided by the Department to establish the history and objectives of the expansion programme (the Carter Programme), its costs and achievements; the governance and programme management arrangements; and the measurement of the operational performance of the online filing systems. We also took account of previous NAO studies on the Department's use of channels and the use of IT in government; and reports setting out the Department's and Government's wider initiatives on the use of online and digital channels to deliver public services.

6 Key documents included:

● The Carter Review on HMRC Online Services, March 2006.

● Online filing expansion programme business cases, benefit realisation management plans, programme management plan and internal audit reports.

● Office of Government Commerce Gateway Reviews of the expansion programme.

● Feedback surveys from customers using online filing services.

- NAO reports: *HM Revenue & Customs: Handling telephone enquiries* (HC 211, 2009-10); and *Information and Communications Technology in government Landscape Review* (HC 757, 2010-11).

- *The Government ICT Strategy,* March 2011.

Semi-structured interviews with Department staff

7   We conducted a number of face to face and telephone interviews with Departmental staff using 150 good practice project management audit questions recommended by the Office of Government Commerce. The questions were distributed amongst key personnel involved in the expansion programme within the Department, including: programme managers; staff involved in stakeholder consultation and staff from customer contact, operational and finance directorates. The answers provided were supplemented with specific evidence requested prior to the interviews. Data from the interviews was captured, analysed and triangulated to complement the document review and audit reports from internal and external sources.

Technical systems assessment

8   We engaged consultants from Amtec Consulting Group to carry out a technical assessment of the systems the Department developed to support the expansion of online filing. Amtec used a set of better practice outcomes as a framework for their work and undertook interviews with information management services and customer contact staff, examined Departmental documents and publicly available research to inform their assessment.

International comparisons

9   We obtained information about the experience of other tax authorities in the use of online filing from published research. We also held a panel interview with members of the Internal Revenue Service, including the Chief of Staff for electronic tax administration, to discuss in more detail the development of online filing in the United States of America.

Consultation

10   We spoke to representatives of tax and accountancy professional bodies to understand more about online filing from the customer's perspective; and to software industry representative bodies about the Department's approach to online filing software development.