



Freedom of Information Act Team
Room 1C/23
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SW1A 2BQ

Mr R Taylor
by email to
request-145xxxxxxxxxxxx@xxxxxxxxxxxxxxxx.xxx

Phone xxx

Fax xxx

www.hmrc.gov.uk

Date 18 February 2013
Our ref FOI 1042/13
Your ref

DX

Dear Mr Taylor

I refer to your Freedom of Information (FOI) request on 13 January 2013 for the following information:

"According to <http://www.hmrc.gov.uk/rti/joining-pilot.htm> a pilot for reporting PAYE (Pay as You Earn) in real time is being run in 2012-13 prior to a roll out to [almost] all employers from April 2013.

In relation to this trial could you please release:

- 1. A breakdown of those companies which have been involved in the trial to-date by number of employees. I am happy to receive the information using whatever size categories the HMRC may use internally, but would like specifically to be able to see how many companies are involved with 0, 1 and 2-9 employees.*
- 2. A breakdown of the number of companies involved in the trial to-date which have used by type of software used to provide the information to HMRC including the numbers of companies using the "Basic PAYE Tools" "software" from HMRC <http://www.hmrc.gov.uk/payerti/getting-started/payee-tools.htm> broken down by the Windows, Mac, and Linux versions.*
- 3. Any reports, including interim reports, produced reporting on the progress of the pilot. Specifically any updates/reports or similar provided to ministers.*
- 4. The current (latest) risk register entries relating to the management of the Real Time PAYE project (or other material assessing the probability of going live with mandatory Real Time PAYE in April 2013 as planned and what issues need to be addressed to enable this.)"*



Part 1 of your request

The information that we hold within scope of your request is as follows:

Size	PAYE Schemes
0	590
1-9	25,781
10-49	7,789
50-250	2,161
250-4999	570
5000+	82
Totals	36,973

Part 2 of your request

1,362 employers have used HMRC's Basic PAYE Tools software; the remaining 35,611 have used commercial software products on the PAYE Real Time Information

Part 3 of your request

I can confirm that it is our intention to publish RTI progress reports and, therefore, that information is exempt from disclosure by virtue of the exemption at section 22(1) of the FOI Act - information intended for future publication.

Section 22 is also a qualified exemption, and I therefore have to consider whether it is in the public interest to disclose the information at this time. I accept that there is a clear public interest in HMRC providing information about the RTI. However, there is also a strong public interest in allowing public authorities to manage the manner, form and timing of the publication of information. On balance I therefore conclude it is both reasonable and in the public interest to withhold this information.

The remainder of the information we hold within part 3 of your request is exempt from disclosure by virtue of the exemption at section 36(2)(b) of the FOI Act - prejudice to the effective conduct of public affairs. If we were to publish updates and reports that we have provided to Ministers, then any future reports would be prepared on the basis that they would be published. This is very likely to inhibit the full and frank provision of advice to Ministers that is essential for the effective management and oversight of HMRC.

Section 36 is a qualified exemption, so I must consider the public interest. As I have explained above, there is strong public interest in ensuring that HMRC is accountable for its activities and is as transparent as possible.

But it is also very strongly in the public interest that HMRC are able to provide full and frank advice and reports to Ministers, and that our people feel they can safely air their views and concerns.

On balance, I have concluded it is not in the public interest to set aside the exemption for this information.

Part 4 of your request

I can confirm that HMRC holds information within scope of your request, but this is also exempt from disclosure by virtue of the exemption at section 36(2)(b) of the FOI Act.

Risk registers by their nature are negative, in that they focus on worst case scenarios. By looking at the worst case, the programme can develop corresponding mitigations to manage the risks either completely or to an acceptable level. Publishing risk registers is likely to lead to these worst case scenarios being interpreted by some as likely scenarios, with corresponding criticism of the policy. This in turn is likely to discourage honest and open risk assessment, with a defensive approach to risk identification and recording.

As I explained above, the section 36(2)(b) is a qualified exemption, and the public interest factors I set out above apply in relation to the information within scope of this part of your request. In addition, publishing our risk registers is likely to seriously undermine the effectiveness of our risk management processes, and put at risk the successful delivery of RTI and other key programmes.

So, on balance, I have concluded it is not in the public interest to set aside the exemption for this information.

Right of appeal

If you are not happy with this reply you may request a review by writing to HMRC FOI Team, Room 1C/23, 100 Parliament Street London SW1A 2BQ or email xxx.xxxxxx@xxxx.xxx.xx. You must request a review within 2 months of the date of this letter. It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of an internal review, you may apply directly to the Information Commissioner for a decision. The Information Commissioner will not usually consider a case unless you have exhausted the internal review procedure provided by HMRC. He can be contacted at The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Yours sincerely

Freedom of Information Act Team