House of Commons

Committee of Public Accounts

HMRC Customer Service and Accounts

Third Report of Session 2024–25

HC 347

Committee of Public Accounts

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Contacts

All correspondence should be addressed to the Clerk of the Public Accounts Committee, House of Commons, London SW1A 0AA. The telephone number for enquiries is 020 7219 8480 (strictly media enquiries only – contact us via our email for general enquiries); the Committee's email address is pubaccom@parliament.uk. You can follow the Committee on X (formerly Twitter) using CommonsPAC.

Contents

Summary

HMRC's customer services have deteriorated even further since this Committee last reported a year ago. In 2023–24, HMRC answered just 66.4% of customers' attempts to speak to an adviser, against a target of 85%. Average call waiting times exceeded 23 minutes. HMRC says it has not been adequately resourced to meet telephone demand from customers, but it must take responsibility for its own failings to offer sufficiently effective digital services to customers. We are concerned that it has sought to degrade its telephone service to drive taxpayers to digital channels.

HMRC's treatment of taxpayers has damaged trust in the tax system. It cuts off calls after customers have been waiting 70 minutes, without any explanation. It does not provide a callback option. It cannot provide callers with accurate information on expected call waiting times. It planned to close helplines with just two days' notice to taxpayers, and then reversed its decision when there was an entirely predictable public backlash. HMRC blames the technology of its telephone system for some of these limitations - a system that HMRC procured itself.

HMRC has been relying on its move to digital services to fix its customer service problems, but year after year this Committee has heard the same issues. Despite HMRC's assurances over the quality and customer satisfaction of its digital services, HMRC still received 37 million calls in 2023–24, 66% of which HMRC said could have been dealt with online instead. Given the difficulties that taxpayers face trying to get through on the telephone, we have doubts that HMRC's digital services are as good as HMRC claims. In Spring 2025 it plans to publish a roadmap for further development of its digital services.

We congratulate HMRC for again finalising its accounts before the summer recess, no mean feat given the scale and complexity of the department. Beyond the accounts though, we are concerned about the size of the tax gap, which it has most recently estimated at £39.8 billion in 2022–23, or 4.8% of total tax liabilities. Reducing the tax gap is now one of HMRC's strategic objectives and it has secured funding for an additional 5,000 compliance and 1,800 debt management staff. With increasing resources, HMRC must be bolder in how it tackles abuse of the tax system, ensuring it investigates more cases of criminality and brings criminal prosecutions where appropriate, and that it sufficiently pursues debts owed to it and wealth hidden offshore.

Introduction

HM Revenue & Customs (HMRC) is responsible for administering the UK's tax system. It reported total revenues of £843.4 billion for 2023–24, the highest on record, representing a 3.6% increase on 2022–23. The tax gap–the difference between the amount of tax that should be paid to HMRC, and what was actually paid–fell from 5.2% in 2021–22 to 4.8% in 2022–23, the most recent available estimate, but increased in monetary terms from £38.1 billion to £39.8 billion. HMRC's estimate of the yield from its compliance activities in 2023–24 was £41.8 billion, up 23% compared with 2022–23 and £1.3 billion higher than its target. Tax debt - the amount of tax that is overdue for payment - was £43.0 billion at 31 March 2024, £0.9 billion less than at 31 March 2023.

HMRC's customer charter commits it to getting things right, making things easy, being responsive and treating customers fairly. Performance levels for its telephony and correspondence have been below expected levels for years, with HMRC answering fewer calls and waiting times increasing. HMRC considers that many calls and items of correspondence it receives are avoidable and could be resolved digitally. It has adopted a 'digital-first' approach, using digital services to allow customers to self-serve where possible. These digital services are best suited to straightforward queries and cannot always offer a replacement to traditional channels.

Conclusions and recommendations

1. **In providing telephone services, HMRC does not give enough consideration to the needs of customers.** Taxpayers have no choice but to engage with HMRC. This places an onus on HMRC to provide a reasonable level of service. However, it last met an annual target for telephone services in 2017–18. In 2023–24, performance reached an all-time low, with 66.4% of customers' attempts to speak to an adviser answered, against a target of 85%, and average call waiting times exceeding 23 minutes. We received numerous written submissions from organisations representing taxpayers and agents saying these continual failings in customer service had eroded trust in HMRC. In the first 11 months of 2023–24, HMRC cut off nearly 44,000 customers that had been waiting 70 minutes to speak to an adviser because its system cannot cope with so many customers waiting in the call queue. It did not warn customers that their call would be cut off, nor did it call them back. It cannot provide customers with real time information on call waiting times, only the average from the previous day, and we question how it manages its telephone service without this information. HMRC blames the limitations on its telephone platform and says it will be procuring a new platform soon.

RECOMMENDATION
HMRC needs to put customers' needs at the heart of its decision making, including those of small businesses which are different to individual taxpayers. HMRC should particularly address the needs of those trying to speak on the telephone. HMRC should re-instate a call waiting time target as a key performance measure. It must also ensure it gives customers accurate estimates of call waiting times in real time, does not cut off customers without warning, and offers a callback service. It must ensure this functionality is a requirement when it procures a new telephone service.

2. **HMRC's digital services have not sufficiently reduced demand on the phone and HMRC has failed to prioritise the resources needed to sustain an appropriate standard of telephone service.** HMRC has been working to become a 'digital-first' organisation since 2010 and hopes to replace traditional forms of contact with digital services. However, telephone

demand has remained high, with 37 million telephone calls in 2023–24. HMRC says it has not had enough resources to deal with all the contact it has been receiving with, for example, 3 million more income taxpayers in the last two years as a result of freezing tax thresholds. In May 2024, HMRC received £51 million additional funding to cover approximately 1,500 staff for 2024–25 to bring HMRC's customer service to target levels. However, we are concerned that performance will deteriorate again if HMRC struggles to meet further increases in demand from customers. HMRC plans to publish a 'digital roadmap' in Spring 2025 to set out the digital services it is expecting to develop and the investment it needs.

RECOMMENDATION
HMRC should ensure it allocates sufficient resources to customer service now and in the future to meet its performance targets. It should establish "guard rails" to protect services. Where service levels fall more than five percentage points below target levels this should trigger a corrective response, with additional resources deployed if needed.

3. **HMRC has been too willing to let its telephone services fail in the hope this forces people to use its digital services instead.** HMRC estimates 66% of calls it receives could be handled online instead. It hopes that by encouraging customers to use digital services it can free up its helplines for vulnerable customers and customers with complex affairs who need to speak to an adviser. However, not all services are available online, and where they are available they do not always provide the reassurance that customers need. HMRC has been too quick to restrict access to its telephone services before ensuring replacement digital services are fully in place. In 2023, it trialled some helpline closures with only two days' notice to taxpayers, and reversed a decision to close them permanently from April 2024 following criticism from stakeholders. HMRC said it recognises that not everybody can go online and that vulnerable customers may need additional support. It has increased the number of staff supporting vulnerable customers by 20% and has provided £5.5 million additional funding to community and voluntary organisations.

RECOMMENDATION
HMRC should ensure it understands how far its digital services can replace telephone services and what level of telephone service it needs to retain to meet customers' needs - including those of small businesses. HMRC should ensure it meets a minimum level of service for all customers, including those 7 million customers HMRC estimates can't use digital services.

4. **HMRC does not provide an efficient means for taxpayers to communicate digitally with HMRC.** In 2022–23, HMRC received 22 million items of correspondence, including physical post and forms and interactive forms. Approximately 70% of this comes in through the post. Postal correspondence, as well as some electronic correspondence, requires scanning, manual entry into HMRC's systems, or both. In the past HMRC has faced large backlogs in processing its correspondence, clearing only 45.5% in 2021–22 within 15 working days of receipt. HMRC's performance improved to 76.3% in 2023–24 but was still below its target of 80%. HMRC also posts a lot of correspondence itself, spending £68 million on postage and print costs in 2022–23. HMRC said it has used emails with customers sparingly due to security concerns, but it has made little progress in developing alternative secure ways for customers to share information with it electronically. It acknowledges it is clearly behind many other organisations in providing the ability for customers to securely message HMRC digitally. It says that it envisages customers doing this more through the HMRC App and the Personal Tax Account, and is seeking investment for this development as part of its 'digital roadmap'.

RECOMMENDATION
As part of its digital roadmap, HMRC should prioritise introducing systems for customers to submit files and send secure messages electronically to HMRC. This should enable savings which can be recycled into improving its service.

5. **HMRC's investment in debt management has not sufficiently reduced the amount of tax owed to it.** In 2023–24, the government announced £303 million additional funding for HMRC to improve its capacity to manage tax debts. This followed £47.2 million announced in 2022–23. Despite this investment, the tax debt balance fell only marginally in 2023–24, from £43.9 billion at 31 March 2023 to £43.0 billion at 31 March 2024. This is still much higher than the five years before the pandemic, where tax debt was typically around £15 billion. HMRC is still seeing high levels of new tax debt, largely driven by small businesses' cash flow issues. HMRC says its efforts are focused on pursuing these new debts, which are easier to collect. We are concerned, though, that HMRC is not effectively pursuing older debts. It has estimated it may not be able to collect 45% of established taxpayer liabilities not yet received. In 2023–24, HMRC wrote off £5.0 billion of debts as uncollectable, an increase from £3.2 billion in 2022–23. HMRC expects the amount of write-offs to remain high in 2024–25 as the impact of the pandemic on insolvencies continues to work its way through the criminal justice and tax systems. In the 2024 Autumn Budget, HMRC received funding for 1,800 more debt management staff.

RECOMMENDATION
Now that HMRC has secured even more resources to manage the debts owed to it, it should set out what reduction in the debt balance it is aiming for and by what date, and a plan for how it will recover older debts before they become uncollectable.

6. **We welcome HMRC's new goal to reduce the tax gap but we are concerned that it still plans to reduce the number of prosecutions.** HMRC expects to bring in £6.5 billion additional tax revenue by 2029–30 as a result of measures set out at the Autumn Budget 2024, and has funding for 5,000 additional compliance officers. However, it could not tell us how much this will reduce the tax gap. HMRC has published experimental statistics on the offshore tax gap, but admits this is not a complete measure. At £0.3 billion we are concerned HMRC's estimate looks implausibly low and that there is no way of making an accurate estimate. We are also concerned that HMRC is not doing enough to tackle deliberate cases of non-compliance. HMRC can use civil processes to sanction non-compliance, but its use of criminal investigation and prosecution is decreasing, and there were only 344 criminal prosecutions in 2023–24, compared with 691 in 2019–20, with HMRC focusing on the most serious and high-value cases. We are concerned that HMRC is not using the criminal enforcement tools at its disposal. There have never been any prosecutions under the criminal facilitation of tax evasion offence. The number of HMRC investigations into serious tax fraud and avoidance has fallen to a six-year low. HMRC is examining the deterrent effect of criminal investigations and prosecutions to understand their effectiveness in recovering tax.

RECOMMENDATION
Now that HMRC has been tasked with reducing rather than just maintaining the tax gap, it must be bolder in identifying and tackling abuse. HMRC should:

a. set ambitious targets for compliance yield that would allow it to achieve annual reductions in the tax gap;

b. obtain an estimate that is as accurate as feasibly and practically possible of the offshore tax gap and develop a standalone strategy to reduce it; and

c. research which interventions are most effective in achieving a deterrent effect for tax evaders and organised criminals. This research should explicitly consider whether there are trade-offs between civil and criminal routes, if the former brings in more revenue in the short term but has the effect of decreasing the deterrent effect of criminal offences in the long run.

d. HMRC should develop a strategy to maximise effectiveness of both civil processes and criminal prosecutions and consider setting a target for prosecutions.

1 HMRC's telephone services

Introduction

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from HM Revenue & Customs (HMRC) on its performance in 2023–24 and its customer service.[1]

2. HMRC is responsible for administering the UK's tax system. It reported total revenues of £843.4 billion for 2023–24, the highest on record, representing a 3.6% increase on 2022–23. The tax gap–the difference between the amount of tax that should be paid to HMRC, and what was actually paid–fell from 5.2% in 2021–22 to 4.8% in 2022–23, the most recent available estimate, but increased in monetary terms from £38.1 billion to £39.8 billion. HMRC's estimate of the yield from its compliance activities in 2023–24 was £41.8 billion, up 23% compared with 2022–23 and £1.3 billion higher than its target. Tax debt - the amount of tax owed to HMRC that is overdue for payment - was £43.0 billion at 31 March 2024, £0.9 billion less than at 31 March 2023.[2]

3. In 2022–23, HMRC spent £881 million on customer service and had 21,282 full-time equivalent advisers and other customer service staff employed at 31 March 2023. Its customer charter commits it to getting things right, making things easy, being responsive and treating customers fairly. Performance has been below expected levels for telephone and correspondence for almost all of the last five years, during which time HMRC has answered fewer calls and waiting times have increased. HMRC considers that many calls and items of correspondence it receives are avoidable and could be resolved digitally.[3]

4. HMRC's strategy has been to put in place a 'digital-first' service approach, reserving its adviser-led channels for customers who need extra support or assistance with more complex queries. Moving customers to digital is

1 C&AG's Report, HM Revenue & Customs 2023–24 Accounts, Session 2023–24, HC 47, 30 July 2024; C&AG's Report, HMRC Customer service, Session 2023–24, HC 726, 15 May 2024

2 Report on 2023–24 Accounts, paras 4-7

3 Customer service, paras 1-3, 9

a key part of HMRC's plan to achieve efficiency savings. HMRC's digital services are best suited to straightforward queries and cannot always offer a replacement to traditional channels.[4]

HMRC's performance on the telephone

5. HMRC last met an annual target for its telephone services in 2017–18.[5] In 2023–24, performance reached an all-time low, with HMRC answering 66.4% of customers' attempts to speak to an adviser, against a target of 85%. HMRC took more than 23 minutes on average to answer calls.[6] We received numerous written submissions from organisations representing taxpayers and agents bemoaning HMRC's customer service performance. These organisations described the disruption to business and costs incurred through HMRC's poor customer service, and the erosion of trust in HMRC and the tax system.[7]

6. HMRC cuts off calls when a customer has been waiting 70 minutes to speak to an adviser. In the first 11 months of 2023–24, HMRC cut off 43,690 calls this way, up from 6,875 in 2022–23.[8] HMRC said it cuts off calls because its system cannot cope with large numbers of customers waiting more than 70 minutes, and because its research indicates customers would abandon the call anyway.[9] It said it does not give customers prior warning that its call would be cut off, and said it would review whether it can add this to its system.[10] It also said its telephone platform does not allow it to provide a call-back service to customers waiting in the call queue or cut off after 70 minutes. It said it is in the process of procuring a new platform and that a call-back service will be part of a new system.[11]

7. We asked whether HMRC provides customers with information on expected call waiting times. It said it provides this information on many of its helplines, but the information is limited to the average call waiting time from the previous day rather than a current waiting time. HMRC explained this was another limitation of its telephone platform.[12]

4 Customer service, paras 3, 12
5 Customer service, para 1.5
6 Report on 2023–24 Accounts, para 8; Customer service, para 4
7 HMRC Customer Service and Accounts 2023–24 - Written evidence - Committees - UK Parliament
8 Customer service, para 1.9
9 Q 51
10 Q 54
11 Q 58
12 Qq 57, 67-68

Resources for meeting customer demand on the telephone

8. HMRC has been working to become a 'digital-first' organisation since 2010 and hopes to replace traditional forms of contact with digital services.[13] It said its research shows that 86% of customers say they are willing to deal with HMRC digitally or would prefer to do so.[14] Despite this, HMRC still received 36.7 million telephone calls in 2023–24.[15] It said it will be publishing a digital services roadmap in Spring 2025 to set out the digital services it is expecting to develop and the investment it needs.[16]

9. HMRC says it has not had enough resources to deal with all the contact it has been receiving.[17] It estimates that in the last two years, the number of taxpayers in the income tax system has increased by 3 million as a result of the freezing of income tax thresholds. HMRC also explained that more taxpayers are in more complex parts of the tax system, such as paying capital gains tax or higher rates of income tax.[18]

10. In May 2024, HMRC received £51 million additional funding, to cover approximately 1,500 staff for 2024–25, to bring its customer service to target levels for answering 85% of customers' attempts to speak to an adviser on the telephone and for handling 80% of correspondence within 15 working days.[19] It said it achieved its target for telephone performance in October 2024 and expects to sustain it for the remainder of 2024–25 and for 2025–26.[20]

13 Customer service, paras 21, 2.1
14 Q 73
15 Customer service, para 1.24
16 Q 74
17 Q 81
18 Q 12
19 Report on 2023–24 Accounts, para 9
20 Q 48

2 Moving customers to digital services

Developing effective digital services

11. HMRC said that approximately 70% of interactions with it are digital.[21] Since 2015, it has introduced several digital services, including Personal and Business Tax Accounts, an app, and its flagship Making Tax Digital programme for VAT.[22] In 2022–23, customers accessed online Personal and Business Tax Accounts and the HMRC app 199 million times, up from 62 million in 2016–17.[23] HMRC said that in many instances digital services provide very high satisfaction rates.[24] In 2023–24, 83.1% of customers surveyed reported they were satisfied after using a digital service.[25]

12. While the use of digital services has increased, HMRC still estimates that 66% of telephone calls could have been handled online. HMRC said this partly reflects customer awareness of the extent of its digital services. It started a campaign in November 2024 to increase awareness, particularly of its mobile app.[26] HMRC said it also reflects a lack of customer confidence, with customers wanting reassurance over the phone that, for example, they have done something correctly online. It said it is increasing the digital communication with its customers, for example by sending SMS messages to Child Benefit claimants to confirm it has received the claim.[27] However, HMRC also recognised that not all services are available online and not all customers can go online.[28] HMRC estimates around 20% of its customers, or 7 million people, need assistance to use its digital services.[29] HMRC said it has increased its support for vulnerable customers by around 20% and has provided £5.5 million of funding to community and voluntary organisations for customer outreach and support.[30]

21 Q 72
22 Customer service, Figure 7
23 Customer service, para 2
24 Q 54
25 Report on 2023–24 Accounts, para 8
26 Q 73
27 Q 73
28 Q 55
29 Customer service, para 13
30 Q 88

13. HMRC closed or reduced the queries it handles on four helplines in 2023–24. For the largest change, the trial closure of the Self Assessment helpline in summer 2023, it gave customers only two working days' notice.[31] HMRC said it was not entirely clear what customers would have gained from having more notice.[32] In March 2024, HMRC announced further closures and restrictions it would make in 2024–25, but reversed this decision just one day after announcing the changes to the public, following criticism from stakeholders.[33] HMRC said it was trying to prioritise the contact it dealt with, for example with vulnerable customers, while pushing other customers to go online.[34] HMRC said it already knew about a high degree of public scepticism about whether people would be able to get the online services they needed while helplines were closed.[35] HMRC said that it had no plans for any further helpline closures or restrictions.[36]

Electronic messaging and file submission

14. HMRC received 22 million items of correspondence in 2022–23, including physical post and forms and interactive forms.[37] Around 70% of correspondence comes in through the post. To process postal correspondence, as well as some electronic correspondence, HMRC must scan or manually enter the information into its systems, or both.[38] HMRC has not met an annual performance target for processing correspondence since 2018–19.[39] In 2023–24, HMRC cleared 76.3% of correspondence within 15 working days, up from 45.5% in 2021–22 but still below its target of 80%.[40] In 2022–23, HMRC spent £68 million on postage and print costs.[41]

15. HMRC said it uses email sparingly due to security concerns.[42] Several organisations representing taxpayers and their agents wrote to us to highlight the need for a secure digital way to share files and correspondence with HMRC so that communication by post and phone became the exception.[43] HMRC acknowledged that it is clearly behind many other

31 Customer service, paras 17, 3.7
32 Q 92
33 Report on 2023–24 Accounts, para 9
34 Q 81
35 Q 82
36 Q 92
37 Customer service, Figure 1
38 Customer service, para 2.28
39 Customer service, para 1.5
40 Report on 2023–24 Accounts, Figure 6
41 Customer service, para 1.14
42 Q 78
43 HCSA0003 Written evidence submitted by Institute of Chartered Accountants in England and Wales; HCSA0005 Written evidence submitted by Association of Taxation Technicians

organisations in providing this facility.[44] It said it has been exploring ways to digitise its postal services and liaising with other government bodies through the Central Digital and Data Office in the Department for Science, Innovation and Technology and the Government Digital Service.[45] It said it envisages customers using the HMRC App and the Personal Tax Account for more secure messaging, and is seeking investment for this development as part of its 'digital roadmap'.[46]

44 Q 79
45 Q 80
46 Qq 78-79

3 Collecting more revenue

Managing tax debt

16. The amount of tax debt owed by taxpayers to HMRC fell only marginally in 2023–24, from £43.9 billion at 31 March 2023 to £43.0 billion at 31 March 2024 (5.1% of annual tax revenues). This compares with a debt balance of typically £15 billion in the five years before the pandemic, or 2.5% of tax revenues. HMRC has estimated it may not be able to collect 45% of the established tax liabilities not yet received from taxpayers. In 2023–24, it wrote off £5.0 billion of debt, an increase from £3.2 billion in 2022–23.[47] HMRC said that most of its write-offs are when taxpayers become insolvent, and that delays in the courts and a suspension on insolvencies as a result of the pandemic created lower-than-expected levels of write-offs in previous years. It expects write-offs to increase again in 2024–25 as these insolvencies then work through the system.[48]

17. HMRC said it is still seeing very high levels of new debt coming into the system, largely as a result of cash-flow issues in small businesses.[49] In the Autumn Budget 2024 it received funding for a further 1,800 debt management staff. This follows an additional £303 million in 2023–24 and £47.2 million in 2022–23 to improve its capacity to manage tax debts.[50] HMRC said it will target the additional staff at these new debts, with staff mainly on HMRC's debt helpline and a small amount on enforcement activities.[51]

18. As HMRC's debts get older, they are less likely to be repaid.[52] HMRC stressed the importance of tackling the new debt before it ages.[53] We asked whether HMRC has a new approach planned for tackling older debts.[54] It said it

47 Report on 2023–24 Accounts, para 7
48 Qq 37-38
49 Q 34
50 Report on 2023–24 Accounts, para 7; C&AG's Report, HM Revenue & Customs Annual Report and Accounts 2022–23, Session 2022–23, HC 1466, 17 July 2023, para 1.14
51 Qq 35-36
52 Report on 2023–24 Accounts, para 7
53 Q 36
54 Qq 36-37

has investment for getting better data from credit reference agencies and better customer insights, which it will use to tailor its interventions on older debts based on customer behaviour and the type of customer.[55]

Reducing the tax gap

19. HMRC estimates that the tax gap–the difference between the amount of tax that should be paid to HMRC, and what was actually paid–increased from £38.1 billion in 2021–22 to £39.8 billion in 2022–23 (the latest year for which HMRC has made an estimate). As a proportion of tax due, it decreased from 5.2% to 4.8%.[56] HMRC has been given additional resources to bring in more tax revenue and reduce the tax gap further. In the Autumn Budget 2024 it was given funding for 5,000 additional compliance officers and it expects the measures set out will bring in approximately £6.5 billion additional tax revenues by 2029–30.[57] It said additional staff will focus on tackling non-compliance among small businesses, who made up 60% of the tax gap in 2022–23, up from 37% in 2017–18.[58] HMRC said these staff will initially be used to respond and investigate where taxpayers make mistakes or avoid or evade tax, although HMRC said tackling non-compliance among small businesses in this way is challenging given the large number of cases.[59]

20. HMRC was unable to say what impact the additional revenues it expects to bring in would have on the tax gap. It said it is not practical to set a target for the tax gap as it is measured more than a year after the end of the tax year and is then subject to revisions as more data become available. Instead, HMRC said its operational target was an annual target for compliance yield which, if delivered, should in turn reduce the tax gap, once that is also measured. [60] HMRC said this operational target for compliance yield, set at £45.5 billion for 2024–25, is stretching but that it hopes to achieve it.[61]

21. HMRC said that its calculation of the tax gap uses estimation and judgement, and that some parts of it are more certain than others.[62] It said in October 2024 it published experimental statistics on the proportion of the tax gap that comes from foreign income. In monetary terms, HMRC

55 Q 36
56 Report on 2023–24 Accounts, para 5
57 Q 15
58 Q 19; Report on 2023–24 Accounts, para 5
59 Qq 16, 19, 33
60 Qq 21-22
61 Q 29
62 Q 20

estimated this at £0.3 billion. HMRC said this represents only one aspect of the offshore tax gap and is uncertain, and that the data published in 2024 relates to undeclared or under-declared tax in the year 2018–19.[63]

22. In 2023–24 there were 344 criminal prosecutions, compared with 691 in 2019–20, before the pandemic.[64] HMRC said it is very successful in its criminal investigations and has a high conviction rate in its prosecutions, but that it tends to reserve their use for the most serious and higher-value cases [65] We asked HMRC whether failing to prosecute some criminal behaviour reduces the deterrent effect of HMRC's criminal investigations and leads to a culture of non-compliance.[66] HMRC accepted there was a risk that the deterrent effect could reduce.[67] It said it was reviewing the academic research on this topic but said there was currently limited evidence about the deterrent effect of criminal investigation and prosecution, but that it could still impose significant sanctions using civil processes.[68]

63 Q 23
64 Report on 2023–24 Accounts, para 1.22
65 Qq 30, 39-40
66 Q 31
67 Q 31
68 Q 31

Formal minutes

Thursday 16 January 2025

Members present

Sir Geoffrey Clifton-Brown, in the Chair

Mr Clive Betts

Anna Dixon

Sarah Hall

Declaration of interests

The following declarations of interest relating to the inquiry were made:

28 November 2025

Rebecca Paul declared the following interest: member of the Institute of Chartered Accountants in Scotland and the Chartered Institute of Taxation.

HMRC Customer Service and Accounts 2023–24

Draft Report (*HMRC Customer Service and Accounts 2023–24*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 22 read and agreed to.

Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

Adjournment

Adjourned till Monday 20 January at 3 p.m.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee's website.

Thursday 28 November 2024

Sir Jim Harra, **KCB** First Permanent Secretary and Chief Executive, HMRC;
Myrtle Lloyd, Director General Customer Services, HMRC;
Justin Holliday, Chief Financial Officer and
Tax Assurance Commissioner, HMRC Q1-97

Published written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee’s website.

HCSA numbers are generated by the evidence processing system and so may not be complete.

1	Association of Taxation Technicians	HCSA0005
2	COOK, MR NIGEL D (Retired - Expert Business Efficiency Identification, Management and Delivery)	HCSA0001
3	Chartered Institute of Taxation	HCSA0004
4	Child Poverty Action Group	HCSA0009
5	IPSE - The Self-Employment Association	HCSA0007
6	Institute of Chartered Accountants in England and Wales	HCSA0003
7	TaxWatch	HCSA0002
8	The Association of Accounting Technicians (AAT)	HCSA0006
9	The Federation of Small Businesses (FSB)	HCSA0008

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website.

Session 2024–25

Number	Title	Reference
1st	Support for children and young people with special educational needs	HC 353
2nd	Condition and maintenance of Local Roads in England	HC 349