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**Ed Humpherson, Director General for Office for Statistics Regulation**

Alison Woodhouse  
Director of Knowledge, Analysis and Intelligence  
HMRC  
(by email)

13 November 2025

Dear Alison

**Review of HMRC statistics**

I am writing to let you know of our intention to carry out a follow up review of HMRC statistics against the Code of Practice for Statistics. In 2020, we carried out our review, [Strengthening the Quality of HMRC's Official Statistics](#). This review had a positive impact, helping to enhance HMRC's statistical quality processes. Key improvements included greater transparency and clearer documentation, improved accessibility of statistics, and strengthened quality assurance. In addition, HMRC has engaged with users through a [recent consultation](#) to better understand and respond to their requirements.

However, we have recently been made aware of two errors in HMRC datasets which have also affected downstream outputs produced by ONS:

1. VAT cash receipts error - This impacted ONS public services finances statistics resulting in an overestimation of government borrowing by approximately £3bn in the last two fiscal years. HMRC promptly informed ONS and [issued a public statement](#) on the impact allowing ONS to act and issue a [blog and update](#) on its public sector finances statistics. We welcome the lessons learned exercise that you are undertaking with the relevant teams following this.
2. Trade in good statistics errors – Whilst this clearly has had complications for HMRC trade statistics, it has also impacted ONS trade statistics and in turn ONS's estimates of Gross Domestic Product (GDP).

We welcome HMRC's initiative to address the risk of errors on its statistics having a significant impact on other market sensitive official statistics. In parallel, we consider it timely to undertake a comprehensive follow up review of HMRC's processes and develop recommendations. Working together on these complementary efforts will help ensure robust outcomes and maintain public confidence. Our review will likely be delivered in two phases:

- **Phase 1 Focused Review:** A focused review of the recent high-profile errors, examining the issues, evaluating corrective actions taken, and reporting findings in early 2026.

- **Phase 2 Contingent Systemic Review:** Subject to the outcomes and recommendations from Phase 1 we may proceed to a broader systemic review. This would build on the recommendations from the 2020 review and incorporate insights from Phase 1 to drive long-term improvements.

My team will liaise directly with your officials as we scope this work. I am also copying this letter to Sean Whellams, HMRC's Head of Profession for Statistics.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ed Humpherson', with a stylized, cursive script.

Ed Humpherson  
Director General for OSR