



Ray McCann  
Review into HMRC's Loan Charge figures

Via email [contact@lcreview2025.org.uk](mailto:contact@lcreview2025.org.uk)

24<sup>th</sup> February 2025

Dear Ray,

**Your review into HMRC's Loan Charge 'settlement terms' & figures – evidence from individuals**

We are writing to you, on behalf of the thousands of people caught up in the Loan Charge Scandal, to ascertain what evidence you would wish to receive from those affected as part of your review into HMRC's Loan Charge 'settlement terms' & figures (demands).

You will note that we have not called it the 'Independent Loan Charge Review' because it is patently not that - and it is dishonest of the Government to label it as that (which we realise is not your fault, but the Government's). You will be aware of the inevitable and justified anger on the part of all those affected, who had taken at face value the Treasury Minister's commitment to commissioning what they called a "truly independent review" of the Loan Charge.

As a direct result of the Treasury falsely and cynically labelling your review as an 'Independent Loan Charge Review', there is inevitably considerable confusion amongst those affected by the Loan Charge Scandal as to what your limited review of settlement terms is actually looking at and even more so, what you have been permitted to do, considering the very narrow remit laid out in the Terms of Reference and the restrictions on any recommendations you are permitted to make.

We are communicating to our members what the Terms of Reference say (and that this is a review merely of settlement terms, not the Loan Charge itself or the wider scandal).

**However, the Terms of Reference do not give any indication of what evidence your review is seeking from individuals and there has been no call for evidence aimed at that, nor any guidance on the website, which is extraordinary.**

This is a glaring failure on the part of James Murray and his team. As he is well aware having met with people who he has acknowledged publicly are "victims of mis-selling", many of those caught up in this nightmare are vulnerable and some (including some of those he met in August last year) have expressed suicidal thoughts. Some of those he met actually tried to take their own lives.

We are now dealing with people, already distressed at the clear betrayal of this Government to commission a proper, full review/inquiry into the Loan Charge Scandal, who have absolutely no idea what to send you, what evidence you can and are permitted to consider and whether actually it will make any difference to them. People affected simply do not know what evidence to send and what the review is even actually able to review. This is a disgraceful omission on the part of Treasury Ministers, who have clearly only commissioned this biased and partial review to claim they have fulfilled their promise and in the hope it will get the issue off of their desks, rather than

any genuine desire to investigate the scandal or actually resolve it in a genuinely fair way that takes account of the whole history of the issue and the behaviour of all those responsible for mis-selling and the clear failures of HMRC itself.

As an organisation representing people affected by the Loan Charge Scandal, we are *ourselves* unclear what evidence you actually want – and what evidence you are actually permitted to consider, in the very narrow terms of reference you have been made to operate within. At the meeting we attended with you and James Murray shortly before the Terms of Reference were published, you said that you'd accept wide ranging evidence that we now know is not within the remit of the Terms of Reference, which was published the next day.

**Can you therefore please issue a proper call for evidence, both from individuals affected and also from organisations and advisers.**

The call for evidence is particularly important with regards to individuals affected, including to make clear what the review can and cannot look at and what the review can and cannot do, in terms of people's own cases/situations.

As a wider point, we are deeply concerned that a review of settlement terms/demands is not going to involve an individual assessment of each and every case, as such a review should. With HMRC having not changed from the over 40,000 people still facing the Loan Charge, it is clearly completely impossible for you to review individual cases, which is concerning in itself, when all the review actually is - is a review of settlement terms and whether there is a case for reviewing and possibly changing them. There are different calculations, assessments, factors and issues in each and every case and it is simply not possible to properly assess this without looking at each case. Why should people therefore have any confidence that their own case could even be considered and therefore why would it make sense to send in their evidence, when it may not even be examined?

To instil some confidence (as well as clarity), you need to make clear not only what evidence you actually want from individuals, but also what you can actually do – and cannot do – in terms of the recommendations you are permitted to make, within the very restrictive confines of the Terms of Reference and the letter sent to you by James Murray.

Another key point is that if you want people to send evidence to you, as you have indicated, then you need to give a categorical public assurance **that NO case and no supporting information about a case will be shared with HMRC or Treasury officials**. Without such an assurance, people will simply not trust your review and review team, considering the huge distrust that already exists due to the way HMRC have behaved, distrust that has been compounded by the betrayal at announcing a limited review designed to “encourage people to settle” rather than a proper, independent review of the Loan Charge Scandal, which was what had been called for (including ironically, by James Murray himself) and is what is still clearly needed).

We do appreciate that you have engaged directly with us and LCAG will continue to do so, including so we can best advise those affected if and how they can engage with the review. This is not only vital for those affected by the Loan Charge, but also for you and your review team.

We also must express our dismay that many thousands of people caught up in the Loan Charge Scandal have been deliberately excluded by the terms of Refence. They cannot have their cases reviewed, nor changed and the nightmare continues for them (which makes a mockery of the Government's claim to want to resolve this issue). There are the people who face pre-2010

inquiries/section 684 notices, there are many people (especially lower paid, often public sector workers) who were mis-sold and pushed into schemes post 2017 and of course, there are the many thousands of people who were coerced and harassed by HMRC in settling, on unfair terms, because they were told by HMRC that the consequences of not agreeing an unfair 'settlement' was even more life-ruining demands. This very large group of people, over 20,000, in the vast majority of cases were the victims of exactly the same mis-selling (to use both the Chancellor and the Exchequer Secretary's own words). To therefore exclude them and ignore this, is so patently against natural justice. We realise that it was the Government's decision to unfairly exclude this group, but as someone who has said they believe in both fairness and equal treatment, you must be concerned about this and surely must make recommendations to the Government about addressing this clear injustice and unequal treatment, even if you cannot make recommendations directly about either their cases, or the harsh fact that their cases will remain unchanged.

In addition, the review has been drafted so it will exclude the families of those who killed themselves. This is shameful on the part of Treasury ministers. Will you accept evidence from these families, from the families of those were mis-sold schemes and only used them because of assurances of compliance and legitimacy? However, even if you do accept such evidence, what is the point, when you can only make recommendations about settlement terms and how best to encourage people to pay?!

We do realise that you have been highly restricted in this review, that we also note that the Exchequer Secretary has suggested you yourself played a significant role in deciding what this very limited, partial and prejudicial review should look at. We sincerely hope that you did not agree to the highly restricted review that you have been asked to Chair, but mainly accepted the invitation to Chair it. If you did actively work with the Treasury/HMRC to restrict the review to the very limited basis it is operating on, that immediately renders it far from Independent (on top of not actually being a review of the Loan Charge for the Loan Charge Scandal). We hope, therefore, that you will clarify this point so that people won't assume you yourself chose to restrict the review to the very narrow focus that it has been given.

What is clear and unavoidable is that there are key issues that you cannot directly consider that you also cannot ignore.

You will be aware, that all the question marks and concerns about HMRC past failures, why and how they persuaded ministers to introduce a law, with such a flawed and indeed negligent impact statement and their, at times, ruthless and unfair treatment of what both the Chancellor and the Exchequer Secretary have called "victims of mis-selling".

You are well aware of the reasons why so many end clients – including Councils and Government departments, including HMRC itself – chose to engage contractors to avoid the costs and duties of employing people (including, of course, avoiding employers' taxation).

You are well aware of the role of professional advisers – Chartered Accountants and accredited tax advisers as well as recruiters and umbrella companies – in recommending the schemes (and recommending them, ironically, for compliance with IR35, not as ways to deliberately avoid tax). You are well aware of the role played by (and the hundreds of millions of pounds of fees taken) by promoters and operators of the schemes. It is of course impossible not to understand the profound anger that despite Treasury Ministers – the Chancellor, Exchequer Secretary and Chief Secretary to the Treasury all condemning the mis-selling of schemes that despite this, those guilty

of this mis-selling that they both have so rightly identified, have been once again deliberately excluded by the terms of this deeply partial, clearly biased and disappointingly limited review.

Whilst the Government has cynically excluded all of this from the review, you cannot ignore it and if you are not permitted to make recommendations about this, you must surely simultaneously acknowledge these fundamental parts of the whole Loan Charge Scandal and recommend that a wider inquiry is indeed required.

Nonetheless, we wish you well in the task that you have been given. At the same time, we do hope you will honour what you said in the meeting the day before the review was announced and accept evidence beyond the unfair and unreasonably narrow remit.

Please could you let us know when you will be able to tell us and will publish precisely what you are looking for individuals to submit to you and we will then help get that message out, to make sure that individuals know how best to lay out their cases.


If helpful, we would be happy to have a meeting with you to discuss this, but I do hope in any case you will give us a date of when you will announce precisely what evidence you want from people and in what format, so that people can supply appropriate evidence to you in a way that assists you in the task you have been given.

We would also ask you as part of the review to organise several meetings to actually hear the direct testimony of people affected. Without this, it really is just a review of figures on a piece of paper and not even a proper review of the human reality of HMRC's punitive, unfair and unaffordable demands of people. We urge you to announce a series of such meetings, so that you will at least hear direct from those who are so badly affected, even though your hands have been tied to only assessing settlement terms. We sincerely hope that as part of your very limited review, you will acknowledge that there are key parts of the scandal that you cannot deal with and that this therefore will remain something requiring further scrutiny and investigation or the Loan Charge Scandal will continue to involve a clear attempt to cover-up a monumental policy failure.

We have copied in the Loan Charge and Taxpayer Fairness APPG (who we have made aware of these cases) and the representatives of the independent sector professionals.

We look forward to hearing from you.

Yours sincerely



*Steve Packham*  
Spokesman & Executive Director



*Andrew Earnshaw*  
Executive Director

*On behalf of the Loan Charge Action Group*

Cc     Loan Charge and Taxpayer Fairness APPG  
         Loan Charge Resolution professionals