

Hartnett was out of control

Published: January 13, 2026, 1:12 pm

Reuters reported this morning on yesterday's National Audit Office report on Dave Hartnett's settlement regime at HMRC. As they, kindly, [summarise it](#):

While the NAO said the settlements were reasonable, insofar as HMRC may have received less if it litigated and lost, the watchdog found procedural errors in how the tax collector cut the deals.

HMRC did not always seek legal advice before agreeing settlements, refer settlements for independent review, as was standard procedure, while staff did not keep notes of all meetings at which settlement terms were agreed.

"The findings from the review of these five settlements confirm our concerns over the governance arrangements operated in these cases," the NAO said.

Let's unpack that: what they're saying is that Hartnett was out of control, followed no set procedures, ignored the law, failed to record what he was doing and therefore cannot evidence why the tax settled was paid, and why sums that might have been collected were ignored.

Now no one says corruption occurred, me included. But the possibility existed. That is wholly unacceptable.

And the rule of law was not upheld. That was also wholly unacceptable.

And the risk that favours were seen to be done was very real. And that too is wholly unacceptable.

Tony Blair may have run a government from a sofa. But it is absolutely wrong that our tax authority was run that way.

It's a good job Hartnett is retiring: he'd be resigning now if not. And that would have been the right outcome for this fiasco.