

UK COVID-19 INQUIRY

WITNESS STATEMENT OF SARAH GOOM

1. I, Sarah Goom, formerly of His Majesty's Revenue and Customs ("HMRC") will say as follows: -
2. This witness statement is being made in response to the request dated 15 May 2025 from the chair of the UK COVID-19 Inquiry ("the Inquiry") made pursuant to section 21 of the Inquiries Act 2005.
3. This statement has been prepared to help the Inquiry understand my role in implementing the support HMRC provided to businesses and individuals during the COVID-19 pandemic, and to give my personal reflections in respect of the same. This statement focuses primarily on the period from 1 January 2020 to May 2022. There is exhibited to this witness statement a paginated bundle of documents marked **SG** which I shall refer in the paragraphs below.

Contents of this statement and overall approach to the preparation of it

4. In drafting this statement, I have reviewed HMRC's Corporate Witness Statement dated 7 May 2025 and its exhibits. I considered the Inquiry's request and with the assistance of a lawyer a first draft statement was produced which I then amended and finalised. In the limited instances where I have referred in this statement to events with which I was not directly involved, I have been reliant upon documents and/or the recollections of

others. However, I confirm that all the facts set out in this statement are true to the best of my knowledge and belief.

5. As my role in relation to HMRC's response to the Covid-19 pandemic was to lead the teams providing legal support to HMRC colleagues, I will focus on the way in which legal support was provided, in particular in relation to the drafting of the Treasury Directions. I have not addressed policy and operational issues except where they relate directly to the legal issues, as other colleagues are better able to respond to the Inquiry's questions.

Overview of Roles

6. I joined the Government Legal Service in 1996 and have performed a number of legal roles in government since then. I joined HMRC Solicitors' Office and Legal Services (then known as "SOLS") as Litigation Director in July 2017. In October 2019 I moved within SOLS to Legal Director Personal Tax, Benefits, Criminal and Corporate Services. I remained in this role until May 2022 when I left HMRC to be Legal Director to the Home Office. Since leaving HMRC in May 2022 I have had no involvement with any of the matters covered by the Inquiry's request and I have had no access to my contemporaneous records. My recollection of the detail of the matters covered is necessarily limited.
7. During the period 1 January 2020 to May 2022, I managed five legal teams covering a wide range of legal work: one team advising HMRC on criminal enforcement; two teams advising on commercial and property law; one team advising mainly on personal benefits; and one team advising on all personal tax matters. I was also responsible for HMRC's accountancy team. Each team was led by a Deputy Director whom I line managed. Each team was made up of between 12 to 20 lawyers (grade 7) and senior lawyers (grade 6). I reported to the General Counsel Alan Evans.

8. While the work of all SOLS teams was impacted to some extent by Covid 19, the team that led on the legal support to the Coronavirus Job Retention Scheme (“CJRS”) was the Personal Tax team in my directorate. As the Self-Employment Income Support Scheme (“SEISS”) related to self-employed businesses, the legal support to SEISS was provided by lawyers in the Business Tax directorate. However, it was agreed that I would act as the lead director within SOLS for all of the Coronavirus support schemes including CJRS, SEISS and Eat Out to Help Out (“EOTHO”).

The Functions of HMRC

9. Outside of a time of national emergency HMRC is responsible for collecting most taxes, facilitating international trade in line with the government’s trade policy through its administration of the customs system and paying financial support to families (child benefit, certain childcare support and tax credits). I exhibit a GOV.UK document which sets out an overview of HMRC’s responsibilities **[Exhibit SG/01 - INQ000101304]**. During the pandemic, the key functions of HMRC were extended and HMRC was required to deliver emergency support schemes through the payments of grants. Further detail on HMRC’s usual functions, and its functions during the pandemic, is set out in paragraphs 16 to 19 of HMRC’s Corporate Witness Statement.
10. HMRC and His Majesty’s Treasury (“HMT”) work together in a Policy Partnership, which took effect with the creation of HM Revenue & Customs in 2005. This Policy Partnership covers policy and analytical work on all direct and indirect taxes and duties, National Insurance, tax credits and child benefit. The Policy Partnership works by HMT, supported by HMRC, leading on strategic tax policy and policy development and HMRC, supported by HMT, leading on policy maintenance and delivery – collecting taxes and paying out benefits. The Policy Partnership is explained on GOV.UK **[Exhibit SG/01 – INQ000101304]**. During the pandemic, HMRC and HMT continued to work in line with the Policy Partnership principles, working together through boards such as the

HMT/HMRC joint labour market board and the HMT/HMRC COVID-19 Delivery Portfolio Board. Further detail on the nature and extent of HMRC's relationship with HMT outside of a time of national emergency, and during the pandemic, is set out in paragraphs 47 to 60 and paragraphs 96 to 104 of HMRC's Corporate Witness Statement.

11. In accordance with the Policy Partnership principles, SOLS did not generally provide direct advice to the Chancellor or other HMT ministers in relation to policy, which was provided by lawyers within the Treasury Legal Adviser's team which is part of the Government Legal Department. However, SOLS reports to the Financial Secretary to the Treasury ("FST") on tax litigation and enforcement and provides legal advice on some tax matters. I therefore had had occasional meetings with FST in relation to litigation and criminal enforcement matters before the relevant period. During the relevant period I joined one or two calls with the Chancellor alongside policy colleagues in order to understand the policy context but did not provide legal advice during those calls.
12. HMRC also has important relationships with other UK Government departments, although it does not operate in a Policy Partnership with other departments in the same way that it does with HMT. During the pandemic, HMRC worked with various departments, including the Department for Work and Pensions, the Cabinet Office and the Department for Business, Energy and Industrial Strategy, to support the delivery of economic support schemes and details of that work are at paragraph 61 to 73 of HMRC's Corporate Witness Statement.
13. SOLS lawyers are employed directly by HMRC but work closely with the Government Legal Department ("GLD") as part of the wider Government Legal Profession. During the entire Coronavirus period, SOLS lawyers worked closely with GLD colleagues, and I joined weekly meetings to ensure coordination and information sharing on relevant legal issues. In particular, SOLS worked with Department of Health and Social Care

lawyers, as well as the Office of Parliamentary Counsel, on the inclusion of what became sections 71 and 76 into the Coronavirus Act 2020.

14. HMRC teams engage directly with counterparts in the Devolved Governments on relevant issues and since 2014 HMRC has had a central Devolution Team (now named the UK and Devolved Governments Team). That team was set up to lead HMRC's general engagement with the governments in Scotland, Wales and Northern Ireland on tax or HMRC issues. This engagement continued throughout the pandemic with HMRC assisting the Devolved Governments with queries relating to the Devolved Government's own economic and social support interventions. The extent to which HMRC worked with the Devolved Governments, and the support it provided to them, during the pandemic is set out in paragraphs 75 to 78 of HMRC's Corporate Witness Statement. I had no direct engagement with the Devolved Administrations in relation to HMRC's Covid-19 response.
15. New functions were conferred on HMRC during the pandemic, for example requiring HMRC to administer elements of the economic response by paying out grants via the **CJRS**, **SEISS** and **EOHO** schemes. Those functions were conferred on HMRC through Treasury Directions made under the powers of the Coronavirus Act 2020. Directions are a type of delegated legislation made by a person or body under authority contained in primary legislation. I am not aware of any use of Treasury Directions being made in relation to HMRC before or since the pandemic.
16. The Coronavirus Act 2020 received Royal Assent on 25 March 2020 and included at sections 71 and 76 powers to enable initially a Treasury Commissioner, and latterly two such Commissioners, to issue directions to the Commissioners for HMRC to provide them with functions in relation to coronavirus or coronavirus disease.

17. Treasury Directions were used to set out the scope and nature of the schemes, including the eligibility rules and grant calculations, as well as some administrative rules. For example:

17.1 The first Treasury Direction relating to the CJRS was made on 15 April 2020 which established the scheme and provided for its operation covering the period up to 31 May 2020 [**Exhibit SG/02 - INQ000583316**]. During the course of the scheme six further Treasury Directions were made, as set out in paragraph 270 of HMRC's Corporate Witness Statement;

17.2 The first Treasury Direction relating to the SEISS was made on 30 April 2020 and set out the purpose of the SEISS and the rules for the operation of the scheme [**Exhibit SG/03 - INQ000583327**]. During the course of the scheme four further Treasury Directions were made, as set out in paragraph 618 of HMRC's Corporate Witness Statement; and

17.3 The Treasury Direction relating to EOHO was made on 7 July 2020 which set out the purpose of EOHO and the operation of the scheme [**Exhibit SG/04 - INQ000235022**].

18. I became aware of the commission to design a wage subsidy scheme around 18 March 2020. I note that I was not copied into the emails exhibited to the corporate statement, for example **EXHIBIT SG/05 - INQ000583304**, between HMT and HMRC policy colleagues discussing the design of the scheme during the period before its announcement, although I recollect joining part of a call with the Chancellor and HMT and HMRC officials around this date at which it was agreed that the necessary functions to deliver the scheme would be conferred on HMRC by Treasury Direction.

19. I understand that there was a meeting between SOLS lawyers, HMT lawyers and policy colleagues and Andrew Scott from Office of Parliamentary Counsel ("OPC") on 20 March

2020 at which the drafting of what became sections 71 and 76 Coronavirus Act was discussed, and a broad outline of the approach to drafting the directions was agreed. I understand that it was considered that there would be insufficient parliamentary time to implement the schemes through secondary legislation, and so the direction itself, as a form of tertiary legislation, would be used to set out the detail of the scheme. As HMRC would be implementing both the CJRS and SEISS schemes, it was agreed that HMRC lawyers rather than HMT lawyers would draft the directions required to confer the new functions on HMRC. This was not unusual as HMRC lawyers usually draft Treasury Regulations where they relate to HMRC functions.

20. As the Directions would have significant legal effects, it was important that they were carefully drafted by expert drafters. Following the meeting with Parliamentary Counsel, Mark Merrington was initially given the task of drafting both the CJRS and SEISS directions. Mark was a very experienced SOLS Deputy Director who had previously worked at the Office for Parliamentary Counsel and was a highly accomplished drafter of statutory instruments. Mark produced an initial draft of the CJRS Direction and Schedule around 23 March 2020. However, [Personal Data] and on 25 March 2020 the tasks were reallocated to two different senior lawyers with significant drafting experience. [NR] in the Personal Tax legal team led on the drafting of the CJRS directions, overseen by his Deputy Director Briony Kernan (the Deputy Director of the Personal Tax team). [NR] in one of the Business Tax teams led on the drafting of the SEISS directions, overseen by her Deputy Director Mark Merrington on his return. [NR] subsequently took on the drafting of the EOTHO direction. I maintained close oversight of the drafting of the directions, checking in with the drafting teams on at least a daily basis.

21. During late March and early April 2020, I joined numerous meetings when the design of the CJRS and SEISS initial schemes was being developed. Once formal governance was put in place in early April 2020 I became a standing member of the Covid-19 Policy Steering Group, and I regularly attended the Covid-19 Delivery Steering Group. I was a

standing member of the Covid-19 Response Board when it replaced those Groups in September 2020. Briony Kernan was a standing member of the Covid-19 Policy Working Group and also sat on the Discretionary Claims Board which acted with delegated authority from the Commissioner to review cases which met strict criteria agreed by the Commissioners as described in paragraph 320 of the Corporate Statement.

22. Lawyers were integrated into the process of designing the schemes at every level, as well as advising on easements, compliance and a wide range of other legal issues arising from HMRC's response to Covid-19. As well as those lawyers working full time on the Covid-19 schemes, SOLS lawyers from other specialist teams were brought into advise on specific issues, for example, information lawyers were involved in advising on the use of customer data.

23. The CJRS scheme was announced by the Chancellor on 20 March and NR the lawyer drafting the CJRS direction received the first instructions from his policy client on the design of the scheme on 25 March 2020. The CJRS direction was published on 15 April 2020, an extremely challenging timescale. NR worked closely with the main policy client who provided written policy instructions as well as oral instructions during numerous Teams calls, often working through the night. Instructions iterated as the policy design developed in response to input from policy, compliance, IT and other colleagues on the delivery of the scheme. The first CJRS direction was completed less than an hour before it was signed by the Chancellor, resulting in the error referred to in paragraphs 315 to 317 of the corporate statement. The flexibility of the Directions enabled the error to be easily amended in the second CJRS direction alongside minor typographical errors.

24. The Chancellor announced the SEISS scheme on 26 March 2020 and the first SEISS direction was signed on 30 April 2020. A similar approach to CJRS was taken to the drafting of the SEISS directions although no written instructions were provided, instead the HMRC and HMT policy clients, HMRC lawyer NR and HM Treasury

lawyers developed the drafting in discussion in Teams meetings. As set out in paragraphs 791 to 803 of HMRC's Corporate Statement, HMRC established a core group of external stakeholders to provide advice on the SEISS scheme from early April 2020. Near final drafts of the SEISS directions were shared in confidence with those stakeholders overnight and comments discussed and incorporated the following morning, and this input was extremely valuable in identifying practical issues that needed to be resolved.

25. Each Direction requires HMRC to be responsible for the payment and management of amounts to be paid under the Scheme set out in the Schedule to the direction, while the Schedule sets out the detail of how the scheme will operate. This approach allowed considerable flexibility in the drafting of the qualifying conditions and other details. It also aimed to ensure that the wording of both the direction and the schedule was easily comprehensible to those using the schemes. It is important to remember that the initial schemes were only intended to last for three months as an emergency measure. The extension of the schemes necessitated further directions which enabled the schemes to iterate and to address problems and omissions that had emerged.
26. As well as the detailed directions, it was necessary to provide guidance to employers and others on the details of how the scheme would operate. Due to time constraints, the guidance was drafted in parallel to the drafting of the direction and the lawyers drafting the directions only saw them at a late stage, requiring last minute revisions to ensure consistency between the direction and the guidance.
27. As paragraph 14 of the Corporate Statement sets out, the Parliamentary timetable and the early stage of the design of CJRS meant that it was not practical to include the provision of compliance powers in the Coronavirus Act 2020. This meant that HMRC's broad set of powers to request information and documents or recover overpayments in relation to existing functions did not initially apply to the new functions conferred by the Coronavirus Act 2020. The corporate exhibits include a note dated 3 April 2020 to the

Chancellor which states "*Although the legal basis for the Schemes is clear, HMRC Solicitors' views are that given that HMRC will be delivering grants, rather than dealing with taxation, they will not be able to use their existing enforcement and compliance powers and, therefore, can only do what is essential for the schemes to function (e.g. inviting applications, making payments). You have also agreed that the grants under both Schemes should be taxable, however it is not clear they are taxable under the law as it stands.*" [Exhibit SG/06 - INQ000583311]. This note reflects the advice of SOLS lawyers that while common law and criminal enforcement powers could have some use in addressing the most egregious attempts to abuse the schemes, fuller compliance powers would be needed. HMRC lawyers worked with policy and compliance colleagues to develop provisions in what became section 106 and Schedule 16 Finance Act 2020 which enabled overpaid grants to be converted into an income tax liability meaning that HMRC could rely on existing compliance powers.

28. I have been asked to comment on whether HMRC had the appropriate resources and skills to enable it to fulfil new functions granted to it during the course of the pandemic. In relation to SOLS lawyers, the requirement to work at speed on the drafting of the Covid-19 schemes and numerous other legal issues arising from the pandemic, alongside normal work, placed an extraordinary demand on the legal teams affected. However, all of those working on the schemes had a very clear sense of purpose and focus on the importance of delivery. The fact that we were all working from home enabled us to work flexibly and well in excess of our conditioned hours. Colleagues worked around caring for elderly relatives and children, often working at night. As the director responsible, I placed a strong emphasis on the wellbeing of the team and was very concerned to avoid burnout. I and the deputy directors checked in regularly with those working on the schemes, providing additional support where necessary. Motivation remained high among the team and we are all exceptionally proud of what we achieved. SOLS received two external awards for our work on the Covid-19 schemes: The Lawyer award for In House Operations Team of the Year and the British Legal Awards award for Outstanding Innovation and Collaboration.

Analysis and Reflections

29. I have been asked to consider whether any lessons for use in response to any future pandemic or whole system civil emergency, if any, can be learned from the process by which new functions were granted to HMRC during the course of the pandemic. I believe that the use of Treasury Directions was a legally robust but agile way to confer additional functions on HMRC without the need for time consuming Parliamentary process, and successfully delivered schemes in accordance with the Chancellor's policy aims. Parliament rose on 25 March 2020 and did not sit until 21 April 2020 so there would have been no possibility of introducing the schemes on time using secondary legislation. The use of the schedules to the directions to set out the detail of how the schemes would work permitted flexible and responsive drafting at speed. It is important to remember that the initial CJRS and SEISS schemes were only expected to last for 3 months. The fact that they were then extended gave the opportunity to make changes in the directions to reflect omissions in the coverage of the schemes, as well as to reflect the changing COVID-19 pandemic situation and associated non-pharmaceutical interventions.
30. I have been asked by the Inquiry whether consideration was given to using legislation instead of Treasury directions once the acute phase of the crisis had passed and what the implications were of using directions on scrutiny by Parliament or the public. I do not recall that there was such consideration. The first directions lasted for only three months and so fresh directions needed to be in place immediately on their expiry. Even when Parliament was sitting that would have been an extremely challenging timetable to get legislation through both Houses. While provisions to introduce compliance powers to tax Coronavirus payments were included in the Finance Act 2020, it is highly unlikely that measures to confer functions to make Coronavirus payments on HMRC would have been within scope of a Finance Bill, and so another legislative vehicle would have had to be found, and Parliamentary time used to consider it. The Corporate Statement at paragraphs 613 and 623 addresses lack of Parliamentary scrutiny and the role of the SEISS Expert Panel in providing valuable external feedback to counter this gap.

31. It is also important to note that (to my knowledge) only one judicial review was brought directly against the Covid-19 schemes and it was unsuccessful. In that case, while the Court of Appeal found that the use of Average Trading Profits in the first SEISS scheme did amount to indirect discrimination against self-employed women who had taken maternity leave during the calculation period, stating "given the exigencies under which the Treasury and HMRC were operating...we conclude that the judge was right to conclude that if there was indirect discrimination (as we have found) it was justified." The Motherhood Plan & Anor, R. (On the Application of) v Her Majesty's Treasury [2021] EWCA Civ 1703 (24 November 2021).
32. As the Court noted at paragraph 27 of its judgment, and as is set out at paragraphs 604 to 606 of HMRC's Corporate Statement, changes to the SEISS scheme rules were introduced via the second SEISS direction to make self-employed women who took time out of their trade or reduced their trading activity because of pregnancy or childbirth, and self-employed parents who took time out to care, eligible. The changes meant that new parents who did not file a 2018/19 tax return, or whose trading profits were less than their non-trading income in that year, could become eligible for the scheme. If newly eligible, these groups could claim both the first and second grant within the claim window for the second grant.
33. I have no specific recommendations that I would ask the Chair to consider in order to improve the economic response to a future pandemic.

STATEMENT OF TRUTH

I believe that the facts stated in this witness statement are true. I understand that proceedings may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

In the matter of the Covid-19 Inquiry
S.21 notice

Witness Name: Sarah Goom
Statement Number: First
Exhibits: SG
Dated: 20 August 2025

Signed:

Personal Data

Dated:

20/8/25