



All-Party Parliamentary Loan Charge & Taxpayer Fairness Group

www.loanchargeappg.co.uk

16th February 2023

Tom Whiting
Interim Director General
Independent Office for Police Conduct
PO Box 473
Sale
M33 0BW

Dear Mr Whiting,

10th Suicide linked to the Loan Charge and associated HMRC activity related to historic use of loan schemes

We are writing to you, as Interim Director General Independent Office for Police Conduct, to raise with you the ten confirmed suicides of people facing the Loan Charge and associated HMRC action and to express our serious at the way the system, including the IOPC, is failing to address this.

The tenth suicide was confirmed in [a letter from Jim Harra to Chair of the Treasury Select Committee, Harriet Baldwin MP](#) dated 6th January. HMRC have stated that they referred themselves to the Independent Office for Police conduct for cases where an individual has taken their own lives and has been facing HMRC action for use of what they call a 'disguised remuneration' scheme.

However HMRC have confirmed that the IOPC has simply referred the cases back to HMRC themselves for them to investigate and that the IOPC has not investigated these cases. This is in the [letter dated 16th September 2022 from the Freedom of Information & Data Protection Team](#) which states:

“The IOPC has not carried out a directed or independent investigation into a case of apparent suicide or attempted suicide referred by HMRC since September 2018”.

Since then HMRC have confirmed to Contractor UK that none of the ten confirmed suicides have been investigated by the IOPC and that all ten have been referred back to HMRC for internal investigation.

We therefore wish to know why the IOPC has not investigated any of these suicides, especially when there have now been ten all linked to the same legislation and HMRC's enforcement of it. This suggests that the IOPC have failed to make the link between the suicides and the fact that they have all involved HMRC action related to the Loan Charge and associated HMRC action. We also want to

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know precisely what the whole process (both within the IOPC and also then within HMRC is actually looking at. Another key question, also, is whether spouses/partners and other close family members of the victims and tax advisers representing these clients have been approached and involved in the 'investigations'.

The suicide risk amongst those facing the Loan Charge is well known and documented. There have been numerous media articles referring to it. It is clear the demands HMRC are making of people – which are both unaffordable and unreasonable – and the way HMRC's approach is making people feel criminalised are causing suicidal thoughts and intent. We have just recently had contact from two individuals reporting that they feel suicidal due to HMRC's pursuit of them.

In a call for evidence last year, of 555 people who submitted evidence forms, a deeply troubling 15% said they had expressed suicidal thoughts or feelings as a direct result of the situation they are in, facing the Loan Charge/associated HMRC action.

Even more worryingly, in a survey carried out by the Loan Charge Action Group in September 2020, a staggering 40% of the 662 respondents reported thoughts of suicide as a result of the Loan Charge and HMRC activity in respect of seeking settlement.

The APPG has had direct contact from three of the families of those who have committed suicide facing the Loan Charge and two advisers whose clients had killed themselves. In all these cases, the families and the advisers were clear that the Loan Charge and the way HMRC were pursuing them was the reason for the death of their loved one or client. We actually had oral testimony from the daughters of one of the suicide victims as part of our Loan Charge Inquiry in 2019. The Loan Charge itself was specifically mentioned in the suicide note of this person. As the daughters stated:

“The letter spoke of the love he had for his family but what he mostly referred to was himself. He wrote about being at the end of his tether with the Loan Charge matter. He wrote such awful things about himself, things that just weren't true, that he clearly thought about himself at the time. He wrote that he did not set out to do such wrongdoings; he wrote about being unable to speak to his GP about his anxiety as he was ashamed, his fear of going to prison, his disgust in himself for getting mixed up in the Loan Charge and his belief that he would now go to hell. [He] finished his pages and pages of his letter with “I can't say any more. I'm so very scared of what I have to do today but I am at my wits' end and can't see any other way”.

The family are in no doubt as to the link, they stated of the suicide letter:

It was clearly written by a man who had been broken by the Loan Charge process. I believe that the entire Loan Charge situation, the build up to date, the false hopes of an end, for an answer, just consumed him.

As we concluded in our [Inquiry report in 2019](#), “It is simply not credible to try to deny this link, or deny the fact that suicides linked to the Loan Charge have occurred” ...“The conclusion of the Loan Charge Inquiry, from the evidence presented to us, including by the family of a person facing the Loan Charge who committed suicide, is that the link, between cases of suicide reported to the APPG and the Loan Charge, is clear and irrefutable”.

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Having now had contact with two more families and two advisers since that report was published, we have yet more direct evidence that the Loan Charge and HMRC's action related to it was, according to the families, the reason their loved one took their own lives. The link between the suicides and the legislation and HMRC's approach is clear and undeniable.

Both the Treasury and HMRC have been well aware of the serious suicide risk of the Loan Charge and associated action for several years, yet still refuse to change the legislation, to reduce this risk. We have written to HMRC, the Treasury and to Sir (now) Lord Morse, who conducted the review ordered by the Treasury, about this risk. These are our public documents that refer to suicides and the suicide risk:

- Letter to the Prime Minister, Rt. Hon. Theresa May MP, about another suicide – 8th March 2019
<https://www.loanchargeappg.co.uk/wp-content/uploads/2019/03/Letter-from-Loan-Charge-APPG-letter-to-the-PM-8-March-2019.pdf>
- Letter to Sir Jon Thompson, Chief Executive & First Permanent Secretary of HMRC about confirmed suicides & request for a suicide prevention hotline - 11th March 2019
<https://www.loanchargeappg.co.uk/wp-content/uploads/2019/03/Letter-from-Loan-Charge-APPG-letter-to-Sir-Jon-Thompson-re-suicides-11-March-2019.pdf>
- Letter from Loan Charge APPG reply to Sir Jon Thompson, Chief Executive & First Permanent Secretary of HMRC regarding suicides & the previous inadequate response - 15th March 2019
<https://www.loanchargeappg.co.uk/wp-content/uploads/2019/03/Letter-from-Loan-Charge-APPG-reply-to-Sir-Jon-Thompson-re-suicides-15-March-2019.pdf>
- Loan Charge Inquiry report, section on the suicide risk and known suicides of people facing the Loan Charge, pages 63 – 69 – April 2019
<https://www.loanchargeappg.co.uk/wp-content/uploads/2019/05/Loan-Charge-Inquiry-Report-April-2019-FINAL.pdf>
- Loan Charge Inquiry update, chapter 6 – Suicide risk and known suicides of people facing the Loan Charge, pages 36 – 43 – November 2019
<https://www.loanchargeappg.co.uk/wp-content/uploads/2019/11/Loan-Charge-Inquiry-Update-Nov-2019-FINAL.pdf>
- Letter to Sir Amyas Morse about the latest suicide - 2nd October 2019
<https://www.loanchargeappg.co.uk/wp-content/uploads/2019/10/2019-10-02-Letter-from-Loan-Charge-APPG-to-Sir-Amyas-Morse-about-the-latest-suicide.pdf>
- Letter to Sir Amyas Morse with details of the 7th suicide - 4th October 2019

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<https://www.loanchargeappg.co.uk/wp-content/uploads/2019/10/2019-10-04-Letter-from-Loan-Charge-APPG-to-Sir-Amyas-Morse-details-of-7th-suicide.pdf>

- Letter to the Chancellor, Rt. Hon. Rishi Sunak MP, requesting a suicide prevention helpline - 4th November 2021

<https://www.loanchargeappg.co.uk/wp-content/uploads/2021/11/2021-11-04-Loan-Charge-APPG-letter-to-the-Chancellor-requesting-a-suicide-prevention-helpline.pdf>

- Letter to the Chancellor, Rt. Hon. Nadhim Zahawi MP about the 9th Loan Charge suicide - 29th July 2022

<http://www.loanchargeappg.co.uk/wp-content/uploads/2022/07/2022-07-29-Loan-Charge-APPG-letter-to-the-Chancellor-about-the-9th-suicide.pdf>

There have also been numerous mentions of both the suicides and the suicide risk in Parliament.

The reality is that both the Treasury and HMRC have been well aware of the serious suicide risk of the Loan Charge and associated action for several years, yet still refuse to change the legislation, to reduce this risk. Yet the IOPC appear to have ignored the fact that these suicides were entirely predictable and clearly preventable, if the Government had listened and acted to change the whole approach to this group of taxpayers.

We can therefore only conclude that the IOPC (and subsequently HMRC, in their internal investigation) are not looking at the real reasons why these ten people have taken their own lives and are instead only at compliance with procedure. That would make any 'investigations' worthless.

The referrals to the IOPC are frequently cited by HMRC and the Treasury to exonerate HMRC of any fault, when the reality the real issue is obvious, the despair caused by unaffordable and unfair demands being made of people, the sense of injustice at the retrospective nature of the action and their inability to challenge it; and the way they have been made to feel criminalised. The process is clearly failing both to identify the reasons for these suicides or to help prevent further such needless tragedies, which are both predictable and, if the Government finally listens and acts, avoidable.

We therefore wish to ask you to answer the following questions:

1. Why has the IOPC declined to investigate all ten of the suicides of people facing the Loan Charge and associated HMRC action regarding the use of 'disguised remuneration' schemes?
2. Has the IOPC looked at each of these ten suicides in isolation or have they been looked at as a group of suicides, which was what they are?
3. Has the role of the Loan Charge and HMRC's pursuit of and the impact of HMRC's engagement with the individual, however lawful, been considered?

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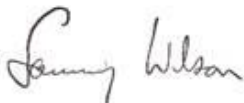
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4. Did the IOPC contact any of the families and/or tax advisers/other professional representatives of the deceased as part of deciding not to investigate the suicides? If not why not?
5. Has HMRC contacted any of the families and/or tax advisers/other professional representatives of the deceased as part of their internal investigations into the ten suicides?

Finally, as well as wanting answers to the above questions, we also urge you to now order a proper investigation into all ten Loan Charge suicides, as a group of suicides with all these people facing large retrospective demands from HMRC and the sense of being criminalised. We hope that you will do so, now knowing the clear and undeniable link between the Loan Charge (and associated HMRC action) and suicides – and with the risk of more suicides unless the Government agrees to find a resolution to this matter, as we and others have called for.

We look forward to hearing from you.

Yours sincerely,



Sammy Wilson MP
Co-Chair



Greg Smith MP
Co-Chair

cc: House of Lords Economic Affairs Committee
Treasury Select Committee

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