

MPs get on the warpath over tax credit cuts and restrictions

We talk a lot on this blog about injustice. One of the most fundamental principles of justice is that anyone who stands accused of wrong-doing should at least have the opportunity to clear their name before any punishment may be applied to them. Currently there is a great injustice being perpetrated against the British public, and it is that anyone accused of benefit fraud (including tax credits claimants) is officially treated as guilty until they can clearly establish their innocence, with at least partial penalties being applied against them with immediate effect.

The consequences of this policy can be devastating for those affected by it. Many quite decent people who strive and struggle on a daily basis to make ends meet for the sake of their families are hit hard by these reprisals. People who are already struggling are pushed to the point of desperation, and tragically some even turn to crime in order to overcome the difficulties caused to them. This terrible situation is easily avoidable, simply by allowing people the opportunity to explain their circumstances before any punitive action is taken against them.

That, unfortunately, is not even being considered by HMRC, who state in their own [mission statement](#) that: "*we believe most of our customers are honest and we treat everyone with respect*". Surely taking recovery actions against claimants before offering them a chance to tell their side of the story is *not* treating the customer with respect, and *not* taking a position of having faith in their honesty!

Nor is it being considered by DWP, who in their [mission statement](#) claim that they: "*are responsible for understanding and dealing with the causes of poverty rather than its symptoms*". Really? Because it should be quite obvious that one of the causes of poverty is taking away somebody's income, especially when they may have done nothing to deserve such treatment.

This perhaps is what many people from outside the system fail to understand. The vast majority of those who fall victim to injustices like this have not actually done anything wrong. More than two thirds of all overpayments are due solely to error, and a staggering 35% of those errors are entirely the fault of HMRC or DWP. Yet regardless of the reasons or who is at fault, everyone is treated the same way, by having the payments cut, suspended, or canceled until they can prove their innocence.

Of the remaining one third of people who actually may have done something wrong (and we say "may have" because quite simply there are a lot of people who confess to fraud when they actually haven't committed it, but they still end up in the statistics as fraudsters), the extent of their wrong-doing is usually very small. Then of course there is also the fact that they are often pushed in this direction because DWP isn't doing the very thing they say they are responsible for, which is understanding and dealing with the causes of poverty.

It is an injustice that has drawn the wrath of religious officials, charity workers, and now members of Parliament such as [Emma Lewell-Buck](#), among others. The Labour MP for South Shields has pointed out that HMRC has taken recovery action against people without any warning, which can lead to dire hardships for the affected families.

She asks: "Is it the Department's policy now to push people into poverty and debt by punishing them for HMRC's mistakes?". The nature of this question alludes to the facts mentioned earlier about the majority of those who are hit by these punitive actions are not actually guilty of anything. Many are victims of mistakes made by HMRC, and the Department is quite improperly punishing these people and creating serious financial problems for them.

While the punishments are improper and unjust, they are lawful. This is the cruel twist of the

matter, because in order for change to occur, the law must be changed, and laws are not often changed quickly or easily.

If you are a victim of HMRC or DWP policy, Hylton-Potts can help you clear your name and get your payments reinstated. If your problem has occurred because of something that you did, we can help to reduce or even eliminate the penalties that may be applied. To find out more about the many ways we can help you, contact us on 020 7381 8111 or send an email to law@hyltonpotts.com.

We would be interested in your comments, please leave them in the section below.