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PARLIAMENTARY UNDER-SECRETARY OF STATE FOR DEFENCE
AND MINISTER FOR VETERANS

D/US of S/DT MC02171/2007

18 July 2007

Thank you for your letters of 29 March and 29 June on behalf of your constituent Major Richard Perkins (Retired) of The Mill House, Lastingham regarding the taxation of his Armed Forces occupational pension. I apologise for the delay in replying, which was due to an administrative oversight.

As I explained in my letter of 28 February 2007, I do not consider that I should intervene at this stage, in so far as Major Perkins has not exhausted all the appeals avenues open to him. It would therefore not be appropriate to comment on the additional information provided.

I note that you do not want to subject Major Perkins to the Internal Dispute Resolution procedures (IDRP) in view of his age. However, he has no option if he wants to take this matter of maladministration further, including to the independent Pensions Ombudsman. Under the heading of maladministration this would resolve the issue as to whether the MOD is at fault with regards to Mr Perkins's tax status and whether MOD have correctly deemed that his circumstances fall outside the additional compensation paid under Project Haven. My officials offer, to speed up the IDRP process by going direct to the second stage IDRP, still stands. If Major Perkins would like to take up this offer, he should contact Ian Sprawson, Service Personnel Policy (Pensions), Level 7, Zone I, Main Building, Whitehall, London, SW1A 2HB – Telephone 020 7218 9638.

Of course if the second stage of the IDRP finds against Major Perkins, and he does not agree, he could take a different approach by contacting HM Revenue and Customs about their repayment supplement policy. Major Perkins could submit a claim that compensation beyond the statutory 6 year limit should not apply to him. It would also be open for him to seek reassurance that the tax rules have been applied correctly in his circumstances.

DEREK TWIGG MP

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