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To the Commissioners
The Charity Commission
PO Box 1227
Liverpool
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September 18th 2013

Dear Sirs

RE: CAMPHILL VILLAGE TRUST (CVT) – 232402
COMPLAINT FROM BOTTON FAMILIES REGARDING CVT TRUSTEES FAILING TO COMPLY
WITH THEIR LEGAL CHARITABLE OBLIGATIONS

We, the undersigned, are writing to you to express our concern over CVT's non-compliance with charity law and failure of the Trustees to discharge their legal duties and responsibilities, in breach of their obligations and the Charity's Memorandum of Association¹. We have had extensive correspondence and dialogue with the Trustees, to no avail and we are writing to you as a last resort.

We are families of the residents, who are beneficiaries, of Botton and our comments are focussed upon our experience of that community. Botton is the original CVT community, by far the largest of nine CVT communities and is recognised as a focus of inspiration and respect by other Camphill Communities worldwide. If CVT's intentions are implemented we believe it will damage the Camphill philosophy that underpins Botton and all that makes it and other CVT communities special will be lost.

The following are the main concerns which we wish to bring to your attention. A fuller explanation of these and background to these concerns are appended to this letter.

- 1 Departure from the Memorandum of Association - CVT has departed significantly from the Memorandum by deliberate and admitted actions ultra vires and is intending to depart further, by implementing a recent review that takes no account of the Charity's Objects. (Appendix 1 Memorandum)
- 2 Governance Failings - Two independent reviews, commissioned by CVT in the past four years, have identified significant failings in governance by CVT's Trustees. (Appendix 2 Governance)
- 3 Financial Consequences (Appendix 3 Finance)
- 4 Chronological Background to our Concerns for Botton

As family members our sole aim is to protect the best interests for the future of our relatives in Botton, as provided by the co-workers in the traditions of the Camphill 'Community Life' and defined in the Memorandum Appendix CI 1.

Our hope for the future of Botton is that CVT Trustees engage with members and stakeholders and ensure that CVT

- 1 Comply with the charity mandate with its foundation in Steiner based Camphill philosophy using a relevant management structure.
- 2 Actively retain the commitment to maintaining beneficiary welfare through the key role of volunteer co-workers and a continuation, as much as practicable, of shared living with co-workers and their families.
- 3 Act in the essential role of providing support and guidance to the Botton community in the areas where they do not have either the specialist knowledge or time to concentrate upon, in order that the co-workers can focus on their work of providing for the needs of the beneficiaries in a safe, secure and compliant manner in the true Camphill traditions.

Our expectation is that as a Camphill charity the retention, support for and protection of the Camphill values and principles, in an appropriately interpreted regulatory compliant manner, should be the fundamental intention for Camphill Village Trust, in the best interests of the beneficiaries.

The families are stakeholders and as CVT's own Code of Conduct makes clear², CVT owe both the beneficiaries and their relatives a duty of care. We understand there is currently communication between the Charity Commission and CVT regarding potential changes to the Memorandum. As we are not party to this we would respectfully ask that the families are kept fully informed of the issues that are under discussion.

We look forward to hearing from you in respect of your investigation into this complaint and grateful for an indication of the time you expect it will take.

Yours faithfully

Signatories

Max & Kristina White, Brian & Jessie Knight, Derek Peedell, Bjorn & Jackie Riis-Johannessen, William Walker, Abigail Werth, Kay Wilson and Alistair White

Cc Ms B Wilkins-Jones Charity Commission, David Cameron MP, Robert Goodwill MP

Letter to Charity Commission 180913

APPENDIX 1

Memorandum of Association

The Charity Commission's letter to CVT of the 2nd November 2012³ reminds the Trustees of the need for compliance and makes special reference to the Charity's Objects ***"for the public benefit, to relieve sickness, promote good health, provide care to and advance the education and training of people with a disability (whether mental or physical), the young, the old, or people otherwise in need, in accordance with the principles of Dr Rudolph Steiner..."***. and later ***"The communities are described as 'life-sharing' with 'career volunteers' or co-workers who live with the beneficiaries and provide them with care and support. This is a key feature and one which is valued both by beneficiaries and their families."*** These essential attributes identify the values and principles of Camphill which we as families fully support and expect to be fundamental to CVT's operation of the charity.

On the 7th August CVT circulated a document 'In Brief July 2013'⁴. On the last page a "Special Announcement" was included. This advised that the Trustees had on the 24th July discussed the next steps in the light of ***"the strategic review process"*** and ***"reaffirmed their commitment to the strategic review report and significantly confirmed CVT's intention to proceed as one charity agreeing on the development of a three year CVT wide strategic plan"...."The strategic review process enables CVT to forward as charity conversant with contemporary issues and one determined to build on the wealth of skills and experience available to help its beneficiaries choose the life they wish to live."***

We take the 'strategic review' to be the Groundswell Review Report⁵ and there are many issues that this raises:-

The Terms of Reference for the tender for the review⁶ set the scene with the comment ***"CVT is looking for a consultancy organisation that are seen as social care sector leaders and connected to 'Think Local Act Personal' (TLAP) to support a wide ranging review of our communities, support models and options for our future as a social care provider to people with learning difficulties"....."It (CVT) appointed its first CEO in February 2011 and has invested in its social care and financial resources to support the communities through a radically changing social care sector. Six of our communities are now managed by General Managers recruited from the sector, whilst the remaining communities retain the established co-worker model of governance."...."We know it is a time to be bold, to evaluate and confront our traditional and emergent models of care and support in the light of person centred and outcome based commissioning, but we also want to ask what community means in today's society and consider how our collective experience, values and knowledge can best contribute and support the wider social care context in the UK."*** No reference was made to the Memorandum of Association.

Following the publication in October 2012 of the review by the In Control/Groundswell consortium a number of regional and community families meetings were to be held in the new year. On 29.10.12 the Chairman, Chris Cook and CEO, Huw John, wrote to Families, Co-workers and Employees⁷ ***“Trustees, understanding that now is a time for leadership, have accepted the review’s findings and recommendations. The next challenge is to share the review and engage with our stakeholders in a way that allows for a more open discussion of the reality of our present position and the way forward”***. In December 2012 CVT announced that ***“trustees have endorsed the review and are committed to taking forward the key recommendations based on a participative approach”***⁸.

From the report and later correspondence it was confirmed that the authors had not taken account of CVT’s Memorandum of Association. Failure to comply with it was questioned at the London Regional Review Meeting on 14th February. In Max White’s 21.02.13 email⁹ he also questioned why the In Control team had not followed their own ‘statutory duties’ the first of which was ***“To ensure that the organisation complies with its governing document”***. The Chairman replied to this in an undated letter received 17.04.13¹⁰ giving a variety of reasons for non compliance. His final paragraph ***“I hope this response reassures you that the trustees are aware of the Memorandum, our charitable objects, the need to act ultra vires, and have and do give it due on-going consideration”*** failed to give the reassurance requested. His phrase ‘the need to act ultra vires’ confirms what we believe; that CVT consider that they have licence to depart from the mandate. A reply to this letter was sent to the Trustees on the 22nd April and further reassurance sought¹¹. The Chairman’s response on the 29th April¹² was that ***“The trustee are responsible for the wellbeing of the charity as a whole and are well aware of their legal responsibilities and respect the principles of Rudolph Steiner.”*** In respect of Botton, where shared living is the norm, this certainly does not appear to be the case.

The format of the February regional and the May community held meetings, in the form of presentations, were similar despite the time lapse between them. The expectation from the overwhelming support for the co-workers, expressed by the families at the regional meetings, if the genuine intention was for the meetings to be ‘participative’, was that families views would have been heard, accepted and the report modified accordingly by the authors. That this has not happened and that CVT have no intention of changing their commitment to the recommendations is apparent from their reaffirmation of their ***“commitment to the strategic review report”*** in the 7th August ‘Special Announcement’¹³. The announcement also states ***“Over 700 people have contributed to this process; the most extensive engagement ever in a CVT initiative.”*** However this fails to acknowledge the response at the family meetings that the majority seriously question the recommendations that CVT seem intent to act upon. So much for the ‘participative approach’. It has been asked of both the CVT Trustees and the Chief Executive what the Terms of Reference were for the actual review carried out by Groundswell. Both have refused to provide these. The Chief Executive, at the 14th February Review meeting, said that he was not prepared to

disclose them and in the letter received from the Chairman on 17th April ¹⁴, responding to the email 21st February, ***“I am very reluctant for the trustees to start disclosing internal documents on demand. I really don’t understand what motivation lies behind the continued pursuit of this item. Do you fear some conspiracy or falsehood on the part of the trustees and In Control and Groundswell such that you can’t accept at face value what is set out at the beginning of the review?”*** What should we deduce from such a reply? We cannot comment on ‘conspiracy or falsehood on the part of the Trustees’ since CVT, for what appear to be vague and weak excuses, are refusing to comply with very reasonable requests to release a copy of the Terms of Reference for the Groundswell review. This refusal by CVT to release the document could logically draw the conclusion that they do have something to hide.

More importantly though, our concern also is that the current departure from the mandate will be carried much further by the proposed implementation of the review findings. An example of the pending dilution of Camphill is the review recommendation on page 51¹⁵ regarding the future of co-working. ***“The recommendations below try to offer a way of retaining co-working in some communities while making adaptations which may allow it to survive in the medium to long term ... We fear that if they are not adopted the likelihood of co-working surviving in CVT beyond the short term is low.”*** This clearly does not focus upon the co-workers as the way forward but only as a limited option under their perceptions of what changes are necessary to retain them.

On p40-41¹⁶ three options for co-working are set out. Option 3 is to Adapt the co-worker system. The following paragraph ***“We recommend that CVT explores option three. We think that CVT should make an attempt to retain co-working at least in some communities. Whether this is successful will in significant part depend on whether co-workers can see the benefits and are able and willing to make the changes required. We hope most will. If not CVT will need to gradually replace co-workers with employees while making all efforts to retain the things all agree are important about the communities.”*** This is a shocking statement about the potential future of Camphill communities and places the responsibility for success upon the co-workers and little upon CVT. By this CVT are not encouraged to make any attempt to retain the Camphill values and gives them licence to become a standard social care operation. The impact upon Botton would be devastating.

Further statements along the same lines are in the Executive Summary they state (p9 cl6)¹⁷ ***“we do not believe it (co-working) can be sustained beyond the short term unless it is adapted to bring it more strongly within an accountable framework and changes are made to community finances and the co-worker reward structure.”*** However they also state that CVT finances and financial modelling have not been part of the review brief (p32)¹⁸. We the families believe that the co-worker role should remain as the basic model around which good practice is built, not only for Botton but for the benefit of other communities. Groundswell also express the view about demerger (consideration of which

was promised the Chairman in 2010¹⁹), that ***“this is unlikely that such communities would be sustainable. Commissioners of these communities clearly view the role played by CVT managers as very important.”*** This has to be questioned as the two Scottish communities have successfully demerged.

It has been our concern from the time of the appointment of the Chief Executive, whose background is in conventional social care, that the values and principles of Camphill do not feature strongly and the essential requirements of the Memorandum of Association are being ignored.²⁰ There seems to be an inherent failure to understand what Camphill is about and the commitment that volunteer co-workers, intelligent and educated people, make through their anthroposophical beliefs, sharing their lives with our vulnerable relatives who have learning disabilities which make their behaviour challenging. The pressures placed on the co-workers and their omission from the daily decision making process has had a marginalising and detrimental effect. They were not being given the respect that they richly deserve.

What is it that makes Camphill special? In Botton it is the fully rounded ‘Community Life’ for beneficiaries of shared living in a home with houseparents. This gives the beneficiaries security, certainty, dependability, comfort, friendship, familial love, freedom, self expression, self determination, responsibility, self respect and respect for others.

Surely, anybody having responsibility or being in a position of authority within CVT, should be able to demonstrate a knowledge and understanding of Camphill, before they are accepted for their role.

We also believe that the Camphill way of life has legal significance and that without co-workers to deliver the Steiner principles there is no Camphill and without Camphill CVT have no mandate.

What Are CVT’s Real Intentions for the Memorandum?

The question that constantly arises in our minds with the continual dilution of Steiner Principles and pressure on the co-workers is – Are CVT Trustees and senior management positioning them for a change in the Memorandum to remove references to Steiner and volunteer co-workers as the central intention of the Charity? Such a move would have a devastating effect on Botton’s villagers, families and co-workers alike and potentially crucially on legacies and donations.

APPENDIX 2

Governance

A frank and positive letter from the Chairman to the co-workers in 2010²¹ acknowledged past difficulties and set out a way forward. He explained that a governance audit review, commissioned from Aspire & Transform, had ***“found that the Trust had not effectively overseen some of its key responsibilities, the Trust’s structures were weak, decision-making was retrospective more often than proactive, and there was little evidence of robust accountability or controls in place. They thought a lack of good governance had lead to the difficulties the Trust had experienced in some communities”***. An executive officer would be recruited for a three year period who would ***“lead a process involving as many people as possible to develop a shared vision and sense of direction across the Trust”***... and for those who had expressed ***“a desire for their communities to break away”***... ***“can be explored as part of this process.”***

In their review three years later Groundswell (p10 cl 11)²² state ***“the Board of Trustees, despite bringing high levels of commitment and investment of time, appears to be struggling to take the action needed at present to help the charity resolve key issues and move forward confidently.”*** By committing to a future plan that is in contravention of the Memorandum the Trustees would be compounding their governance failures.

Since the appointment of the Chief Executive the actions of the Trustees and the Chairman in particular have deferred to the direction of the Chief Executive. Not only is this clearly evident but also confirmed by the Chairman. A number of requests by families to meet the Chairman were turned down including for the reason that he would only meet ***“with our Chief Executive being present”***.²³

In the CVT Bulletin March 2013 link <http://tinyurl.com/d8u4ggg> ‘Getting the Best from the Board’ John Tizard²⁴ graphically explains what many would consider are CVT’s circumstances. ***“A weak or poor chair usually leads to poor governance, splits on a board and all too often either rudderless organisational drift or strong chief executives taking over what should be the board’s responsibilities”***.

Regulatory compliance

Co-workers and families regularly emphasise that compliance is considered to be essential. The CQC found Botton to be compliant by March 2012 and have very recently reconfirmed this and NYCC has also confirmed compliance. We view any failure in this respect as a failure not of Botton but of CVT as it is CVT, confirmed by the Chief Executive at the 14.02.13 meeting, who have the responsibility and therefore should have been providing the support and guidance to the community to avoid such circumstances arising. It is interesting however that within seven weeks of the CVT/NYCC Botton Families meeting, where we were

told of the extensive regulatory failings of the community, Botton was confirmed as compliant, to the CQC at least, by the Chief Executive in March 2012²⁵ following their unannounced inspection and only a few months after the CQC and NYCC reports had been published.

There is no doubt in our minds that the original intentions of the Camphill way of life and methodology set out in the Memorandum, given the necessary interpretation, can be entirely compatibly achieved in a modern regulatory environment.

Too often are the constraints of regulation held up as the reasons for not upholding the Camphill traditions. Botton is an Intentional Community as set out in the Memorandum. Intentional Communities are recognised in the 2001 White Paper 'Valuing People'³⁰. As the White Paper acknowledges local and other regulatory authorities fail to recognise either that Intentional Communities are different from standard welfare care facilities or accept that there is a different interpretation that should be applied from that of a standard care facility. This is an important matter and a number of the families who have engaged both by meetings and correspondence with their MP's have raised this issue. As representatives of CVT the Trustees should surely ensure that the case is made for an appropriate interpretation of the regulations but are failing to do so.

We believe that the Camphill philosophy of volunteer co-worker houseparents participating in shared living is the pinnacle of good care. Vocationally motivated people through their generosity of spirit and anthroposophical beliefs living with vulnerable learning disabled individuals is fundamental to the charity and is the basis on which it was set up to provide support. The conventional approach with paid staff, however committed, cannot offer a comparative lifestyle. We believe that this can only be maintained by the training and life work of the volunteer co-workers who in reality create the stability and security enjoyed by our relatives in their community home, work and social lives.

Membership

Following the Charity Commission's letter last November the Trustees briefly opened the membership, which had been closed for approximately two years²⁶, apparently for the reason that CVT had no membership secretary. A number of relatives applied and many were subsequently notified that their applications had been deferred for various reasons. One application, which was sent in late and another, where the applicant's lawyer wrote querying the delay, have recently been accepted. The remainder are still on hold and we are told that the next date for consideration has yet to be confirmed. CVT distrusted the intentions of potential members by their insistence on the acceptance of a 'Membership Policy'²⁷ on all who applied, even where they did not fit the criteria. This could tie applicants to a future for the charity contrary to the Governing Document. The special resolution meetings may or may not have complied with the Memorandum and Articles but

nevertheless the process was not transparent, using deadlines to stifle dissent and avoid appointing members who might object to the way the charity is being run.

It has also recently become apparent that new Trustees are being sought. The Articles of Association state that to be a trustee one has first to be a member. Why then has the membership not been advised? The CVT HR Manager, Francis Wright, having reported, at a recent Camphill Families and Friends meeting, that this process was in hand, was asked whether the position had been advertised in the Anthroposophical Society's journal. She is reported to have said ***"that it had not because waiting for the publication of the next edition would have delayed the process. The focus for the recruitment this time had been on the skills and experience recommended in the Strategic Review"***²⁸. It is inconceivable that it is acceptable within CVT for anyone, especially in a position of authority, whether Trustee or manager, to hold such a position without a thorough knowledge and understanding of Camphill.

In the past year two Scottish communities have demerged and a new community, Berith, has been added. The announcement about Berith coming four months after completion²⁹. As far as we can determine Berith has had no connection with the fundamental Camphill traditions. Surely such important matters should be put to the membership before being carried through and how is it that CVT can ignore the essential object of maintaining in communities the principles of Dr Rudolph Steiner, as set out in the Appendix to the Memorandum? Do the trustees have the authority to make such significant financial and structural changes without ratification by the membership?

Personalisation

Under the banner of Personalisation, CVT are committed to their Learning to Lead³¹ programme and the move to supported living. Personalisation is a concept that has been not only misunderstood for its wider intentions but is often inappropriately interpreted, as in the case of Skylark House. What is considered person centred, often ignores the need to consider not only the individual but the effect that such consideration will have on others in conflict with their best interests. Supported living as a primary concept would not only have a negative impact on their quality of life for most of the beneficiaries at Botton but does not recognise the Camphill philosophy and Botton as an Intentional Community.

Supported living does not accommodate shared living. So moving away from or actively denying the volunteer co-worker approach, in the direction that Groundswell and CVT are promoting, would deny for the future the pinnacle of care. This would no longer be Camphill in approach and should not be in name either.

Camphill on the other hand does not deny the best intentions of Personalisation. In many ways it is a forerunner of these principles and can accommodate supported living where appropriate.

The reference in the 'Special Announcement'³² to helping beneficiaries choose the life they wish to live ignores the fact that in living in a Camphill community the beneficiaries have already chosen Camphill as their way of life. The system operated by Camphill is the opportunity for potential beneficiaries to sample community life, from which an offer to join the community may follow and if taken up by the beneficiary it is their choice to do so. We believe that CVT therefore have a contractual responsibility to provide the Camphill way of life that the beneficiaries are entitled to expect.

CVT have announced their plan to establish a Learning to Lead office in every community³³ in which the HR Manager is taking an active role. It is apparent from their website that the CVT HR Manager is also chair of the board of directors of 'Learning to Lead'³⁴ a not for profit organisation. Does this constitute a conflict of interest?

PR Failings

The portrayal of CVT to the outside world has been revised with the rewriting of the website³⁵ and other than reference to co-worker recruitment. The explanation of the Camphill community life approach, as Steiner based with volunteer houseparent co-workers, has been changed in stark contrast to past presentations and the Camphill Scotland³⁶ presentation. The fundamental principles of Steiner and co-workers have been airbrushed out. Our concerns are not only the failure to reflect the Camphill way of life but also the potentially serious consequences for reductions in donations and legacies.

The Vulnerability of the Co-workers and the Community

Since the introduction of a management hierarchy in 2011 the failures attributable to the Trust have been refocused upon the co-workers. The new management imposed decisions with limited knowledge of and therefore little adherence to the principles of the Charity. As a result the co-workers felt threatened and mistrusted and a number could not bear the potential risks to their families and left. As CVT confirm, the majority of CVT communities no longer have volunteer co-workers³⁷ and therefore little relevance to the principles of Dr Rudolph Steiner.

A number of incidents have rocked the Botton community:-

The first was the removal of the Trustee co-worker who dealt with finance and had a wide knowledge of the workings of the community. CVT failed to understand the extent of his knowledge and importance to community life. In the February 2012 meeting with families NYCC explained criticism of financial 'failings' of the community. In a second meeting in

September similar failings were reiterated. However for the preceding year the accounting responsibility was in CVT's hands. The one person in the position to provide the answers to NYCC's questions, but was not allowed to do so, having been removed by CVT.

The second was the summary removal by the first general manager (with no Camphill background) but later dismissed, of a houseparent couple on supposed abuse charges. After months of ex-communication NYCC confirmed that the couple had no case to answer. As the local MP Robert Goodwill, who has personal experience of Botton, wrote ***"they have been made to leave their home which is having an effect, not only on their own family, but on those who cannot understand why they are no longer looking after them in their Botton Village home, nor why they now find that the level of support is not so good given that they are relying on paid staff who come in to work their shifts."***³⁸ And later ***"It was unfortunate that the reaction to the allegations made was so peremptory and indeed perhaps if the staff at Botton involved in managing the situation had had more experience of the people concerned then things may have been handled differently."***³⁹ This points to a lack of appropriate duty of care by CVT towards co-workers in such circumstances. This action had a profound effect on the community not only leaving co-workers feeling threatened by the potential of indiscriminate removal from the village but more crucially to the Villagers who, due to a cloak of confidentiality, were unaware of the reasons for their sudden departure.

A third incident by the second general manager, again with no Camphill background and who has since left, resulted in the temporary removal of a houseparent from Skylark House 'in the best interests of the residents'. Five care workers were needed to cover for her removal. This situation was resolved and she was returned, after approximately a month, only due to the parents of one of the residents who were forced to take action over the inappropriateness of the decision and the destabilising effect that it had on their daughter.

None of these episodes justified the way in which the co-workers were handled and these and similar failings created an atmosphere of tension in the Village and caused great distress to our relatives, the beneficiaries and will stay with them at least until they can feel that their familiar life at Botton is no longer under threat. A resident houseparent is irreplaceable even by a number of care workers for all the obvious reasons. Whilst these activities have been carried out by management the Trustees are aware of what has transpired and have done nothing to rectify the situation, again a failure of good governance. By these actions CVT have actively discouraged rather than attracted new co-workers, contrary to Clause 4.18 of the Memorandum and reflects negatively on the high esteem in which the reputation of the community is held.

These issues have come to such a serious level that with CVT's agreement the International Camphill Movement intervened and as a result a mediation process was set up to bring a level of understanding between CVT and the Botton co-workers. Botton has existed for 59

years and from it CVT was established. In our opinion the Trustees and the senior management have lost the confidence of the very people that they represent and that trust needs to be regained if severe consequences for the future of the community are to be avoided. It is a serious concern that the Trustees and senior management have lost the confidence of the very people that they represent.

It is inconceivable to us that anyone, least of all the Trustees, would fail to understand and respect the selflessness of volunteer co-workers in putting their livelihoods in the hands of others in committing to support vulnerable people. Further it questions the motivation of those working for or in the organisation in whose fundamental cause they do not believe.

APPENDIX 3

Finance

Introduction

Since the time that Botton Village was created it has been developed and maintained by its dedicated *unpaid volunteer* co-workers and influential friends, and up to now still retains an *essential* group of dedicated and experienced co-workers who are committed to the care of their community members as a long-term vocation. A key aspect of the co-workers contribution is the fact that they are unpaid. It is indeed a vocation for them. They do not need nor desire a contract of employment. Their work and devotion to the Residents and the community is truly a labour of love based on the teachings of Dr Rudolf Steiner. In the current economic climate where social care budgets are being constantly squeezed and reduced Botton are truly blessed to have such a body of dedicated, unpaid and willing volunteer helpers.

Removal of the unpaid volunteer co- worker

The Groundswell Review has been endorsed by CVT with the key recommendations being accepted as a basis for the CVT vision and plan for the next 5 years and beyond. Page 32 of the Review Report states ***“CVT finances and financial modelling have not been part of the review brief”⁴⁰***. At the Botton Review Meeting on the 3rd May it was confirmed by the Chief Executive, in the presence of the Chairman and two Trustees, that the Groundswell proposals had not been costed. It has to be questioned how the Trustees can responsibly commit to this process when the cost has not been considered?

The ‘traditional co-worker model’, as defined in the Memorandum represents the heart and soul of Botton Village. If CVT continues with its policy where the traditional co-worker model is phased out and one of the key Groundswell recommendations is ***“The view of the review team is that a “traditional co-worker model is not sustainable going forward”⁴¹***, then the future of Botton Village looks very bleak indeed. In fact it will be doomed to closure. It is that serious.

Please find attached an analysis of the nine CVT communities where during the past two years we see the effect of this policy. In three communities the co-workers have been phased out completely with Oaklands Park being reduced to just two.⁴² The Groundswell Review comment on page 39 regarding ***“ the issues about continuing supply”*** of volunteer co-workers has to be questioned. Given certainty for the future and the high esteem in which the International Camphill Community hold Botton Village it should have no difficulty in attracting additional co-workers to sustain and continually develop the Community.

Much has been made of co-worker expenditure and the overriding issue of the reasonableness of such payments.

In the Charity Commission letter dated 14 June 2005⁴³ your position was made quite clearly viz. ***“...I am of the view that the level of benefits accruing to co-workers is not normally any greater than the cost of wages would be if a “volunteer” was not available. Most of the benefits can therefore be regarded as incidental.***

It can be confirmed that each Co-worker in Botton Village costs the Charity an average of £14,000 p.a.⁴⁴ calculated on the basis of 7.5 hours/6days/50 weeks which works out at £6.33 i.e 14p above the national minimum wage. However they actually work far more hours per day and 7 days a week. Botton employees are paid well in excess of the national minimum.

Each community determines the level of benefits according to its cash resources and in line with the spirit of the CVT Memorandum Article 5.3.2.

It is a matter of record that there have been no proven instances of excessive payments to co-workers in Botton Village.

We would now address the issue of proper accounting records of co-worker benefits.

In your email to Huw John dated 23 July 2012⁴⁵ you state :-

“I am pleased to note that the independent investigation has not highlighted any evidence that charity funds were misused. It found that there was no evidence... The report did however, identify the fact that the accounts of the charity do not identify spend by individual co-worker or household. Consequently “it is not possible to determine whether individual expenditure has been excessive or not.” Although I note that global co-worker expenditure over the previous two and a half years fell within agreed budgets.”

The response from Huw John to the above email in a letter dated 24 August 2012⁴⁶ states:- ***“...but I am not confident that I can deliver the governance of this area you quite reasonably expect in the near future due to the challenges and complexities of the present organisational and governance structure..”***

This statement is very misleading because the required records were and are available and are used by individual co-workers in the presentation of their tax returns to HMRC as explained below.

In 1997 Peter Trevett Q.C. wrote an opinion for The Association of Camphill Communities.⁴⁷ It summarises the factual position in relation to co-workers within Camphill Communities and was and still is accepted by HMRC.

The result is that Co-workers are self-employed, each with their own business e.g. Mr x (the Company) engaged in a service called “Camphill Co-worker”.

Every time a co-worker draws money from the office the withdrawal is recorded and signed for. Botton Village has always kept proper accounting records (SORP compliant) and the local auditors Proudler Hiser sign them off. The co-workers use these records to compile their tax returns. We are at a loss to understand why these records have not been made available to the Charity Commission.

It is very clear therefore that as far as Botton Village is concerned CVT can **identify spend by individual co-worker** and in our opinion these records should have been made available to the Charity Commission.

However in your letter dated 2 November 2012⁴⁸ you continue to raise a serious regulatory issue viz.

“Lack of accounting and financial reporting of co-workers benefits”

Whenever we raise this issue with Botton Village co-workers we are told it is not an issue since proper accounting records are available. Simply speak to the local auditors who will attest to this.

The response from CVT to the Charity Commission in the letter dated 22 November 2012⁴⁹ is far from satisfactory where there is a reference to ***“prepare proper accounting records which are sufficient to show and explain all the charities transactions.”***

This seems to give the misleading impression that such records were not available, which is patently not the case.

Finally, last year in Botton Village there was a clear example of the fiscal effect caused by CVT management arbitrarily removing an unpaid volunteer co-worker house mother from her house containing residents for a period of approximately six weeks and replacing her with five agency care workers. The costs of this exercise to the charity ran into thousands of pounds and graphically proved to all that Botton Village could not survive without dedicated unpaid, volunteer live –in co-workers.

Conclusion

It is not an exaggeration to state that in the world in which we live, complete with budgetary constraints, Botton Village cannot continue to exist without the on-going support of these un-paid volunteer co-workers. Botton Village is an isolated rural community and there are periods of the year where the roads at times become impassable. Replacing unpaid volunteer live in co-workers with employed social care workers is simply not a viable

or financial option. During the past winter there were examples of employed care workers leaving the village in order to get home before the roads became impassable.

The current policy of CVT abandoning the Memorandum certainly makes no fiscal sense and is actually endangering the wellbeing of the charity.

Botton Village has 62 co-workers out of a total of 92 in the entire charity. Botton Village is truly the jewel in the crown. If Botton fails then it is no exaggeration to say that CVT will probably collapse as a charity.

This whole issue of Camphill Co-worker costs and expenditure is very well explained in the attached document CoW Personal costs ⁵⁰.

APPENDIX 4

Chronological Background to Our Concerns for Botton

Camphill was established in 1940 and Botton, the first English community, in 1954 with the gift by the McMillan family of Botton Hall, land and buildings and in that year the Camphill Village Trust was formed.

A frank and positive letter from the Chairman to the co-workers in 2010 acknowledged past difficulties and set out a way forward. He explained that a governance audit review, commissioned from Aspire & Transform, had ***“thought that a lack of good governance had lead to the difficulties experienced in some communities”***. An executive officer would be recruited for a three year period who would ***“lead a process involving as many people as possible to develop a shared vision and sense of direction across the Trust”***... and for those who had expressed ***“a desire for their communities to break away”***... ***“can be explored as part of this process.”*** The Chief Executive was appointed in spring 2011. A new dictatorial management style was introduced and the Local Management Committee of co-workers disbanded, the trustee co-worker responsible for finance was effectively dismissed and in October a General Manager and Care Manager appointed.

Inspections by North Yorkshire County Council and the CQC were announced and rumours spread including the potential for Botton to be closed, fuelled by a comment by the General Manager. A letter from the Chief Executive in November explained that ***“Over the past few months it has been difficult to share all the details as much of the information has been confidential and sensitive, and we have been restricted by the legal process... the final versions should be with us very soon and we will make them available”***. The same letter announced the summary removal from the village of a houseparent couple on safeguarding grounds contributing further to considerable distress in the community.

In January 2012 Botton families drew together to give support to co-workers and held their first gathering prior to the February CVT/NYCC meeting for Botton families. At the CVT/NYCC meeting it was confirmed that the GM had been dismissed and the Care Manager introduced as interim GM. A redacted version of the NYCC report was issued immediately before the meeting and NYCC explained issues in more detail. The families raised many questions including CVT’s intentions for maintaining the Camphill principles and values and support for co-workers.

In March the CQC carried out an unannounced inspection and confirmed that Botton was considered compliant.

CVT announced a second review and tender terms of reference and in April confirmed this would be undertaken this time by In Control/ Groundswell, the results to be published in late summer.

Further distress to the community was caused when the General Manager removed, for approximately two months, the houseparent of Skylark “in the best interests of the residents”.

Botton co-workers requested consideration of demerger from CVT. The request was turned down.

A further families meeting, held prior to the second CVT/NYCC meeting in September, reaffirmed the need for support for the volunteer co-workers and retention of the Steiner principles in Botton and these views were expressed at the subsequent meeting.

At the end of October the Groundswell Review Report was published. The contents raised serious concerns for the future.

The Charity Commission letter 2nd November was seen by families as a timely reminder to CVT of the charity's purpose. From this CVT were moved to briefly reopen the membership, closed for the preceding 18 months. Applications from a number of Botton family members were deferred for further information.

The second General Manager resigned at the end of the year and a third was introduced by CVT despite requests from families that co-workers be consulted in the appointment process.

In 2013 the International Camphill Community arranged facilitation meetings between CVT and Botton with families attending one session. Subsequently a mediation process was entered into and is still in progress.

Regional meetings were arranged by CVT and In Control to present the Groundswell Review recommendations for the future and a five year forward plan and to take into consideration the views of families. The overwhelming message from the families was support for the volunteer co-workers and retention of the Steiner principles. The departure from the Memorandum was raised at the London meeting and correspondence followed requesting reassurance that it would be maintained. CVT responses gave no such reassurance. Repeat review meetings were subsequently held at each community, those in Botton in May with no evidence of inclusion of the expressed views of the families.

It was announced that the recruitment of a financial director was underway and subsequently the appointee confirmed.

In August a monthly briefing document was emailed to families. Attached to this was a 'Special Announcement' reiterating commitment to the Groundswell Review, confirming a single charity status and the development of a three year plan.

REFERENCES

- 1 Memorandum of Association - Attachment 1
- 2 CVT Code of Conduct – Attachment 2
- 3 Charity Commission letter 02.11.12 – Attachment 3
- 4 Page 3 CVT In Brief July 2013 – Attachment 4
- 5 Groundswell Review Report – Attachment 5
- 6 Review Tender Terms of Reference – Attachment 6
- 7 Para 1 page 3 29.10.12 Chairman letter to families etc – Attachment 7
- 8 Para 3 page 1 141212 CVT CEO letter to Families – Attachment 8
- 9 21.02.13 Email to Martin Routledge – Attachment 9
- 10 Undated letter from Chairman received 17.04.13 – Attachment 10
- 11 17.04 & 22.04.13 Letters to Chairman and Trustees – Attachments 11a & b
- 12 Para 2 29.04.13 Chairman’s letter – Attachment 12
- 13 Para 1 page 3 CVT In Brief – Attachment 4
- 14 Para 3 page 4 Undated letter from Chairman – Attachment 10
- 15 Page 51 Groundswell Review Report – Attachment 5
- 16 Pages 40-41 Groundswell review Report – Attachment 5
- 17 Page 9 Groundswell Review Report – Attachment 5
- 18 Page 32 Groundswell Review Report – Attachment 5
- 19 2010 Chairman’s letter to Co-workers – Attachment 13
- 20 140712 Mary Peedell letter to Chief Executive – Attachment 14
- 21 2010 Chairman’s letter to Co-workers – Attachment 13
- 22 Page 10 Groundswell Review Report – Attachment 5
- 23 310712 Chairman’s letter to Duncan Cameron - Attachment 15
- 24 <http://tinyurl.com/d8u4ggg> Getting the best from the Board, John Tizard
- 25 Paras 4/5 page 3 210312 CEO letter to Families – Attachment 16
- 26 Para 5 page 1 12.12.12 Chairman’s letter to Families – Attachment 17
- 27 Page 2 CVT Membership Application form December 20102 - Membership Policy – Attachment 18
- 28 CFF Notes of meeting 050713 – Attachment 19
- 29 Para 5 page 1 29.10.12 Chairman & Chief Executive letter to Families, Co-workers & Employees – Attachment 7
- 30 Page 73 Valuing People White Paper - <http://www.northyorks.gov.uk/CHttpHandler.ashx?id=508&p=0>
- 31 CVT Learning to Lead Action Plan – Attachment 20
- 32 Para 3 Page 3 CVT In Brief July 2013 – Attachment 4
- 33 CVT Learning to Lead Action Plan – Attachment 20
- 34 Learning to Lead Directors – Attachment 21
- 35 CVT website - <http://www.cvt.org.uk/>
- 36 Camphill Scotland website - <http://www.camphillscotland.org.uk/life-in-camphill/>
- 37 Para 6 page 1 Review Tender Terms of Reference – Attachment 6

- 38 Para 1 page 2 070412 R Goodwill letter – Attachment 22
- 39 Para 2 page 1 140812 R Goodwill letter – Attachment 23
- 40 Page 32 Groundswell Review Report – Attachment 5
- 41 Page 39 Groundswell Review Report – Attachment 5
- 42 Decline in Volunteer Co-worker numbers – Attachment 24
- 43 140605 Charity Commission letter – Attachment 25
- 44 Botton Village Co-worker Costs – Attachment 26
- 45 230712 Charity Commission letter to CVT – Attachment 27
- 46 240812 Chief Executive letter to CC – Attachment 28
- 47 QC Opinion – Attachment 29
- 48 Clause 2 Page 3 Charity Commission letter 02.11.12 – Attachment 3
- 49 Clause 4 Page 3 221112 CVT letter to Charity Commission – Attachment 30
- 50 Co-worker Personal Costs – Attachment 31