

Mr Huw John,
Chief Executive,
Camphill Village Trust
The Kingfisher Offices,
9 Saville Street,
Malton,
North Yorkshire YO17 7LL

Botton Village Camphill Community
Danby
Whitby
YO21 2NJ

26th November 2014.

Dear Mr John,

Re: Vocational co-worker status

We write to advise that we have engaged professional representation who have had an initial telephone consultation with the HMRC.

The following summarises the confirmations obtained by our professional representatives from HMRC:

1. The HMRC review was instigated at the direct request of the CVT Charity and not by any action by vocational co-workers. This fact was confirmed by HMRC to our professional representatives.
2. HMRC confirmed that on completion of the review they offered an **opinion** on the status of a vocational co-worker based on the evidence which the CVT Charity provided. Therefore, it is incorrect and misleading for the CVT Charity to state that HMRC had issued a **ruling** on the status of a vocational co-worker. HMRC are adamant that they did not issue any ruling on the employment status of a vocational co-worker within the CVT Charity.
3. HMRC did not state that as vocational co-workers we should become employees. HMRC also stated that the decision regarding the engagement of any individual is for the engager (employer) to establish. Therefore, and for whatever reason, the CVT Charity has chosen to engage us as employees. However, if vocational co-workers are members of a Camphill Community and not employed by the CVT charity, it is equally possible for us to rely upon BIM22040 to determine our taxable income.
4. **The HMRC confirmed that the Agreement as set out in BIM22040 with the Camphill Association remains valid** and is not subject to any review or otherwise by them. The position regarding the current status of this Agreement has now been confirmed by HM Treasury, HMRC, legal and taxation experts.
5. HMRC confirmed that vocational co-workers are not self-employed but engaged in a vocation within their Communities. For the sole purpose of income tax the deemed income of a vocational co-worker is determined under the terms of the Agreement BIM22040, and vocational co-workers are taxed under self-employment Schedule D, Case II.

6. HMRC clearly stated that the decision to change the status of vocational co-workers to that of employees was the decision of the CVT Charity and not that of the HMRC. Therefore, the Community can clearly continue to implement the existing co-worker model if it so desires, however, the support of the CVT charity is necessary and essential for this to occur. HMRC stated that it has absolutely no desire to involve itself as a mediator in a dispute between the charity and the Community in relation to how vocational co-workers are engaged. HMRC would encourage the parties to resolve the dispute themselves and not involve them.
7. The opinion provided by HMRC to the CVT Charity is only applicable to that Charity and not the Community and is based on a given set of circumstances. HMRC has categorically confirmed that the opinion provided does not apply to any other Camphill Community or Charity outside the CVT, who are members of the AoCC in the UK.

You will observe the following:

- HMRC confirmed that the opinion furnished to the CVT Charity was based solely on the information which the CVT Charity provided to HMRC. This information therefore ignored the existence of community and assumed the CVT Charity as the engager.
- HMRC did not make a ruling, but merely offered an opinion.
- The existing Agreement BIM22040 between HMRC and the Camphill Association remains valid.
- HMRC did not state that the status of vocational co-workers was such that they could not continue to rely upon BIM22040.

In light of the foregoing, we are seeking to engage in urgent discussions with you to progress how we, as vocational co-workers can continue to develop Community to provide care and support in our relevant Communities.

It is clear from the discussion which our professional representatives have had with HMRC that the way forward regarding our engagement is to commence a process of discussion with the CVT Charity rather than involving statutory bodies.

We look forward to hearing from you by return in this regard.

Yours sincerely,

Kathryn Von Stein

Amir
Katherine Stepenuck-Johnson
C. Cron
E. Wennekes
Officer
Travis Roads
P.B. Papp
Bigil Papp
Road
7. Galvito
n. miron
Janekard
C. Wittik
Rued. Nef
M. Nef
S. Wennekes
B.G. Steenbergen
Chabese

Hans Steenbergen
Nicholas Poole
Paule Poole
Jonathan Reid
Christine Reid
Mark Barber
Celine Labesse
Birgit Lang
Rudolf Nef
Naomi Miara
Nicola Elson
Philip Page
Charles Cross-Gurnell
Heike Pfautsch
Soleira Wennekes
Erwin Wennekes
Micheline Nef
Ernst Nef
Ruairidh Von Stein
Claire Griffiths-Bronzino
Aidan Waring
Lydia Gill-Waring
Klara Brzobohata
Lukas Brzobahaty
VC Stepenuck-Johnson
Alma Stroud
Christiane Rosenau
Peter Schweitzer

Nicholas Poole



A.M. Stroud

H. Pfautsch
Ernst Nef

Ch. Rosenau