



Association of Camphill Communities

Association of Camphill Communities in the United Kingdom and Ireland

To all Member Communities.

21st November 2014

We understand that all AoCC member communities of which you are part, will have received various documents relating to statements released from the CVT charity over the last few days. It is most likely that you will have had sight of these documents, including their most recent Public Relations statements.

As the associative body representing all member communities, we are extremely concerned with the selective wording contained within the various CVT statements, which could be misconstrued or mislead the reader into believing that the HMRC ruling applies not just to the nine CVT communities but to ***all*** Camphill communities in the United Kingdom, **which is manifestly not the case.**

It is important to make it abundantly clear at the outset, that co-workers are vocational workers and no contractual or legal relationship exists between a co-worker, the community and the charity. **As co-workers are neither employed nor self-employed by the charity, HMRC for taxation purposes only,** categorise co-workers as self-employed. This was agreed between HMRC and the Camphill Association when the existing Agreement was negotiated (BIM22040 - Meaning of trade: exceptions and alternatives: co-workers of the Camphill Association). It is now obvious that the CVT approached HMRC to establish if their co-workers were employed or self-employed, totally ignoring the fact that co-workers are vocational workers and that the existing Agreement between HMRC and the Camphill Association establishes that fact. As a result and from the documentation circulated by CVT, HMRC proceeded to apply the standard test, based on the information provided by CVT, which has resulted in the ruling circulated by CVT. The CVT charity in its various communications has, for whatever reason also chosen to completely ignore the fact that community does exist.

It is patently obvious that the CVT charity is and has been in dispute with some of our member communities, all of whom are dependent upon the CVT charity to provide the requisite support and facilities. This dispute has and continues to cause untold damage to the good name and reputation of Camphill across the UK and Ireland, with such statements causing unnecessary anxiety to our member communities and their supporting charities.

As a result of the most recent CVT communications it is right and proper that the AoCC sets out the factual position regarding the existing HMRC Agreement with the Camphill Association, as detailed within BIM22040 - Meaning of trade: exceptions and alternatives: co-workers of the Camphill Association.

Background

1. The AoCC obtained a professional opinion from an independent taxation expert in London which concluded that the existing Agreement between HMRC and the Camphill Association remains valid and that its effectiveness and validity has in no way been eroded or diluted by any changes to taxation law or case law since the Agreement was first negotiated.
2. This factual position has recently been reaffirmed by HM Treasury in a letter to Geoffrey Cox QC MP, who contacted the Financial Secretary to the Treasury on behalf of a co-worker within his constituency. We have formally requested, through our legal representatives that the CVT Charity refrain and desist from making or issuing any further statements that imply, or that could be construed as implying Camphill vocational workers are employees. Again we would reiterate that co-workers are vocational workers, a fact which seems to have been selectively ignored by the CVT Charity and senior management.
3. For the avoidance of doubt, we would categorically state that based on the solid professional advice and other documentary evidence held, there has been no change to the generally applicable legislation, or to the HMRC rules that affect the status of a Camphill co-worker as determined by the Trevett Report (1997) and substantiated within the existing HMRC Agreement with the Camphill Association. Therefore and until legislative change occurs the status quo remains and our member communities can continue to treat its co-workers in accordance with the prevailing HMRC Agreement.
4. The HMRC decision relating to CVT Charity co-workers is subject to appeal. We can assume that the decision will be appealed and discussed with HMRC by various parties now that the decision is in the public domain.
5. The AoCC issued a strong statement refuting the PR statement issued by the CVT Charity and as a result the statement was altered on the CVT website. Under the circumstances and given the misleading nature of the statement we would have expected the CVT Charity to withdraw the statement.
6. The CVT charity advised the coordinators on Thursday 20th November at 12.16pm that they intended to issue the papers which were subsequently sent out at 4.00pm. The coordinators sought an extension to the deadline to read and consider the information, which CVT did not grant. As a result a formal letter was issued (by email) through our legal advisors at approximately 4.00pm yesterday to the CVT Charity, requesting that CVT desist from issuing information which is misleading and inaccurate in its content to our membership. For ease of reference, a copy of the letter

issued to CVT is appended to this communication. It would appear that CVT chose to ignore our request and the formal request made through our legal representatives and proceeded to circulate further misleading and inaccurate information to our member communities. Therefore, it is important that our members have a full awareness of this and exercise caution when reading or interpreting communications issued by the CVT charity.

7. Due to the actions of the CVT Charity, the AoCC, with the assistance of its professional advisors, will seek to enter discussions with the HMRC on behalf of its members. We would expect this process to commence over the next few weeks.
8. Should our member communities or their supporting charities have any queries or questions arising from this correspondence or the correspondence issued by CVT Charity, we would request that you contact your coordinator in the first instance, contact details below. We would caution strongly against individual members or their charities contacting the HMRC directly at this stage.

Also enclose for your information a copy of the most recent letter, issued through our legal advisors to CVT late this afternoon.

We will keep you informed of progress with the HMRC, however in closing we would once again remind our membership that:

- Co-workers are vocational workers and are therefore neither employed nor self-employed.
- That the existing Agreement between HMRC and the Camphill Association remains valid and intact, subject to proper implementation by our member communities, despite statements made to the contrary within the CVT communications.

Yours sincerely,

Dave Mitchell
AoCC Chairman

Enc

- copy letter from Bircham Dyson Bell Solicitors to Huw John, CVT, 20th Nov 2014.
- copy letter from Bircham Dyson Bell Solicitors to Huw John, CVT, 21st Nov 2014.
- AoCC Co-ordinator contact details.



Association of Camphill Communities

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