



HM Revenue
& Customs

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Dear Mr Chaplin

Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 24 March, for the following information:

“HMRC has developed Check Employment Status for Tax (CEST). In your response to FOI request FOI2018/00162 you stated that “The CEST tool testing was done by workshop where officials, lawyers, tax and IT professionals developed the set of rules that under-pin the tool.” We asked for the results of 7 particular IR35 cases and you indicated that you held records when your response stated “Our records show that HMRC has used the CEST tool to test all the cases cited in your request” Regarding these records related to the testing of CEST, including the records for which you ascertained the results of those 7 cases, please can you provide: 1. A list of all of the cases use for testing where decisions were made in court (and therefore on public record) 2. For the settled cases, which were not court cases: The number of cases used for testing. Please can you also provide: “ A list of all documents/records mentioned in FOI2018/00162 related to the testing procedures. “ Provide copies of such documents.”

Following a review of the paper and electronic records we hold, I have established that HMRC does not hold the information you requested.

The CEST rules were developed in a workshop, from which the only documented output is the agreed set of rules used by the CEST, and which are already in the public domain. We did not create and do not therefore have lists of court cases, or settled cases or documents used in the testing procedure from when the CEST was in development. However we do have a very similar list of cases and test results we produced after CEST’s development. This list includes the seven cases you asked us about.

Although I am unable to answer your FOIA request, I can provide some information outside of the Act on a discretionary basis.

1. A list of all of the cases use for testing where decisions were made in court (and therefore on public record)

We do not hold a complete record of all the cases CEST was tested against during development but have a further similar table including other status cases and results which you might find helpful:

Case	ESI outcome	CEST	Appeal outcome
Novasoft Ltd	Employed	Employed	Self-employed
Weightwatchers (UK) Ltd	Employed	Employed	Employed
Sherburn Aero Club Ltd	Self-employed	Self-employed	Self-employed
JL Window & Door Services	Self-employed	Self-employed	Self-employed
Castle Construction (Chesterfield) Ltd	Employed	Employed	Self-employed
Alternative Book Company Ltd	Employed	Employed	Employed
Datagate Services Ltd	Self-employed	Self-employed	Self-employed
MKM Computing Ltd	Employed	Employed	Employed
First Word Software Ltd	Self-employed	Self-employed	Self-employed
Island Consultants Ltd	Employed	Employed	Employed
Parade Park Hotel Ltd	Self-employed	Self-employed	Self-employed
MAL Scaffolding	Self-employed	Self-employed	Self-employed
FS Consulting Ltd	Employed	Employed	Employed
Tilbury Consulting Ltd	Self-employed	Self-employed	Self-employed
Lime-IT Ltd	Self-employed	Self-employed	Self-employed
Future Online Ltd	Employed	Employed	Employed
Usetech Ltd	Employed	Employed	Employed
Larkstar Data Ltd	Self-employed	Self-employed	Self-employed
ECR Consulting Ltd	Self-employed	Self-employed	Self-employed
MBF Design Services Ltd	Self-employed	Self-employed	Self-employed
Marlen Ltd	Self-employed	Self-employed	Self-employed
Netherland Ltd	N/A	Employed	Employed
Dragonfly Consulting Ltd	N/A	Employed	Employed
Primary Path Ltd	Self-employed	Self-employed	Self-employed

2. For the settled cases, which were not court cases: The number of cases used for testing.

We did not keep a count of the numbers of cases. The officers involved estimate that they tested CEST against around 400 settled cases.

3. A list of all documents/records mentioned in FOI2018/00162 related to the testing procedures?

The document is the table you were provided with.

If you are not satisfied with this reply you may request a review within 2 months by emailing foi.review@hmrc.gsi.gov.uk, or by writing to the address at the top right-hand side of this letter.

If you are not content with the outcome of an internal review, you can complain to the Information Commissioner's Office. Their contact details are available at their website: www.ico.org.uk.

Yours sincerely,

Freedom of Information Team