



Sammy Wilson MP
Greg Smith MP
Mohammad Yasin MP
Co-Chairs
All-Party Parliamentary Loan Charge and Taxpayer Fairness Group
House of Commons
London
SW1A 0AA

Dear Sammy, Greg, and Mohammad

8th November 2021

Thank you for your letter of the 1st of November 2021.

The FCSA is grateful for your acceptance that both our Charter and our Codes of Compliance are clear in that the FCSA do not and never have supported any form of tax avoidance schemes, especially any form of loan charge scheme. No FCSA companies offer these schemes and expulsion from the FCSA would be the only recourse if evidence suggested that they did so.

Indeed, the FCSA go further by creating and independently assessing its member companies to ensure complete compliance with UK employment law and tax regulation, thus ensuring that the contractor and supply chain have the assurance and protection of fully compliant options when choosing an umbrella company. That is the purpose of the FCSA.

The FCSA go beyond this primary purpose by actively promoting compliance and educating the contractor and supply chain by creating both lawful and compliant guidance reports and also highlighting what unlawful and unethical practices look like.

The FCSA has worked extensively with BEIS, HMRC and recently with JobsAware to help identify non-compliant practices and in reporting companies that are actively promoting schemes that aim to exploit both the contractor and the UK tax system.

We will always aim to support you and others to help eliminate such schemes and if the FCSA can assist you and HMRC in the issue you have highlighted in your letter then we will do so.

I can reiterate again that no FCSA company has supplied contractors operating under disguised remuneration schemes to HMRC or any other company. It is a



matter for HMRC whether they can disclose what umbrella companies they use and whether they are able to identify which, if any, have offered disguised remuneration schemes.

You will appreciate that the FCSA are not in possession of this knowledge and cannot compel third parties to make such disclosures.

I am pleased that you were able to clarify your position regarding the use of umbrella companies within HMRC. It is also clear your comments were not meant in any way to be damaging to the FCSA.

If the FCSA can assist in any way in the future, please do contact us and we will do whatever we can to help promote compliance in the sector and to driving out exploitative practices.

Yours Sincerely

Phil Pluck
CEO FCSA