Disciplinary reports: October 2025

Briefings



23 September 2025

Reports by the Taxation Disciplinary Board.

Ms Shelley Baker

CONSENT ORDER

At hearings on 17-18 March and 11 July 2025, the Disciplinary Tribunal of the Taxation Disciplinary Board considered a number of charges against Ms Shelley Baker of London, a member of the CIOT.

Background

1. Ms Baker was at all material times one of three shareholders and directors of Root 2 Tax Ltd (Root2) and Root2 Tax (Dispute Resolution) Ltd (RootDR).
2. In 2011, Root2 developed, marketed and implemented a tax avoidance scheme known as ‘Alchemy’ (the Alchemy Scheme).
3. In *Root2Tax Ltd v HMRC* [2019] UKFTT 744, the First-tier Tribunal held that the Alchemy Scheme was ineffective, in that payments made under it were liable to

tax and national insurance contributions as employment income.

4. On 3 May 2020, the professional indemnity insurance of Root2 and RootDR expired without further cover being in place. Nevertheless, both firms continued to trade.

The tribunal found the following charges proved against Ms Baker:

1. In contravention of Regs. 2.6.1, 2.6.2, 5.1.1, 5.6.2, 5.6.3 and 5.6.4 of PRPG 2011 and clauses 2.4, 2.5 and 7.5 of PCRT 2011, Ms Baker of Root2 did not adequately advise clients.

2. In contravention of Regs. 2.1, 2.2.1, 2.3.1, 2.6.2, 6.1.1, 6.1.2 and 6.1.3 of PRPG 2011 and clauses 2.1, 2.2, 2.3 and 2.4 of PCRT 2011, Ms Baker:

a) allowed her independence, integrity and objectivity to be compromised, and further put herself in a position of potential conflict of interest; and

b) failed to properly disclose the nature and extent of her (and/or Root2's) potential conflict of interest, lack of independence and compromised objectivity, such being information relevant to clients.

3. Contrary to clause 2.15 PCRT 2011, Ms Baker failed to manage the disagreement with HMRC as to the notifiability of the Alchemy Scheme in an open, constructive and professional manner.

4. In contravention of Regs. 2.6.2, 2.6.3 and 2.7.1 of PRPG 2018 and Regs. 2.1 and 2.2 of CPIIR, Ms Baker failed to ensure that Root2, and RootDR, had a valid policy of professional indemnity cover in her capacity as director of each of those companies.

5. Ms Baker brought the profession into disrepute, contrary to Regs. 1.7, 2.6.2 of PRPG 2011 (and, from November 2018, Regs. 1.7 and 2.6.3 of PRPG 2018) and clauses 2.1 and 2.13 of PCRT 2011.

The tribunal ordered that Ms Baker be fined £26,000, be suspended from membership of CIOT for two years, and pay costs of £31,748.

Mr Godrey Ellis

At a meeting on 15 August 2025, the Interim Orders Panel of the Taxation Disciplinary Board ordered that Mr Godfrey Ellis of Co. Armagh, Northern Ireland, a member of the ATT, be suspended from membership of the ATT until such time as the Disciplinary Tribunal determines whether any charges arising from the complaints against him have been proved or until an Interim Orders Panel or Disciplinary Tribunal orders otherwise.

The full decisions and reasons of the Tribunal can be found on the TDB's website www.tax-board.org.uk.