

CLAS CIRCULAR 2021/23 (9 November 2021)

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It would be very helpful if members could let us know of anything that appears to indicate developments of policy or practice on the part of Government or other matters of general concern that should be pursued.

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AUTUMN BUDGET

For information

There was relatively little in the [Autumn Budget and Spending Review](#) that is likely to be of specific interest to members *as religious organisations*.

We cannot find any reference to an intention to continue the Listed Places of Worship Grant Scheme beyond March 2022 – which was the only matter that we raised during the pre-Budget consultation. However, that does not mean that it will not continue: the FY21-22 extension to the Scheme was not announced until February 2021.

More generally, the following announcements may be of interest to CLAS members:

- The announcement of the rises in the National Living/Minimum Wage from 1 April 2022, as follows:
 - For individuals aged 23 and over, increase by 6.6% from £8.91 to £9.50 an hour.
 - For 21- to 22-year-olds, increase by 9.8% from £8.36 to £9.18 per hour.
 - For 18- to 20-year-olds, increase by 4.1% from £6.56 to £6.83 per hour.
 - For 16- to 17-year-olds, increase by 4.1% from £4.62 to £4.81 per hour.
 - For apprentices, increase by 11.9% from £4.30 to £4.81 per hour.
 - The accommodation offset rate increases by 4.1% from £8.36 to £8.70 per hour.
- The new, reduced taper relief for Universal Credit from 63% to 55% by 1 December 2021: this will increase the amount that households with children or a household member with limited capability for work can earn before their Universal Credit award begins to be reduced – the Work Allowances – by £500 a year by 1 December 2021.
- A commitment not to change any existing business rates reliefs, including the mandatory and discretionary charity reliefs. This is worth over £2bn a year to charities and is very important. The Government will also reform business rates by:
 - Freezing the business rates multiplier until 31 March 2023, keeping the multipliers at 49.9p and 51.2p.
 - Introducing a new temporary business rates relief for eligible retail, hospitality and leisure properties for 2022-23. Eligible properties will receive 50% relief, up to a £110,000 per business cap.

- Introducing a 100% improvement relief for business rates. This will provide 12 months relief from higher bills for occupiers where eligible improvements to an existing property increase the rateable value. The Government will consult on how best to implement this relief, which will take effect in 2023 and be reviewed in 2028.
- Increasing the frequency of business rates revaluations so that they take place every 3 years instead of every 5 years, starting in 2023
- Foreign aid spending is to return to 0.7% of GDP before the end of the Parliament.
- Scottish Government funding is to increase by £4.6bn, Welsh Government funding by £2.5bn, and £1.6bn for the Northern Ireland Executive, via the Barnett Formula
- £3.9 billion for energy efficiency improvements and clean heat installation in buildings.
- The Chancellor confirmed investment of £1.2 billion (from 2021-22 to 2024-25) of the £5 billion Project Gigabit commitment.
- £180 million over the next three years as part of the government's £500 million investment for the Shared Rural Network.
- £52 million in new funding for museums and cultural bodies next year to support recovery from COVID-19 and an additional £49 million in 2024-25.

It is intended to give HM Treasury the power to make Regulations, under ministerial direction, to provide income tax and National Insurance Contributions (NICs) relief on specific employee expenses or benefits-in-kind in the event of a disaster or emergency of national significance.

The September Consumer Prices Index (CPI) figure of 3.1% will be the basis for uprating National Insurance limits and thresholds and the rates of Class 2 and 3 NICs for 2022 to 2023. This excludes the Upper Earnings Limit and Upper Profits Limit which will be maintained at 2021 to 2022 levels, in line with the higher-rate threshold for income tax. The Government will legislate for these changes via a Statutory Instrument ahead of the start of the tax year.

The Chancellor will give sole traders and landlords with income over £10,000 an extra year to prepare for Making Tax Digital for Income Tax Self Assessment (MTD for ITSA): it will now be introduced from 6 April 2024. General partnerships will not be required to join MTD for ITSA until 6 April 2025. The new penalties for late submission and late payment of tax for ITSA will now come into effect on 6 April 2024 for taxpayers in ITSA who are required to submit digital quarterly updates through MTD, and 6 April 2025 for all other ITSA taxpayers. The new late submission and late payment penalties for VAT will still come into effect for VAT-registered businesses from accounting periods starting on or after 1 April 2022, as announced at Spring Budget 2021.

The [Finance \(No. 2\) Bill](#) was published on 4 November. The Explanatory Notes are [here](#).

[Source: CLAS, 4 November]

CHARITIES & CHARITY LAW

Charity Commission: updated COVID-19 guidance

For information

The Charity Commission has issued a revised version of [Coronavirus \(COVID-19\) guidance for the charity sector](#) with fairly minor amendments. The section on 'Annual return and accounts' has been removed to reflect the return to normal filing requirements. Updates have also been made to the section 'Insolvency help for charitable companies and charitable incorporated organisations'.

[Source: Charity Commission, 22 October]

Charity Commission: COVID-19 Survey 2021

For information

The Charity Commission has published a [COVID-19 Survey 2021](#): the data collection, from 1,996 charities in England & Wales, was carried out between 19 July and 8 August 2021. Unsurprisingly, like everyone else, charities suffered from the pandemic. The principal findings are as follows:

- Nearly all charities were impacted by the pandemic – over 90% reported that they had experienced some negative impact from COVID-19, whether on their service delivery, finances, staff, or on staff morale.
- The majority (60%) lost income.
- A third (32%) experienced a shortage of volunteers.

Given these findings, the Commission concludes that it surprising that so few charities have gone out of existence since March 2021. Last year, 97 charities reported in their annual returns that they were insolvent. The Commission [comments](#) that though insolvencies were up by a third on the previous year, that is 'still a relatively small number when compared to the 170,000 charities on our register. Overall, the number of charities closing did not vary significantly compared to the previous year.'

[Source: Charity Commission, 29 October]

ODDS & ENDS

Protective security provision

For action

On 2 November, the Secretary attended an online meeting of the Churches' Security Group, which consists largely of senior security staff from cathedrals and major churches; it was addressed by a representative of the Government's [Centre for the Protection of National Infrastructure](#) (CPNI).

CPNI has recently issued [Guidance for Religious Establishments](#), based on the principle that because places of worship are open and welcoming, they may be targets for hostile acts. The particular emphasis of the Guidance is on secure communications, and **all members are urged to read it and to disseminate it as widely as possible with their denominations.**

[Source: CLAS, 2 November]

Banning conversion therapy

For information and possibly for action

The Government intends to introduce a legislative ban on the practice of so-called conversion therapy in England and Wales and has launched a [consultation](#) seeking views on proposals on how it should do so. The consultation seeks views on a package of proposed measures, including:

- a ban on conversion therapy – introducing a new criminal offence alongside sentence uplifts for existing offences;
- a package of support for victims, restricting promotion of conversion therapies, removing profit streams and strengthening the case for disqualification from holding a senior role in a charity;
- introducing Conversion Therapy Protection Orders to protect potential victims from undergoing the practice, including overseas; and
- exploring further measures to prevent the promotion and advertisement of conversion therapy.

The consultation will close on **Friday 10 December at 11:45 pm.**

Once the consultation has closed, the responses will inform the final phase of work on the policy proposals. The Equality Hub will prepare draft legislation by spring 2022, to be introduced as soon as parliamentary time allows.

[Source: Government Equalities Office, 29 October]

Church of England net-zero carbon consultation

For information and possibly for action

The Church of England has launched a [consultation](#) on how 'the whole Church of England of achieving 'net-zero' carbon by 2030'.

The consultation is primarily aimed at national Church bodies, diocesan structures and cathedrals; however, the webpage stresses that *everyone* can respond: 'the views of others are vital to achieving the overall goal. Responses from parishes, schools, and individuals are welcome. All respondents will be asked to specify in which capacity they are responding.

The consultation closes at 5 pm on **Monday 28 February**.

[Source: Church of England, 28 October]