

CLAS CIRCULAR

2024/10 (30 July)

Disclaimer

CLAS is not qualified to advise on the legal and technical problems of members and does not undertake to do so. Though we take every care to provide a service of high quality, neither CLAS, the Secretary nor the Governors undertakes any liability for any error or omission in the information supplied.

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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CHARITIES & CHARITY LAW

Charity Commission refreshes meetings guidance for the Zoom era

For information **and possibly for action**

The Charity Commission is calling on charities that hold online meetings to review their governing document to ensure that it is up to date.

The [refreshed guidance](#) emphasises the importance of complying with a charity's governing document when holding meetings. The guidance stresses that trustees should make sure any rules around holding meetings are up to date and practical. This has become particularly important now that many charity meetings are held online. This includes updating a charity's governing document to set out details such as how votes will be held at virtual meetings and whether all meetings will be virtual or hybrid.

It also recommends that charities that wish to hold virtual meetings have a policy that says how people can ask questions, join in the debate, and what would happen to the meeting if there were technical problems.

[Source: The Charity Commission, 19 July 2024]

Charity banking

For information **and possibly for action**

The Charity Commission has released [guidance](#) on charity banking and the support available to charities trying to access adequate banking services, as follows

“Your charity should have a bank or building society account. This helps you protect your charity's money and enables your charity to operate in a secure way. It can also help with access to funding, and is needed to register with HMRC to get tax back on things like Gift Aid donations. However, many charities, particularly small and medium sized ones, have faced serious issues accessing adequate banking services.

Charities should use their best efforts to set up a bank or building society account as soon as they can. Some providers offer 'Community' bank accounts which are open to unregistered charities and those in the process of registering with the Charity Commission.

It is normal for charities' income and expenditure to vary over the course of a year, for instance if you are making or receiving grants. The Commission has been clear that this is not an automatic indicator of suspicious activity. You should:

- inform your bank of any large or unusual transactions in advance
- allow plenty of time for overseas transactions
- share your due diligence processes with your bank, where proportionate".

[Source: Charity Commission, 24 July]

EMPLOYMENT

Employment (Allocation of Tips) Regulations

For information **and possibly for action**

The [Employment \(Allocation of Tips\) Act 2023 \(Code of Practice on Fair and Transparent Distribution of Tips\) Regulations 2024](#) have been laid before Parliament. They come into force on 1 October. Any charity that runs a café or similar should take careful note of them.

[Source: Legislation.gov.uk, 29 July]

ODDS & ENDS

Department of Culture, Media, and Sport Ministerial Team

For information

The portfolios for Ministers in the Department for Culture, Media and Sport have been announced.

The Rt Hon Lisa Nandy MP, Secretary of State for Culture, Media and Sport, has overall responsibility for strategy and policy across the department

Sir Chris Bryant MP, Minister for Creative Industries, Arts, and Tourism:

- Arts and Libraries
- Creative Industries
- Museums and cultural property
- Cultural diplomacy and soft power
- Tourism
- Heritage

Stephanie Peacock MP, Minister for Sport, Media, Civil Society and Youth

- Sport
- Media
- Civil Society
- Youth
- Ceremonials

Baroness Fiona Twycross, Minister for Gambling

- Gambling.

At the time of writing, the Government had not given any named Minister responsibility for relations with faith groups.

[Source: 26 July]

PROPERTY & PLANNING

Housing and planning

For information and possibly for action

Angela Rayner, Secretary of State for Housing, Communities and Local Government, has made a [Written Statement](#) on the Government's policy on providing more housing and reforming the planning system.

- **Housing targets:** The Government has reversed its predecessor's decision to loosen the requirement for local authorities to plan for and meet their housing needs and is mandating that the standard method be used as the basis for determining local authorities' housing requirements in all circumstances.
- **Housing strategy:** The Government will publish a long-term housing strategy in the coming months. It will include the Government's plans for a "council housing revolution" and a mechanism for determining land for housing-building (including on Green Belt land in the "grey belt", defined as "land on the edge of existing settlements or roads, and with little aesthetic or environmental value"). Local authorities will be required to review their Green Belt boundaries where they cannot meet their identified housing, commercial or other development needs.
- **Affordable housing:** Any building projects within the Green Belt will have to include 50% of affordable housing.
- **Compulsory purchase compensation:** Compulsory purchase compensation for landowners will be reviewed to ensure that landowner compensation for compulsory purchase is fair but not excessive.
- **Right to Buy reforms:** There will be a consultation with stakeholders on Right to Buy reforms in the autumn. The Government is reviewing the increased Right to Buy discounts introduced in 2012 and will bring forward more details and secondary legislation to implement changes in the autumn. The Government will also review Right to Buy more widely, including looking at eligibility criteria and protections for new homes and will bring forward a consultation in the autumn.
- **Planning and Infrastructure Bill:** The Government will bring forward a Planning and Infrastructure Bill (as mentioned in the King's Speech) that will include planning reform and is aimed at accelerating the delivery of high-quality infrastructure and housing.

[Source: Department of Housing, Communities, and Local Government, 30 July]

Consultation on National Planning Policy Framework reforms

For information **and possibly for action**

The Government has launched a consultation seeking views on their proposed approach to revising the National Planning Policy Framework to achieve sustainable growth. It is also seeking views on a series of wider policy proposals in relation to increasing planning fees, local plan intervention criteria and appropriate thresholds for certain Nationally Significant Infrastructure Projects.

The consultation and supporting documents can be accessed [here](#), and will close on **24 September**.

[Source: Department of Housing, Communities, and Local Government, 30 July]

SCOTLAND

Fairer Workplaces Fund

For information **and possibly for action**

Of possible interest to members in Scotland, the Scottish Government has opened a Fairer Workplaces Fund for applications.

Its purpose is to help businesses, charities and other organisations adopt fair work practices has opened. Grants are available to implement changes such as the delivery of workplace training and processes that support flexible working and help to create and sustain a more diverse workforce.

The Fund is open for applications until **1 September 2024**.

[Source: Scottish Government, 29 July]

OSCR Reporter

For information

OSCR has published the latest edition of its *Reporter* for July 2024. It includes a very helpful [list of dos and don'ts](#) for compiling the Trustees' Annual Report.

[Source: Scottish Government, 13 July]

TAXATION

Draft financial legislation

For information **and possibly for action**

The Chancellor has announced next steps and draft legislation ahead of full announcements in the Budget, which will take place on **30 October 2024**. A full transcript of the Chancellor's statement can be found [here](#). The Treasury has also published the [Finance Bill 2024-25 draft legislation and technical tax documents](#).

One point that may possibly affect members that offer short-term holiday lets in church accommodation that would otherwise be empty is that the Government has confirmed that it will go ahead with **the abolition of the furnished holiday lettings regime**, as proposed by the previous Government. From April 2025, the tax advantages that landlords who offer short-term holiday lets have over those who provide standard residential properties will be abolished. To comment on this proposal, interested parties should contact Robert Nott via e-mail: robert.nott@hmrc.gov.uk. The consultation closes on **15 September**.

[Source: HM Treasury, 29 July]

VAT on school fees

For information **and possibly for action**

HM Treasury has confirmed that it proposes to end VAT exemptions for private schools in the United Kingdom from 1 January; it also proposes to remove the ability of private schools in England to claim charitable business rates relief. The Treasury has published [a technical note](#) with details of its planned changes, and has opened a [consultation](#) which will run until **15 September**. The technical note states at 1.8 that "As of 1 January 2025, all education services and vocational training supplied by a private school, or a 'connected person', for a charge will be subject to VAT at the standard rate of 20%" and at 2.4 that "Boarding and lodging services closely related to such a supply will also be subject to VAT at 20%". However, the technical note also says at 1.13 that the Government "recognises some pupils have special educational needs that can only be met in a private school [and] will consider how to address the potential impact of these changes in cases where private school provision has been specified for pupils through an Education, Health and Care Plan".

The new policy has obvious implications for CLAS members who operate fee-paying schools, such as choir-schools, and we would urge those affected to respond to the consultation.

[Source: HM Treasury, 29 July]