

CLAS CIRCULAR

2025/06 (10 April)

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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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CHARITIES & CHARITY LAW

Consultation on Charities SORP

For information **and possibly for action**

The three UK charity regulators, together with the Charities Regulator in Ireland, have [launched a consultation](#) on the *Statement of Recommended Practice: Accounting and Reporting by Charities*, aka the Charities SORP: it closes on **20 June**. Further information [here](#).

[Source: Charity Commission, 28 March]

Consultation on financial thresholds in charity law

For information **and possibly for action**

The Department for Culture, Media, and Sport has launched a consultation on the financial thresholds for charities in England and Wales and whether or not to increase them in line with inflation.

The Law Commission's 2017 report 'Technical Issues in Charity Law' recommended that the Government periodically review all financial thresholds in the Charities Act 2011 with a view to increasing them in line with inflation. The then Government accepted that recommendation and committed to conducting a review at least every 10 years.

The consultation documents can be found [here](#), and the consultation can be answered [here](#). The consultation will close on **12 June**.

It should be noted that the arguments for and against raising the thresholds are by no means open-and-shut. On the one hand, if the thresholds remain the same, more charities will be required to register as a result of inflation. On the other, however, many charities that are too small to register under the current rules would like to do so in order to obtain a charity number that they could then show to potential grant-givers.

[Source: Department of Culture, Media, and Sport, 3 April]

Direct marketing by charities

For information

The [Privacy and Electronic Communications Regulations 2003](#) ordinarily require organisations to obtain a person's consent to send electronic direct marketing communications to them; however, that only applies to commercial marketing and cannot be used by charities to send fundraising or campaigning texts or e-mails, even to existing supporters (including donors). Charities have therefore only been able to make use of the so-called "soft opt-in" in connection with commercial services or products that they offer, such as those sold through an online shop via its trading subsidiary, or tickets to an event.

The Data (Use and Access) Bill currently before Parliament now includes a Government amendment that amends Regulation 22 of PECR to permit charities to rely on the soft opt-in to send electronic mail for direct marketing purposes. It is expected that it will be in the text that receives Royal Assent.

[Source: Farrer & Co, 3 April]

Detailed tax guidance for charities: update

For information

[Chapter 2: Applications for recognition as a charity for tax purposes](#) of HMRC's detailed tax guidance to make it clear that *only charities established in the UK are recognised for tax purposes by HMRC*.

Previously, point 2.1.4 stated:

'To satisfy the jurisdiction condition the organisation must be subject to the control of a court in the exercise of that court's jurisdiction with respect to charities. In the UK this is the High Court, the Court of Session in Scotland or the High Court in Northern Ireland. In a relevant territory outside the UK this means a court with a corresponding jurisdiction.'

It **now** states:

'To satisfy the jurisdiction condition the organisation must be subject to the control of a court in the exercise of that court's jurisdiction with respect to charities. In the UK this is the High Court, the Court of Session in Scotland or the High Court in Northern Ireland.'

2.4.1 and 2.4.2 **previously** stated:

'2.4.1 For tax purposes, the definition of 'charitable purposes' is taken from the Charities Act (England and Wales) 2011. This means that an organisation refused registration as a charity

outside England and Wales may still be able to satisfy the conditions in the Taxes Acts and be recognised by HMRC as a charity for tax purposes.'

'2.4.2 If you want HMRC to consider whether your organisation is a charity for UK tax purposes, please [apply directly to HMRC for recognition as a charity for tax purposes](#).'

2.4.2 no longer exists. Section 2.4.1 **now** states:

'For tax purposes, the definition of 'charitable purposes' is taken from the Charities Act (England and Wales) 2011. If you want HMRC to consider whether your organisation is a charity for UK tax purposes, [apply directly to HMRC for recognition as a charity for tax purposes](#).'

[Source: Charity Commission, 9 April]

EMPLOYMENT & VOLUNTEERING

Reminder on the National Minimum Wage

For information **and possibly for action**

The new Minimum and National Living Wages have now taken effect. From April 2025, the rates will be as follows:

Category	NMW rate	Increase (£)	Percentage increase
National Living Wage (21 and over)	£12.21	£0.77	6.7
18-20 Year Old Rate	£10.00	£1.40	16.3
16-17 Year Old Rate	£7.55	£1.15	18.0
Apprentice Rate	£7.55	£1.15	18.0
Accommodation Offset	£10.66	£.067	6.7

[Source: Department of Work and Pensions, 1 April]

Mandatory ethnicity and disability pay reporting for large employers

For information **and possibly for action**

The Cabinet Office Equality and Opportunity Office, Race Equality Unit and Disability Unit has launched a [consultation](#) on “how to introduce mandatory ethnicity and disability pay reporting for large employers (those with 250 or more employees)”. The press release says that the consultation “will help to shape proposals which will be included in the upcoming Equality (Race and Disability) Bill, which was announced in the King’s Speech in July 2024”. The consultation will close on **10 June**.

[Source: Cabinet Office, 18 March]

PROPERTY & PLANNING

Plan for Change funding for local heritage

For information **and possibly for action**

A new Heritage Survival Fund (worth £4.85 million) has been announced to help repair and repurpose neglected community buildings. It will be open to charities and social enterprises to take ownership of and adapt historic buildings.

A Heritage at Risk Capital Fund (worth £15 million) has opened for applications for deprived areas to rescue local at-risk historic sites and buildings.

The online portal to register Expressions of Interest for the Heritage Revival Fund opened on 1 April. Full guidance, including eligibility criteria and details of how to apply can be found on the [Architectural Heritage Fund's website](#).

[Source: Department of Culture, Media and Sport, 3 April]

Terrorism (Protection of Premises) Act 2025

For information

The [Terrorism \(Protection of Premises\) Act 2025](#) received Royal Assent on 3 April. The Government has issued a [factsheet](#) on the operation of the Act which suggests that it will probably not come into force until 2027 at the earliest:

Whilst those that fall within scope of the Act may wish to begin considering the requirements, they should note that there will be no legal requirement to comply until the legislation comes into force. The Home Office will publish statutory guidance during the 24-month implementation period. This guidance will assist those responsible to understand the requirements set out in the legislation. It is being designed to be easy to follow, needing neither particular expertise nor the use of third-party products or services.

[Source: Home Office, 3 April]