

## **CLAS CIRCULAR**

### **2025/11 (28 August)**

#### **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: advice for charities operating in the Middle East

For information and **possibly for action**

The Charity Commission has issued [\*Charities operating in the Middle East: guidance and support for trustees\*](#) – which obviously includes Churches and faith groups. The Guidance notes that “Given the changeable nature of the area, it is vital that trustees remain alive to the risks that affect their charity”.

The Guidance covers:

1. [Trustee duties](#)
2. [Managing risk](#)
3. [Being alert to financial sanctions](#)
4. [Terrorism and proscribed organisations](#)
5. [Know your donors and partners](#)
6. [Banking and moving money](#)
7. [Safeguarding](#)
8. [Organising or participating in aid convoys](#)
9. [Fundraising and appeals.](#)

[Source: Charity Commission, 24 July]

## Civil Society Covenant

For information

The Government has [announced](#) a new Civil Society Covenant. Under it, the Government will:

- Recognise and value all those who give their time and money in the service of others, respect our different roles, and build trust and shared objectives together.
- Respect the independence of civil society organisations and ensure they can advocate for those they serve and hold government to account without fear of reprisal.
- Partner and collaborate across every department and every mission of government, working at both national and local level across the UK to deliver the [Plan for Change](#).
- Design, fund and deliver policies and services in genuine partnership; working with mayors, local authorities and other public bodies on place-based partnerships and developing collaborative commissioning and procurement arrangements.
- Promote participation and inclusion by involving people in decisions that affect their lives, ensuring their voices are heard and removing barriers to democratic participation.
- Strengthen trust with open communication and sharing of information, data, and best practice, and by civil society organisations being proactively transparent and accountable for the money they receive.
- Report annually on actions to honour this covenant and the impact of this partnership with civil society.

[Source: DCMS, 17 July]

**Gift Aid on subscription contracts**

<b>For information</b>
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On 7 July, the Exchequer Secretary to the Treasury, James Murray, gave the following reply to a question to the Chancellor from Stuart Andrew (Daventry, Con) asking when she plans to amend Gift Aid legislation to ensure that charities operating on a membership subscription model can continue to claim Gift Aid while complying with the requirements of the Digital Markets, Competition and Consumers Act 2024:

“The government will legislate to amend the rules concerning Gift Aid due to implications of the Digital Markets, Competition and Consumers Act (DMCCA) 2024. This Act introduces new protections for consumers who take out subscription contracts. The government will amend existing Gift Aid legislation before the DMCCA comes into force so that charities can continue to claim Gift Aid while complying with new consumer protections.”

[Source: Commons *Hansard*, 7 July]

## EMPLOYMENT

### Internships

For information and possibly **for action**

The Government is [seeking evidence and views](#) on unpaid internships and internships paid below the National Minimum Wage (NMW), as well as on other roles which may be unpaid or paid below NMW.

As part of the Government's [Plan for Change](#), it has committed to banning unpaid internships unless they are part of an educational or training course. Views are invited from individuals with internship experiences, employers/businesses, trade unions, educational institutions, legal and HR professionals, and non-profits and charities, with a deadline of **9 October**. The Government's findings are expected to be published in the early part of 2026.

[Source: Department for Business and Trade, 17 July]

## NORTHERN IRELAND

### Public consultation on section 167 of the Charities Act (Northern Ireland) 2008

For information and **possibly for action**

The Department for Communities is [consulting](#) on proposed changes to section 167 of the [Charities Act \(Northern Ireland\) 2008](#), which applies to institutions that operate in or from Northern Ireland but which are not established under its law and therefore cannot register as charities with the Charity Commission for Northern Ireland.

The intention behind s.167 was:

- to avoid dual regulation for charities operating in Northern Ireland but established elsewhere;
- to prevent the need for such charities to amend their governing documents to comply with Northern Ireland charity law; and
- to enable the Department to require the Charity Commission to maintain a register of those institutions and apply or disapply relevant provisions of the 2008 Act.

However, the Independent Review of Charity Regulation found that s.167, as currently drafted, was inoperable. Key concerns include:

- ambiguity around what constitutes an “institution” under s.167;
- uncertainty about what it means to be “operating” for charitable purposes in or from Northern Ireland; and
- the appropriateness of requiring Northern Ireland-only reporting, which is not mirrored in other UK jurisdictions.

There will be two online events where you can learn more and ask questions:

- [Public consultation on Section 167 of the Charities Act \(Northern Ireland\) - 17 September 2025.](#)
- [Public consultation on Section 167 of the Charities Act \(Northern Ireland\) - 25 September 2025.](#)

[Source: Department for Communities, 11 August]

## PROPERTY & PLANNING

### Law Commission: consultation on chancel repair liability and registration

The Law Commission has published a consultation document on reforming [Chancel repair liability and registration](#), which arises out of the obligation of lay rectors to maintain the chancels of certain Church of England or Church in Wales parish churches. It explains the problem as follows:

“Chancel repair liability is an obligation on a landowner to pay for certain repairs to a local church. It has its origins in the feudal system and is rarely enforced, but when it is the liability can be huge.

The intention of the Land Registration Act 2002 was that chancel repair liability should not bind purchasers of land after 2013 unless protected on the register. However, since the 2002 Act was brought into force, a question has arisen about the legal status of the liability and whether homeowners are nevertheless bound despite that Act. As a result, home buyers and land purchasers spend millions each year on searches and insurance to help protect themselves from unexpected costs. The 2002 Act also only governs registered land. Purchasers of unregistered land can still find that they are bound by an unexpected and undiscoverable chancel repair liability.”

While this is obviously of particular interest to the Church of England, it may also be of interest to other members of CLAS who own residential property to which chancel repair liability may apply. The consultation closes on **15 November**: you can respond online [here](#).

[Source: Law Commission, 15 July]

### Listed Places of Worship Grant Scheme

For information

Dame Caroline Dinenage, the Chair of the Commons Culture, Media and Sport Committee, [has written](#) to Baroness Twycross, Minister for Gambling and Heritage at DCMS, calling for the Listed Places of Worship Grant Scheme to be made permanent and for the annual cap of £25,000 on individual claims to be removed. Her letter notes that the Church of England estimates that over 200 of the 260 cathedrals and churches beginning or undertaking projects have been impacted by the cap and that 40 of those are projects of £2 million or more. She suggests that this may encourage more funding to be claimed from the Scheme and as a result asks that the Department review the Scheme's overall budget.

[Source: CMS Committee, 24 July]

**LPWGS funding tracker**

<b>For information</b>
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DCMS has published a [Listed Places of Worship Grant Scheme funding tracker](#) showing the amount already allocated and the funds remaining until 31 March 2026. It will be updated fortnightly by EMB.

The 2025/26 Scheme will close on 31 March 2026 or once the £23M budget has been reached, whichever is earlier. £6,336,781 has been spent from the total budget to date and £16,226,408 remains available.

[Source: DCMS, 7 August]