



Professional Association of Self-Caterers UK

NEWSLETTER

23 April 2024 Issue 208

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COMMENTARY

The focus this week remains on lobbying to try and prevent the abolition of FHL Allowances and to at least get a full Consultation so that the impacts can be fully understood and mitigated.

In summary, we have secured that all important meeting with Treasury, which is in large part down to the support from all of you and have completed a report on FHL which is now published on the website. <https://www.pascuk.co.uk/reports/>

Once again, a full update on the FHL Allowances campaign can be found below and starts with activity during the last week and ends with a note about what you can do to help. You can also find the link to register for the first, of what we expect, will be several Webinars with our accountancy partner of the proposed abolition and the consequences. Members can register below for this, the Supporting papers commissioned from Francis Clark will be available to all.

Whilst you receive and read this Newsletter we will be at a series of meetings in London and will be attending the Global Summit of Trade Associations for our sector, as well as Scale Green, covered last week, and the Shortyz Awards. In between we have meetings with MPs, potential partners and will be working on an extended partnership deal. We will report on these next week.

We said last week that we would include an update on the new Grading Scheme and updated Quality Schemes from Visit England and the AA. Really sorry, focus has been on FHL Allowances lobbying almost full time. This has to wait until next week sadly 😞

For those of you near Worcester, reminder that we have an in-person Members meeting there, details below. We are looking to come to Norfolk next, so anyone in that area who might like to help us find a suitable location/venue, please get in touch.

We are aware of the frustrations in the delay of any kind of statement from the Home Office on 'open plan', we have recently published a note on this, and what you should be doing about it, in the 9th April Newsletter, which can be found here: <https://www.pascuk.co.uk/newsletters/general-newsletters/>

It explains that waiting is not really an option, and that any further guidance will not provide any kind of 'get out of jail free' card. We will continue to press for further information from the Home Office at every opportunity, and we will provide webinars as soon as anything is updated.

As always, any questions please let us know. Best regards

Alistair

ABOLITION OF FHL ALLOWANCES UPDATE 23 APRIL

For previous updates see past newsletters here: <https://www.pascuk.co.uk/newsletters/general-newsletters/>

Where are we?

We have secured a meeting, in person, with the Treasury Minister, Nigel Huddleston MP, on Tuesday the 30th April. We will be taking an FHL Tax Expert from Francis Clark to assist with this meeting, in particular, where the tax questions may get really complex.

This has taken a great deal longer than it should have done, and we thank all of you for your continued and patient lobbying support during this period. We first heard the inklings of this threat on Sunday 3rd March, just before the Budget on the 6th March, and warned readers in the 5th March Newsletter.

Colleagues from other organisations are also finally getting meetings too, starting today, and feedback will be shared to see where there are angles best suited to lead on in the short meetings available. These are not lengthy roundtables, these are 30-minute sessions, so must be kept really tight.

We continue to make progress with numerous MPs each week, urging who are contacting Treasury to share their concerns about the policy to Abolish FHL Allowances and to press for full Consultation. We have a good numbers of supportive MPs now, approaching 45 and this, like the iParl petition, is enough to set alarm bells ringing. Once again, these meetings simply would not have happened if they had not received as many petition letters from you.

Each of them has been sent a Short Note of FHL Allowances, which can be found here: <https://www.pascuk.co.uk/newsletters/general-newsletters/>

They have also been sent the full report, which can be found here:

<https://www.pascuk.co.uk/reports/>

Bright-line tests

There has been some discussion about the Bright-Line tests that were mentioned briefly in the Office of Tax Simplification (OTS) report, that covered the possible abolition of FHL Allowances.

At the time of the publication of this report, we commissioned a paper on it and a held a webinar with Francis Clark on it, both are available in the Members Reports area of the website.

The proposal in the OTS Paper was not to replace the FHL Allowances with a Bright-line test, (just another word for a threshold really). Their suggestion being that some tax advantages, such as Inheritance Tax Relief may be restored for these higher threshold businesses. That of course has not happened, and we have seen no mention of that.

MP's have been referring to Bright Line tests but may have confused the term with realising that many of us, for example, almost 40% are limited by holiday use only, and are looking to try and eek out concessions, or carve outs for such situations.

We have also heard back from Treasury Officials that the OTS Brightline will not work as laid out, as it would simply encourage operators to acquire more units, (it suggests owning 5 units or more to qualify).

We will continue to investigate this subject and it will be covered in the Webinar on FHL Allowances. If we get any feedback on it in the meantime, we will let you know. By then we and colleagues will have had several meetings with HMRC, and it be much clearer if there is any possibility of concessions, carve outs, thresholds or bright-line tests, we are not really concerned about what they might be called, just that whatever follows, is less damaging than the proposed complete abolition.

Update on iParl Petition to MPs V1

We are not going to switch this off quote yet. **15,031** as of 0800 this morning. Huge thanks to all who have played their part in this. It has been gamechanger in support of our lobbying. We will most likely close this off on Monday next week

If you haven't taken part yet, please do, only takes a moment or two:

<https://pascuk.eaction.online/FHL>

Just over 220 MPs have received 20 + Petitions and these have all received a tailored letter from us.

We continue to encourage owners who have received responses from MPs to respond to their MP suggesting what they might say if the MP has sent a standard central office response, or if they have indicated support.

When we are copied in that they have indicated any level of support we have written individually to them, provided a short one-page impact document and they have now all been the sent the full report.

This constant backwards and forwarding help to get your MP to change stance. It is also creating the opportunity for owners to meet in groups with MPs in Wales, Scotland and England. These groups have been assisted with phone, email, additional notes from PASC UK for the meetings. Significant further meetings for PASC UK with MPs have also been enable by this process.

(Please see in the 'What you can do to help' section below on tips on how to take part in this).

Owner Survey

This is now at **6915** business (representing nearly 11,000 properties). Fantastic result and again, probably the biggest ever owner survey done in the sector. We will close this once it reaches 7,000, the largest owner survey ever in our sector, thank you all.

Please if you have not, take part in this survey: <https://www.surveymonkey.com/r/5KMN6JY>

NEW PAPER AVAILABLE

PASC UK Paper on the proposed abolition of FHL Allowances

We have published a report into the proposed policy of abolishing the GFHL Allowances, drawing from many sources, including the owner survey above, plus many others.

This report has been sent to Treasury, DCMS, and DLUHC. We have also sent to all the supportive MP's and the many associations that have been supporting us in the call for a full Consultation into the impact of this abolition.

You can download your own copy here: <https://www.pascuk.co.uk/reports/>

This is providing up to date data for the impact reports and we will publish headline stats from this in next week's Newsletter. Once gain an astonishing result and huge thanks to all that have taken part in this.

Parliamentary Petition

This one is moving slowly and is now at **4405**. Needs to get to 10,000. If any of you can share this, it would be helpful. Link to the Petition is here: <https://petition.parliament.uk/petitions/658866>

New iParl Petition

We are holding back on this, we now have that critical Treasury Meeting, have gathered substantial MP support. So are holding this in reserve at the moment. Should anything change, we will let you know straight away

One pager for supporting MPs

This has been sent to all MPs that we have seen even the slightest level of support for halting abolition. Please feel free to use as you see fit. You can download it from the website here: <https://www.pascuk.co.uk/newsletters/general-newsletters/>

Tax advice

UPDATE. THE FRANCIS CLARK PAPERS ON POTENTIAL IMPACTS OF FHL ABOLITION WILL BE AVAILABLE FROM 30 APRIL AND WILL BE COVERED IN MORE DETAIL NEXT WEEK. THE FIRST MEMBER WEBINAR ON THIS IS IN THE WEBINAR SECTION.

THESE PAPERS WILL BE AVAILABLE TO ALL.

We have commissioned the tax advice and support necessary for our owners from FHL Experts Francis Clark. We anticipate launching this next week and will then be publishing a series of papers and webinars to help you navigate through any potential changes.

Francis Clark have published an updated piece of FHL Abolition on their website and gives some useful further information. <https://www.pkf-francisclark.co.uk/fhl-regime-rules/>

Their Original piece is here: <https://www.pkf-francisclark.co.uk/restricted-use-holiday-lets/>

WHAT CAN YOU DO TO HELP AND TO MAINTAIN THE PRESSURE?

The Government Petition

Please take part in this additional Petition. It has not been launched by PASC UK, but we are supporting it fully and it has already gained nearly 4405 signatures towards a target of 10,000. Upon hitting that target the Government is obliged to respond to the petition.

- Sign the petition. Here's the link: <https://petition.parliament.uk/petitions/658866>
- Share the petition with your friends, family, and anyone you know who supports your business.
- Share the petition across social media.

Write again to your MP

If you have not written to your MP yet, here's the link to do so: <https://pascuk.eaction.online/FHL>

Over 15,000 of you have already written to your MPs using the PASC UK iparl link. This a truly astonishing result and huge thanks to all that have supported this and been spreading the word.

You should all have received responses from your MP by now. If not send in another email to them. It's easy to find your MPs email address. You can use this tool: <https://members.parliament.uk/FindYourMP>

There are two kinds of response.....

If your MP is supportive

Write back, replying to their email, thanking them, and saying that many other MPs are also supporting businesses like yours, and that common phrases are that concessions are needed, carve outs need to be offered for real businesses, if you are limited by planning for holiday use only, say

that too. Ask them to write to the Treasury Minister again and tell him of the impact that this will have on you, perhaps saying at the very least that the Government should agree on a full Consultation to fully understand the real impacts of this policy. If you can copy support@pascuk.co.uk into these emails it will tell us which MPs are either wavering or supporting and we will also follow-up directly sending them information on the impact of abolition.

If your MP is not supportive or has just been lazy and offered a standard 'Central Office' Response

Point out the following, you have done nothing wrong, you followed HMRC rules, the alleged loophole has been caused not by rules changes for FHL's but because the Government has come down too hard on Long Term lets.

If your property has planning limitations, then raise that too. Explain how this will affect you, as a business and as individuals. The impact on your savings, pensions and retirement plans. If your property is never going to end up as an affordable home or a starter home for any reason point that out. Why persecute businesses for a goal that will never be achievable? Ask for a meeting so that you can make your case.

Expert advice

We remain wary of trying to answer or advise owners on what to do, this is financial advice and just like legal and fire advice this needs to come from experts. Whilst owners are understandably keen to act quickly and agency Members keen to inform, we just really do not have that information yet.

The accountancy firms have no detail either, so we would caution any reader taking any premature action, until the impact would be understood. Lots of hopelessly inaccurate information on social channels and blogs, right now no one knows anything, no detail has been released beyond the 'ambition' to abolish FHL, and abolition is not in the Finance Bill.

We have commissioned Francis Clark (FC) in Exeter (Partner John Endecott is well known to us and recognised as the FHL expert) to assist on this. We meet with them regularly and will be able to share details as to what is possible when more detail emerges from Treasury.

Any suggestions?

Please let us have any feedback on the above and any questions also suggestions as to further actions welcome. Please send to support@pascuk.co.uk

PASC UK WEBINAR AND MEETINGS PROGRAMME FOR APRIL AND MAY 2024

We will shortly be announcing further webinars and meetings for the April/May programme. These will include the following:

- Members Meeting in England
- FHL Impacts with Francis Clark, 'what if scenarios'
- Fire Update (Open plan Guidance)
- Sustainability and our sector (See note below about Scale Green)
- And more.....

We are just getting availability for the speakers and expect to announce these dates next week.

Previous webinars and meetings can be viewed on the PASC UK Website at:
<https://www.pascuk.co.uk/webinars/> Members only recordings are in the Members area.

1/ Wales Members Meeting

1100 on 25 April 2024

- We will be introducing Nicky Williamson who has taken over from Adrian to lead PASC UK Cymru in Wales to many of you for the first time.
- We will cover how we are looking at each Welsh Government intervention, and reviewing how we can try and reset each approach, especially in the light of a new Minister, to try and make headway.
- There will be an update on FHL abolition too, plus plenty of opportunity to talk about business levels and to answer any questions Members may have.

Please register here: <https://us06web.zoom.us/meeting/register/tZMuc-gqrjgvH9AeRm4xke2AoATZyZWnC5Mi>

As soon as we have checked Membership status, we will send you a link to join the meeting, look forwards to seeing you there.

2/ PASC UK Members Webinar with Francis Clark to covering potential changes to FHL Allowances

1030 on 9 May 2024

The team from Francis Clark, will be joining us for this webinar to cover the potential impacts of the abolition of FHL Allowances.

We will cover the following:

- Introduction to Francis Clark
- What do we really know about what may be abolished?
- What progress has been made with HMRC in the various meetings?
- Discussion around the Bright-Line tests, are they likely to play any part in any amendments?
- Common 'what if?' scenarios to help key timing decisions
- Q&A

Please register using this link:
https://us06web.zoom.us/webinar/register/WN_6Jv8QP62QB0mW7btjdD4og

Once we have checked your Membership Status, we will send you a link to join the webinar. Our Webinar limit is set by our Zoom account at 500, so this will be on a first come first served basis. We will run further Member Webinars on this subject if there is demand, or there are significant announcements made.

HMRC FURNISHED HOLIDAY LETTINGS WEBINARS



Timing of this is interesting, what and how will HMRC cover it, there is only an 'intention to Abolish FHL Allowances' currently.

Some of you may be interested in viewing it so here are the details. HMRC Webinars are usually pretty good. Do send in feedback on it if you watch it, and we will be watching.

Residential property income for individuals – an introduction

We'll be looking at:

- what we mean by income from property
- an overview of furnished holiday lettings
- when to record income and expenses
- the property income allowance
- the 'Rent a Room' scheme

You can Register here:

<https://register.gotowebinar.com/rt/6945950733301064795?source=Campaign-Apr-IFP-1>

Date options are:

24 April at 1:45 -2:45

Please note that we won't be covering Capital Gains Tax, Inheritance Tax or Stamp Duty Land Taxes during the above live webinars.

PASC UK ON THE ROAD AND IMPORTANT MEETINGS AHEAD

Over the coming weeks PASC UK will be present at the following events:

- 23rd April. Global Short Term Rental Summit, London
- 23rd April. Scale Green London

- 23rd April. Shortyz Awards, London
- 24th April. PASC UK Members Meeting – Worcester (details below)
- 15th May. Tourism Alliance Board, London
- 16th May. Business Breakfast, Devon County Show

IN PERSON PASC UK MEMBERS MEETINGS UPDATE 16 APRIL

We are preparing to roll out in person Members meetings across England and Wales after the success of the meetings in Northumberland, Devon, Cornwall and Wales. The next meeting is below and after that most likely Norfolk.

PASC UK Members Meeting in Worcester:

Date: Wednesday 24th April 2024

Time: 1400-1700

Venue: The Barn at Bennetts Willow Barn

Address: Manor Farm, Malvern Road, Lower Wick, Worcester. WRP 4BS

The Meeting is for PASC UK Members only and you can book a space here on Eventbrite: <https://www.eventbrite.co.uk/e/pasc-uk-members-meeting-worcester-april-2024-tickets-856790582697?aff=oddtcreator>

We will be serving teas, coffees and shortbreads.

STATUTORY REGISTRATION & PLANNING CHANGES ENGLAND UPDATE 23 APRIL

Each week we publish a summary of any updates as we have them on both Statutory Registration and the proposed Planning Changes.

Rather than repeat, each week we will provide an update of that week only. You can refer to previous Newsletters here: <https://www.pascuk.co.uk/newsletters/general-newsletters/>

Both DCMS (the Govt Department that leads on Tourism) who lead on Registration, and DLUHC (the Govt Department that lead on planning) have both said that they expect the formal responses to last summer's Consultations into Registration and Planning to come out before the summer recess - so before 24 July this year.

It is likely that that is when we will know the full detail of what both interventions will contain. We will continue to have meetings with both departments and keep you abreast of any developments.

Updated comments on the Registration Scheme.

One short update this week, in response to a question asked about progress being made on the Registration Scheme, The Tourism Minister responded as follows:

- *We are now conducting an initial phase of digital development to test how the short-term lets registration scheme is best delivered. This initial phase of digital development will allow us to consider and test how the scheme is best managed, including matters such as the frequency of registration, which information should be collected and cost to property owners. Further details on the scheme will be provided later this*

year, including our full response to the consultation and information on the legislative process that will bring the scheme to life.

Updated comments on Planning Changes.

No further meetings with DLUHC this week.

Links to Government Announcements:

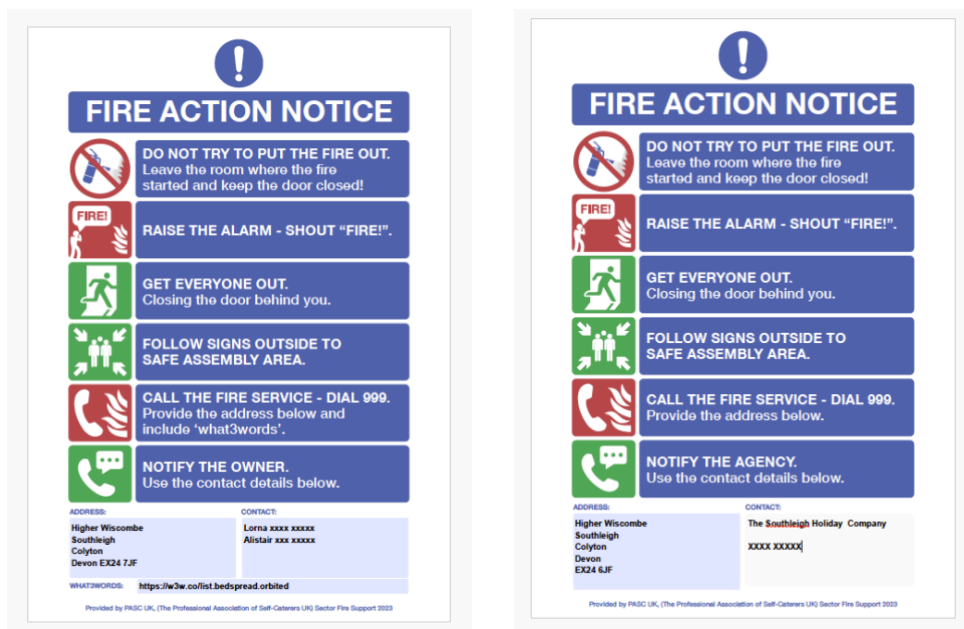
https://www.gov.uk/government/news/short-term-lets-rules-to-protect-communities-and-keep-homes-available?utm_medium=email&utm_campaign=govuk-notifications-topic&utm_source=abcf45c0-6cb1-41e0-8fb3-addcbdd3400c&utm_content=immediately

and from DCMS:

https://www.gov.uk/guidance/delivering-a-registration-scheme-for-short-term-lets?utm_medium=email&utm_campaign=govuk-notifications-topic&utm_source=57e40b2f-17ef-4143-b404-b80b0ae62c39&utm_content=immediately

Any questions to chair@pascuk.co.uk

FIRE GUIDANCE WHERE TO FIND IT ALL?



They can be found here: https://www.pascuk.co.uk/fire_checks_and_safety/

There are short docs that summarize the current situation with Fire Regs in self-catering in England and Wales. They signpost you to all the regulations, the Government produces Guidance, the additional PASC UK papers and more.

They can be found here: https://www.pascuk.co.uk/fire_checks_and_safety/

If you are looking for information on why the regs are now law in England, and coming in Wales, or what a Responsible person is, please refer to recent Newsletters.

<https://www.pascuk.co.uk/newsletters/>

Main Home Office Papers

Home Office Guidance on Making your small paying guest accommodation safe from fire 2023

This paper covers small units, without open plan downstairs, not more than four bedrooms, sleeping no more than twelve in two storey buildings.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147723/A_guide_to_making_your_small_paying-guest-accommodation_safe_from_fire.pdf

Fire Safety Risk Assessment Sleeping Accommodation

This paper goes some way to helping with larger properties, but is an old paper, published in 2006 and is currently being updated by the Home Office. Earliest date expected is around the end of the year.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/422192/9281_Sleeping_Accommodation_v2.pdf

Additional PASC UK Supporting Papers

To help owners navigate through this, and to supplement the Government Papers mentioned above, we have commissioned three initial papers from our Fire expert, Paul Bray, GFireE, Fire Safety Consultant.

The papers are number 1,2 and 3. They can be found here: <https://www.pascuk.co.uk/reports/> and also here: https://www.pascuk.co.uk/fire_checks_and_safety/

Paper One: **The Regulatory Reform Fire Safety Order 2005**

This is a background paper explaining the legal background of the Fire Regs and the Fire Regs.

Paper 2: **Additional Notes to the Home Office Guidance on Making your small paying guest accommodation safe from fire 2023**

This paper provides additional notes to use in conjunction with the Home Office Guidance on Making your small paying guest accommodation safe from fire paper.

Paper 3: **Applying the Sleeping Risk Guide to existing holiday accommodation**

This paper provides the first paper on providing additional information for larger properties.

Fire Checks at Changeover, Routine maintenance and Testing V1

This provides a guide to fire checks at changeover, and a testing regime.

How to find a Competent Fire Risk Assessor?

This provides the websites where you can find authorised fire experts.

Updated Fire Risk Assessment

Suitable for use with the 'Small' guide from the Home Office and Welsh Fire, with the addition of a 'Review Date' box.

Train as a Competent Fire Risk Assessor

Lots of request about how to become a Competent Fire Risk Assessor. This is probably only feasible and of interest to those with multiple properties or agencies.

Additional Fire Safety Notices (without What3Words)

We have produced some further Fire Safety Notices without a space at the bottom for What3Words. We really do recommend that you include creating a What3Words reference for your property as most emergency services all over the country use it.

What3 Words explained

What3Words is and how to use it.

FAQ's

We have published the first sets of FAQ's, the most asked fire questions. This will be regularly updated and when updates are made, they will also appear in the newsletter.

These can all be found at https://www.pascuk.co.uk/fire_checks_and_safety/

Members questions are welcome on any issues that they have with their Fire Risk Assessments, and we will answer as best we can. We are not ourselves fire safety experts and will do our best to try and offer solutions or signposts to solutions. We are afraid that we cannot answer non-Members questions on fire issues.

SUPPORT LOBBYING BY JOINING PASC UK

There is a huge amount of work and lobbying to do to help support you all in the self-catering sector. We don't ask very often, however, if we are to fight on so many fronts, we simply need more funds. There are thousands of you that have had the benefit of this newsletter and the lobbying done on behalf of the sector.

We are now asking that as many of you as possible join PASC UK. The fight is on so many fronts, and we get much better results when we engage proper legal advice and proper PR firms to assist with campaigns. Memberships to other organisations that provide common lobbying, information feeds and support also cost many thousands of pounds a year.

Membership fees are as follows: All per annum.

- Single cottage £80
- 2 – 4 Units £140
- 5 – 10 Units £220
- 11 + Units £320.

Members get telephone support and priority email support.

You can join here, simple form, takes 2 mins, and you'll get an invoice, payable by BACS or Credit Card. Just click on this link to go to the joining page: <https://www.pascuk.co.uk/join-pasc-uk/>

Wishing every one of you all the best.

Best regards

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