# Professional Association of Self-Caterers UK

# NEWSLETTER

# 3 September 2024 Issue 226

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## COMMENTARY

**We start with a nag, please can you take part in the Petition to MPs, so many of you have, and huge thanks to all that have, but thousands of you that receive the Newsletter have not. Please take part asap, it only takes a minute and everyone who is registered to vote in your house can take part. Please click here:** https://pascuk.eaction.online/FHLAug24

We have now passed **8,000** Petitions, so once again, huge thanks to all that have taken part, both our agency Members for spreading the word, and those of you sharing on social media and Facebook Groups. Keep sharing ☺

There is more information below as to why this is vital that as many of you do this as possible, 12,000 plus are getting this Newsletter, and the vast majority of you are affected by the abolition of FHL Allowances. The Petition forms the basis of so much of the work we can do to push back against FHL Abolition.

Today we are publishing a further paper from Francis Clark, this time it's a paper covering the most common questions that we get asked about the impact of the policy to abolish FHL (Furnished Holiday Lettings) Allowances. It's called FHL FAQ's.

This paper has been produced in conjunction with the ASSC (Association of Scotland's Self-Caterers) and is available for all to download here: https://www.pascuk.co.uk/reports/

Update on the last weeks FHL work is below, but just an important note for those trying to arrange MP visit. MPs are back in Westminster this week. Meaning that MPs may only be available on Fridays (changeover implications) or possibly at weekends. They are not in Parliament long, before they go back into Recess, from 12th September to 7th October, giving you another window of opportunity to get your MP to your property or meet with them whilst thy are in the Constituency.

We have managed to get our new MP to come and visit Higher Wiscombe on Friday of this week, and have invited local PASC UK Members from the Constituency to join us. We know Friday's are not ideal, but next week we will demonstrate how we did this and the outcomes.

We have also published another new Members Paper this week, more detail below.

## 1/ **WELCOME PACKS IN HOLIDAY COTTAGES** Aug 24

> This is an update version of last year's Hampers Paper and explains where we stand legally on giving hampers to guests. More below.

Over recent weeks we have been reminding Members that PASC UK will start charging VAT from 1 September 2024 and the reasons for doing so. We sent out a Newsflash suggesting that joining PASC UK now would save the VAT to our database of Non-Members on Friday 23rd August and followed it with another with 72 hours left. This recruited an additional 122 Members. We had already recruited 42 in August, so a record total of 166 New Members in August, plus an email to Lapsed Members brought in 8 more.

This is an amazing response and will enable PASC UK to invest further in the team that supports you, more papers, and more expert technical help.

As we have passed year end, we will start preparing the PASC UK 2024 Annual Report.

We have included details of two events that may be of interest to our readers, these are organised by our partners at the Holiday Cottage Handbook.

**The Property Investor Show, 4-5 October – Excel London. (We will be there too)**
**Your Air Success, 8 November, Central London**

Further information and booking details below.

Don't forget the Members meeting to update and discuss FHL Abolition on Thursday the 12th September at noon, for both English and Welsh Members. Details below.

Best regards

Alistair

## FHL ABOLITION UPDATE 3 September

(For last week's update on this go to 27 August Newsletter here: https://www.pascuk.co.uk/newsletters/general-newsletters/ )

### What are we asking for?

We continue to work jointly with the ASSC (Association of Scotland's Self-Caterers) on the threat of FHL abolition. This has many benefits for Members of both organisations, we are sharing the costs of the accountancy support, we are combining resources, and we will be presenting collective data.

Our ask remains focussed upon granting a pause, to protect businesses and owners' assets. The process is simply too fast, not giving owners time to plan properly, the legislation is not even laid down yet and will do well to be on the Statute Books by the end of the year. Yet under some circumstances where owners wish to sell and do not achieve this by April 2025, they will need to cease bookings to protect some financial impacts, creating another set of financial pain and disruption through cancelling guest bookings and broken contracts with agents. Pushing for a delay in implementation will be a key thread of our work.

We pointed out that no-one has done anything illegal, they signed up to an official FHL Tax regime, created by HMRC and are not being given enough time or transitional support to move to another tax regime without many facing considerable financial harm.

In addition to pausing the implementation of the abolition of FHL Allowances, we have asked for more transitional measures to help owners move from the FHL Tax regime to another and will be working further with Francis Clark to develop this area.

A reminder that there is a new paper to the website, which is an update, written by Francis Clark, on what FHL abolition looks like this time, and explains some of the transitional changes that were achieved from the last round of lobbying.

We have added toady FHL FAQ's which covers the mist common questions we area sked about the impact of the abolition of FGHL on your businesses.

**FRANCIS CLARK FHL FAQs September 2024**

# The proposed abolition of the Furnished Holiday Let (FHL) tax regime – Frequently asked questions (FAQs)

**2 September 2024**

**The following FAQs have been prepared following the publication of the draft legislation on 29 July. They are intended as general commentary only and are not a substitute for taking be-spoke personal advice on your own situation. They are intended to be used to help you assess the impact of the changes on you personally and whether you should consider seeking your own advice. These FAQs should be read in conjunction with our recent update document.**

## 1. Deductible expenses

**Will expenses that don't necessarily apply to long term lets remain allowable expenses (e.g. welcome baskets, milk, cleaning, laundry, mileage)?**

Yes, expenditure that is incurred 'wholly and exclusively' for the purposes of letting will continue to be deductible. The only change in respect of allowable revenue expenses per the draft legislation concerns the deductibility of mortgage interest.

This new report can be found here: https://www.pascuk.co.uk/reports/ and is free to all to download.

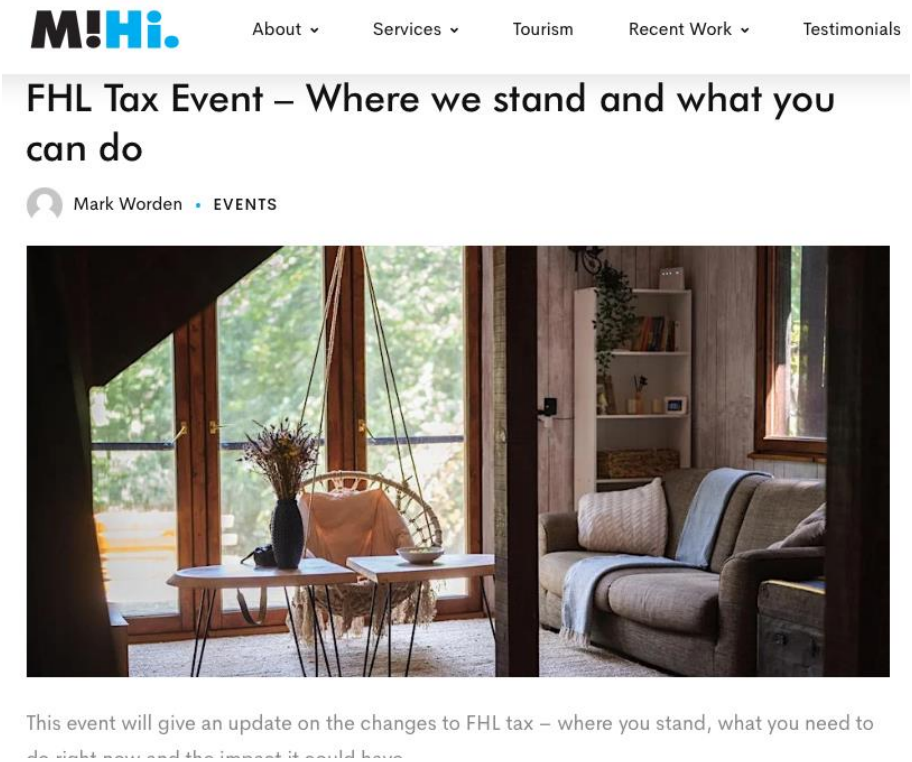
There is also a general update paper from Francis Clark on the proposed Abolition, including the transitional concessions gained from the last round of lobbying against the previous Government.

Our 'body of evidence' to present to HM Treasury against abolition of FHL Allowances is making really good progress and will be shared as soon as we can.

We will be making this available for Members to edit tailor to respond to Treasury directly in advance of the 15th September deadline.

## MiHI DIGITAL TAX EVENT WITH PASC UK AND FRANCIS CLARK: DEVON AND CORNWALL on 5 SEPT

For those of you in Devon and Cornwall, partners MIHI Digital are having a morning session on the 5th September on FHL Abolition, where Heather Britton, Tax Director at Francis Clark (who came with us to our previous Treasury meeting, and Alistair Handyside will be presenting.




It's from 1030-1200 at Lifton Strawberry Fields. To apply for tickets, click here: https://bit.ly/MiHiFHL5Sept

## WHAT NEXT AND WHAT CAN YOU DO TO HELP STOP ABOLITION?

### PART 1/ IPARL PETITION 2

We have launched iParl Petition 2. This is similar the petition that over 15,000 of you took part in the spring of this year, when abolition of FHL was first raised by the previous Government.

**We desperately need to do this again and so far, we have already got 8,000 responses.**

For those that know how it works, click here: https://pascuk.eaction.online/FHLAug24

For those that have not taken part before, it has multiple effects.

- Collectively it shows HM Treasury and the wider Government that there are wider economic impacts affecting many thousands of businesses, and importantly voters.

- We get the data of how many of you have written to a particular MP. We then write to that MP saying '223 of your constituents have written to you about FHL Allowances, let's have a

meeting so we can explain why so many are concerned and what impact this policy really will have'. Last time this part of the lobbying alone secured over 45 MP meetings.

- We have a huge number of new MPs, particularly in key rural and coastal constituencies, many of these don't know what an FHL is let alone FHL Allowances, and to get them mumbling in the House of Commons, as happened in the spring, we need constituents to be writing to them in good numbers.

- It will help facilitate the meetings with new MPs covered elsewhere in this newsletter and key to getting MPs to understand the value of our sector.

- It will create good numbers of letters from MPs to Treasury from 'concerned MPs' about the impact of this policy on their constituents.

Without the petition, none of the above will happen, and it won't happen unless we get you to do this in the biggest numbers ever.

To this end we have already secured the support of key partners, large agencies with thousands of owners that they can reach, other associations whose Members will get caught in the fallout if abolition goes ahead, a combination of the ASSC and PASC UK databases and more. We will be shouting their support out as they contact their owners and Members over the coming weeks.

Once you click on the link, you are asked for your postcode and to put in your name and address. You can only contact the MP where you are registered to vote. The letter is there ready for you to just hit send, but you can modify the letter to your MP in any way that you like, and ewe do recommend personal impact information for greater understanding from your MP.

Please take part in the petition here: https://pascuk.eaction.online/FHLAug24

**PART 2/ OWNER IMPACT SURVEY**

Rather than create a new one, we are going to continue with the Survey we launched in late spring, as that already had 6750 responses, and provides some compelling evidence to support our case.

**SURVEY PARTICIPATION UPDATE: WE ARE NOW AT 7350, PLEASE KEEP THEM COMING.**

Here's the link: https://www.surveymonkey.com/r/5KMN6JY

Thanks for taking part, we really appreciate it.

**PART 3/ MP VISITS TO BUSINESSES**

We are trying to link up with as many new MPs as possible, both to help arrange MP visits to sector businesses and to arrange to meet them at the Party Conferences in the Autumn.

**MPs will be back in their Constituencies from 12 Sept to 7 October**

Inviting your MP to visit your accommodation is a great opportunity for them to be introduced to your business and for you to raise the many challenges facing the sector, including the proposed FHL abolition.

Whilst Parliament's Summer Recess is coming to an end on 2nd September, MPs are only back for two weeks before they head off again on Conference Recess from 12th September to 7th October, so there are plenty of opportunities to get your local MP to visit.

Beyond the 7th October you can still invite your MP to visit, but it's likely their constituency day will be on a Friday, and we know that's change over day!

Any time we can get with MPs is important in our efforts to defend the sector.

**There is a Webinar on the website, which helps explain how you can arrange an MP visit or how you can get to meet with your MP, to make a vase of how damaging this policy will be.**

We will have PASC UK presence at the three main Party Conferences.

### How Can You Help?

We would like to encourage PASC UK Members to host their local MP during the summer months. This would be an opportunity for our elected representatives to see and hear for themselves the value of the holiday let sector in their constituency and across the country.

The **PASC UK MP Visit Toolkit** has now been released to make doing this as easy as possible. It is available on the website here: https://www.pascuk.co.uk/reports/

There are three parts.

- A short Guide on how to arrange a Meeting with your MP/MS.
- An infographic sheet for England
- An infographic sheet for Wales

If you would like to get involved as a Member, and invite an MP to come and visit your business, please drop an email to support@pascuk.co.uk with MP visit in the Subject line, and your Business name and Constituency in the text. Thanks

## MORE NEW PASC UK MEMBER PAPERS 3rd September

As well as trying to work our way through the various Government interventions, we are also keen to build wider Member value.

These are detailed below and can be found here: https://www.pascuk.co.uk/member-reports/

### 1/ HAMPERS IN HOLIDAY LETS V2 Aug 24

This is an updated version of last year's Hampers paper. It includes alcohol licensing if you wish to give free wine etc, and Natacha's Law which requires diligent ingredients labelling and much more.

It is still possible to give guests hampers, and this paper explains how you can do that, and protect both your business and your guests.

## PASC UK WEBINAR AND MEETINGS PROGRAME FOR SEPTEMBER 3 September

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

- Election and Govt Policy updates
- Fire Update (Open plan Guidance, subject to update from Home Office)
- Sustainability and our sector
- And more…..

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/ PASC UK Members General England/Wales Combo Meeting (Members Only)

**(This Meeting will be recorded and placed in the Members area of the website)**

## Thursday 12 September 2024 at 1200

Please join us for a Members Meeting where we will cover the following…..

- Welcome
- Short Update on status of FHL Abolition
- Update on Statutory Registration in England
- Update on Statutory Registration in Wales
- PASC UK Update
- Q&A

Please register using this link:
https://us06web.zoom.us/meeting/register/tZIkcOmqrDIpH9Ie9wQ7WuMR5N1laDK8WnAw

Once verified as a member you get a link by email to use to join the Meeting. Meetings are restricted by Zoom to 100, so first come first served. If oversubscribed, we will promptly call another.

## PASC UK ON THE ROAD AND IMPORTANT MEETINGS AHEAD 3 September

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

- 4 September. Visit England Visitor Economy Strategy Roundtable, London
- 5 September. MiHi Digital Event. FHL Tax, Lifton Strawberry Fields.
- 14/17 September Liberal democrats Conference, Brighton
- 17 September. Tourism Alliance Board Meeting
- 23/24 September Labour Party Conference, Liverpool
- 29 September to 2 October Conservative Party Conference, Birmingham
- 4/5 October, Property Investor Show, Excel London
- 16 October PASC UK Agency Meeting, Bristol.
- 6/7 November: Scale UK, The Oval London

## LONDON EVENTS FROM HOLIDAY COTTAGE HANDBOOK

These events are run by James Varley and the team www.holidaycottagehandbook.com PASC UK will be at the Property Investor Show and are juggling to get the Air Success Event.

### Property Investor Show – 4-5 October at ExCeL London

STR Zone – run by Holiday Cottage Handbook – will be part of the Property Investor Show at ExCeL London on 4-5 October. There will be exhibitors and content dedicated to the short-term rentals industry, including panel sessions and seminars. The event is free to attend – click here to register for your e-ticket.

Holiday Cottage Handbook, HCH Financial Services, Your AirHost, and Zeal will be exhibiting at the event. Additionally, a host of experts will be joining panel sessions, including PASC Chair, Alistair Handyside.

There will be panel sessions and seminars dedicated to the FHL tax regime, plus property management tips and best practices from a range of expert speakers, including Stefan Hoffelner (Your AirHost), Matt Jeffery (Zeal), Jane Mack (The Arran Team), Amanda Stecker (Holiday Letology), and Katie Bessant (The Holiday Hive).

### Your Air Success 8 November, Central London

Holiday Cottage Handbook and Your AirHost are teaming up to organise Your Air Success – a special educational event for hosts and property managers on Friday 8 November in central London.

Places for the event are limited and available on a first-come, first-served basis. Click here to register.

The event will include exhibitors and content dedicated to the short-term rentals industry, including hosting best practices, how to scale your business, plus tax guidance in relation to the proposed FHL changes.

## IN PERSON PASC UK MEMBERS MEETINGS 3 September

We are preparing to roll out further in person Members meetings across England and Wales after the success of the meetings in Northumberland, Devon, Cornwall, Wales and Worcestershire.

- The next meeting will be in Norfolk, this will now be post the Party Conferences.
- Followed by the Brighton area

## FIRE GUIDANCE WHERE TO FIND IT ALL? 3 September

**As of 3 September 2024, no further announcements or papers have been published by the Home Office. We continue to chase for publication of the open plan update, ad for a new version of Sleeping Accommodation v2.**

**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_Accomodation_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, GIFireE, 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 (excl. VAT which will be applied from 1st September 2024).

- Single cottage £80 plus VAT from 1 September 2024
- 2 – 4 Units £140 plus VAT from 1 September 2024
- 5 – 10 Units £220 plus VAT from 1 September 2024
- 11 + Units £320 plus VAT from 1 September 2024

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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