



**January 2010**

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### **Charities to lose exemption from music royalties**

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Following a consultation exercise last summer the Government has decided to restructure the current system for licensing the playing of copyright music to the public. Under the current system most users are required to pay out two separate fees: one to Phonographic Performance Limited (which represents the interests of music producers and performers) and the other to the Performing Rights Society (which represents music writers, composers and publishers). To date, charitable and not-for-profit organisations have been exempt from any fees payable to Phonographic Performance Limited. However, if the Government proceeds with its proposed amendments to the Copyright, Design and Patents Act 1988, then this exemption will be lost in April 2010 under a new simplified system which will require users to pay just one combined fee.

Certain limited exemptions are likely to continue to exist, for example, to cover the use of music as part of divine worship, at residential homes/hospices, hospital wards or as part of medical therapy. It is also anticipated that licences to cover occasional but varied use, for example, in relation to community halls, will be available.

The Government estimates that charities and not-for-profit organisations which have previously been exempt will be required to pay an annual fee of approximately £81 to obtain their required licence. To find out more please contact Matthew Gingell on 01392 685306 or email [matthew.gingell@footanstey.com](mailto:matthew.gingell@footanstey.com)

### **Cancer Research UK launches online donor choice system**

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Cancer Research UK will allow donors to choose exactly where their money is spent with a new online system to be launched in March 2010.

The scheme, called MyProjects, will allow supporters to specify that their money should be spent on researching specific types of cancer, or on funding cancer nurses. The initiative also provides information about scientific research projects that are taking place and lets donors give directly to them. Traditionally, only major donors have been able to specify how their money should be spent.

A trial website for the scheme has been put in place, [click here](#) to view. The new site will be launched officially in March 2010.

## New round of public benefit assessments

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The Charity Commission has announced that its next round of public benefit assessments will focus on fee-charging arts charities. Following that, later in 2010, the Commission will look at health-related charities and those working in the field of sports and recreation.

The future assessments will provide practical examples for other charities and add to the Charity Commission's public benefit guidance.

The arts charities which will be assessed are:

1. Gwent Ballet Theatre (also known as Independent Ballet Wales)
2. The Castle Players
3. The Royal Opera House Covent Garden Limited
4. The Young Concert Artists Trust.

## Independent safeguarding authority's new Vetting and Barring Scheme

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The ISA published a report in December 2009 to try and clarify the scope of the new Vetting and Barring Scheme for people working with children and vulnerable adults.

The new scheme attempts to address the inadequacies of the former Criminal Records Bureau system, which only offered a snapshot of a person's criminal background. However, when first introduced in September 2009, the new scheme was heavily criticised for being too wide-reaching in its remit.

The recent report confirms that people whose work or volunteering with children is conducted through an organisation, such as a charity or community group, will have to register with the ISA to be checked. But people who make informal arrangements with friends, families or other parents will not, contrary to what was understood when details of the scheme were first revealed.

## New Children in Need small grants programme

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Children in Need is offering small grants of up to £10,000 a year for three years for third sector organisations working with children and young people. The scheme is designed to reach organisations that have not previously considered applying for Children in Need funding.

Grants will be allocated in four tranches, with 2010 application deadlines on 15 January, 15 April, 15 July and 15 October. Decisions are expected to be made within 14 weeks of the closing date of each round. Any not-for-profit organisation working with children and young people under the age of 18 can apply, with some exclusions, such as projects carrying out medical research or promoting religion.

[Click here](#) for more information.

## Charity Commission Simplification Plan

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The Commission has taken a further step in its commitment to cutting the administrative burden on charities by launching its 2009 Simplification Plan. The Plan details the measures the Commission has recently taken, including the Charities Act 2006, and the implementation of changes which emerged from the consultation on financial thresholds. If you have suggestions as to how the administrative burden on charities could be cut further then you can send them by email to [simplification@charitycommission.gsi.gov.uk](mailto:simplification@charitycommission.gsi.gov.uk)

## Volunteer Rights Inquiry

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Volunteering England launched the Volunteer Rights Inquiry at the end of 2009. It was set up following recent reports of serious incidents which have threatened to undermine the vital role played by volunteers.

The Inquiry Panel will proceed with three key objectives:

1. Clarify the rights and protections that already exist for volunteers and dispel some of the employment myths that interfere with good management
2. Getting it right first time: promote good practice in the management and governance of volunteering
3. Making amends: explore different models of redress when things go wrong.

The Inquiry is now calling for evidence, particularly in relation to how organisations can prevent problems by treating volunteers well and what mechanisms could be put in place to provide an independent means of redress when, unfortunately, things do go wrong. A report of the findings will be made available in the Spring.

To find out more [click here](#)

## Pilot of new 'social impact bonds'

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The Department for Communities and Local Government (DCLG) is expected to launch a pilot scheme for a 'social impact bond'. The bond, proposed by enterprise consultancy Social Finance, offers third sector organisations the opportunity to attract finance for a project backed by a Government payout to bond holders on the success of the project.

A feasibility study on whether the bond would be effective in a local setting is being undertaken by the DCLG, which hopes to follow it up with a local pilot.

The DCLG is also researching how local authorities could provide more support for social enterprises.

For further information or advice on any of the issues in this update, please contact your usual Foot Anstey representative or Anna Roderick, solicitor on:

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