Dear Leader of the House,

I am writing to you following our meeting earlier this month to discuss Part II of the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Bill, and its potential impact on charities’ and voluntary organisations’ day-to-day work.

In response to the concerns I expressed on behalf of many organisations within the charity sector and broader civil society, government has made an express commitment to amend the Bill to prevent charities from falling foul of the new regulations.

**Amendment**

I understand that the precise wording of this amendment is currently being drafted by relevant officials, and that it will be published in advance of the Bill’s report stage for proper consultation with interested stakeholders.

In the meantime, I thought it would be helpful to set out what we believe the amendment should achieve, in order to ensure that charities and voluntary organisations are by no means adversely affected by the new rules when engaging in legitimate campaigning activities or influencing public policy.

The key test should be whether the activity or publication is party political: that means if there is bias towards a particular party or candidate, and the clear purpose is to advocate support or directly benefit such party or candidate. But charities and voluntary organisations that are simply active in trying to change policy for the advancement of their own mission should have the guarantee that they can continue to campaign as vigorously as they wish in putting forward their policies.

Government has on many occasions stated that its intent is for the new rules to not affect organisations campaigning on policy issues, including charities supporting specific policies that would help achieve their charitable purposes:

‘Charities will still be able to give support to specific policies that might also be advocated by political parties if it helps to achieve their charitable purposes. The Bill does not seek to regulate charities that simply engage with the policy of a political party. It does not prevent charities from having a view on any aspect of the policy of a party and it does not inhibit charities attempting to influence the policy of a party.’ (Mr Lansley, Hansard, House of Commons Debate, 3 September 2013, c181)
‘…charities that campaign on policy issues will not be affected…’ (Tom Brake, Hansard, House of Commons Debate, 10 September 2013, c891)

We are expecting to see an amendment that is drafted with wording to that effect. In particular, on the basis of the amendment, charities and voluntary organisations should be secure in the certainty that they can campaign for a change in the law, policy or decisions where such change would support their purposes. This includes activities aimed at raising public support for such a change, seeking to influence political parties and independent candidates, decision-makers, politicians or public servants in order to achieve the desired change.

Once a draft amendment is available, we would strongly urge you and your officials to arrange a roundtable meeting involving the Electoral Commission, the Charity Commission and a representative group of organisations, including NCVO. This would provide all interested parties with an opportunity to discuss any outstanding concerns about the new wording.

**Other issues**

A clear definition of what is meant to come within the scope of the rules is of utmost importance. As you will know we also have significant concerns about other parts of the Bill:

- We remain concerned that voluntary organisations that are not charitable may still be subject to ambiguous and damaging legislation.
- The list of activities that count towards controlled expenditure is vague and excessively burdensome. In particular the requirement to account for staff costs makes the provisions unworkable.
- We remain similarly concerned that the expenditure thresholds proposed in the new Bill will be damaging, particularly for small community groups that are not charities. These must be restored to the current levels.
- We are particularly concerned about the lowered registration thresholds would mean that even smaller organisations undertaking limited activity would be required to register and have to deal with heavy reporting requirements.
- The question of how to sensibly regulate groups working in coalition remains to be addressed. This could be solved by requiring each member of the coalition to account only for their direct financial contribution.

We hope that during the next stages of the Bill, Parliament will find a constructive way forward to address these problems. We continue to be available to work constructively with you and your colleagues to achieve the objectives of the Bill without imposing new restrictions on a vitally important role of civil society.

Yours sincerely,

Sir Stuart Etherington, Chief Executive

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