
THE CHARITY LAW & PRACTICE REVIEW

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From the Managing Editor

EDITORIAL

This issue of the *Charity Law & Practice Review* is, in large measure, dedicated to recreation and education. No less important than the theme of trusteeship in higher education (of which more anon) are the discussions of the value added tax decisions relating to village halls and community centres and the troublesome problem of sport in the law of charities.

Jean Warburton, the distinguished editor of *Tudor on Charities* and Reader of Law at the University of Liverpool, surveys the decision of Lightman J in *Jubilee Hall Recreation Centre Ltd v Customs and Excise Commissioners* [1997] STC 414 and two other VAT decisions. These centre, in the end, on the meaning of the words "similarly" and "local community" in Note 6 to Schedule 8 Group 5 Item 2 in the Value Added Tax Act 1994. That provision concedes zero rating to the supply of a building intended for use "as a village hall or similarly in providing social or recreational facilities for a local community". Lightman J gave a liberal meaning to both terms.

The article by Dr Peter Smith of the University of Exeter on 'Charity and a Question of Sport' is a further plea for the recognition of gifts for sporting purposes as charitable outside the cramping restrictions of the present law.

Our Consulting and Taxation Editor, Robert VENABLE QC, provides an update on the changes in the Finance Bill 1998 relating to charities and the latest reported cases, concessions and Government initiatives.

College Fellows

The centre piece of this issue is the bulky but timely analysis provided by David Palfreyman, Bursar and Fellow of New College, Oxford, on the trustee role of college fellows and the knotty question whether permanent endowment property can be used for current expenditure. Both these matters have implications for universities generally. The first of these questions and its implications are highly topical. If college fellows are correctly to be viewed as owing trust or fiduciary duties to their college there may be risks in paying off an unpopular college head

prematurely. Too little of the deliberations of the Fellows of St Edmund's Hall, Oxford in connection with their recent dispute with their Master, His Honour Sir Stephen Tumim, are known. But it would be a mistake for college fellows to think that it will in all cases be appropriate to terminate, even by agreement, a college head's tenure before it has run its term. The fellows have a duty to serve the interests of charity (the advancement of education by their college). Those interests may, depending on the circumstances of course, be best served by everyone soldiering on rather than by adding a lump sum compensation to the drain on college income. Fellows who disregard that consideration may find themselves, one of these days, facing court action by the Attorney General.

Lord Phillips of Sudbury

It is with deep satisfaction that one read of the elevation of Andrew Phillips, the dynamic head of Bates Wells & Braithwaite, and one of our Advisory Editors, to a life peerage and to membership of the soon-to-be-reformed House of Lords. His presence in the Upper House will be a welcome addition to the expertise on charity law and administration in that chamber. We heartily congratulate him.

Finally, I should repeat that articles, long or short, on charity law or practice are most welcome for consideration, as are suggestions for areas of charity law or practice to be covered.

August 1998

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