## <u>First set of changes from Charities</u> Act 2022 come into force

Press release

The first set of provisions from the Charities Act 2022 are now in force.



Today (Monday 31st October 2022), the first set of changes being introduced by the Charities Act 2022 come into force, introducing a range of provisions including new powers for trustees.

These provisions include:

- An extended power for charities to <u>pay trustees for providing goods to</u> the <u>charity</u> under certain circumstances (in addition to services, and goods connected to services)
- A reduction in the administrative complexities surrounding <u>fundraising</u> <u>appeals</u> that do not reach, or exceed, fundraising targets (often known as 'failed appeals').
- A new statutory power for <u>Royal Charter charities</u> to change sections of their Royal Charter which they could not previously change, with the approval of the Privy Council.

Aarti Thakor, Director of Legal & Accounting Services at the Charity Commission said:

The Charities Act 2022 is designed to make a positive, practical difference to charities and where possible, to make things easier for trustees.

Today, a number of changes have come into effect, with more to follow next year. We have updated our guidance to reflect the first set of changes so that trustees can understand what this means for them and the charities they serve.

Since the Charites Act gained Royal Assent earlier this year, the Commission

has been working towards making necessary changes to support the Department for Culture, Media and Sport's <u>implementation plan</u>, which has been put in place to gradually introduce provisions of the Act. This work includes reviewing and updating guidance for trustees and providing training to staff. The Commission is also amending some key digital services on its website.

Other provisions of the Act now in force:

- confirm that the Commission's scheme-making powers include making schemes for charitable companies
- confer trust corporation status automatically to existing and future corporate charities in respect of any charitable trust of which the corporation is (or, in the future, becomes) a trustee
- update provisions relating to giving public notice to written consents and orders of the Charity Commission under various sections of the Charities Act 2011
- mean that when a charity changes its governing document by parliamentary scheme, under section 73 of the Charities Act 2011, the scheme will by default always be under a lighter touch parliamentary process (known as the negative parliamentary procedure)

The next set of provisions are expected to come into force in Spring 2023.

## Notes to editors:

- 1. The Charities Act 2022 gained Royal Assent on 24th February 2022.
- 2. The full Charities Act 2022 can be found here
- 3. Explanation of the Charities Act 2022 implementation plan is available on gov.uk
- 4. The Charity Commission has an <u>information page on phase 1 changes</u>
- 5. The Charity Commission is the independent, non-ministerial government department that registers and regulates charities in England and Wales.

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