

Cabinet Office releases implementation plan for the Charities Act 2016

30 JUNE 2016

Alison Paines

PARTNER | UK

CATEGORY:
ARTICLE

Whilst the Charities Act 2016 (the 'Act') received Royal Assent on 16 March 2016, only two administrative provisions (reviews of the operation of the Act and short title, extent and commencement) came into force immediately; the other provisions are being brought into force by commencement orders made by the Minister. The Cabinet Office has now published an indicative timetable for those commencement orders.

July 2016

It is expected that the first order will be made in July and the following provisions will come into effect:

- Additional powers for the Charity Commission including extended power to suspend trustees, power to remove disqualified trustees, power to direct the winding up of a charity or that specified action is not taken.
- Reserve powers to control fundraising. These allow the minister to make a further order at a later date which would require all charities to sign up to the Fundraising Regulator or to give the Charity Commission the power to regulate fundraising.
- Power for most (but not all) charities to make social investments.

October 2016

A further order is due to be made in October 2016 which will introduce:

- the Charity Commission's new power to give official warnings;
- the additional requirements for agreements between charities and professional fundraisers and/or commercial participators; and
- the new disclosure requirements in relation to fundraising in annual reports for charities subject to an audit.

April 2017

A final order is expected to be made in April 2017 which will bring the following into effect:

- Provisions which extend the situations where individuals are automatically disqualified from acting as trustees.
- Prohibition for individuals to take part in corporate decisions while disqualified from acting.

Consultation

During the Act's passage through parliament, commitments were given to consult on guidance relating to official warnings by the Commission and the power to disqualify people from being a trustee.

The Charity Commission has launched its consultation on its proposed approach to using the new power to disqualify individuals from acting as trustees. The consultation is open until 22 August 2016 and the documents are available [here](#).

The consultation on official warnings is expected to be opened in the coming weeks.

Our summary of the provisions of the Charities Act is available [here](#).

Authors

Alison Paines

PARTNER | LONDON

Charities

 +44 20 7597 6057

 alison.paines@withersworldwide.com