



# Charities Act 2022

## 2022 CHAPTER 6

An Act to amend the Charities Act 2011 and the Universities and College Estates Act 1925; and for connected purposes. [24th February 2022]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PROSPECTIVE

### PART 1

#### PURPOSES, POWERS AND GOVERNING DOCUMENTS

##### *Charitable companies*

#### **1 Alteration of charitable company's purposes**

- (1) Section 198 of the Charities Act 2011 (alteration of objects by companies and Commission's consent) is amended as follows.
- (2) In subsection (2)(a), for the words from “adding” to the end of the paragraph substitute “which alters the charitable purposes of the company,”.
- (3) After subsection (2) insert—
  - “(2A) In considering whether to consent to an alteration falling within subsection (2)
    - (a) the Commission must have regard to—
      - (a) the purposes of the company when it was established, if and so far as they are reasonably ascertainable,

*Status: This version of this Act contains provisions that are prospective.*

*Changes to legislation: There are currently no known outstanding effects for the Charities Act 2022. (See end of Document for details)*

- (b) the desirability of securing that the purposes of the company are, so far as reasonably practicable, similar to the purposes being altered, and
- (c) the need for the company to have purposes which are suitable and effective in the light of current social and economic circumstances.”

#### Commencement Information

**II** S. 1 not in force at Royal Assent, see [s. 41\(4\)](#)

### *Charitable incorporated organisations*

## **2 Amendments to constitution of CIOs**

(1) The Charities Act 2011 is amended as follows.

(2) In section 226 (amendment of constitution and Commission’s consent)—

(a) for subsection (1) substitute—

“(1) An amendment to a CIO’s constitution which would make a regulated alteration—

- (a) requires the prior written consent of the Commission, and
- (b) cannot take effect if such consent has not been obtained.”;

(b) after subsection (2) insert—

“(2A) In considering whether to consent to an alteration falling within subsection (2)(a) the Commission must have regard to—

- (a) the purposes of the CIO when it was established, if and so far as they are reasonably ascertainable,
- (b) the desirability of securing that the purposes of the CIO are, so far as reasonably practicable, similar to the purposes being altered, and
- (c) the need for the CIO to have purposes which are suitable and effective in the light of current social and economic circumstances.”

(3) In section 227 (registration and coming into effect of amendments)—

(a) after subsection (1) insert—

“(1A) An amendment to a CIO’s constitution that makes a regulated alteration falling within section 226(2)(a) takes effect—

- (a) when it is registered by the Commission, or
- (b) if later, on the date specified for that purpose in the resolution containing the amendment.

(1B) Any other amendment to a CIO’s constitution takes effect (whatever the date on which the amendment is registered by the Commission)—

- (a) on the date the resolution containing it is passed, or
- (b) if a later date is specified for that purpose in the resolution containing the amendment, on that later date.

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- (1C) Subsections (1A) and (1B) are subject to section 226(1).”;  
(b) omit subsections (2) to (5).

#### Commencement Information

I2 S. 2 not in force at Royal Assent, see s. 41(4)

### *Unincorporated charities*

## 3 Powers of unincorporated charities

- (1) Omit sections 267 to 280 of the Charities Act 2011 (which together deal with powers to transfer the property of, and alter the purposes or powers of, an unincorporated charity).  
(2) Before the italic heading preceding section 281 of that Act insert—

*“Unincorporated charity’s general power to amend*

### **280A Amendment of the trusts of an unincorporated charity**

- (1) This section applies to any charity which is not a company or other body corporate.  
(2) The charity trustees of such a charity may, if they are satisfied that it is expedient in the interests of the charity, resolve that the trusts of the charity should be amended in such manner as is specified in the resolution.  
(3) The power under subsection (2) is not exercisable in any way which would result in the institution ceasing to be a charity.  
(4) Subsection (5) applies in the case of a charity which has a body of members distinct from the charity trustees, any of whom are entitled under the trusts of the charity to attend and vote at a general meeting of the body.  
(5) In the case of a charity to which this subsection applies, a resolution under subsection (2) is effective only if—  
(a) it is passed by a majority of the charity trustees of the charity, and  
(b) it is approved by a further resolution which is passed—  
(i) at a general meeting, by not less than 75% of the members entitled to attend and vote at the meeting who vote on the resolution,  
(ii) at a general meeting, by a decision taken without a vote and without any expression of dissent in response to the question put to the meeting, or  
(iii) otherwise than at a general meeting, by the agreement of all the members entitled to attend and vote at a general meeting.  
(6) In the case of a charity other than one to which subsection (5) applies, a resolution under subsection (2) is effective only if it is passed by not less than 75% of the charity trustees of the charity.

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- (7) An amendment to which subsection (8) applies—
  - (a) requires the written consent of the Commission, and
  - (b) is ineffective if such consent has not been obtained.
- (8) This subsection applies to an amendment—
  - (a) which would alter the purposes of the charity;
  - (b) which would alter a provision directing the application of property of the charity on its dissolution;
  - (c) which would provide authorisation for any benefit to be obtained by charity trustees or members of the charity, or persons connected with them;
  - (d) which would alter a restriction making property permanent endowment;
  - (e) which would require the consent of a person other than—
    - (i) a charity trustee of, or trustee for, the charity, or
    - (ii) a member of the charity,
 if made otherwise than by virtue of this section;
  - (f) which would affect any right directly conferred by the trusts of the charity on a person who—
    - (i) is named in the trusts of the charity, or
    - (ii) holds an office or other position specified in the trusts of the charity (other than that of charity trustee or member of, or trustee for, the charity); or
  - (g) which would confer power on any person or persons to make an amendment falling within any of paragraphs (a) to (f).
- (9) But paragraphs (e) and (f) of subsection (8) do not apply where the person concerned consents to the amendment or is no longer in existence.
- (10) In considering whether to consent to an alteration falling within subsection (8)(a), or to the conferral of a power which would enable a person or persons to make such an alteration, the Commission must have regard to—
  - (a) the purposes of the charity when it was established, if and so far as they are reasonably ascertainable,
  - (b) the desirability of securing that the purposes of the charity are, so far as reasonably practicable, similar to the purposes being altered, and
  - (c) the need for the charity to have purposes which are suitable and effective in the light of current social and economic circumstances.

#### **280B S. 280A: supplementary provision**

- (1) A resolution under section 280A(2) takes effect on the latest of—
  - (a) the date the resolution is passed,
  - (b) the date specified in the resolution for it to take effect,
  - (c) if relevant, the date on which the resolution required by virtue of section 280A(5)(b) is passed, and
  - (d) if relevant, the date on which the Commission gives any consent required by virtue of section 280A(7).

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- (2) For the purposes of section 280A(8)(c) “benefit” means a direct or indirect benefit of any nature, except that it does not include—
- (a) any remuneration whose receipt may be authorised under section 185, or
  - (b) the purchase of any insurance which may be authorised under section 189.
- (3) For the purposes of section 280A(8)(c) the following persons are connected with a charity trustee or a member of a charity—
- (a) a child, parent, grandchild, grandparent, brother or sister of the trustee or member;
  - (b) the spouse or civil partner of the trustee or member or of any person falling within paragraph (a);
  - (c) a person carrying on business in partnership with the trustee or member or with any person falling within paragraph (a) or (b);
  - (d) an institution which is controlled—
    - (i) by the trustee or member or by any person falling within paragraph (a), (b) or (c), or
    - (ii) by two or more persons falling within sub-paragraph (i), when taken together;
  - (e) a body corporate in which—
    - (i) the trustee or member or any connected person falling within any of paragraphs (a) to (c) has a substantial interest, or
    - (ii) two or more persons falling within sub-paragraph (i), when taken together, have a substantial interest.
- (4) Sections 350 to 352 (meaning of child, spouse, civil partner, controlled institution and substantial interest) apply for the purposes of subsection (3).”
- (3) The amendments made by this section do not have effect in respect of a resolution passed under section 268(1), 275(2) or 280(2) of the Charities Act 2011 before the commencement of this section.

#### Commencement Information

**I3** S. 3 not in force at Royal Assent, see s. 41(4)

### *Charities established etc by Royal charter or Act*

## **4 Power to amend Royal charter**

After section 280B of the Charities Act 2011 (as inserted by section 3) insert—

*“Charity established etc by Royal charter: general power to amend*

### **280C Power to amend Royal charter**

- (1) This section applies to any charity which is established or regulated by Royal charter.