Draft Order laid before Parliament under section 74(5) of the Charities Act 2006, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2011 No.

CHARITIES, ENGLAND AND WALES

The Charities Act 2006 (Changes in Exempt Charities) Order 2011

Made - - - - ***

Coming into force in accordance with article 1

This Order is made in exercise of the powers conferred by sections 11(11) and (13) and 74(2) of the Charities Act 2006(**1**).

In so far as this Order makes provision to secure that, in so far as they are charities, institutions of a particular description become exempt charities, the Minister for the Cabinet Office is satisfied, in accordance with section 11(12) of that Act, that this Order is desirable in the interests of ensuring appropriate or effective regulation of those charities in connection with compliance by their charity trustees with their legal obligations in exercising control and management of the administration of those institutions.

A draft of this Order has been laid before Parliament in accordance with section 74(5) of that Act and approved by a resolution of each House of Parliament.

Accordingly, the Minister for the Cabinet Office makes the following Order.

Citation and commencement

1.—(1) This Order may be cited as the Charities Act 2006 (Changes in Exempt Charities) Order 2011.

(2) This Order comes into force on 1st August 2011.

Changes in exempt charities

2.—(1) Schedule 2 to the Charities Act 1993(**2**) (exempt charities) is amended as follows.

(**1**) 2006 c.50. For the definition of "relevant Minister" see section 74(7) and for "the Minister" see section 78(6).

(**2**) 1993 c.10. Schedule 2 was amended by the National Lottery Act 1993 (c.39), Schedule 5, paragraph 12; by the Education Act 1996 (c.56), Schedule 38, Part 1; by the Education Act 1997 (c.44), Schedule 7, paragraph 7; by the Teaching and Higher Education Act 1998 (c.30), Schedule 4; by the School Standards and Framework Act 1998 (c.31), Schedule 31; by the National Lottery Act 2006 (c.23), Schedule 3; by the Charities Act 2006, section 11 and Schedule 8, paragraph 177 (the amendments made by section 11(8) and (10) of that Act are not in force; the amendments made by section 11(9) are in force

(2) After paragraph (ca) insert—

"(cb) the governing body of any foundation, voluntary or foundation special school;

(cc) any foundation body established under section 21 of the School Standards and Framework Act 1998(**3**);

(cd) a sixth form college corporation (within the meaning of the Further and Higher Education Act 1992(**4**));".

(3) In paragraph (w) for "above" substitute "in any of paragraphs (a) to (ca), (cd) or (h) to (v) above".

(4) After paragraph (w) insert—

"(wa) any institution which—

(i) is administered by or on behalf of a body included in paragraph (cb) or (cc) above, and

(ii) is established for the general purposes of, or for any special purpose of or in connection with, that body or any foundation, voluntary or foundation special school or schools.".

Consequential amendments

3. The Schedule (which contains consequential amendments) has effect.

Name
Parliamentary Secretary
Cabinet Office

Date

so far as relating to Schedule 2, Note 1, paragraph (c)); by the Apprenticeships, Skills, Children and Learning Act 2009 (c.22), Schedule 12, paragraph 8 and Schedule 16, Part 4; by the Academies Act 2010 (c.32), section 12(4); by S.I. 2005/3239, Schedule 1, paragraph 4; by S.I. 2010/ 500, article 2 and by S.I. 2010/866, Schedule 2, paragraph 78. The Industrial and Provident Societies Act 1965 (c.12), referred to in Schedule 2, is prospectively re-named by the Co-operative and Community Benefit Societies and Credit Unions Act 2010 (c.7), section 2.

(**3**) 1998 c.31. Section 21 was amended by the Education and Inspections Act 2006 (c.40), Schedule 3, paragraph 14 and Schedule 18, Part 3.

(**4**) 1992 c.13. For the definition of "sixth form college corporation" see section 90(1). The definition was inserted by the Apprenticeships, Skills, Children and Learning Act 2009, Schedule 8, paragraphs 1 and 12.

SCHEDULE Article 3

CONSEQUENTIAL AMENDMENTS

PART 1

PRIMARY LEGISLATION

Further and Higher Education Act 1992

1. In section 33M of the Further and Higher Education Act 1992(**5**), at the end insert "(and, as a result of its inclusion in Schedule 2 to the Charities Act 1993, is an exempt charity for the purposes of that Act)".

Charities Act 1993

2. In section 3A(5)(a) of the Charities Act 1993(**6**), after "3(5B)(a)" insert "(ii)".

School Standards and Framework Act 1998

3. In section 23 of the School Standards and Framework Act 1998(**7**)—

(a) in subsection (1A) for the words from "is an institution" to the end substitute "is, as a result of its inclusion in Schedule 2 to the Charities Act 1993, an exempt charity for the purposes of that Act."; and

(b) omit subsection (2).

Charities Act 2006

4. In paragraph 194 of Schedule 8 to the Charities Act 2006(**8**), omit sub-paragraph (4).

PART 2

SECONDARY LEGISLATION

School Governance (Federations) (England) Regulations 2007

5. In regulation 33 of the School Governance (Federations) (England) Regulations 2007(**9**)—

(a) in paragraph (1) omit the words "which is an exempt charity for the purposes of the Charities Act 1993"; and

(b) omit paragraphs (2) and (3).

(**5**) Section 33M was inserted by the Apprenticeships, Skills, Children and Learning Act 2009, Schedule 8, paragraphs 1 and 3.
(**6**) Sections 3 and 3A were substituted for section 3 as originally enacted by the Charities Act 2006, section 9. The reference in section 3A(5)(a) to section 3(5B) is to that section as in force immediately before the day on which section 3(1) to (5) (as substituted) comes into force. Section 3(5B), which was inserted by the School Standards and Framework Act 1998, Schedule 30, paragraph 48, was repealed by the substitution. There are amendments of section 3A not relevant to this Order.
(**7**) Section 23 was amended by the Charities Act 2006, Schedule 8, paragraphs 193 and 194.
(**8**) There are amendments of Schedule 8 not relevant to this Order.
(**9**) S.I. 2007/960.