

DSC: The Charity Accountants' Conference

Charity law and governance

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16 November 2023

What we are going to cover

- ✓ Developments at the Charity Commission
- ✓ New and updated Charity Commission guidance
- ✓ Legislation update including the Charities Act 2022
- ✓ Lessons from Charity Commission compliance work and case law
- ✓ What is on the horizon?



Developments at the Charity Commission



Developments in Charity Commission activity

Charity Commission activity	2022-23 figures	2021-22 figures
Regulatory action cases concluded	5,726	5,324
Of those, statutory inquiries	68	45
New inquiries opened	72	49
Promoting compliance with charitable law	2,401	2,034
Official Warning	11	12
Trustee disqualification	11	14
Registration applications	8,583	8,005
Of those, successful applications	48%	52%
Whistleblowing reports	327	281
Serious Incident Reports	2,969	3,451

Other developments

- My Charity Commission Account
- Annual return
- Response times
- Updated model CIO constitution
- Change of leadership

Some thoughts from the Charity Commission Chair

“The biggest issue is the cost of living crisis...I’m fully behind charities going insofar as they can into reserves to try to address this period because if you don’t, you get irreparable damage to your community”

“I have... been clear from day one of my chairmanship that charities are free to campaign robustly in furtherance of their purposes”

The Charity Commission may intervene if trustees demonstrate “personal squeamishness” around sources of philanthropic funding



Orlando Fraser, Charity
Commission Chair

Charity Commission guidance



Charity Commission guidance

- Internal financial controls for charities (CC8)
- Investing charity money: guidance for trustees (CC14)
- Charities and social media



Legislation update



Legislation update

- Subsidy Control Act 2022
- Economic Crime and Corporate Transparency Act 2023
- Data Protection and Digital Information Bill



Charities Act 2022

- Key changes include:

- Providing a clearer and less administratively burdensome legal framework for buying, selling, leasing and mortgaging charity land

- Clarifying and expanding the statutory regime that applies to permanent endowment

- A new statutory framework relating to the use of working names

- Making it easier for charities to deal with failed fundraising appeals and to make ex-gratia payments

- Changing the powers of charities to amend their governing documents

Lessons from Charity Commission compliance work and case law



Charity Commission cases and case law

- Care4Calais
- Christ Church, Oxford
- Haque and another v Faradhi and others
- Frank Wingett Cancer Relief Fund



What is on the horizon?



What is on the horizon?

- Updates to the Code of Fundraising Practice
- *Camila Batmanghelidjh v Charity Commission*
- Charity Commission guidance on accepting and refusing donations
- Review of the Charity Governance Code
- Review of financial thresholds in the Charities Act 2011
- Changes to the whistleblowing framework?



Any questions?



We use the word ‘partner’ to refer to a member of the LLP or an employee or consultant with equivalent standing and qualifications.

Resources

- ✓ [General Election 2024: Charity Campaigning – a guide](#)
- ✓ [Changes to CIO model constitution](#)
- ✓ [Charity Commission social media guidance](#)
- ✓ [Charity Commission’s ‘Internal financial controls for charities’](#)
- ✓ [Charity Commission’s ‘Investing charity money: guidance for trustees’](#)
- ✓ [The New UK Data Protection Bill – A Practical Summary](#)
- ✓ [Borrowing the family silver... a new power for charities with permanent endowment](#)
- ✓ [Bates Wells resources for the charity sector](#)