

Charities (Protection and Social Investment) Act 2016: Implementation plan

29 July 2016

1. This document sets out the timetable for implementation of the Charities (Protection and Social Investment) Act 2016 ("the Act"), and the fulfilment of other commitments made during its passage through Parliament.
2. Our aim has been to provide the Charity Commission with its new powers as quickly as possible whilst giving charities (and others that will be affected by the Act) time to properly prepare for any changes that will affect them.
3. The legislation received Royal Assent on 16th March 2016. The Act, and its accompanying explanatory notes are available on www.legislation.gov.uk.
4. The only provisions of the Act that came into force on Royal Assent were section 16 (Reviews of the operation of this Act) and section 17 (Short title, extent and commencement). All the other provisions of the Act will be brought into force by commencement orders made by the Minister.
5. Implementation will be led by the Office for Civil Society and Innovation (OCSI) in the Cabinet Office, working closely with colleagues in the Charity Commission. Some provisions will require existing guidance to be updated, whilst other provisions may require new guidance to be prepared and consulted on.
6. The Minister has now made the Charities (Protection and Social Investment) Act 2016 (Commencement No. 1 and Transitional Provision) Regulations 2016. This brings into force particular provisions of the Act.
7. Different provisions will come into force at different points within 2016 as indicated below. There will also be a need for a second commencement order to bring into force section 12 of the Act.

Provisions of the 2016 Act coming into force on 31st July 2016

- Section 2: Investigations and power to suspend, except to the extent that subsection (2) inserts " , a failure to remedy and breach specified in a warning under section 75A," into section 76(1)(a) of the 2011 Act
- Section 3: Range of conduct to be considered when exercising powers
- Section 4: Power to remove trustees etc. following an inquiry

- Section 5: Power to remove disqualified trustee
- Section 6: Power to direct specified action not to be taken
- Section 7: Power to direct winding up
- Section 8: Power to direct property to be applied to another charity
- Section 9(4)(b): Automatic disqualification from being a trustee
- Section 11(5): Records of disqualification and removal, but only to the extent required to bring new subsection (1C) of section 182 of the 2011 Act into force
- Section 14: Reserve powers to control fund-raising
- Section 15: Power to make social investments

Provisions of the 2016 Act coming into force on 1st October 2016

- Section 10: Power to disqualify from being a trustee
- Section 11(5): Records of disqualification and removal, to the extent not already in force

Provisions of the 2016 Act coming into force on 1st November 2016

- Section 1: Official warnings by the Commission
- Section 2(2): Investigations and power to suspend, to the extent not already in force
- Section 13: Fund-raising

Second Commencement Order – April 2017

8. The provisions that we expect to be commenced by this second Order are:
 - Section 12: Participation in corporate decisions while disqualified

Consultation, engagement and review

9. During the Parliamentary passage of the Act there were commitments given to consult on guidance relating to official warnings by the Commission (section 1) and the power to disqualify from being a trustee (section 10).
10. The Charity Commission currently have an open [consultation on the new power to disqualify from acting as a trustee](#). The consultation launched on 23 May 2016 and will close on 22 August 2016.

11. The Charity Commission also have an open [consultation on official warnings](#). The consultation launched on 1 July and will close on 23 September 2016.
12. Commitments were made to engage with charities involved in the rehabilitation of offenders on section 9 automatic disqualification provisions and to undertake a more detailed assessment of the impact of these provisions on ex-offenders.
13. Section 16 requires a review of the Act to begin before 16 March 2019 and report before 16 March 2020. Subsequent reviews of the Act must take place at least every five years.

Office for Civil Society and Innovation