
EXPLANATORY NOTE

(This note is not part of the Order)

The Minister for the Cabinet Office (“the Minister”) has the power, under section 11 of the Charities Act 2006, to amend Schedule 2 to the Charities Act 1993 to confer exempt charity status on a particular charity or class of charities or remove that status from a particular charity or class of charities. The Minister may also amend that Schedule so as to remove institutions which have ceased to exist.

This Order confers exempt charity status on certain charities connected with the British Library Board (article 2(7)).

It also removes exempt charity status from, in so far as they are charities, the following institutions or descriptions of institution;

- (a) the colleges and halls in the universities of Cambridge and Durham;
- (b) the colleges in the university of Oxford;
- (c) higher education corporations in Wales;
- (d) universities and university colleges in Wales and institutions connected with them which were designated as exempt charities before the appointed day;
- (e) successor companies to higher education corporations which conduct institutions in Wales;
- (f) charitable institutions connected to institutions mentioned in paragraphs (a) to (e) above which were, immediately prior to the appointed day, exempt charities; and
- (g) the Board of Governors of the Museum of London

(article 2(1) to (6)).

This Order also further amends Schedule 2 to the Charities Act 1993 so as to remove the references to the colleges and halls in the university of Newcastle and the halls in the university of Oxford as these institutions have ceased to exist.

The Order also further amends Schedule 2 to the Charities Act 1993 to refer specifically to King’s College London and the University of Manchester (article 2(2)). These amendments have been made to ensure that the students’ unions of these institutions cease to be exempt charities. The College and the University are themselves, in so far as they are charities, currently exempt charities and this status is not affected by the additional amendment to Schedule 2 or the repeal of section 18 of the King’s College London Act 1978 or section 11 of the University of Manchester Act 2004.

In accordance with the duty in section 3A of the Charities Act 1993 the Minister has made regulations which except, subject to the financial threshold in subsection (2)(c) of that section, the institutions ceasing to be exempt charities in consequence of a provision of this Order, from the requirement to be registered in the register of charities maintained by the Charity Commission for England and Wales **[citation and SI number to be added]**.

This Order also makes related consequential amendments and transitional provisions and savings (article 3 and Schedules 1 and 2).

A full regulatory impact assessment of the effect of changes proposed in relation to exempt charities was produced alongside the Bill which became the Charities Act 2006. This regulatory impact assessment took into account the effect of most of the changes being made by article 2 of this Order.

Draft Legislation: This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument: The Charities Act 2006 (Changes in Exempt Charities) Order 2010 No. 500

A copy of this regulatory impact assessment is available from the Office of the Third Sector's website:

http://www.cabinetoffice.gov.uk/third_sector/law_and_regulation/charities_act_2006/background.aspx

or from Khaled Moyeed at the Office of the Third Sector, Room 2.7 Admiralty Arch South Side, The Mall, London, SW1A 2WH (020 7276 6028 or Khaled.Moyeed@cabinet-office.x.gsi.gov.uk). It is also annexed to the Explanatory Memorandum which is available alongside the Order on the OPSI website (<http://www.opsi.gov.uk>).