



Charities Act 2006

2006 CHAPTER 50

PART 2

REGULATION OF CHARITIES

CHAPTER 1

THE CHARITY COMMISSION

Commission's objectives, general functions etc.

7 The Commission's objectives, general functions and duties

After section 1A of the 1993 Act (inserted by section 6 above) insert—

“1B The Commission's objectives

- (1) The Commission has the objectives set out in subsection (2).
- (2) The objectives are—
 - (1) The public confidence objective.
 - (2) The public benefit objective.
 - (3) The compliance objective.
 - (4) The charitable resources objective.
 - (5) The accountability objective.
- (3) Those objectives are defined as follows—
 - (1) The public confidence objective is to increase public trust and confidence in charities.
 - (2) The public benefit objective is to promote awareness and understanding of the operation of the public benefit requirement.

Status: This is the original version (as it was originally enacted).

- (3) The compliance objective is to promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.
 - (4) The charitable resources objective is to promote the effective use of charitable resources.
 - (5) The accountability objective is to enhance the accountability of charities to donors, beneficiaries and the general public.
- (4) In this section “the public benefit requirement” means the requirement in section 2(1)(b) of the Charities Act 2006 that a purpose falling within section 2(2) of that Act must be for the public benefit if it is to be a charitable purpose.

1C The Commission’s general functions

- (1) The Commission has the general functions set out in subsection (2).
- (2) The general functions are—
 - (1) Determining whether institutions are or are not charities.
 - (2) Encouraging and facilitating the better administration of charities.
 - (3) Identifying and investigating apparent misconduct or mismanagement in the administration of charities and taking remedial or protective action in connection with misconduct or mismanagement therein.
 - (4) Determining whether public collections certificates should be issued, and remain in force, in respect of public charitable collections.
 - (5) Obtaining, evaluating and disseminating information in connection with the performance of any of the Commission’s functions or meeting any of its objectives.
 - (6) Giving information or advice, or making proposals, to any Minister of the Crown on matters relating to any of the Commission’s functions or meeting any of its objectives.
- (3) The Commission’s fifth general function includes (among other things) the maintenance of an accurate and up-to-date register of charities under section 3 below.
- (4) The Commission’s sixth general function includes (among other things) complying, so far as is reasonably practicable, with any request made by a Minister of the Crown for information or advice on any matter relating to any of its functions.
- (5) In this section “public charitable collection” and “public collections certificate” have the same meanings as in Chapter 1 of Part 3 of the Charities Act 2006.

1D The Commission’s general duties

- (1) The Commission has the general duties set out in subsection (2).
- (2) The general duties are—
 - (1) So far as is reasonably practicable the Commission must, in performing its functions, act in a way—
 - (a) which is compatible with its objectives, and

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- (b) which it considers most appropriate for the purpose of meeting those objectives.
- (2) So far as is reasonably practicable the Commission must, in performing its functions, act in a way which is compatible with the encouragement of—
 - (a) all forms of charitable giving, and
 - (b) voluntary participation in charity work.
- (3) In performing its functions the Commission must have regard to the need to use its resources in the most efficient, effective and economic way.
- (4) In performing its functions the Commission must, so far as relevant, have regard to the principles of best regulatory practice (including the principles under which regulatory activities should be proportionate, accountable, consistent, transparent and targeted only at cases in which action is needed).
- (5) In performing its functions the Commission must, in appropriate cases, have regard to the desirability of facilitating innovation by or on behalf of charities.
- (6) In managing its affairs the Commission must have regard to such generally accepted principles of good corporate governance as it is reasonable to regard as applicable to it.

1E The Commission’s incidental powers

- (1) The Commission has power to do anything which is calculated to facilitate, or is conducive or incidental to, the performance of any of its functions or general duties.
- (2) However, nothing in this Act authorises the Commission—
 - (a) to exercise functions corresponding to those of a charity trustee in relation to a charity, or
 - (b) otherwise to be directly involved in the administration of a charity.
- (3) Subsection (2) does not affect the operation of section 19A or 19B below (power of Commission to give directions as to action to be taken or as to application of charity property).”