

Charities Act 2022

The Charities Act 2022 amends the Charities Act 2011. It was introduced to Parliament in 2021, as a result of the Law Commission's 2017 report on [Technical Issues in Charity Law](#), before becoming law in February 2022. It aims to save charities time and money by making it more straightforward to deal with certain technical matters. The Act has a phased implementation, and relevant Charity Commission guidance is being updated accordingly.

Phase 1 – came into force 31st October 2022

Paying trustees for providing services or goods to the charity

A statutory power to [pay trustees](#) in certain circumstances for:

- services e.g. estate agency or computer consultancy.
- services and associated goods e.g. doing plumbing or painting and any materials needed for this.
- goods e.g. stationery materials.

Fundraising appeals that do not raise enough or raise too much

Simpler [requirements](#) for trustees to follow if a fundraising appeal does not raise enough, raises too much, or if circumstances meant that donations can no longer be used as intended.

Amending Royal Charters

Charities set up under [Royal Charter](#) have a statutory power to change sections in this charter with approval from the Privy Council.

Phase 2 – came into force 14th June 2023

Selling, leasing or disposing of charity land

Simplified legal requirements for charities looking to [sell, lease or dispose of land](#). For example:

- a wider choice of people who can advise the charity about this.
- trustees have the choice about how to advertise a proposed disposal.
- no need for the Charity Commission to authorise a residential lease to a charity employee for a short period of time.

Using permanent endowment

[Permanent endowment](#) usually has to be kept rather than spent. The 2022 Act gives charities the ability, in certain circumstances, to:

- spend some amount of a small permanent endowment.
- borrow up to 25% of a permanent endowment's value.
- make social investments with a permanent endowment, if the charity is pursuing a [total return investment](#) approach.

Charity names

The Charity Commission can delay registration if a [charity's name](#) is inappropriate and it can tell a charity to stop using a working name if the name is misleading, offensive, or too similar to another charity's name.

Phase 3 – came into force 7th March 2024

Making changes to governing documents

Trusts and unincorporated associations can get authority from the Charity Commission to make [changes to their governing documents](#), in the same way as charitable companies and Charitable Incorporated Organisations.

Selling, leasing or disposing of charity land

Provisions which relate to [disposing land](#) and to taking out mortgages by liquidators, receivers, mortgagees or administrators.

Charity mergers

When a [charity merges](#), gifts given to it can take effect as gifts to the charity it has merged with, in certain circumstances.