

*These notes refer to the Charities Act 2006 (c.50)
which received Royal Assent on 8 November 2006*

CHARITIES ACT 2006

EXPLANATORY NOTES

BACKGROUND

8. In July 2001 the Prime Minister commissioned a review of the law and regulation of charities and other not-for-profit organisations. The review was carried out by the Prime Minister's Strategy Unit and was published (as "Private Action, Public Benefit") in September 2002¹. It was not a statement of settled Government policy but an analysis of the strengths and weaknesses of the current legal and regulatory framework accompanied by a series of recommendations, addressed to the Government, for change. Before responding to these recommendations the Government sought views on them through an open public consultation which ran from September 2002 to January 2003.
9. In July 2003 the Government published "Charities and Not-for-Profits: a Modern Legal Framework"², which:
 - summarised the results of the public consultation on the Strategy Unit's recommendations; and
 - stated the Government's acceptance of almost all of the recommendations and explained how the accepted recommendations were to be taken forward.
10. This Act will implement a majority of the accepted recommendations, with the remainder to be (or, in some cases, having already been) implemented either through other legislation or by administrative action.
11. The Act was published as a draft Bill on 27 May 2004 for pre-legislative scrutiny by a Joint Committee. The Joint Committee's report³ was published on 30 September 2004. The Government's response⁴ to that report was published on 21 December 2004 alongside the Bill itself, which had been introduced to the House of Lords the previous day. The Bill completed Second Reading and Grand Committee in the House of Lords but fell when Parliament was dissolved on 11 April 2005. It was re-introduced in the House of Lords on 18 May 2005, and completed its passage through Parliament in the House of Lords on 7 November 2006, receiving Royal Assent on 8 November 2006.

¹ Available at http://www.strategy.gov.uk/work_areas/voluntary_sector/index.asp

² Available at <http://communities.homeoffice.gov.uk/activecomms/ac-publications/publications/290701/charitiesnotforprofit.eng.pdf>

³ Available at <http://www.publications.parliament.uk/pa/jt/jtchar.htm>

⁴ Available at http://www.parliament.uk/parliamentary_committees/jcdchb/jcdchb_reports_and_publications.cfm