

Charities (Protection and Social Investment) Bill [HL]

MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

[Amendments marked ★ are new or have been altered]

Amendment
No.

Clause 1

BARONESS BARKER
LORD WALLACE OF SALTAIRE

- 1 Page 2, line 6, leave out “how” and insert “when and where”

BARONESS HAYTER OF KENTISH TOWN
LORD WATSON OF INVERGOWRIE

- 2 Page 2, line 15, at end insert—
“() The Charity Commission may call for and randomly or systematically check the Disclosure and Barring Service checks undertaken by charities on trustees.”

After Clause 2

BARONESS HAYTER OF KENTISH TOWN
LORD WATSON OF INVERGOWRIE

- 3 Insert the following new Clause—

“Reporting misdemeanours

A trustee must report to the Charity Commission any serious incident that results in, or risks causing, significant harm to their charity’s work, beneficiaries or reputation.”

Clause 3

LORD HOPE OF CRAIGHEAD

- 4 Page 2, line 39, leave out “privy to” and insert “participated in”

Amendment
No.

Clause 3 – continued

BARONESS BARKER
LORD WALLACE OF SALTAIRE

5 Page 3, leave out lines 3 to 6

Clause 8

LORD HOPE OF CRAIGHEAD

6 Page 6, line 38, after “unwilling” insert –
 “(a) in subsection (1)(a) after “unwilling” insert “or unable”;
 (b) ”

Clause 9

BARONESS HAYTER OF KENTISH TOWN
LORD WATSON OF INVERGOWRIE

7 Page 7, line 21, at end insert –

“*Case K*

P has been found guilty of a sexual offence or has been placed on
the sex offenders register.”

BARONESS BARKER
LORD WALLACE OF SALTAIRE

8 Page 8, leave out lines 26 and 27

Clause 10

LORD HOPE OF CRAIGHEAD

9 Page 10, line 43, leave out “privy to” and insert “participated in”

BARONESS BARKER
LORD WALLACE OF SALTAIRE

10 Page 11, leave out lines 9 to 13

BARONESS HAYTER OF KENTISH TOWN
LORD WATSON OF INVERGOWRIE

11 Page 11, line 29, at end insert –
 “() The Charity Commission may by order under subsection (1)
disqualify all trustees of a charity where it has sufficient reason to
believe there is a collective failure of all trustees to ensure the safety
and protection of children who are direct beneficiaries of the
charity.”

Amendment
No.

After Clause 12

BARONESS HAYTER OF KENTISH TOWN
LORD WATSON OF INVERGOWRIE

12 Insert the following new Clause –

“Disposal of assets

Charities may not, and may not be compelled to, use or dispose of their assets in a way which is inconsistent with their charitable purposes.”

13 Insert the following new Clause –

“Regulation of fundraising

- (1) All fundraising charities must be members of the Fundraising Standards Board and abide by their Code of Fundraising Practice.
- (2) In section 64A of the Charities Act 1992, as inserted by section 69 of the Charities Act 2006 (reserve power to control fund-raising by charitable institutions) –
 - (a) in the title omit “**Reserve**”;
 - (b) in subsection (1) for “may” substitute “must”.

BARONESS HAYTER OF KENTISH TOWN
LORD WATSON OF INVERGOWRIE
LORD LEA OF CRONDALL

14 Insert the following new Clause –

“Power to make representations

- (1) A charity may undertake political campaigning or political activity in the context of supporting the delivery of its charitable purposes.
- (2) A charity may campaign to ensure support for, or to oppose, a change in the law, policy or decisions of central government, local authorities or other public bodies.”

LORD LEA OF CRONDALL

15 Insert the following new Clause –

“Charity Commission annual report to refer to principles of best regulatory practice

- (1) Schedule 1 to the Charities Act 2011 is amended as follows.
- (2) In paragraph 11(c), after “16)” insert “including the extent to which, in its opinion, it acted in a proportionate, accountable, consistent, transparent and targeted manner (see section 16(4))”.

Clause 13

BARONESS BARKER
LORD WALLACE OF SALTAIRE

16★ Page 16, line 10, leave out “both” and insert “primarily”

Amendment
No.

Clause 13 – *continued*

LORD BORWICK

17 Page 16, line 11, leave out “directly”

BARONESS BARKER
LORD WALLACE OF SALTAIRE

18★ Page 16, line 11, leave out “and” and insert “while also”

19★ Page 17, line 18, at end insert “including, where it is reasonable, from beneficiaries and other stakeholders;”

LORD CROMWELL
LORD HOPE OF CRAIGHEAD

20 Page 17, line 18, at end insert –

- “() consider whether the social investment concerned is subject to the same regulation as commercial investments that are undertaken in regulated financial markets and, if not, whether it would nevertheless be appropriate to proceed with it;
- () consider whether there is a conflict between the investment vehicles that are on offer and, if so, how it should be resolved in the interests of best furthering the charity’s purposes;”

BARONESS BARKER
LORD WALLACE OF SALTAIRE

21★ Page 17, line 24, leave out “social”

22★ Page 17, line 24, at end insert “and make this review publicly available, including an assessment of how this use of funds furthers the charity’s purpose”

After Clause 13

LORD HODGSON OF ASTLEY ABBOTTS

23 Insert the following new Clause –

“Appeals and applications to Tribunal

- (1) The Charities Act 2011 is amended as follows.
- (2) For section 319(2)(b) substitute –
“(b) any trustee of a registered charity.”
- (3) For section 321(2)(b) substitute –
“(b) any trustee of a registered charity.”
- (4) Omit column 2 of Schedule 6.”

Amendment
No.

After Clause 13 – continued

24

Insert the following new Clause –

“Marketing of social investments

(1) The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (S.I. 15929/2005) is amended as follows.

(2) For article 35, substitute –

“35 Social sector organisations

Any communication which is communicated by –

(a) a charity, or

(b) any other body regulated under the Charities Act 2011,
shall not be subject to this Order.

(3) In Part II of Schedule 1, omit paragraph 14(2)(b) and (3)(c).”

25

Insert the following new Clause –

“New rules for social sector organisations

(1) The Secretary of State may by regulations made by statutory instrument set out rules for the communication of financial promotions by –

(a) a charity,

(b) any other body regulated under the Charities Act 2011.

(2) The organisations set out in subsection (1) shall be defined as “social sector organisations”.

(3) In making any such regulations, the Secretary of State shall have regard to –

(a) the desirability of creating rules which are proportionate to the nature, scale and capacity of social sector organisations and which are easy to understand and follow;

(b) the desirability of creating rules which support the growth, development and financing of social sector organisations and which are enabling and facilitative;

(c) the desirability of facilitating, where appropriate, direct investment on the part of consumers in social sector organisations which are local to the consumer;

(d) the desirability of a consistency of approach in the regulatory treatment of communications made by different forms of social sector organisations;

(e) the differing expectations that consumers may have in relation to different kinds of investment or other transaction; and

(f) the desirability, where appropriate, of the Financial Conduct Authority exercising its functions in a way that recognises differences in the nature of, and objectives of, businesses carried on by different persons subject to requirements imposed by or under the Financial Services and Markets Act 2000.”

Amendment
No.

Clause 14

BARONESS BARKER
LORD WALLACE OF SALTAIRE

- 26★** Page 18, line 6, at end insert—
- “() The Chancellor of the Exchequer and the Minister for the Cabinet Office must carry out a review into the operation of this Act as it relates to social investment, including—
- (a) the effectiveness of the social investment market;
 - (b) public understanding of how funds are used by charities for the purposes of investment;
 - (c) the interaction between grant-making and social investment.”
- 27★** Page 18, line 11, at end insert—
- “() any other areas deemed relevant by the Minister”

LORD WATSON OF INVERGOWRIE
BARONESS HAYTER OF KENTISH TOWN

- 28** Page 18, line 14, leave out “5” and insert “3”
- 29** Page 18, line 15, leave out “5” and insert “3”

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