

CHARITIES BILL RESPONSE TO CALL FOR EVIDENCE 10 SEPTEMBER 2021

About Wrigleys Solicitors LLP and me:

Wrigleys Solicitors LLP is one of the leading charity law firms in the country. We have a team of about 30 lawyers who advise charities and social economy clients and many of whom are members of the Charity Law Association.

I am a solicitor specialising in charity law, and a Partner in the Charities and Social Economy Team at Wrigleys Solicitors LLP. I have been a member of the Charity Law Association since I qualified in 2010, and I was recently elected to the Executive Committee of the Charity Law Association.

The Charity Law Association had a number of working parties to feed into the Law Commission's Technical Issues in Charity Law review at the consultation stage. I have been an active member of each of those working parties. I have also been on the Charity Law Association working party which has reviewed and commented on the Charities Bill. Another colleague has also been involved in this process.

About this submission:

I make this submission both personally and on behalf of Wrigleys Solicitors LLP, but my views should not be taken as being representative of those of the Charity Law Association, its members or the Executive Committee. I anticipate that there would be support from other Charity Law Association members for the technical provisions suggested at paragraph 7, but, unfortunately, the tight turnaround time to respond to the Call for Evidence has meant that it has not been possible to canvass wider opinion in the time permitted.

Do we agree with the proposed reforms?

Broadly speaking, yes. We are in favour of the Charities Bill being passed, as we believe that it will bring benefits to the charity sector as well as some much needed reform to charity law.

Were the Government right to reject, or only partially accept, recommendations 6, 7, 8, 16, 18, 27, 40 and 43?

Unfortunately, we are unable to comment on this in the time permitted.

Are there any other technical provisions which would assist charities but have not been suggested so far?

Yes. The pandemic has highlighted the need for reform of the law around members' meetings. It would be helpful if the provisions around virtual meetings in Schedule 14 of the Corporate Insolvency and Governance Act 2020 could be made permanent and extended to all charities with a membership, regardless of legal structure. This would be beneficial in widening access to AGMs, especially for charities with a geographically spread membership, but also for those who might find it difficult to attend physically for whatever reason. For some charities a fully virtual members' meeting may save the costs of venue hire. Fully virtual members' meetings may also be more environmentally friendly, particularly for charities with a large and geographically spread membership, as they remove the need for members to travel. There is currently some doubt over whether companies and Association CIOs can hold a fully virtual members' meeting, even if they amend their articles of association to permit this, or whether there is a need for a physical meeting "place". Including provisions to address this would resolve this issue for these charities. We would hope that this would be an

uncontroversial change, but if it was felt necessary, an opt out could always be included, so that charities could expressly disapply the statutory provisions in their governing document if they so choose. We suspect that it would be rare for charities to choose to disapply the provisions.

Are there any further improvements that could be made to the bill?

Unfortunately, we are unable to comment on this in the time permitted.

I/we hope that this helps.

Best wishes,

Nat Johnson

Partner

for Wrigleys Solicitors LLP

10 September 2021