

HISTORIC CHANGES REGARDING OXFORD COLLEGES

Changes about to be introduced under the Charities Act 2006 mean that the Colleges of Oxford and Cambridge will shortly cease to be Exempt Charities and will face potentially serious issues with regard to their legal status.

Edward Cooke, head of the Charities and Education team at Withy King Solicitors, explains: "Having enjoyed the privilege of self-governance for many centuries, the Colleges must now establish their Charitable Status under a new set of rules and register with the Charity Commission (CC) in November 2009."

In order to pass the test of registration, the Colleges must demonstrate that their charitable aims and objectives are in compliance with the Act and that they are addressing the new public benefit rules, which place onerous new obligations on all charities, especially fee-charging educational institutions.

In most cases we have seen, the founding Statutes of the Colleges will not satisfy CC requirements without substantial review and amendment. One of the great strengths of the Oxbridge Universities is that each College has slightly different, well established objectives that have rarely needed to be written down. These now need to be clarified internally and carefully drafted with public benefit issues in mind. Also, governance arrangements need to be brought up to date and made to comply. The procedure for Colleges to amend their Statutes is time consuming and requires ultimate approval by the Privy Council.

Due to the anticipated queue of applications, many Colleges are unlikely to gain final CC approval until near the end of 2010, which means they will face difficult questions about their legal status during the intervening months. This will cause concerns with contracting parties, funders, and external agencies such as the Land Registry.

The best solution for the Colleges is to minimise difficulties arising from late registration and loss of Charitable status by getting the procedures underway without delay, and planning ahead to identify and deal with any commercial issues which may arise in the transitional period.

For further information on this, please contact Edward Cooke at Withy King on 01225 425731 or email edward.cooke@withyking.co.uk