

# Charities Act 2011

## **2011 CHAPTER 25**

### PART 7

### CHARITY LAND

Restrictions on dispositions of land in England and Wales

### 117 Restrictions on dispositions of land: general

- (1) No land held by or in trust for a charity is to be conveyed, transferred, leased or otherwise disposed of without an order of—
  - (a) the court, or
  - (b) the Commission.

But this is subject to the following provisions of this section, sections 119 to 121 (further provisions about restrictions on dispositions) and section 127 (release of charity rentcharges).

## [<sup>F1</sup>(1A) For the purposes of this Part, land is held by or in trust for a charity only if the whole of the land which forms the subject matter of the disposition is held—

- (a) by the charity solely for its own benefit (and, accordingly, is not being held as nominee or in trust for another person), or
- (b) in trust solely for the charity.]
- (2) Subsection (1) does not apply to a disposition of such land if-
  - (a) the disposition is made to a person who is not—
    - (i) a connected person (as defined in section 118), or
    - (ii) a trustee for, or nominee of, a connected person, and
  - (b) the requirements of—
    - (i) section 119(1) (dispositions other than certain leases), or
    - (ii) section 120(2) (leases which are for 7 years or less etc.),
    - have been complied with in relation to it.

**Changes to legislation:** Charities Act 2011, Section 117 is up to date with all changes known to be in force on or before 11 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (3) The restrictions on disposition imposed by this section and sections 119 to 121 apply regardless of anything in the trusts of a charity; but nothing in this section or sections 119 to 121 applies to—
  - (a) any disposition for which general or special authority is expressly given (without the authority being made subject to the sanction of an order of the court) by—
    - (i) any statutory provision contained in or having effect under an Act, or (ii) any scheme legally established,
  - [<sup>F2</sup>(aa) any disposition by a liquidator, provisional liquidator, receiver, mortgagee or an administrator,]
    - (b) any disposition for which the authorisation or consent of the Secretary of State is required under the Universities and College Estates Act 1925,
  - [<sup>F3</sup>(c) any disposition of land held by or in trust for a charity which is made to another charity otherwise than as—
    - (i) a disposition made with a view to achieving the best price that can reasonably be obtained, or
    - (ii) a disposition that is a social investment for the purposes of Part 14A (social investments),] or
    - (d) the granting, by or on behalf of a charity and in accordance with its trusts, of a lease to any beneficiary under those trusts where the lease—
      - (i) is granted otherwise than for the best rent that can reasonably be obtained, and
      - (ii) is intended to enable the demised premises to be occupied for the purposes, or any particular purposes, of the charity.

(4) Nothing in this section or sections 119 to 121 applies to-

- (a) any disposition of land held by or in trust for an exempt charity,
- (b) any disposition of land by way of mortgage or other security, or
- (c) any disposition of an advowson.

### **Textual Amendments**

- F1 S. 117(1A) inserted (14.6.2023) by Charities Act 2022 (c. 6), ss. 17, 41(4); S.I. 2023/643, Sch. para. 7
- **F2** S. 117(3)(aa) inserted (7.3.2024) by Charities Act 2022 (c. 6), ss. 18(2)(a), 41(4); S.I. 2024/265, reg. 3, Sch. 1 para. 4(b)
- **F3** S. 117(3)(c) substituted (7.3.2024) by Charities Act 2022 (c. 6), ss. 18(2)(c), 41(4); S.I. 2024/265, reg. 3, Sch. 1 para. 4(c)

#### Modifications etc. (not altering text)

C1 S. 117(3)(a) excluded (coming into force in accordance with s. 13 of the amending Act) by Monken Hadley Common Act 2022 (c. ii), ss. 9(6), 12(4) (with s. 8(3))

### **Changes to legislation:**

Charities Act 2011, Section 117 is up to date with all changes known to be in force on or before 11 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. View outstanding changes

#### Changes and effects yet to be applied to :

- s. 117(3)(b) omitted by 2022 c. 6 s. 18(2)(b)

**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:** Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 106(1)-(1B) substituted for s. 106(1) by 2022 c. 6 s. 16(a)
- s. 322(2)(ea) inserted by 2022 c. 6 Sch. 2 para. 26
- s. 331A331B and cross-heading inserted by 2022 c. 6 s. 15