

This was the editorial from the Christmas 2000 edition of *Trust & Foundation News*. The celebratory tone was caused by the impending demise of the Trustee Investments Act 1961 – after 11 years campaigning by me and ACF.

Ding-dong!

Seasonal greetings – and for ACF the phrase continues, Wizard-of-Oz-fashion, ‘*..the Trustee Investments Act is dead*’. OK, it scans poorly, but for charities affected – about half of them grant-making trusts – a witch the TIA has been. In 1990, one of the investment houses calculated that it was costing charities £240 million-plus per year in lost investment opportunities. In 1992, we persuaded the House of Lords, against government objections, to amend the Charities Bill then going through Parliament. This raised the profile of the issue, and in 1996 led an initially reluctant Treasury to make a special Order that removed part of the investment losses - by allowing trusts to invest an initial three-quarters rather than half of their funds in equities. But it wasn't enough. The bureaucracy remained. A normal investment portfolio would contain 85 to 90% equities, including some (like privatised utilities) forbidden under the TIA because they lacked a 5-year dividend record.

The Treasury, under pressure from a Deregulation Task Force in turn prompted by *us*, then came onside, but could not deliver its Deregulation Order before the 1997 General Election. Then the Law Commission produced its long-awaited proposals for much broader reform of trustee law, including abolition of the TIA's restrictive powers. But the Commission was not confident that scarce time would be given. ACF asked the Treasury to press the reforms through as part of its package of charity tax reforms. This did the trick. The Trustee Act 2000 will come into effect in February 2001 - and we can fairly claim that it might well not have happened without us.

But we're not finished yet! Here in *Trust & Foundation News* is the first full interpretation seen anywhere, of what the new Act means for grant-makers. And we're throwing in a supplement on the SORP for good measure. Value for money? *Ding-dong*, and happy grant-making to all our readers!

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