

Commission orders military charity which 'misled the public' to wind up following mismanagement by trustees

The Commission found its trustees responsible for misconduct and/or mismanagement, and secured voluntary undertakings that they would not act as trustees of any charity for a period of five years.

The charity was founded to support people currently serving or who have served in the armed forces.

The regulator opened an inquiry into the charity in November 2016, over concerns about the trustees' management of conflicts of interests and the charity's fundraising activities, in particular an arrangement with Targeted Management Limited (TML) entered into in 2014.

The Commission found that the trustees did not manage conflicts of interest adequately. The only two trustees were sisters, and one of them, the chair of trustees, was the long-term partner of the father of the sole director of TML. The chair entered into agreements with TML, and agreed amendments that proved costly to the charity, without approval from other trustee and without declaring or managing the conflict of interest.

TML had been significantly involved in the formation of the charity and received 67% of the gross proceeds raised from the public by the fundraising activities. As a result, the charity donated only approximately 18% of the gross income raised between 2015 and 2017 to charitable causes.

There was also a lack of transparency around the charity's fundraising and its agreements with third parties. The inquiry concludes that the public were misled by the charity's fundraising activities and, as a result, were unable to make an informed decision whether to donate to the charity.

The trustees did not act in the best interests of the charity in entering into the fundraising agreement, as they did not properly assess the risks or assess other fundraising options, and did not ensure whether the contract was lawful, appropriate and represented value for money.

The Commission appointed an Interim Manager to Support the Heroes in 2016 and in 2018, the Commission ordered the Interim Manager to wind the charity up.

Amy Spiller, Head of Investigations at the Charity Commission, said:

Donors have a reasonable expectation that the money they give reaches the cause they care about. Due to a complete lack of transparency about the fundraising arrangements, the charity misled the public and much of the money went to a private company instead of military veterans and serving personnel in need.

Cases like these have the potential to seriously undermine trust and confidence in charities generally. So it is right that we took robust action to ensure the charity was removed from the register and its trustees cannot lead other charities for a period of five years.

The charity was removed from the register on 18 January 2022. Its remaining funds were redistributed to Help the Heroes, registered charity (1120920), in August 2021.

ENDS

Notes to Editors

1. The Charity Commission is the independent, non-ministerial government department that registers and regulates charities in England and Wales. Its purpose is to ensure charity can thrive and inspire trust so that people can improve lives and strengthen society.
2. The Commission opened the inquiry on 10 November 2016. View the full inquiry report on [the Commission's website](#).

PM call with Prime Minister Fumio Kishida: 13 July 2022

Press release

Prime Minister Boris Johnson spoke to Japanese Prime Minister Fumio Kishida.



The Prime Minister spoke to Japanese Prime Minister Fumio Kishida this morning, to express his condolences following the death of former Prime Minister Shinzo Abe.

The Prime Minister said Shinzo Abe's assassination was a shocking act of senseless violence. He highlighted Shinzo Abe's role in creating the

foundations of the excellent UK-Japan relationship and said he was a true friend to the UK.

The Prime Minister also thanked Prime Minister Kishida for building on the path paved by Shinzo Abe and strengthening UK-Japan relations. Prime Minister Kishida paid tribute to the Prime Minister's leadership on issues including promoting freedom in the Indo-Pacific, responding to Russia's brutality in Ukraine and UK-Japan trade.

The Prime Minister expressed his certainty that the UK will continue to be a staunch international partner to Japan as we embark on projects like the Future Combat Air System, join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, and further our bilateral cooperation.

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[Greg Clark: No turning back on protecting leaseholders](#)

Writing for i, Levelling Up Secretary Greg Clark announces that contracts to turn the building safety pledge into legally binding requirements have been sent to major housebuilders to be signed within a month.

Just under 4 weeks ago, we marked the 5th anniversary of the Grenfell Tower tragedy. That devastating tragedy should never have happened and nothing like it must happen again.

To achieve confidence in this requires far-reaching action by many people and organisations: government, parliament, local councils, regulators, fire and rescue services, housebuilders, insurers, building owners, construction product manufacturers, contractors and many more.

Progress has been made, though it has taken too long. Nevertheless, it is now becoming irreversible. The Building Safety Act came into force last month – the biggest reform to building safety in a generation. Leaseholders are now protected in law from unfair bills to make their homes safe, and a rigorous regulatory regime will bring order to decades of lax practice.

My predecessor, Michael Gove, was absolutely right in his drive to ensure that companies should fix the buildings they played a part in constructing. A landmark agreement has seen a majority of the UK's major housebuilders pledge an estimated £2 billion to this end. That pledge was given to the house building industry in March and there have since been over 45 signatories. I welcome the proactive approach taken by those developers like Barratt that have gone beyond the commitments in the pledge.

But it is time these commitments are put into force.

I will today [publish the contract](#) that will turn that pledge into legally binding undertakings.

I will make it available for comment for 4 weeks, after which the contract will be finalised. The faithful translation of these pledges into action is essential to the reputation for dependability that such an important sector of our economy must maintain.

Nor will there be backsliding on the £3 billion building safety levy. The taxpayer is contributing £5 billion towards fixing those buildings which have been left orphaned by absentee developers: the industry must pay its share too. The levy will be raised against all qualifying projects in England, and companies and firms who headquarter themselves overseas will pay it, as well as home-grown developers. Ensuring that this funding is available to all affected buildings is essential to re-building confidence in the sector. The approach to industry contributions and leaseholder protection has the strong and unambiguous support of all parties in parliament.

The Building Safety Act has given strong powers to disrupt the business of those developers that do not deliver on their pledge. Parliament rightly expects that the powers it has legislated be used unflinchingly, and they will be. The new Act also gives us new tools to pursue those who have contributed to this problem, not just housebuilders. I have instructed my department's new Recovery Strategy Unit to target any individuals or companies – not just developers, but freeholders, product manufacturers, and contractors, wherever they register themselves – that do not step up to do what is required of them. For those large developers yet to commit to doing the right thing, it is time to step up and be prepared to pay up. As we identify more developers responsible for fire safety defects in buildings, I expect them to follow suit and take responsibility for repairs – and to do so quickly.

During the months and years ahead, we have an opportunity to have a productive partnership between housebuilders, the government, local councils and housing associations. I want to increase housebuilding and the most straightforward way is with existing housebuilders. I am proud that when I was a minister in this department for the first time, the National Planning Policy Framework (NPPF), which I led, galvanised housebuilders, increasing planning permissions granted from 166,000 in the year before it was published to 268,000 within 3 years of it being adopted.

Developing the NPPF, I worked closely and effectively with housebuilders as well as local authorities, environmentalists and the planning profession. It is rare to meet anyone today that does not believe the NPPF was the most significant advance in planning in decades.

It is an object lesson in how a good working relationship between all parties can achieve big results. I want this to be our approach again. But a working relationship depends on the efficient discharge of commitments given, without hawking after agreements have been made.

This is true in the normal course of business and policy. In the case of Grenfell, where we have a strong moral obligation to put right the failures that robbed families of the lives of 72 innocent people, that requirement is absolute.

[UK TRA proposes anti-dumping measures on HFP Rebar from China be removed](#)

In its initial findings, the UK's Trade Remedies Authority (TRA) has today (13 July 2022) proposed that existing anti-dumping measures on imports of High Fatigue Performance Steel Concrete Reinforcement Bars (HFP Rebar) from China be revoked.

The TRA, as set out in the [Statement of Essential Facts \(SEF\)](#), found that keeping the measures, which have been in place since 2016, would not be in the economic interests of the UK as there is currently a high demand for affordable imported HFP Rebar from the UK construction sector in particular.

Investigation findings

All of the TRA's transition reviews involve an Economic Interest Test to consider the economic impacts – both beneficial and harmful – of imposing a trade remedy measure.

In this case, the TRA found that the economic impact of maintaining the anti-dumping measures on HFP Rebar from China would be severe, particularly to the UK construction sector, which is worth over £108 billion annually to the UK economy.

HFP Rebar, also known as reinforcement steel and reinforcing steel, is typically used in the construction industry, which employs an estimated 1.4 to 2.2 million employees, to reinforce concrete and masonry structures to strengthen and hold the concrete in tension.

The industry has been rebounding since the COVID-19 pandemic and the TRA found a high likelihood that there will be continued high demand for HFP Rebar. However, in 2020-21, 27% of total Rebar imports came from Belarus, Russia and Ukraine. These imports are likely to drop substantially as a result of the Russian Invasion of Ukraine and the resulting sanctions. As such, high demand and an anticipated shortfall of supply means continuing the measure would increase prices paid domestically.

Our judgement is that this impact on the UK economy would outweigh the potential harm to the sole UK producer. In addition, a steel safeguard measure extended by the UK government last month applies to HFP rebar. This safeguard will limit a level of imports from China and give some protection

to this UK producer.

Therefore, while the TRA found that dumping of HFP Rebar is likely to recur if the measures are revoked and that injury to the UK production would occur, it is not in the economic interests of the UK for the measures to be kept.

TRA Chief Executive Oliver Griffiths said:

We have a duty to weigh up the impact of dumping on UK producers against the broader effects on the UK economy of imposing tariffs. In this case, our assessment is that high domestic demand and international supply shortages mean that retaining tariffs on HFP Rebar from China would push up prices for key elements of the UK economy, such as construction. Our judgement is that the impact on the British economy of higher prices would significantly outweigh the impact on the sole UK producer of rebar of removing tariffs on Chinese imports.

Following today's publication, there will be a 30-day period in which interested parties can comment on the report. Comments can be submitted by Interested Parties to the TRA via the [Trade Remedies Service website](#).

The TRA will then consider and produce a Final Recommendation, which will be sent to the Secretary of State for International Trade who will make the final decision on whether to uphold the TRA's recommendation. The government is able to 'call in' the case at any point in the investigation, to instruct the TRA to undertake further or different analysis in the case.

Notes to editors:

- [Read more about how a UK Economic Interest Test is conducted.](#)
- The UK industry for HFP Rebar comprises one verified producer, which is estimated to employ around 700 employees and contributes around £41m per year to the UK economy.
- In contrast, the TRA identified 36 domestic importers of HFP Rebar. Just eight of these employed around 1,780 employees and contributed around £180m to the UK economy.
- Furthermore, the main UK market for HFP Rebar is in construction. Construction is a significant sector in the UK economy with an estimated 1.4 to 2.2 million employees and contributes around £108 billion per year to the UK economy.
- Between 2017 and 2021, Russia, Ukraine and Belarus have accounted for 20%-40% of imports of HFP Rebar to the UK. It is likely that these

imports will completely cease due to the Russian Invasion of Ukraine and resulting sanctions. This means there is a significant risk of shortages of supply of HFP Rebar for the construction sector.

- Anti-dumping duties allow a country or union to take action against goods sold at less than their normal value, which is defined as the price for 'like goods' sold in the exporter's home market.
- Trade remedy investigations were carried out by the EU Commission on the UK's behalf until the UK left the EU. Forty-four EU trade remedy measures of interest to UK producers were carried across into UK law when the UK left the EU and the TRA is currently reviewing each one to assess whether it is suitable for UK needs.
- The European Commission imposed anti-dumping duties on imports of HFP Rebar from China in July 2016. This is the transitioned measure that was subject to the TRA's transition review. The Commission allowed the EU measure to expire on 29 July 2021 without review.
- The Trade Remedies Authority (TRA) is the independent UK body, established in June 2021, as the first non-departmental public body of the Department for International Trade, that investigates whether trade remedy measures are needed to counter unfair import practices and unforeseen surges of imports.
- Read more about the TRA's mission in its [Business Plan](#).

[Enabling flat sales in high-rise buildings](#)

News story

The Government Actuary's Department (GAD) has supported the government by helping to develop an insurance scheme for high-rise building assessments.



Scheme development

Following the Grenfell fire in 2017, mortgage lenders became reluctant to lend to buyers of flats in high-rise buildings, and sales dropped rapidly.

To provide assurance a building industry group, led by the Royal Institution of Chartered Surveyors, introduced the External Wall System (EWS1) assessment process in December 2019.

An EWS1 assessment is undertaken by a qualified professional to indicate whether remediation work, such as removal of cladding, is needed on a high-rise building. However, many qualified professionals found they could not obtain professional indemnity insurance to cover their assessments.

The Department for Levelling Up, Housing and Communities (DLUHC) subsequently announced proposals for a government-backed professional indemnity insurance scheme for EWS1 assessments.

GAD's expertise

GAD has provided extensive support to DLUHC since 2020 in the design and pricing of the scheme. The project lead in GAD is actuary Jacqui Draper. She said: "This was a complex and significant piece of work from GAD. We have estimated that claim costs will be £100 million, although there is no theoretical cap on the total size of claims that could be made.

"We also advised DLUHC on the level of premiums needed to recoup the expected claims and operating costs."

Scheme launch

The scheme is set to launch in September 2022. The government has entered into commercial arrangements with a selected insurer who will be administering insurance policies to qualified professionals.

The launch of this scheme will enable the sale of flats in thousands of high-rise buildings.

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