Press release: Trustees removed and disqualified after failing to account for half of charitable expenditure or perform checks on overseas agents

The Charity Commission has removed two trustees and disqualified an individual from trusteeship as part of its investigation into the charity Peacetrail. The charity's objects were to advance the Islamic faith and relieve poverty by supporting women and children who face financial hardship in the UK and abroad.

An inquiry report published today details a series of failings including a failure to account for at least £92,110 — nearly 50% of the charity's total expenditure.

The Commission opened the investigation on 31 March 2016 and found selfauthorised salary payments to the charity's CEO, unmanaged conflicts of interest and a lack of due diligence or monitoring of those the charity worked with. The Commission's findings are set out in this report.

The inquiry concluded that the trustees had failed to exercise control over the charity's finances or oversee the CEO; and the Commission made orders under section 79(4) of the act to remove two individuals as trustees of the charity. These individuals are now disqualified from acting as trustee of any other charity unless they obtain a waiver from the Commission or the courts.

The inquiry was also concerned by the conduct of the charity's CEO and their role in the charity. Therefore the Commission used its powers under section 181A of the act to disqualify the CEO from being a charity trustee or holding a senior management position within a charity for 4 years and 6 months. The disqualification came into effect on 18 January 2018.

The charity, which was a Charitable Incorporated Organisation, has been dissolved in accordance with the Charitable Incorporated Organisations (Insolvency and Dissolutions) Regulations 2012 and ceased to exist when it was removed from the Register of Charities on 31 October 2017.

Michelle Russell, Director of Investigations, Monitoring and Enforcement at the Charity Commission says:

The public rightly expects those entrusted with charitable funds to steward and safeguard them appropriately. That sadly did not happen in this case. The trustees of Peacetrail clearly failed to discharge their legal duties which is why we exercised our powers to remove them.

Charity trustees have an important legal duty to ensure that their charity's funds are spent on the charity's objects. This includes keeping clear accounting records that can evidence exactly where charity money has gone. Transparent reporting in this way is vital for maintaining public trust and confidence in charities.

The Commission's full report of its inquiry is available on <u>GOV.UK</u>. Ends.

- 1. The trustees were removed pursuant to section 79(4) of the Charities Act 2011, which also has the effect of disqualifying them from being charity trustees or acting as trustees for a charity under section 178 of the act.
- 2. The new discretionary disqualification power in section 181A of the Charities Act 2011 brought in by the Charites Act 2016 allows the regulator to disqualify a person it considers unfit from being a trustee, for a maximum period of 15 years.
- 3. The Charity Commission is the independent regulator of charities in England and Wales. To find out more about our work, see the <u>about us</u> page on GOV.UK.
- 4. Search for charities on our check charity tool.

<u>Press release: Superfast broadband now available to more than 19 out of 20 UK homes and businesses</u>

The Government has delivered on its manifesto commitment to extend superfast broadband to 95% of the UK by the end of 2017, DCMS Secretary of State Matt Hancock announced today.

Figures published by www.thinkbroadband.com have confirmed that more than 19 out of 20 UK homes and businesses now have the opportunity to upgrade their internet connections to superfast speeds of 24 Mbps or faster — more than double what Ofcom advise is required by a typical family home.

The £1.7 billion Government rollout of superfast broadband to areas deemed "not commercially viable" by industry has so far reached more than 4.5 million UK premises that would otherwise have been left in the connectivity slow lane, the majority of which are in rural areas. In addition to the huge benefits to our day-to-day lives that superfast speeds offer, this closing of the "digital divide" has also delivered a significant boost to local economies — creating around 50,000 new local jobs and generating an additional £8.9 billion in turnover in the areas covered by the Government

rollout between 2013 and 2016.

DCMS Secretary of State, Matt Hancock said:

Over the last 5 years, the Government's rollout of superfast broadband has made superfast speeds a reality for more than 4.5 million homes and businesses who would otherwise have missed out. We've delivered on our commitment to reach 95% of homes and businesses in the UK, but there's still more to do in our work building a Britain that's fit for the future. We're reaching thousands more premises every single week, and the next commitment is to making affordable, reliable, high speed broadband a legal right to everyone by 2020.

December was a particularly busy month for Openreach who, as the Government's major partner on this massive infrastructure project, have been working hard throughout the winter months to ensure the rollout remained on track. In total, around 800,000 homes and businesses were reached last year through the UK Government BDUK programme alongside commercial delivery, with Openreach delivering the major proportion of this achievement; and as a result of this deployment, the 95% target was achieved in December 2017.

Clive Selley, CEO, Openreach, said:

This is without doubt an extraordinary achievement and I'd like to thank the thousands of Openreach engineers and the many more of our people supporting them, who have worked so tirelessly to make this happen.

We have come a long way in a short space of time, with one of the fastest broadband deployments in the world. This is an important milestone — but we're not stopping here. We're determined to get Britain — the whole of Britain — hooked up to decent broadband speeds. The Government's Universal Service Obligation will make high speed broadband a legal right and we'll be working with industry, Government and Ofcom to deliver this. In the meantime, we'll be continuing to expand our network to address the remaining not-spots through a combination of our own commercial programmes and our partnerships with local authorities and communities.

A clause in the Government's contracts requires suppliers to recycle funding when people take up superfast connections installed as part of the programme. Over 2.25 million homes and businesses have taken up superfast broadband in areas covered by BDUK projects. To date, BT has set aside £477 million to extend coverage over the full lifetime of the contracts — up from £292 million in December 2016 — in nations and regions around the UK.

Combined with project efficiencies of at least £210 million resulting from the successful management and delivery of the programme, there will be up to £687 million available for local authorities to re-invest and take superfast speeds to those homes and businesses not already covered by existing plans.

Together with other planned delivery, this will help take superfast coverage to the majority of the remaining premises over the next few years. In addition to this, the Universal Service Obligation the Government is bringing in will give everyone the legal right to high speed broadband (10Mbps or faster) by 2020, meaning that no-one is left behind, and that all UK homes and businesses have the connectivity they need in the digital age.

Notes to Editors

1. The latest broadband coverage figures are at the ThinkBroadband website

<u>Press release: Foreign Secretary</u> statement on Kabul attack

I am shocked and appalled by yesterday's horrific attack in Kabul and condemn it in the strongest possible terms. The use of an ambulance as a weapon to target civilians is despicable.

Once again, so many innocent Afghan lives lost and so many people's lives affected. My heartfelt condolences go out to the victims and their families. I commend the brave Afghan men and women in the emergency services for their response to this brutal act.

The UK stands resolutely with Afghanistan against terrorism and calls for those responsible to be brought to justice. We remain firmly committed to supporting Afghan efforts to bring peace to Afghanistan. Yesterday's attack makes it all the more crucial that all parties intensify efforts to pursue dialogue. Regional and international partners must be united in support of this goal. The Afghan people deserve peace.

Press release: Boost for drivers as government backs clamp down on rogue parking firms

Drivers will receive new legal protections from unscrupulous private parking operators as Communities Secretary, Sajid Javid, today (28 January 2018)

confirmed that government will support new legislation aimed at raising standards in the industry.

Evidence shows that, in total, nearly 10,000 people approached the Citizen's Advice Bureau for advice on private parking tickets last year and parking firms are issuing almost 13 times more tickets than decade ago.

Drivers are increasingly complaining of inconsistent practices, substandard signage, confusing appeals processes and intimidating payment letters.

That is why the government is supporting new legislation to regulate the private parking industry.

Under the plans, which will deliver on a manifesto commitment to tackle rogue parking operators, a stringent new Code of Practice will be developed by the Secretary of State in conjunction with motorists groups and other experts.

Those falling foul of the rules would then be blocked from accessing driver data and issuing fines, effectively forcing them out of the industry.

These measures, introduced in a Bill by Sir Greg Knight MP, build on action government has already taken to tackle rogue private parking operators, including banning wheel clamping and towing, and over-zealous parking enforcement by councils and parking wardens.

Secretary of State for Communities, Sajid Javid, said:

For too long drivers have suffered from unjust fines at the hands of dodgy parking firms.

We need a fairer, clearer and more consistent system that brings the small minority of unscrupulous operators in line with those who are behaving appropriately.

That is why government is putting the brakes on these rogue operators and backing new laws that will put a stop to aggressive behaviour and provide a simpler way for drivers to appeal fines.

Industry bodies have lined up to support the Bill, which will receive its Second Reading in the House of Commons on Friday (2 February 2018).

Steve Gooding, director of the RAC Foundation, said:

Motorists will be delighted that the government is throwing its weight behind Sir Greg Knight's move to bring some much needed regulatory rigour to the world of private parking.

We all hoped the ban on clamping would end the sharp practices that had come to plague private parking, but the fact that companies are issuing millions of penalty tickets annually is clear evidence that something is still going badly awry.

Drivers don't want a parking free-for-all, but they do want a system that is fair to all parties and that's what a code of practice set by government — rather than the industry itself — should bring about.

Andrew Pester, Chief Executive of the British Parking Association, said:

We welcome Sir Greg's Bill that aims to drive consistency and fairness in the private parking sector. Our membership already complies with a robust Code of Practice which we continuously seek to improve through consultation.

A single, mandatory code of practice across the whole sector is important to ensure that unscrupulous providers don't undermine the parking sector with bad practice. As the leading authority in the sector we shall continue to work closely with government and key stakeholders to press for progress towards a positive outcome for all.

The <u>Parking (Code of Practice) Bill</u> is a Private Members Bill introduced by Sir Greg Knight MP.

The new Code of Practice will be drafted up with stakeholders, and would provide the clarity of a single set of rules for private parking, with clearer processes for appeals.

The Secretary of State would also have the power to raise a levy on the sector to fund the production, publishing and enforcement of the code.

At present, there are 2 parking trade associations, the British Parking Association (BPA) and the International Parking Community (IPC). Each has a Code of Practice that their members are required to abide by. A single code is intended to set a higher standard for practices across the sector, especially in the area of appeals against parking tickets.

Citizen's Advice Bureau statistics show that, in 2017, 5,011 (2016: 4690) people went into their local CAB branch seeking help about private parking. In addition, 4,395 (stats not available for 2016) called the Consumer helpline.

The RAC Foundation expects that, in 2018, 6 million tickets will be issued by firms operating on private land. This is up from 4.7 million in 2017.

RAC Foundation statistics also show that, in the second quarter of 2017-18, 1,429,703 vehicle-keeper records were sold to the private parking firms to issue tickets. This was 1,177% — or almost 13 times — higher than the 111,944 records sold a decade earlier in the second quarter of 2007 to 2008.

The government is <u>currently consulting</u> to stop unfair practices in the issuing of County Court judgments.

News story: Government to research whether companies buy back their own shares to inflate executive pay

- New research to address concerns companies may be repurchasing shares to artificially inflate executive pay
- Study forms part of the Government's corporate governance reforms and wider Industrial Strategy
- Announcement helps maintain the public's trust in big business and corporate standards

New research into whether some companies are repurchasing their own shares to artificially inflate executive pay has been announced today by the Government.

A share buyback is where a company buys back its own shares from the market, often to reduce the number of available shares in order to increase their value. While there are a number of valid reasons why a company would use these schemes, there are concerns that a minority of companies are using them to inflate executive pay and that they can crowd out investment.

This new research will help to understand how companies use share buybacks and whether any further action is needed to prevent them from being misused.

This review is part of the broader package of corporate governance reforms announced in August 2017 to address concerns that executive pay can sometimes be disconnected from company performance.

The Government has appointed consultants PwC to undertake the research into share buybacks and will be supported by Professor Alex Edmans, a leading academic at the London Business School. The findings will be published later this year.

Business Secretary Greg Clark said:

The UK is rightly recognised as having a world-leading business environment and responsible business practices — a key part of our Industrial Strategy.

But there are concerns that some companies may be trying to artificially inflate executive pay by buying back their own shares.

This review will examine how share buyback schemes are used and whether any action is required to prevent them from being abused.

As the part of last year's corporate governance reforms, the Government announced it would:

- support the Investment Association's world-first public register of FTSE-listed companies where more than one fifth of shareholders have opposed resolutions on executive pay packages and other issues;
- introduce new legislation this year requiring companies to annually report and explain the pay ratio between chief executives and their UK employees;
- ask the Financial Reporting Council to find new ways for companies to engage with their employees as part of the revised UK corporate governance code;
- appoint a Chair of a group to draw up the first-ever corporate governance principles for large private companies — the Chair will be announced shortly.