

Press release: Charity Commission finds 'basic and serious mismanagement' in selling land at charity

The Charity Commission, the regulator of charities in England and Wales, has concluded that the trustees of the Spiritualist Association of Great Britain ([see 'Notes to editors'](#)) were responsible for serious mismanagement in the way they disposed of the charity's London property in 2010.

The regulator has today (30 March 2017) published a [report of its statutory inquiry](#) into concerns about the sale of the charity's property at Belgrave Square. The Commission received information that the property was sold on for £21 million by its new owners, shortly after the charity had disposed of it for £6 million in December 2010.

The Commission first became aware of this in 2013, over 4 years after some of the events took place. The Commission's report concludes that the trustees failed to fulfil their legal duties and responsibilities towards the charity, and that 'the failures and breaches were not minor or technical in nature' but 'amount to basic and serious mismanagement'.

The report criticises the failure by the trustees to obtain a report from a surveyor who was suitably qualified as required under charity law for a disposal of this type. It finds that the trustees failed to seek independent specialist advice about how to ensure the charity would benefit from a possible post-sale increase in the value of the property if a change in the use of the property and/or enfranchisement was secured, as happened here. The inquiry's view was that the charity should have known that a commercial company would only purchase the property if it had good reason to believe it would secure enfranchisement or successfully negotiate a change of use. The inquiry also concluded that the trustees failed to take proper account of concerns raised by the charity's solicitor before the sale was completed.

Although the trustees told the inquiry that there was a financial imperative to dispose of the property and there was only one prospective purchaser, the report concludes that the trustees failed to conduct proper due diligence into the buyer of the property, a shell company with no assets.

There were mitigating factors as to why further regulatory action in the case was not appropriate, including a retrospective valuation of the property subsequently obtained by the charity that could be argued as being supportive of the 2010 sale price. Also, the Commission did not find evidence that the trustees, or anyone associated with the charity, derived unauthorised private benefit from the sale or any indication of bad faith on the part of the buyer, and the main person who authorised the disposal is now deceased.

Harvey Grenville, Head of Investigations and Enforcement at the Charity Commission, said:

One of the purposes of publishing inquiry reports is to ensure other charities have the opportunity to learn the wider lessons.

This case highlights that disposing of charity land can involve complex arrangements, which charities need to be careful about and obtain proper professional advice on. But even for simpler deals, it's a reminder of why it is so crucial that all charities and trustees understand the basic duties set out in our guidance, '[The essential trustee](#)'.

These duties include trying to get the best deal for your charity and complying with the specific legal requirements that apply in charity law when selling or leasing charity land or property. The law in this area is designed to ensure that a charity's assets are protected and that when disposing of charity assets it is only in the best interests of the charity. We have developed more detailed [guidance on disposing of land](#), which we strongly recommend charities refer to and use.

The Commission's report sets out wider lessons for charities to learn from the case. The [full report](#) is available on GOV.UK.

Ends

PR 25/17

Notes to editors

1. The charity's full name is [The Spiritualist Association of Great Britain \(formerly The Marylebone Spiritualist Association\) Limited](#) (registered charity number 225455).
 2. [The Charity Commission](#) is the independent regulator of charities in England and Wales. To find out more about our work, see our [annual report](#).
 3. Search for charities on our [online register](#).
 4. Details of how the Commission reports on its regulatory work can be found on [GOV.UK](#).
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News story: Help to Buy used by over a million

The government has now supported more than one million people through its [Help to Buy](#) schemes, including 868,240 who have opened [Help to Buy: ISAs](#) offering government bonuses of up to £3000 for those buying their first home.

[Help to Buy statistics](#) released today (Thursday 30 March) show that:

- over 259,000 completions have taken place using one or more of the Help to Buy schemes, the majority of these are first-time buyers
- more than 215,000 (84% of total completions) first-time buyers are now on the housing ladder thanks to Help to Buy
- the average house price across the schemes is £192,854, which is below the national average of £220,000

Philip Hammond, Chancellor of the Exchequer said:

This government is committed to helping working people get on the housing ladder. Our Help to Buy schemes are proving hugely popular across the country. More than a million people are now using them to help achieve home ownership, particularly first time buyers.

Gavin Barwell, Housing and Planning Minister, said:

As our Housing White Paper sets out, we're committed to helping more people find a home of their own with the support of a range of low-cost home ownership products.

Our Help to Buy: Equity Loan scheme continues to make home ownership a reality for thousands of people, especially first time buyers right across the country.

Home Builders Federation Executive Chairman Stewart Baseley said:

Help to buy is absolutely central to the big increases in housing supply we have seen over the past few years.

Helping people who otherwise would not be able to purchase a home provides the confidence builders need to invest in recruiting and training new staff to ramp up production and bring forward new sites.

More than 112,000 completions have now taken place through the Help to Buy Equity Loan scheme, which offers buyers up to 20% of a newly built home's

costs and 40% in London so they only need to provide a 5% deposit.

The North West, Yorkshire and The Humber, and the South West have seen the highest number of property completions using the Help to Buy: ISA. In total, 45,098 completions have taken place across the UK using the ISA bonus have taken place since launch in December 2015.

2,381 buyers in the capital across 31 boroughs also benefited from the London Help to Buy scheme between 1 February 2016 and to 31 December 2016.

The Government provides support via three schemes:

1. The Help to Buy: ISA is specifically for first-time buyers. For every £200 you save, the government will provide a bonus of £50. The maximum bonus you can receive on completion of a property purchase is £3,000.
2. The Help to Buy Equity Loan scheme offers buyers up to 20% of the cost of a new build home so they only need to provide a 5% deposit. It is open to both first-time buyers and those looking to step up the housing ladder.
3. The London Help to Buy scheme provides an equity loan of up to 40% for buyers in the capital with a 5% deposit. It is open to both first time buyers and those looking to step up the housing ladder.

Press release: UK energy statistics: statistical press release – March 2017

[Energy Trends](#) and [Energy Prices](#) publications are published today 30 March 2017 by the Department for Business, Energy and Industrial Strategy. The publications cover new data for the fourth quarter of 2016.

Energy Trends covers statistics on energy production and consumption, in total and by fuel, and provides an analysis of the year on year changes. Energy Prices covers prices to domestic and industrial consumers, prices of oil products and comparisons of international fuel prices.

News story: Promoting economic growth alongside public protection

The growth duty, which came into statutory effect on 29 March 2017 under the [Deregulation Act 2015](#), requires regulators to have regard to the desirability of promoting economic growth, alongside protecting the public.

It applies to most national regulators but not local authorities or fire and rescue authorities. The [growth duty statutory guidance](#) clarifies how regulators can work in accordance with the growth duty.

The guidance will help regulators fulfil their new responsibilities, including the proper consideration before allocating resources, setting enforcement policies and making sanctioning decisions.

Minister for Small Business, Consumers and Corporate Responsibility Margot James said:

I believe that the growth duty will encourage regulators to develop more mature and productive relationships with those sectors and businesses that they regulate, driving up the accountability of regulators to the business community.

And we are asking regulators to consider how legislation and enforcement frameworks could adapt to emerging technologies and innovative business models. Our expectation is that this will help to deliver our aspirations for greater productivity and growth in our economy.

The regulators and regulatory functions to which the growth duty applies are specified in the [Economic Growth \(Regulatory Functions\) Order 2017](#).

The Deregulation Act 2015 was extended by the Enterprise Act 2016, requiring regulators to formally report on the effect that the growth duty has on the way they exercise their regulatory functions and the impacts of this on business. However, this additional obligation is not yet in force, and BEIS will engage with regulators before it is introduced.

Newslinks for Thursday 30th March 2017

Article 50 has been triggered





'Nine months after Britain voted to leave the EU, the countdown on a two-year negotiating period began when Donald Tusk, the president of the European Council, was handed a letter by Sir Tim Barrow, Britain's permanent representative at the EU, invoking Article 50 at lunchtime. Boris Johnson, the Foreign Secretary, described it as "a magnificent moment", while in the House of Commons, there was jubilation from MPs as Mrs May announced: "The Article 50 process is now under way."' – [Daily Telegraph](#)

Editorials

Davis: We will build a great, global trading nation



'I genuinely believe our future outside will be better and brighter. Leaving will allow us to get out into the world and show how great this country really is, standing on its own two feet. For the first time in over 40 years, we'll be free to make all of our own laws, forge trade deals of our own with the fastest-growing economies of the world, and be in complete control of our own borders. Put simply, Britain will be a truly sovereign nation once again. We can build a great, global trading nation that's respected around the world and stronger, fairer and more united at home.' – [David Davis, The Sun](#)

Verhofstadt suggests May is trying to 'blackmail' the EU over security co-operation



'Theresa May was accused last night of trying to blackmail the EU over a Brexit trade deal. In a show of steel that angered Brussels, the Prime Minister suggested she could withdraw co-operation on security unless a fair agreement was struck. She used her Article 50 letter, which launches a two-year divorce process, to warn the EU against trying to damage Britain at such a dangerous time. The 28-state bloc leans heavily on UK intelligence and policing expertise. Mrs May's warning was described as tantamount to blackmail by Guy Verhofstadt, the European Parliament's Brexit negotiator.' – [Daily Mail](#)

Merkel says trade talks must wait until after Brexit disentanglement



'Angela Merkel has pushed back against Theresa May's attempt to speed through a new trade deal with Europe, as the British premier set in motion two years

of difficult talks on Brexit. Even as European diplomats welcomed the conciliatory tone in Mrs May's formal notification of Britain's withdrawal from the EU, the German chancellor struck a hard line on the sequencing of the talks, insisting the terms of the UK's future relationship could be discussed only after exit terms are agreed. Ms Merkel said she wants the Britain and the EU to remain close partners but added that the negotiation must focus first on disentangling the close links developed in 44 years of EU membership. The UK's rights and obligations had to be addressed first, she said.' – [FT](#)

- The Government wants both issues discussed in parallel – [FT](#)
- Hammond contradicts Boris on 'have our cake and eat it' – [The Sun](#)
- The main points for the negotiation – [The Sun](#)
- May faces a battle with her own backbenchers – [The Sun](#)
- Is Nicky Morgan the biggest hypocrite in politics? – [Leo Mckinstry, Daily Mail](#)
- Cameron says he has always been a Eurosceptic – [The Times](#) (£)

Sturgeon: I haven't been listened to



'The triggering of article 50 is also politically and constitutionally reckless. The full effects on Northern Ireland, which currently faces the possible reintroduction of direct rule, remain to be seen. Similarly, there has been no serious attempt to engage with compromise proposals that would keep Scotland – which voted decisively to remain in Europe – inside the single market. The result is that we must now ensure that people in Scotland are given a choice between the hard Brexit deal now being negotiated, and independence.' – [Nicola Sturgeon, The Guardian](#)

Truss pledges to 'leave no stone unturned' in fighting stalking and domestic abuse

'Plans to order courts to get tough on stalking, revenge porn and domestic violence were unveiled yesterday. Justice Secretary Liz Truss vowed to "leave no stone unturned" as new guidelines on harassment, stalking, controlling and coercive behaviour and domestic abuse were published. Offenders who send explicit pictures to victims' families or set up websites to cause maximum

humiliation will face the harshest penalties. It's the first time guidelines have been drafted for courts dealing with malicious exes who post intimate sexual pictures of former partners without their consent. The offence, which currently carries a maximum prison term of two years, was introduced in April 2015.' – [The Sun](#)

- Neuberger joins chorus of judicial criticism – [FT](#)
- He's also pressing for the retirement age to be raised – [The Times](#) (£)

NHS Federation: patients must choose between swift operations and A&E



'Patients must be told they cannot have routine operations quickly if they also want short waits for A&E, cancer care and other treatments, an NHS leader has said. Simon Stevens, head of NHS England, is being urged to relax targets for waiting times as he prepares to lay out his reforms to the service today. Niall Dickson, chief executive of the NHS Confederation, which represents all health service organisations, said that it was unrealistic to pretend that patients could have everything they had come to expect when money was so tight. "It's not reasonable to say that all the current targets have to be met," Mr Dickson told The Times.' – [The Times](#) (£)

- The NHS forces nursing assistants to become sole traders – [The Sun](#)
- Pay more or accept reduced services – [The Times Leader](#) (£)

Glover: Why doesn't the Government sell off Channel 4?

'It should not be the Government's first consideration to safeguard programme makers. No, its foremost responsibility is to reduce the national debt by selling off what it does not need to own. And there could be no more obvious candidate than Channel 4. When launched, it faced commercial uncertainties and, despite a zeal for privatisation, the Thatcher government felt it needed the protection that public ownership would confer. Moreover, it was then a serious TV channel committed to making programmes of a quality...Channel 4 no longer offers a distinct voice. It is no better, and often worse, than the BBC...As for its news coverage, the famously Left-leaning Channel 4 News even outdoes the politically correct BBC in its embrace of fashionable causes.' – [Stephen Glover, Daily Mail](#)

- Netflix pushes the average age of BBC viewers over 60 – [The Times](#) (£)

Livingstone speaks out about...guess who?





‘Ken Livingstone has defended himself against accusations of anti-Semitism by claiming a Nazi policy “had the effect of supporting” Zionism. Jeremy Corbyn suspended the former Labour MP last year after he invoked Hitler to defend a colleague over anti-Semitic remarks and claimed that there was a “well-orchestrated campaign” against the party by the “Israel lobby”. He said there is “no real evidence” against him, adding that “only a biased and rigged jury could find against me.”’ – [Daily Telegraph](#)

MPs want newspapers fined for misleading science coverage

‘Newspapers should answer to a press regulator when they are judged to have misreported science stories, a committee of MPs has said. The politicians called for a “robust redress mechanism”, possibly including fines, for outlets that write about research in an “inaccurate or outlandish way” or fail to state its limitations. It was unclear who would adjudicate on claims of distorted science reporting or what the assessment criteria would be. The cross-party science and technology committee said journalists had lost the trust of the public through faults such as “false balance”, in which two views are presented as equally valid when the weight of the evidence lies on one side. They also said that the media “often have an agenda which allows inadequate place for opposing evidence”.’ – [The Times](#) (£)

Two new reviews into Parliamentary security



‘John Bercow has announced two reviews into security at Parliament after a knife wielding terrorist ran into New Palace Yard and murdered hero cop PC Keith Palmer last week. He told MPs he was setting up an “external independent review” of how the Palace of Westminster is “secured and protected”. In the moments before reaching Parliament evil attacker Khalid Masood had ploughed through crowds on Westminster Bridge killing three more. A further probe will be an “externally-led” review of what lessons can be learnt in the future. The first will report by April, and the further

investigation asked to wrap up by June. Parliamentary authorities and the police have faced questions over last Wednesday's attack after it emerged the first armed line of defence were bodyguards for the Defence Secretary rather than machine gun-wielding policemen.' – [The Sun](#)

News in Brief

- Type 2 diabetes is 'not a real disease', says leading doctor – [Daily Mail](#)
- May criticises uSwitch – [The Sun](#)
- Helicopter missing over the Irish Sea – [Daily Mail](#)
- Allies drop 500 bombs a week in Mosul – [The Times](#) (£)
- The Government is failing in its duty to Hong Kong – [Catherine West, The Times](#) (£)
- Health targets threaten the size of chocolate bars – [FT](#)
- Some rural areas may never get broadband – [The Times](#) (£)

[Newslinks March 2017](#)