Press release: “No evidence of charitable activity” by mismanaged Gaza aid charity, according to critical report

A charity set up to help people in Gaza may not have conducted any charitable activity or distributed any humanitarian aid, according to a highly critical report by the Charity Commission.

The charity regulator has published the findings of its inquiry into Viva Palestina, and has concluded that its trustees put publicly donated funds at risk as a result of their mismanagement and/or misconduct.

The regulator finds that the trustees failed to fulfil their legal duties including to maintain proper financial records, safeguard the charity’s assets, provide financial accounts, and to address concerns raised by the regulator.

Whilst the inquiry saw some evidence that monies had been used to purchase medical supplies in line with the charity’s objects, the Commission concludes that the charity’s financial and other records were so poor that “it was difficult to establish with any certainty whether any charitable activity had taken place” and that the inquiry found “little or no evidence that humanitarian aid was distributed to those in need”.

The Commission did establish, however, that one of the charity’s former trustees had received payments from the charity and that mobile phones and radios were purchased with charity funds at “significant expenditure”. There are no records of where these assets are now held.

Viva Palestina began in 2009 as a large scale fundraising campaign to finance aid convoys to Gaza. Its founders did not originally apply to register the organisation as a charity; the Commission formed the view that it was a charity and must therefore be registered.

The Commission says it found a lack of clarity among the former trustees as to who was responsible for the charity’s day-to-day running. It concluded that the trustees “failed to act with reasonable care and skill in the control of their charity’s funds and the charity’s day-to-day management”, which it says amounts to misconduct and/or mismanagement.

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

> Our investigation into Viva Palestina found that it was a wholly inadequately managed charity. A trustee is by its name a trusted

position, acting for the public benefit to help others. The public has a right to expect that those who serve as charity trustees take their responsibilities seriously, properly accounting for the charity’s income, assets, activities and its expenditure. This didn’t happen in the case of Viva Palestina. Our inquiry shows that the former trustees did not pay proper attention to the legal responsibilities involved in running a charity and handling funds donated by the public. We found little evidence that the intended beneficiaries received the support intended, despite the extensive fundraising by Viva Palestina. The former trustees thus badly let down the public to whom the charity is accountable.

Among the issues highlighted in the Commission’s report are:

- unauthorised payments: one former employee claimed that they had been instructed to make financial transactions by one of the founders and a former trustee of Viva Palestina, who had no authority to do so
- lack of proper control over employment: the same individual also claimed that they had been instructed by the same founder and former trustee to resign as a trustee and assume duties as a paid employee. The Commission saw no evidence that the trustees made such an appointment properly
- lack of oversight over assets

As part of its inquiry, the Commission used formal investigatory and enforcement powers, including to:

- appoint an Interim Manager (IM) – an IM was appointed in 2014 to take over the management and administration of the charity. Her role included compiling accounts for years ending 2010, 2011, 2012 and 2013, taking control of the charity’s bank accounts and examining further the financial management and controls at the charity
- obtain the charity’s bank records – the inquiry exercised its formal information gathering powers to obtain the charity’s bank account records
- freeze bank accounts – the inquiry also used its power to prevent the charity’s bank from parting with funds without the Commission’s consent
- direct the trustees to take action – including using its power to direct the trustees to provide the charity’s overdue annual accounts and provide documents, records and explanations about the charity’s expenditure, financial management and administration of the charity

The Charity Commission’s investigation opened in June 2013, three years after it published a report on a previous investigation into the charity. The Commission initially sought to resolve its regulatory concerns outside of a formal inquiry, but opened a new inquiry when it was unable to obtain the necessary information.

ENDS

Notes to editors:

1. The report of the Commission's first inquiry into Viva Palestina is available on the website of the National Archives.
2. The Commission considered using its disqualification powers against the trustees and former trustees of the charity. Disqualification is not dependent upon a charity being in existence and regulatory action cannot be avoided by winding up a charity. However, as the charity had ceased to exist for a significant period of time, the absence of any meaningful records and the lack of clarity over who had control of the charity and its administration and who was a trustee, meant the Commission was not able to exercise its powers under section 181 of the Act to disqualify persons from acting as trustees.
3. The names of individuals who failed to co-operate with the inquiry or to clarify their role in its governance and administration have been noted on the formal records, in the event that they should seek to become trustees of charity in future.

Press release: "No evidence of charitable activity" by mismanaged Gaza aid charity, according to critical report

Charity Commission investigation report concludes former trustees of Viva Palestina are responsible for mismanagement and / or misconduct.

Press release: Home Office launches call for evidence on fire safety

Employers and business owners are being asked for their views on fire safety in workplaces in England as part of a Home Office call for evidence launched today.

The Home Office is seeking feedback on the Regulatory Reform (Fire Safety) Order 2005, which underpins fire safety in business premises, such as offices, warehouses, shops and commercial venues, to ensure it is fit for purpose.

The call for evidence follows publication last year of Dame Judith Hackitt's Independent Review on Building Regulation and Fire Safety, which was commissioned by the government after the Grenfell Tower fire.

The order places legal duties on those responsible for the safety of people using business premises. This is typically an employer or business owner, who must carry out fire risk assessments and ensure the safety of staff and others.

Minister for Policing and the Fire Service Nick Hurd said:

> The Grenfell Tower fire was an unimaginable tragedy and we are determined to do everything we can to stop it ever happening again.
>
> The government is making good progress on improving the safety of high-rise flats, but we must also look at the wider building safety landscape, including the places where we all work.
>
> To help keep people safe, we want to ensure the Fire Safety Order is fit for purpose. To do this, we need to understand how it is working on the ground and make informed decisions in the future.

The order covers all non-domestic premises, as well as the parts of residential buildings used in common, such as corridors and stairwells.

Under the order, those responsible for fire safety in regulated premises include employers, business owners, landlords, occupiers and anyone else in control of the premises, such as building and facilities managers.

The order also applies to anyone with paying guests, including those who run bed and breakfasts, guesthouses or let self-catering properties, as well as hotels.

All of these 'responsible persons' are being urged to respond to the call for evidence.

Their responsibilities include:

- carrying out a fire risk assessment of the premises and reviewing it regularly
- telling staff or their representatives about the risks identified
- putting in place and maintaining appropriate fire safety measures
- planning for an emergency
- providing staff information, fire safety instruction and training

The call for evidence will run for eight weeks until 31 July 2019, and an analysis of responses will be published and inform the government's next steps later this year.

It complements the government's consultation, Building a Safer Future, which is also launched today. Led by the Ministry for Housing, communities and local government, the consultation outlines how the government proposes to take forward meaningful legislative reform in the building safety regulatory system.

See more information on the call for evidence here and on the Building a Safer Future consultation here.

Press release: Home Office launches call for evidence on fire safety

The government is seeking views on the Regulatory Reform (Fire Safety) Order 2005, which underpins fire safety in non-domestic premises.

Speech: Women in Finance Summit 2019: John Glen speech

It's a pleasure to speak with you this morning on a subject that is right at the top of my priorities.

Women in Finance really is central to the success of UK financial services, and our prosperity more broadly.

Not because of social pressure or reputational risk – but to help us meet the challenges and opportunities of the global economy.

In the future, we will never be able to compete with the likes of China or India when it comes to raw numbers, or sheer financial and political clout.

The single most decisive factor in our success will be the expertise found within our workforce.

And if the UK is to remain a leading centre for global finance, then we cannot afford for people with talent and skill to pass the sector by.

Nor can we afford for experienced and capable individuals to be prevented from rising to the top.

I know many of you recognise this too.

As such, I hope you'll forgive me if I don't repeat all the traditional arguments in favour of workplace diversity.

It might have been necessary 10 or 15 years ago; but this is 2019. One would hope that the benefits are plainly apparent across the industry – and certainly to this audience.

Nor do I intend to simply reel of the normal list of Government platitudes and policies as you might expect from a ministerial speaker.

You’ve already discussed the Treasury’s Women in Finance Charter in the previous session.

And many of the 330 organisations that have already signed-up are represented today.

Instead, I want to talk about how we can translate our shared commitment into meaningful, measurable, improvement.

As City Minister, I certainly hear all the right noises about diversity and inclusion.

Corporate leaders tell me they ‘get it’.

They have an action plan. They hold forums. They bring in experts.

And yet the gender pay gap in financial services remains the largest of any sector within our economy.

On average a woman earns 64 pence for every one pound earned by a man.

There is no great mystery behind this disparity. The simple fact is men are disproportionately represented in senior roles which naturally attract better salaries.

For all the noise and activity – for all the supposed commitment within the sector – there are still too few women reaching the top.

Is it because companies are choosing quick and superficial wins over long term cultural change?

Or perhaps they were only interested in window dressing in the first place?

I have certainly heard some horror stories in my time.

Reports of firms filling gender balanced shortlists but with no real intention of employing the women concerned.

Or creating new seats for women in the boardroom in roles that are peripheral or – worse – roles that set them up for failure.

These are anecdotal examples – one hopes they aren’t accurate.

But somehow the very public commitment to diversity and inclusion throughout the sector isn’t cutting through.

Earlier this week, I had the opportunity to visit the headquarters of Man Group.

It's one of the firms that is making progress.

They've introduced a global parental leave policy. All new parents – men and women alike – are entitled to the same full pay and the same, extended, 18-week leave allowance.

I wanted to speak to a cross section of women who work there to understand their perspective more broadly.

I was particularly taken with the comments of one classics graduate who is now co-managing a billion-euro hedge fund.

She made the point that the perception that financial services is all about complex maths and spreadsheets can put people off. It doesn't reflect many aspects and skills required for the job. Emotional intelligence also matters.

Alongside the requirement for hard quantitative analytical skills is the need to understand the complex inter-personal dynamics and culture of an organisation you might want to invest in.

This point about perception came up time-and-again during our conversations.

Take role models as an example.

We often look to CEOs and industry 'big names'. But if they are so far removed from your own experience or career path, what impact can they really have on your aspirations?

People need realistic case studies. Role models with backgrounds they recognise. Attributes they can emulate.

And I think perception also plays an important part in answering why we've not seen more progress in achieving a greater gender balance across the sector.

There's little point in having the right policies on parental leave, for example, if new mothers or fathers feel that taking their entitlement will harm their career.

Likewise, there's little point in permitting flexible working if staff feel they'll be poorly judged if they work at home.

Indeed, truly enlightened firms should be willing to publish the data to prove they practice what they preach.

And the most inclusive firms are those where managers lead by example.

Because if managers aren't taking the leave they're entitled to – or if they're burning the midnight oil in the office night after night – is it any wonder if their staff feel obliged to do the same?

It’s clear that having the right policies isn’t enough by itself – the culture must be there too.

Of course, some countries have gone down the route of legislation.

In Sweden new mothers and fathers are obliged to take their entitlement of parental leave, and that’s been the case for several decades.

My instinct is that isn’t the right solution for the UK at present.

I’d much rather tap into the spirit of competition that exists within the sector by sharing best practice to inspire – or provoke – firms to do better.

And there are plenty of companies that are making progress toward their targets.

Lloyds has a leadership development programme which has seen women being promoted at a rate 5 times greater than the average across the firm.

Nationwide reviewed their maternity leave policy and consequently. designed a new returners programme to help ease mothers back into work.

And at PwC all staff, at every level, have diversity linked objectives against which their performance is assessed.

This kind of approach matters because everyone has a role to play in creating an inclusive culture.

Everyone is a leader of some sorts, even if it’s just by setting an example for others to follow.

And it’s important to hold people to this obligation – just as firms need to be held to account for the overall progress they make.

This leads us back to the Women in Finance Charter

The next annual review will begin over the summer.

And I will be taking a personal interest in the submissions we receive.

I don’t expect to see complete transformations overnight.

But I do expect to see signs that you are making headway.

Putting in place policies and programmes which will deliver consistent progress in the years to come.

Because signing the Charter is not a ‘tick in the box’ – it’s a solemn commitment to do what must be done to right this wrong.

So let me draw this together.

I’ve raised a few awkward questions today, but I make no apology for asking them – nor are they for me to answer.

Ultimately, the onus is on the sector to ask itself whether it is willing to translate warm words into the tough, tangible action which is necessary.

I’m proud to be your advocate.

Barely a day goes by when I don’t speak in Parliament or in public about the contribution that financial services make to our economy, or the potential it offers for the future.

I will always try to name firms that represent the best of the sector, as I have done today.

But nor will I shy away from highlighting where the sector is falling short; and where it needs to do more.

And the hard truth is we still have a long way to go.

So the time has come for real leadership.

No more gestures.

No more warm words.

Decisive action is required.

I must now return to Whitehall to prepare for a Parliamentary debate this afternoon.

But I would encourage you to take inspiration from one another’s achievements and from all you’ve heard today.

And to never lose sight of what we’re working toward.

A financial sector where no one is forced to choose between their family and their career.

A sector where anyone can succeed on the strengths of their talents alone.

A sector that is not only more open, but more resilient, more dynamic and more successful too.