

Press release: Overseas Territories meet in London for annual Joint Ministerial Council

Political leaders from all UK Overseas Territories met with UK ministers this week for the annual Joint Ministerial Council in London from 4-5 December.

The discussions, hosted by Foreign Office Minister of State for the Overseas Territories Lord (Tariq) Ahmad of Wimbledon, covered a range of topics, including Brexit, trade and investment, financial services, safeguarding, disaster management and constitutional issues. HRH the Duke of York also addressed the attendees at the JMC reception.

Minister of State for the Overseas Territories Lord Ahmad of Wimbledon said:

It was a pleasure to welcome Premiers and representatives from all of the UK's Overseas Territories to London. The UK Government is negotiating a Brexit agreement for the whole of the UK family, including the Overseas Territories, and we are committed to finding the best deal for all of us. We also discussed a range of other issues of high importance to all of the Overseas Territories, including making sure that we are collectively prepared for the next hurricane season.

I will be taking the conversations I have had with colleagues from the Overseas Territories and making sure they are fully considered and reflected on as we continue our plans and discussions on Brexit over the coming weeks and months.

The ministers and representatives from the Overseas Territories held a series of productive discussions on Brexit. These talks reaffirmed the UK government's commitment to taking the Territories' priorities into account as the UK prepares to leave the EU, including in relation to funding, trade, the environment and education.

This follows assurances given by the UK Government that, in the unlikely scenario that we leave the EU without a deal, existing projects under certain EU funding streams will be guaranteed by Her Majesty's Treasury for the lifetime of those projects.

Also present at the meeting were:

- The Rt Hon Lord Bates, Department for International Development
- Thérèse Coffey MP, Department for Environment, Food and Rural Affairs
- George Hollingbery MP, Department for International Trade
- John Penrose MP, Prime Minister's Anti-Corruption Champion
- Chloe Smith MP, Cabinet Office

- The Rt Hon Mel Stride MP, Her Majesty's Treasury
- Robin Walker MP, Department for Exiting the EU

The leaders of the Overseas Territories also attended Her Majesty The Queen's Reception for the Diplomatic Corps at Buckingham Palace.

Further information

[Press release: Charity Commission intends to order a veterans charity to wind up](#)

The Commission is today giving [public notice](#) of its intention to issue an order to direct the winding up of Afghan Heroes.

The Commission opened a [statutory inquiry](#) into the charity in November 2013, due to various regulatory concerns about its management and administration, including that its assets may be at serious and significant risk of harm.

Section 84B of the Charities Act 2011 gives the regulator the power to issue an order to direct a charity to be wound up. The regulator can do so if it is satisfied that a charity does not operate, or its purposes can be promoted more effectively if it ceases to operate; and exercising the power is expedient in the public interest.

The Commission's summary of reasons is set out in the Public Notice of Intention to Exercise Powers: Afghan Heroes.

As required in law, the Commission is now inviting representations. Any representations must be made within 30 days.

See [further information about schemes and orders](#).

Representations can be emailed to:

IAEInvestigationsCRM@charitycommission.gsi.gov.uk marking it 'Representations to the Public Notice – Afghan Heroes – 1132340'.

The Commission will consider any representations received within 30 days. It may (without further public notice) issue the order (with or without modifications) 60 days after the 1st day of this notice.

The Commission's inquiry into Afghan Heroes is ongoing; a report setting out the findings of the investigation will be published once it has concluded.

Reports of previous inquiries are available on GOV.UK.

Ends

Speech: Baroness Stowell's speech at the NACVA Annual Conference 2018

Good afternoon, I am delighted to be part of your conference today, and to be spending time here in Sheffield.

I spent this morning with the dedicated people behind TimeBuilders, a charity based right here in St Mary's, whose purpose is to help people volunteer their time and their unique skills and talents for the benefit of those around them.

To help forge communities.

Forging community is of course the theme of this conference.

And it's one of the things charities, when they are at their best, do best.

Harnessing the talents, energies, and commitment of people living in a place, in a patch of city, town or country, and putting them to use for the benefits of all.

That work itself rarely makes headlines.

And those in turn who work behind the scenes to enable small local voluntary action to thrive – through organisations like yours – rarely receive the acknowledgement they are due. Your work is often just out of sight, in the background.

I am sure you don't do what you do for adulation or praise. And you don't need me or the Charity Commission to validate your work.

But I would nevertheless like to thank you for what you do. And highlight its importance and value.

Building communities, creating places in which people feel safe and of which people feel proud, is a task of vital importance.

And it's more important than it's ever been: Our country is divided, politically, socially, economically – and we face disruption and uncertainty as rarely before.

Charities and community organisations are a crucial part of the response to these challenges – and they therefore carry immense responsibility for doing their work well and in a way that helps people feel invested in the future of the place, and the society, they live in.

So the aims you have, and the way you go about meeting those aims matters.

It matters not just to the health of the geographical communities in which you operate. But to the good of our country as a whole.

And the work you do matters to the Commission, whose purpose, as I will explain, is to help charity thrive and inspire trust, so that it can improve lives and strengthen society.

And, indeed, it matters to me personally.

Because I am very conscious that the place I grew up in shaped the person I've become. And because that place taught me some important lessons about the role and potential of communities, of charity and of people.

Let me tell you about it.

I grew up in a small place called Beeston Rylands, which is its own self-contained part of a town called Beeston, near Nottingham.

At first glance there isn't anything flashy or distinctive about the town of Beeston. It was, and is, a very normal place, in one sense.

But what I felt then and see even more clearly in hindsight, is that Beeston – and the Rylands in particular – was a special place precisely because it is a community.

When I was growing up, I saw people, people like my parents, taking responsibility for the place they lived in and the people they lived alongside.

There was a sense of civic pride, and also of compassion and care: a sense that everyone matters, regardless of their circumstances.

And there was mutual respect. Between the people in formal positions of responsibility, authority and power – teachers, doctors, local councillors etc. And those whose authority was more informal, less tangible, but no less important to the making of a strong community.

It was recognised that a strong community relied on leadership of all kinds – not just the most obvious.

Let me give you an example: a local shopkeeper does not usually have a formal position of power in his or her community. But they might very well have significant influence, and show leadership in the expectations they set for how customers behave towards one another, in the way they maintain their shopfront and in the courage they show in challenging poor conduct.

But those of us with formal authority need to make sure that shopkeeper knows we think they are important.

What applies to shopkeepers applies even more to charities: No matter how small they are, or how on-a-shoestring their operations:

Charities in a local community have an impact and an importance far beyond the direct services they provide to their immediate beneficiaries.

They can help make the difference between a community that inspires people to invest in the future and one whose inhabitants long for a past that cannot return.

And that's why I know that I am stood now before some of the most influential and important people in the charity sector, and arguably, by extension, some of the most important people in our society.

You might not see yourself as such.

But as people, as organisations, whose purpose is to help local voluntary action in your communities thrive and succeed, you hold huge power.

And I know that the Charity Commission won't fulfill its positive new purpose, or deliver on our ambitious new strategy, unless we bring people like you with us, unless we work in constructive partnership with you.

Let me tell you then about the Commission's strategy, and how we arrived at it.

I started at the Commission nine months ago, in early February of this year.

I was excited then and I'm excited now about the difference the Commission can make if it does its job well.

And at its core, our job is to represent the public interest in charity. To help charities understand and respond to public expectations so that charities in turn can serve their beneficiaries, and have the wider positive impact I spoke about earlier.

And because we represent the public interest, we needed to recognise that regulation is not an end in itself. We don't fulfill our statutory functions just for the sake of it.

Doing so must, we said, be a means to an end that serves the public good. And that end, is essentially about what you do; about charity, and the difference you make.

And so at the heart of our new strategy lies a positive, optimistic purpose.

We say our purpose is to ensure charity can thrive and inspire trust so that people can change lives and strengthen society.

And to put it another way: we want to help maximise the benefit charity has in our society. Everything we do from now on will need to serve that end.

We will still of course fulfil our statutory functions – registering charities, investigating mismanagement, providing guidance to trustees on their duties, etc. But we'll do so in a way and to an extent that helps us achieve our purpose.

But there's a significant hurdle in the way of our achieving our purpose.

Early into my time at the Commission came evidence that charities are not, at this time, meeting their undoubted potential.

Research into levels and drivers of public trust in charities revealed that, even though charities are by definition organisations that exist to provide public benefit, the public no longer give them the benefit of the doubt.

Of course individual people have more or less trust in individual charities. The point is that the concept of charity no longer evokes an automatic sense of confidence in the public.

There may well be all sorts of factors that feed into this change, for example the general decline in deference to and trust in institutions of all kinds.

But I felt strongly that such wider issues should not stop the Commission from asking whether there's something in and about charities that has contributed to the decline in trust too.

So we undertook, over the course of this summer, detailed further research. We wanted to delve deep to find out what it is people expect from and associate with charity, how they relate to charity and why.

And what we found was in some senses contradictory: because on the one hand there is no one public when it comes to charity.

People relate to charity in different ways, depending on who they are, where they live, and their general sense of security, notably financial security.

Some people, often older people who live in less diverse areas, generally think of charity in terms of local voluntary action. The charities you work with may well know people who fall into this group well, they may form a good proportion of their volunteers, for example.

Then there are those who see charity principally in terms of its potential to operate and make change at a national, global structural level. They are often younger and live in diverse communities.

Others still support professionally-run charities and the wider role that charities play in our society. They welcome the global footprint of some of our larger charities and are comfortable with the large salaries sometimes paid out to those in charge of complex organisations.

These are typically the people that most charities that work nationally spend most of their time talking to. They make up what I will mischievously call the charity sector echo chamber.

But the research found that, regardless of this diversity of view, there is a remarkable agreement on one basic expectation of charity.

Namely that being a registered charity should mean something. That charities should be held to higher standards of behaviour, conduct and integrity because they are charities. Or to put it the other way around: that charitable aims don't justify uncharitable means.

We all, according to our research, look to charities to be role models not just in what they seek to achieve for their beneficiaries, but also in how they go about pursuing that outcome.

People don't expect to like everything every charity does, let alone to wish to support every charity with their time and money. This is not about charities competing for popularity.

What the public expect is to be able to respect a charity because of the way it conducts itself, the sincerity and authenticity with which it pursues its charitable objectives.

This view is held almost universally and shared between people who otherwise probably have little in common when it comes to charity or anything else.

And I think this agreement, this sense of shared expectation, gives us – the Commission and the charities we regulate – a great basis on which to make the changes that will help charity continue to thrive into the future. I'd like to give you two examples of the change I think we need to see.

One is about what the Commission will expect of charity.

The other is about what you as charities can expect from the Commission. Looking ahead, the Commission is going to do more to hold charities to account in the public interest.

This priority is about more than just compliance with the minimum legal requirements, as important as such requirements are. It's about being accountable for the privilege of charitable status and the stewardship of charitable resources.

Don't get me wrong: we're not writing a new rule book. And we won't be investigating charities just because we think their attitude or conduct has fallen short. It is right that we only use our regulatory powers within the legal framework.

What will change is that we will use our voice and authority to highlight the responsibility that charities and trustees have to that attention to how they meet their purpose not just what they do.

We will use our voice more strongly to encourage the behaviour that people expect.

But as important as our voice is, we can't achieve much by way of changing behaviour unless we bring charities with us. Unless we see leaders in charities waking up to public expectations and thinking about what those

expectations mean for their charity and their work.

There will be no one size fits all.

Authenticity and integrity in their nature result in different actions and different outcomes depending on the individuals and the organisations involved.

But there will be, on the part of the Commission, a growing expectation that charity leaders ask themselves and their organisations the right questions, even if they end up with slightly different answers.

But as regulator, we can't just step in or speak up when something's already gone wrong.

And this brings me on to what you can expect from us.

I recognise that we have to do more to help give trustees the understanding and tools they need to succeed. As you know, we already provide online guidance for trustees. But at the moment, it's aimed at all charities generically, and it's largely limited to saying what it is charities should not do.

I don't think that will cut it in the years ahead. To help trustees get things right before they go wrong, we need to be more targeted in the way we create and communicate our guidance.

We need to do more to fit with different charities' needs, including the needs of smaller charities, such as those you support.

I've been really heartened by the extent to which senior leaders in the sector have already said that that they support and welcome the Commission's new approach.

Who say they've recognised that disconnect between them or their peers and the communities they serve.

And indeed, the important and extensive research that Julia Unwin undertook as chair of the inquiry on Civil Society Futures led to findings that echo the Commission's: namely that change is needed if civil society is to reach its potential and counter the forces of division and disaffection.

And her report is so important because it paints the big picture: it recognises that charities and other voluntary groups are not about the icing on the cake of our national life, of our society.

We need civil society to flourish if our democratic way of life is to be secured into the future, for our children and grandchildren.

You might not in this room be leaders of household name charities or of big national inquiries.

But for the reasons I've set out, I am convinced that your leadership and your influence is every bit as important as that of CEOs of London based charitable institutions.

Working behind the scenes in your local communities, you can have an enormous impact in helping charities develop and grow in such a way as to inspire public trust and respect.

Now I don't live in cloud cuckoo land. I know you don't have spare time and resources to develop grand plans and initiate new projects.

I realise that financial worries, worries about demand and how your local voluntary sector can possibly meet that demand on the resources available them are what keep you awake at night.

I can't resolve those challenges for you at the Charity Commission, I'm afraid.

But what I can do is help ensure the Commission meets its purpose, and supports you in making small changes that amount to a big difference.

Think, for example, about the approach you might take to supporting a first time trustee of a new charity. Do you just point her to her legal duties and responsibilities and to guidance on how to secure funding?

Or do you mentor and support her to bring her heart, soul and conscience to the work, and to be bold and brave in making the right decisions, for the right reasons, even when they are hard?

I didn't come here to tell you how to do your jobs, I hope you know that.

I came here to let you know how committed I am about helping charities thrive and inspire trust.

And to encourage you never to underestimate your power or your ability to make changes that help not just your community, but help strengthen the fabric of our society.

And never to be distracted or discouraged from putting the interests of the people and communities you exist to help before everything else.

Thank you.

[News story: ESFA extends Schools Resource Management Adviser pilot](#)

We are rolling out the deployment of independent [School Resource Management](#)

[Advisers \(SRMAs\)](#), after the pilot successfully found over £35 million of savings and revenue generation opportunities in schools and academy trusts.

We have contracted, following a fair and open procurement competition, 9 supplier organisations who will recruit and manage a cohort of at least 160 accredited SRMAs until August 2020.

Over the course of the 2017/18 academic year, we piloted the use of independent SRMAs to work with schools and trusts to help them make best use of their available resources to provide the best possible education for their pupils.

SRMAs are sector experts, who have demonstrable experience of helping schools and trusts make the best use of their capital and revenue resources.

All SRMAs go through an induction and accreditation process, run by the Institute of School Business Leadership (ISBL). This ensures they have the expertise and confidence to help schools and trusts make best use of their resources including in the tools and techniques of integrated curriculum and financial planning.

The ESFA is continuing to work with the trusts involved in this pilot to ensure they are able to realise as much of the identified saving and revenue opportunities as possible.

Lord Agnew, Parliamentary Under Secretary of State for the School System, said:

“Excellent school resource management is vital in ensuring pupils receive the very best education possible.

“It is clear from the success of the pilot that SRMAs will be valued partners for schools and trusts as they work to ensure they make the most of the resources available to them and are maximising investment in the classroom. I am therefore delighted to announce that this expansion in capacity will help and support significantly more schools and trusts.”

Eileen Milner, ESFA Chief Executive, said:

“The SRMA programme (LINK) is part of the Department for Education’s wider work to help schools achieve excellent school resource management.

“The programme has already been pivotal in helping schools reduce cost pressures – reviewing approaches to staff deployment as well as identifying opportunities for savings on agency supply staff and procurement of goods and services.

“The extensive support SRMAs have and will continue to provide will help schools to ensure they are directing their resources in the areas that will make the biggest difference to their pupils’ education.”

The 9 supplier organisations who will recruit and manage the cohort of SRMAs are:

• Avec Partnership Ltd • Babcock Learning and Development Partnership LLP • Cotswold Beacon Academy Trust • Education Performance Improvement Ltd • Herts for Learning • Institute of School Business Leadership • MLG Education Services Ltd • North Yorkshire County Council • Schools' Choice

You can read more about information, tools, training and guidance schools and academy trusts with [financial planning and resource management](#).

Speech: Exchequer Secretary speech: Pensions and Lifetime Savings Association Trustee Conference

Intro

Thank you, Caroline, for that kind introduction.

And thank you to the PLSA for inviting me here today.

As a former commercial lawyer, there are always mixed feelings about coming to a place like Allen & Overy.

I certainly don't miss some aspects of the old job.

The late nights and long negotiations...

...The seemingly intractable arguments over the finest details of complex written agreements.

Actually, come to think of it, it was all good grounding for a career in politics.

Now we meet at an important moment for our country and our economy with critical decisions to be taken in the days ahead and the present debates can understandably all-consuming.

But I want to talk about the long-term direction of our economy and ask you to consider what you can do to define this country's success, not in the next few years, but for generations to come.

To create the high-tech, high-skilled, productive and competitive economy that we all desire.

One that attracts, supports and rewards enterprise, entrepreneurship and innovation.

With a climate that inspires a new generation to succeed, to prosper and to

excel.

Today, I want to talk about how we can work together to achieve that goal.

The guidance the PLSA are launching today shows that pensions have the potential to achieve more for everyone.

...Better long-term returns for the savers who invest...

...And better long-term impacts for the economy and for society.

The importance of patient capital

The UK is home to some of the world's most innovative companies.

Harnessing the intellectual might of our great universities, and the strength of our financial services industry...

...Start-ups are created at a rate greater than anywhere in Europe.

And we are seeing many of these companies grow into the global brands of the future...

...With at least 13 unicorns, more than any of our European neighbours, and more than a third of the total number across the continent.

In government, we have prioritised investment in innovative companies.

In this parliament, levels of public investment will be at their highest sustained levels in my lifetime.

And the last Budget gave further support for new technologies, and help for firms to grow.

Last year we unveiled a patient capital action plan to unlock over £20 billion in innovative firms over the next 10 years.

Since last year the British Business Bank has launched 'British Patient Capital' – a £2.5 billion fund to invest in innovative firms.

And we ploughed £1.6 billion into our research and development base...

...to strengthen the UK's global leadership in science and innovation.

But there's a limit to what government can and should do.

Ultimately, it is the sum of private investment in the engine of the economy that will define our success.

Britain's venture capital investment sector is maturing...

...With 4x more VC investment in tech companies than Germany, and more than France, Ireland and Sweden combined...

But neither should we be complacent about these favourable comparisons with Europe, nor let that be the limit to our ambitions.

Last year, the Chancellor identified a £4 billion patient capital gap between American firms and British firms.

UK firms receive fewer rounds of private investment before an IPO than their equivalents in the US.

We have to work harder to keep that talent in the UK and to attract international entrepreneurs to the UK who might otherwise go to the US.

So that those businesses can put down roots here, can thrive and grow here.

And pension funds have a crucial role to play in achieving this.

How pension funds could help

Auto-enrolment has led to a new cohort of younger savers...

...And an expansion in the amount of money in defined contribution schemes.

By 2025, we expect the overall pot will swell to £1 trillion...

...This has the capacity to drive strong and sustainable growth in the UK economy.

Pension funds are suited to patient capital

...They accrue gradually over a lifetime...

...And with this long-term investment horizon comes a greater appetite for investing in things with somewhat higher risk...

...and a higher reward.

The next generation of young pension savers have the chance to invest in the next world-changing technology, whether that's AI or a life-saving cancer drug...

...Or social impact investment in the infrastructure that underpins the economy – whether that's housing or health or transport.

...Investments that generate returns, while also having a positive effect on society or the environment.

All in all, this type of investment gives people the chance to shape the society they want to live in and to leave to the next generation.

As the youngest member of the present government and notionally a millennial, I believe the investors of today and those following them will demand that their savings include such investments, and be surprised if they do not. I also believe that technology will rapidly increase transparency. The pensions dashboard will enable savers to view their pensions and in time make choices

to amalgamate them...

...But I want to see technology harnessed, in time, to bring data on a pension to every savers smartphone including informing savers of how their pension is invested. This seems inevitable and will force the question of the industry- would our investments inspire our savers?

So the vision is clear...

Pension schemes of the future being able to invest appropriate amounts in patient capital as part of a diverse portfolio...

...benefiting from the rewards of innovative companies with significant growth potential.

It happens in America and Australia, where pension pots are more regularly invested in illiquid assets such as private equity and infrastructure.

We want the same opportunities here. We believe we could even be more innovative.

And that's what we're working towards.

Some in the field are showing true leadership and invention.

Strathclyde started a Private Equity programme in 1990.

And over the years they have invested £2.7 billion, with total returns of more than 13% per annum.

Others, like Hermes and USS, have also demonstrated the value of investing in patient capital.

The barriers we face

To make investment in patient capital the norm...

...and to close the gap with the likes of the USA and Australia.

...we have some barriers to overcome.

At the moment, our pension system is strong in terms of transparency, freedoms with a highly skilled and knowledgeable industry operating within the pre-eminent financial centre.

But still, defined contribution funds invest very little, if at all, in patient capital.

There are regulatory reasons for that, which we identified through our Pensions Investment Taskforce... ..which some of us in this room were involved in.

1. First, there's the FCA's permitted links rule, which restricts patient

capital type investments that are typically held for the long-term.

2. Second, there is the pensions charge cap, which protects savers from high costs.

We are absolutely committed to retaining protections...

...but we also know that the way firms are required to confirm compliance can actually prevent savers from accessing the expertise needed for patient capital investment.

Throughout the year, we have been working with the industry, including the PLSA, the Investment Association and the ABI among others, to open up these avenues.

The path ahead

And at the Budget, we laid out a clear plan for progress.

- first, we announced that the FCA will be carrying out a consultation on reforming their permitted links rules, and will publish by the end of the year
- second, we announced that the DWP will consult next year on making the pension charge cap flexible enough to accommodate performance fees, often associated with patient capital investment

The aim will be to follow this up with regulation later in the year.

- third, we announced funding to make pensions dashboards a reality. These will allow people access to information on their multiple pensions in a single place online, helping them to have a clearer picture of their overall financial position

And we know from polling data how much people are looking forward to having this tool, particularly young people.

DWP published their consultation on pensions dashboards earlier this week, and are keen to hear from you on their proposals.

- finally, we announced that some of the largest DC pension providers in the UK –Aviva, L&G, HSBC, NEST, The People's Pension and Tesco Pension Fund – are working with the BBB to develop a blueprint for pooled investment in patient capital

Global trends suggest that pooling investment could help make investment in patient capital more cost effective for pension schemes.

The TPR have updated guidance to reflect the growing interest and appetite

for patient capital investments as part of a diversified portfolio.

Conclusion

So thank you all for your interest so far and for the commitment many have shown.

But this is just the end of the beginning – we have so much work to do.

Thanks to the PLSA's new published guidance and the work of the Pensions Investment Taskforce and DWP we know the path ahead.

The ultimate decisions are yours as pension trustees, independent governance committees and advisors to them. However, I believe if we work together, we can be responsible managers of others' savings, and ambitious custodians of capital, seeking to achieve higher returns for pension funds...

... use the latent potential in our pension pots...

drive the companies and ideas of the future...

Private investment...

Building wealth and security for private citizens...

Doing public good, building an enterprising economy and society for everyone.

Thank you.