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# Not for Profit eNews

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# Welcome to the latest edition of MHA Not for Profit eNews.

In this edition we review the Charity Commission's inquiry into alleged instances of abuse at Ampleforth College, North Yorkshire, the findings of which highlight the importance of regular governance reviews, safeguarding policies and practices, and understanding the relationship between connected charities.

We also focus on two pieces of new/updated guidance recently issued by the Charity Commission: brand new guidance relating to charity banking, which is designed to help charities facing issues setting up or operating their bank accounts and revised guidance on charity meetings which has been updated, setting out how governing documents should reflect the practicalities of holding video meetings.

We also draw attention to the open letter issued by the Commission to CEOs of Local Authorities in light of a significant increase in the non-compliance of Local Authorities regarding their legal duties as charity Trustees.

Finally, we note that Thursday 03 October 2024 marks Gift Aid Awareness Day, and we join the Charity Finance Group in urging charities to spread the #TickTheBox message on social media. Visit their [website](#) for access to their social media toolkit.

Best Regards,  
**MHA Not for Profit team**



# Safeguarding Concerns Inquiry

**Following a lengthy inquiry in response to news articles published in 2016 regarding allegations of abuse of pupils at Ampleforth College ('the College'), the Charity Commission has recently published its findings many of which highlight the importance of governance reviews and safeguarding, applicable to all charities.**

The particulars of this organisation involve St Laurence Education Trust ('SLET'), that delivers its charitable objects through the operation of Ampleforth College, which is located adjacent to Ampleforth Abbey, the operation of which delivers the charitable objects of Ampleforth Abbey Trust ('AAT').

The two entities share a close relationship, both in terms of proximity and their charitable purposes, both being linked to the furtherance of the Roman Catholic religion; Abbey monks provide chaplaincy and teaching to pupils at the College.

With the help of the AAT Board, the Commission's inquiry into the news articles resulted in the disclosure of nine previously unreported serious abuse allegations and/or convictions, resulting in a statutory inquiry – extending to encompass SLET – being opened on 15 November 2016. The areas examined included:

- Whether the respective trustees of SLET and AAT had complied with and fulfilled their duties and responsibilities as Trustees under charity law;
- Whether, and to what extent, there was or had been misconduct or mismanagement in the administration of the Charities by the Trustees;
- The Charities' handling of safeguarding matters, including the creation, development, substance and implementation of its safeguarding policy and review procedures;
- How the Charities dealt with the risks to the Charities and their beneficiaries arising from alleged abuse incidents, including the application of their safeguarding policy and procedures.

The inquiry found that:

- There had been poor communication between the Charities and their Safeguarding Committees that were in place at the time the inquiry was opened.
- There had been a failure to meet independent school standards and these failures, along with the slow pace at which cultural change and improvements were made, exposed beneficiaries to risks of harm and the College to reputational harm.
- There had been a lack of sufficient expertise and oversight, and records relating to safeguarding were poor. The inquiry also found that trustees of Ampleforth Abbey were not adequately managing safeguarding risks to pupils attending the College.

The Commission detailed the importance of recognising the Charities' completion of structured governance reviews and the recruitment of experienced safeguarding personnel. The report emphasised the need for continued vigilance and robust safeguarding measures to protect vulnerable individuals associated with the Charities.





# Charity Banking

**Many charities are facing continued struggles with their bankers, becoming a serious issue for the volunteer-led sector as a whole, both in terms of time and support loss and governance risks; indeed, as covered in our December 2023 eNews, the CEO's of the UK's three charity regulators had previously written an [open letter](#) to UK's main high street banks requesting urgent action to help hard-pressed charities.**

The Charity Commission continues to review this matter, and has recently issued new [Charity banking guidance](#) to assist charities in opening a bank account, updating bank details, moving money abroad, and raising complaints about their bankers.

Opening a bank account can be surprisingly difficult for charities as they are often required to provide an excessive number of documents. The Charity register can be used to assist in the process of verifying publicly available information regarding the charity, and Trustees shouldn't be afraid to direct banks to it. Trustees should also speak to their bank if requests for information are unclear or not applicable for the legal

structure of the charity; needless to say, having a firm grasp on said legal structure should help the process.

Not maintaining accurate bank details can lead to issues and delays including administrative difficulties due to being unable to gain access and, in the worst case, suspension of accounts. It is therefore important that charities continue to update their bank details on an ongoing basis, such as every time there are new Trustees or new senior team members who will be authorised signatories at the bank. Important updates to make also include changes to contact details such as email and address. It also is not unusual for some charities to receive large one-off grants or donations from various sources; to avoid suspicious activity triggers it is advised to inform the bank of any known large or unusual transaction in advance, including those from overseas. For added comfort, charities can consider sharing due diligence processes. There is separate [guidance](#) on considerations that should be made by charities when moving money abroad.

When issues are not resolved, it is important for charities to use the complaints procedure at the bank and follow the bank's relevant processes, but charities can also consider escalating matters with the financial ombudsman if deemed necessary. Furthermore, charities can also take complaints about their banks to the Financial Conduct Authority (FCA), with which the Commission continue to engage in seeking to make banking for charities easier.



# Regulator Refreshes Meetings Guidance for the Digital Era

**The outbreak of Covid-19 back in late 2019 resulted in an increased use of video call services for holding online meetings, raising questions as to how charities could appropriately comply with their governing documents, which often did not permit anything other than in-person meetings.**

More recently, the Charity Commission has redesigned its [Charity meetings \(CC48\) guidance](#), stressing that Trustees should make sure any of their charity's rules around holding meetings are up to date and practical.

The guidance, which relates to all types of charities including membership organisations, as well as different types of meetings such as Trustee meetings and Annual General Meetings, emphasises the importance of complying with a charity's governing document when holding meetings.

The guidance includes details on how to set out details in a governing document on how to vote, ask questions, join a debate, and confirm whether all meetings are to be held virtually or through a combination of hybrid and virtual meetings.



# Charity Commission Letter to Chief Executive Officers of Local Authorities

**The Charity Commission has [published](#) a letter to Chief Executive officers of Local Authorities requesting they take action to ensure their organisation's are complying with their duties when operating as a charity Trustee.**

There has been a significant increase in the non-compliance of Local Authorities regarding their legal duties as charity Trustees which has resulted in action being taken with significant numbers of complaints being received from the public. Such cases can be costly and resource intensive for both Local Authorities and for the regulator. Often these changes, if not made correctly, will also result in additional budget pressures on Local Authorities rather than providing the additional resources initially thought.

The most common issues noted are regarding the change of use or status of charitable land and the process of disposing of it. The letter links readers to specific [Local Authority guidance](#), which detailed the required action that should be taken, which has been summarised below:

- 1** Gain an understanding of the charitable assets that they own or manage. This will ensure that it is always clear to employees and elected representatives which assets are subject to charity law.
- 2** Familiarise yourself with the different legal requirements and legal restrictions regarding charitable assets.

Whilst addressed to the CEOs of Local Authorities, the letter and associated guidance is of relevance to Trustees of charities, and Trustees of recreation ground charities in particular – for whom specific [recreation ground charities guidance](#) has also been updated.

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