

Inquiry Report

Islamic Network

Registered Charity Number 1101603



A statement of the results of an inquiry into Islamic Network (registered charity number 1101603).

Published on 20 July 2015.

The Charity

Islamic Network ('the charity') was registered on 19 January 2004. It is governed by a declaration of trust dated 12 November 2003 as amended by a supplemental deed dated 23 December 2003.

The charity's sole object is:

'The advancement of the Islamic religion.'

The charity's entry on the register of charities can be found on [GOV.UK](http://gov.uk).

Issues under investigation

On 22 August 2014 the Charity Commission ('the commission') opened a statutory inquiry ('the inquiry') into the charity under section 46 of the Charities Act 2011 ('the act'), this was as a result of the commission being made aware of public concerns relating to material hosted on the charity's website.

The complainant alleged that extremist material had been published on the charity's website and provided the commission with what appeared to be extracts from the website to reinforce this claim.

In order to substantiate the allegations the commission undertook its own analysis of the charity's website to examine the veracity of the material provided. This proved difficult as the charity's website had been taken offline after the allegations were raised in the public domain. However, archived historic web data identified that the material provided to the commission was genuine, and contained various statements including referring to homosexuality as a "sick disease", legitimising the killing of gay people and condoning and/or encouraging the killing of members of the Islamic community in certain circumstances.

Consequently the commission considered that the nature of the material hosted on the charity's website raised regulatory concerns which required further examination by the commission.

These regulatory concerns were:

- whether the charity had promoted and/or promulgated views that may be described as being 'extremist' and/or inappropriate for a charity
- serious reputational damage to and damage to the public trust and confidence in the charity and charities in general
- whether if providing a platform for the expression or promotion of extremist views the charity is operating contrary to the principle that charities must operate for public benefit and the trustees in breach of their fiduciary duties as trustees

The inquiry was opened to investigate and consider the following issues:

- the overall governance of the charity by the trustees
- how the material came to be on and/or be linked with the charity and its website, the trustees' knowledge and actions in connection with it and how the trustees ensure that the charity is not used as a platform for individuals to express extremist or controversial views and/or material
- the decision making of the trustee body, specifically in relation to risk management, due diligence and the content of the charity's website
- whether, and to what extent, the trustees had complied with their duties and responsibilities under charity law

The inquiry's role and remit did not extend to any determination on whether the material uploaded to the charity's website constituted a criminal offence under UK law. This was a matter for the police and law enforcement agencies.

The inquiry closed on 20 July 2015 with the publication of this report.

Findings

1. The overall governance of the charity by the trustees

The charity is managed by three trustees and a small number of volunteers who have delegated authority to undertake a number of tasks on behalf of the trustee board.

As part of the commission's monitoring work, the commission visited the charity in November 2012. As a result of its engagement, regulatory advice and guidance in the form of an action plan was issued in February 2013 under section 15(2) of the act.

The action plan set out measures aimed at improving the management and administration of the charity to ensure that the trustees complied with their legal duties and responsibilities and acted in the best interests of the charity. In May 2013 the trustees responded setting out the actions that they had taken to comply with the action plan.

The inquiry followed up whether the remaining actions had been fully undertaken and were still being implemented by the trustees.

The steps detailed below provide a summary of the commission's regulatory advice and guidance issued to the trustees in the 2013 action plan:

- the trustees must ensure that they appoint at least one further trustee, in accordance with clause 9 of their Declaration of Trust dated 12 November 2003, to ensure that they have the legally required minimum of three trustees
- the trustees should establish and implement guidelines for people who speak at events arranged by the charity; in addition, the trustees were advised to consider implementing a system whereby speakers sign a document agreeing to abide by the charity's rules regarding what they can and cannot speak about
- the trustees must develop and implement a written Health and Safety and Safeguarding policies; all charity volunteers/staff should undergo Disclosure and Baring Service (DBS) checks if they have unsupervised access to children

- the trustees must produce and implement a written operations manual and Financial policies and procedures
- the trustees must undertake an appropriate level of due diligence on the charity's partners; the trustees were also advised to review the charity's new and existing links with partner organisations and ensure they are not, or could not be seen as being inappropriately political

The trustees were informed that they risked being in breach of their legal duties as trustees if they failed to implement the changes under the action plan which would then be regarded by the commission as evidence of misconduct and/or mismanagement in the administration of the charity.

In May 2013 the actions completed were:

- the appointment of two new trustees
- the appointment of a full time office administrator to support the charity
- the appointment of an external consulting company to help draft the charity's policies and procedures
- organising first aid and child protection training for the charity's staff

As part of the additional verification work during the inquiry, in October 2014 the trustees were asked to provide as evidence copies of all the associated records that demonstrate that the trustees have fully complied and continued to comply with the commission's regulatory advice and guidance as set out in the 2013 action plan.

These records were subsequently provided and reviewed by the inquiry. The trustees provided the following documents which they indicated were all implemented in 2013:

- Governance policy
- Financial procedures
- Policy and procedure on extremism speakers and activities
- Equal opportunities policy and procedure
- Child protection and safeguarding policy and procedure;
- Health and safety policy and procedure
- Data protection policy and procedure

In addition to the charity's policies and procedures the trustees also provided the following documentation in support of the actions taken by them to implement the action plan:

- copies of completed extremism declarations signed by speakers agreeing to adhere to the charity's extremism policy
- copies of terms and conditions signed by volunteers acting for the charity
- completed speakers/activities report and risk assessment form in relation to an event hosted by the charity in August 2014
- a copy of a speaker risk assessment in relation to an event hosted by the charity in December 2013
- minutes of the trustees meetings
- standard operating procedures in relation to a regular youth event held by the charity
- standard operating procedures in relation to an event held by the charity in August 2014
- evidence of DBS checks being carried out by the charity

As regards due diligence checks on the charity's partner organisations, the trustees advised that they had not been working in partnership with any organisations since the commission's previous engagement. The inquiry found no evidence in its inspections to suggest this was not the case. However, the trustees reconfirmed that they were aware of their responsibilities to carry out due appropriate diligence checks.

Based on the evidence examined, the inquiry found that the trustees had adequately demonstrated that they have implemented the required actions.

2. How the material came to be on and/or be linked with the charity and its charity's website and the trustee's knowledge and actions in connection with it; and how it ensures that the charity is not used as a platform for individuals to express extremist or controversial views and/or material

The inquiry established that the charity's website islaam.net (which is no longer operating and available) was created on 23 March 1998, prior to the charity's existence and registration of a charity. Following the creation of the charity, the charity inherited the website as one of the founding trustees was the original creator of the website.

Although the website is no longer publicly accessible, historical content is still viewable using internet archive websites. The inquiry, through its own analysis of the website identified the two articles originally brought to the commission's attention prior to the opening of the inquiry. These articles titled 'The prohibition of the blood of a Muslim and the reasons for shedding it' and 'Homosexuality' were uploaded to the website on or around 3 November 2003 and 5 November 2004 respectively.

The article titled 'the prohibition of the Blood of a Muslim and the reasons for shedding it' makes reference to the circumstances when under an interpretation of Islamic law it is permissible to "spill the blood of a Muslim". The article states that "to all those who apostate from Islaam, by whichever method this may occur... it then becomes obligatory on the Muslims to kill him unless he returns to Islaam."

The article goes further discussing other circumstances where it may be permissible to kill and summarises "that a Muslim can be killed legally only for three crimes: a) adultery b) murder and c) apostacy."

The article titled 'homosexuality' states that homosexuality is a "perverted sexual behaviour", a "sick disease" and an "evil and filthy practice" which is "even viler and uglier than adultery."

The article then goes on to explain the various "punishment in this world" saying that gay people should be "destroyed by fire", "executed by being thrown from a great height" and "stoned to death".

None of the current trustees of the charity were in their positions when the charity was formed in January 2004 or at the time the articles were uploaded to the charity's website.

The chair, who joined the charity in 2011, explained that he and the other trustees had no knowledge that these articles existed on the charity's website until the trustees were made aware in August 2014. The charity explained that as soon as the trustees were made aware of the presence of the articles they acted immediately to take down the website so it could no longer be viewed.

Shortly after the material on the charity's website was discovered, the trustees released a public statement, an extract of which stated "Shortly after joining Islamic Network, in 2013, the chair, introduced clear and unequivocal policies against Extremism and Hate covering all activities. Since then we have been sifting through website articles uploaded by volunteers and removing those that we consider fall foul of this policy."

The inquiry sought to verify this statement. The inquiry established that material was freely uploaded to the charity's website and there was no mechanism in place by the trustees to vet the content before publication. The chair advised that as from 2013 each article was reviewed by reading the entire content over evenings and weekends ensuring each article reflected the views of the charity.

The inquiry was told that the website contained very little information relating to the charity's activities. The website was viewed by the trustees as a separate piece of work, which if the trustees had more time, would have been maintained.

The charity was asked whether any content had been removed from the charity's website since the chair's appointment to the trustee board in 2011. The chair was "pretty sure" that material was being removed if it did not reflect the views of the charity. The inquiry was not convinced by this response and no evidence was produced by the trustees in support of their claim.

The trustees informed the inquiry that the website will not be re-activated and will no longer have any connection with the charity or its work.

On the 30 June 2015, the trustees informed the Commission that a new website for the charity had been setup and was now active. The purpose of the website is to promote the charity's projects and to provide information to those wishing to support the work of the charity.

The inquiry acknowledges that once the allegations were raised the trustees followed the commission's published guidance and acted responsibly by taking immediate action to disable the charity's website.

The inquiry found that some of the material encouraged violence and denigrated particular faiths. The inquiry's view was this was not appropriate material for a charity to promote and publish. The inquiry found that the trustees' were too slow in implementing their policies against extremism and hate and the process of reviewing and sifting existing material was too slow.

3. The decision making of the trustee body, specifically in relation to risk management, due diligence and the content of the charity's website

The inquiry examined how the trustees made decisions on speakers. Clause 20 of the charity's governing document states:

"The trustees must keep minutes, in books kept for the purpose or by such other means as the trustees decide, of the proceedings at their meetings. In the minutes the trustees must record their decisions and, where appropriate, the reasons for those decisions. The trustees must approve the minutes in accordance with the procedures, laid down in regulations made under clause 21 of this deed."

The trustees provided copies of risk assessments completed for the last two speaker events hosted by the charity. These events were held in December 2013 and August 2014.

Trustees must, in this context, implement appropriate and effective procedures for assessing the risks posed by speakers who may speak at events organised by the charity, and which include carrying out appropriate background checks. This includes assessing the risks when working with other organisations or groups to host an event.

In addition, trustees should be able to demonstrate that they have considered the suitability of individuals or groups the charity is going to be closely associated with.

The inquiry's review of the December 2013 risk assessment established that the charity had a process in place and some due diligence checks had been carried out, but this was poorly evidenced with only minimal information being provided on the single risk assessment document completed by the charity's volunteers. On this basis it was difficult to see how the trustees could have properly assessed the risk and made an informed decision with the limited information contained within the document.

The inquiry established that prior to the August 2014 event; the trustees sought assistance from a consultant to help improve the charity's governance. As a result the completed August 2014 risk assessment was greatly improved. The inquiry found it provided sufficient evidence to enable a proper risk assessment to be conducted and considered by the trustees. From what the inquiry had seen the newly adopted risk assessment complied with the commission's published guidance in relation to the key aspects of due diligence and what the commission would expect to see scrutinised in a proportionate way in this context.

The trustees explained that coordination for the 2014 event was delegated to a planning group, which in turn setup a guest speaker selection committee. This committee was responsible for carrying out the necessary due diligence checks against each prospective speaker and recording this on the risk assessment documents. The committee was chaired by one of the trustees. The decision to approve speakers was reserved to the trustees.

The trustees' view was that as individual speaker selection was a dynamic process, it was not appropriate to call a trustee meeting to formally discuss the matter. Instead, they said that the risk assessment documents completed by the charity's volunteers acted in their view as the trustees central reporting and decision making tool. The trustees' interpretation of clause 20 of the charity's governing document was that it allowed the trustees to record their decisions in this manner as opposed to calling a meeting and recording their decisions in the minutes.

The inquiry's view was that according to the governing document and the charity's policies, the risk assessments completed by the charity's volunteers were created to enable the trustees to make an informed decision as to which speaker they wanted to select to speak at their event, and that this did not constitute a record of the decision taken by the trustees. No records existed to show who the trustees selected to speak at the event apart from the initial risk assessment showing the results of the due diligence checks. There is no reference to those decisions in trustee or committee minutes. The inquiry found that the trustees needed to better evidence their own decision making and more clearly make the decisions on selection of speakers, as required in the charity's own policy on extremism speakers and activities and the provisions of the governing document.

In relation to the trustees delegating their authority, clause 7 of the charity's governing document states "In addition to their statutory powers, the trustees may delegate any of their powers or functions to a committee of two or more trustees. A committee must act in accordance with any direction given by the trustees. It must report its decisions and activities fully and promptly to the trustees". As the committee only consisted of one trustee, the trustees were acting in breach of their governing document.

The 2013 action plan stated that "The trustees should establish and implement guidelines for people who speak at events arranged by the charity. This will allow the trustees to demonstrate their reasons for allowing/refusing someone permission to speak and will allow them to defend their decisions should the talk be criticised."

The trustees acknowledged that their decisions were not being properly recorded and committed to ensuring that all future decisions taken by the trustees are recorded in accordance with the rules set out in the charity's governing document and in the context of speakers, the extremism speakers and activities policy.

The trustees have been reminded that they should refer to and act at all times within the provision of their governing document and warned that failure to do so will be regarded by the commission as evidence of misconduct and/or mismanagement within the administration of the charity.

4. Whether the trustees have complied with their duties and responsibilities under charity law

Trustees have and must accept ultimate responsibility for directing the affairs of a charity, and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. In relation to duty of care, the commission's **essential trustee guidance** states that trustees must:

- use reasonable care and skill in their work as trustees, using their personal skills and experience as needed to ensure that the charity is well-run and efficient
- consider getting external professional advice on all matters where there may be material risk to the charity, or where the trustees may be in breach of their duties

In addition, in the context of charities regularly promoting and hosting literature and speakers, trustees should be able to demonstrate that they have processes in place to satisfy themselves that literature distributed by or made available by the charity is consistent with its charitable objects and does not place the charity at undue risk. If things do go wrong within a charity, the trustees must take appropriate action to put things right. From the evidence viewed, the inquiry found that (i) the trustees implemented all the actions as set out in the 2013 action plan and (ii) complied with their fiduciary duties as trustees to take immediate action to withdraw the charity's website following them being made aware of the existence of inappropriate material for them as a charity to host.

It is therefore the inquiry's view that the trustees have complied with their duties and responsibilities under charity law in relation to the 2013 action plan. However, the inquiry's finding is that there was poor management of, and lack of due diligence relating to, the charity's website and minor failings relating to their overall governance of the charity.

Conclusions

The commission concluded that:

- the trustees implemented the actions required in the Action Plan set out in 2013
- the offending material in question, which was historic, was inappropriate for the charity to host on its website but the charity acted quickly and responsibly to remove it when it came to its attention
- the website should have been monitored on a regular basis to ensure that its content was appropriate for the charity to support, bearing in mind its charitable objects and the trustee's duties
- the trustees were too slow in implementing their new policies designed to ensure extremism and hate material is not promoted
- the trustees have put in place a greatly improved process for risk assessing speakers, that complies with the key requirements of the commission's published guidance in relation to due diligence, but the trustees need to take steps to better evidence their own decision making, as required under the governing document and policy

As a result of our engagement with the trustees and a review of the charity's records the commission identified regulatory concerns relating to the charity's governance and record keeping. Accordingly regulatory advice and guidance was given in respect of:

- trustee duties on speakers and website literature
- due diligence
- record keeping

The commission required the trustees to notify it if it reactivates a website or uses mechanisms for publishing and promoting material as the commission will then test the trustees' implementation of vetting and checking procedures.

Regulatory action taken

In order to assist the trustees in improving the administration and management of the charity regulatory advice and guidance was provided under section 15(2) of the Charities Act 2011 and the trustees were referred to the following commission guidance in the areas as set out above:

- **How to manage risks in your charity**
- **Protecting charities from abuse for extremist purposes**
- **Charity trustees and decision making**
- **Charities and meetings**
- **Finding new trustees**

If problems in the charity continue and/or arise in the future and the advice and guidance is not acted upon by the trustees, the fact that we have given this regulatory advice and guidance has been given to the trustees which has not been followed will be taken into account in considering whether we should take regulatory action against the trustees. This may include considering the need to make a remedial order or direction using our legal regulatory powers under the Charities Act 2011.

As part of its future monitoring the commission will arrange an inspection visit to the charity to ensure the advice and guidance issued to the trustees has been acted upon.

Issues for the wider sector

The purpose of this section is to highlight the broader issues arising from the commission's assessment of the issues raised publicly that may have relevance for other charities. It is not intended as further comment on the charity in addition to the findings and conclusions set out in the earlier sections of this report, but is included because of their wider applicability and interest to the charitable sector.

Trustees are responsible for the overall management and administration of a charity and must ensure that they act at all times in accordance with their governing document.

It is legitimate for trustees to delegate the day to day management of a charity to staff and others. However, charity trustees always retain the ultimate responsibility for running the charity and should ensure that robust reporting procedures are in place to enable them to make reasonable decisions. Responsibility for ensuring they have sufficient information and are adequately informed in order to make decisions rests with the charity trustees.

Where charity trustees delegate authority to committees or councils, the terms of the delegation should be clearly communicated, observed and monitored. We also recommend that these arrangements are regularly reviewed to ensure that they remain relevant and up to date. If arrangements cannot be changed in time to meet urgent needs then charity trustees should consider asking the commission for advice and assistance, and for regulatory authority where appropriate.

Trustees of all charities should consider how they may be affected by adverse publicity, how this may impact on the charity, staff morale, beneficiary, donor and public confidence. Adverse publicity can also impact on the charity's ability to fulfil its charitable purposes, diverting staff and trustees away from their normal duties, in order to deal with the adverse publicity. Some charities will need to ensure a crisis management strategy is in place and applied to deal with reputational risks and adverse public and media interest.

Trustees have a legal duty and responsibility to their charity. Holding the position of trustee in name but failing to fulfill the legal duties and responsibilities of a trustee may amount to misconduct and mismanagement in the administration of a charity. Trustees entering into contracts with commercial organisations should give due consideration, and where appropriate seek professional advice, to ensure they are satisfied that the commercial arrangement is advantageous to the charity.

All charities should have appropriately tailored internal policy documents which address the specific risks associated with the kind of activities that are undertaken. Trustees should ensure that these policies are implemented and reviewed at appropriate junctures. A failure to implement internal policy documents could be evidence of mismanagement in the administration of the charity.

Charity trustees should ensure that adequate records are kept of their decisions so that they can demonstrate that they have acted in accordance with the governing document and with best practice. From time to time, trustees may have to take decisions with which other people may disagree, and which may come under very close scrutiny. In these circumstances, trustees should be able to demonstrate clearly that they had:

- acted honestly and reasonably in what they judged to be the best interests of the charity
- taken appropriate professional or expert advice where appropriate
- based their decisions on directly relevant considerations