



Case Report

Preston Down Trust (1155382)

About the charity

The charity is a trust, governed by a Trust Deed dated 30 September 1978, as amended by a Deed of Variation dated 10 January 2014 ('the DoV'). It was registered as a charity in January 2014, with 2 objects:

- a) The advancement of the Christian religion for the public benefit, including by the carrying on of the service of God in accordance with the Old and New Testaments of the Holy Bible as followed by those Christians forming part of a worldwide fellowship known as the Plymouth Brethren Christian Church (PBCC).
- b) Any other charitable purposes connected with the Brethren.

The core religious doctrine and practice of the PBCC, an integral part of the trusts, are summarised in the DoV.

Preston Down Trust's (PDT) main activities are providing access to religious worship at its gospel halls and, through street preaching and during other engagement with the community, encouraging members of the regular congregation and others to live exemplary lives.

Why the Charity Commission got involved

The commission registered PDT as a charity in January 2014 on the basis that it had adopted the DoV containing a statement of its doctrines and practices, providing a framework for the administration of the charity in a way which is charitable and binding on the trustees. The commission concluded that PDT could demonstrate public benefit by:

- providing the public with access to worship to some extent
- engaging in street preaching which involves distribution of religious publications and spreading the word of God
- engaging to a certain extent in the wider community, including through disaster relief

A key element of the decision to register PDT was that the trustees agreed to address issues of detriment and harm by adopting the DoV which clearly sets out its principles and practices and in particular that its disciplinary practices and its dealings with former members would be mitigated by compassion.

At the point of registering PDT, the commission publicly announced that it would monitor PDT's compliance with the DoV and assess any serious individual concerns or complaints about compliance with it. We said we would commence our review around a year after registration (ie January 2015) to establish whether PDT is complying with the terms of the DoV.

The action we took

We established a team to conduct the monitoring review to assess PDT's compliance with the DoV.

We had a meeting with the trustees of PDT and their solicitors in January 2015. We also carried out an inspection of key books and records of the charity and inspected the premises, including the external notice boards, to confirm what information was available to the public. We subsequently held a further meeting with representatives of PBCC to discuss wider issues relating to gospel halls.

The commission reviewed and assessed the information obtained, along with information on our own records. We verified information provided by the charity using a range of methods, including contacting individuals who had previously raised concerns with the commission about the Plymouth Brethren.

What we found

Awareness of the Deed of Variation

No complaints were made to the commission in relation to PDT itself following its registration in terms of access to and awareness of the DoV. The commission did receive complaints that members of other gospel halls may not be aware of the DoV and were not allowed to retain a copy. These complaints are being examined as part of the monitoring review of other gospel halls which have been registered.

The trustees of PDT advised that members are directed to GOV.UK where the DoV is published as part of the published decision to register the charity. The commission did not find any evidence that members of the PDT charity had been prevented from obtaining a copy of the document. However, transparency and accountability are key for charities and the commission concluded that there is more the trustees could do to be open about this very important document.

The commission therefore recommended that the trustees should take steps to publish the DoV more widely for members to view in order to improve transparency and accountability.

The commission also suggested to PBCC, the umbrella organisation for gospel halls, that its website might be an appropriate place for members to be able to view the DoV at a time of their choosing. We consider that this might help dispel speculation and suspicion which appears to exist about members and the public being prevented from viewing the document.

Compliance with the Deed of Variation - public benefit

The commission assessed how the charity was able to demonstrate public benefit, including its level of external engagement and consequent public benefit in its endeavours, with reference to the 3 key elements identified in the registration decision: public access, street preaching and engaging in the wider community.

Public access

The trustees advised the commission that PDT welcomes non-members to some of its meetings for worship. To participate, a non-member may either arrive at 5.15pm for the open Sunday meeting, or ring in advance to book a place. There are other open services, but these are not permanently advertised because they do not occur at fixed times.

At the point of registration PDT was in the process of changing the public signage to provide more information about public access. The commission officers verified themselves in person that details of the Sunday evening meeting are displayed on the signage outside the gospel hall.

When the charity was registered, it was accepted that not all of the charity's meetings had to be open to the public. Although we found no evidence that members of the public had encountered specific difficulties in accessing meetings, we observed that in practice only one new person had attended a meeting of the charity since it was registered. The commission is satisfied from the information examined that some meetings are in principle open but we consider the trustees could do more to advertise and make non-members aware of these meetings, beyond the signage outside the hall.

The commission has recommended that the trustees consider what else they can do to publicise all the meetings that are accessible to non-members to show there is genuine openness of worship to the public.

Street preaching

The trustees advised the commission that street preaching takes place in Newton Abbot on Wednesdays and Saturdays, a change in arrangements since the charity was registered. The trustees advised and the commission subsequently verified and confirmed itself that the signage outside the gospel hall has been amended to reflect these revised arrangements.

Engaging in the wider community

The commission examined evidence of the work undertaken by the charity with the wider community outside of its membership. This included evidence of a public interaction event, clearing car parks, village hall tidy ups, snow wardens, rest area managers, litter clearing, repairing coastal defences and work within the local hospital and prison. The trustees also provided evidence of funds applied by the charity for the benefit of the wider community, such as helping homeless persons and a donation towards an air ambulance.

The commission is satisfied that it has seen sufficient evidence of engagement with the wider community.

Whilst its grant awards are a relatively small part of PDT's activity at present, for accountability purposes the commission recommended that the trustees draw up a basic grant making policy.

Detriment/harm

The commission also considered issue of detriment and harm, in particular the charity's dealings with former members.

The trustees informed the commission that:

- since registration there have been no incidents or circumstances that required the practice of ex-communication to be called upon
- they have not received any complaints about the charity since PDT was registered
- they do not tell or advise their members who to speak to, and that it is up to individual members whether they choose to communicate with former members or not as explained in Faith and Practice.

Since PDT was registered, the commission has not received any complaints about this charity. As part of the monitoring action and review we proactively contacted individuals who had previously raised concerns about the Plymouth Brethren with us and they had no complaints to raise about PDT.

Other regulatory issues arising during the review

Charitable collections

The trustees advised the commission that the congregation conduct a collection at the Sunday meeting. The funds are then deposited in a bank account controlled by the members. Each month the members give PDT a sum of money, at their discretion, from the collection for the upkeep and running of the gospel hall. The members decide how the remaining amount is expended.

The charity's solicitor confirmed this practice is common to all PBCC gospel halls.

The commission raised some questions about this practice, in particular about the level of controls exercised over charitable funds and how they are managed and accounted for. Given this is a wider issue for all gospel halls, we are obtaining additional information from PBCC and its legal advisers before reaching any conclusions. Once we have clarified the position we are likely to issue PDT with further specific regulatory advice and guidance on this matter.

Policies

The commission found that PDT was lacking in a number of policies and procedures which are usual and necessary for the proper governance and administration of a charity. The commission noted that the charity did not have a complaints policy, grant making policy or a financial controls policy. The commission has recommended that these policies should be introduced by the trustees.

The commission also noted that the charity does have a conflicts of interest policy and a safeguarding policy but these are out of date so the commission has recommended that they should be reviewed and updated.

Following our initial meeting with the trustees of PDT, the commission held a meeting with representatives of the PBCC. They explained that in response to the gospel halls becoming registered charities, it has recognised that they (the gospel halls) do need to have formal policies in place to set out acceptable standards for administrative and financial procedures. A universal service team (UST) has been established. UST consists of Brethren members, but it will if required call on non-member consultants. Part of the remit of UST is to create a central 'library' of policies and procedures to be utilised across the gospel halls.

The commission has welcomed this as it is likely to ensure compliance and promote consistency of approach amongst the gospel halls. As long as the existence of the UST and the policies it develops do not inhibit or interfere with the ability of the trustees of the gospel halls to operate independently, the commission endorses the initiative. However, we have made clear that the work of the UST does not remove the responsibility of the PDT trustees for ensuring their charity adopts and implements the required policies.

Decision making

As part of the monitoring review, the trustees provided minutes of their meetings from 2008 to date.

The commission's analysis of the content of these minutes did not identify any significant regulatory concerns but the commission's view is they were short on detail. Minutes of meetings need to show that the trustees made their own decision in the best interests of the charity, so some detail of the discussion (the reasoning behind the decision) as well as the final decision is required, particularly on key decisions.

We provided advice and guidance on this matter and referred the trustees to the our guidance [It's your decision: charity trustees and decision making](#).

Summary

In summary, the commission has not identified any significant issues relating to the charity's compliance with the DoV and found the trustees were taking steps to ensure it was a well run charity. The commission is satisfied that it has seen sufficient evidence of engagement with the wider community and that street preaching was taking place. There are some points for the trustees to address to improve openness and transparency, including:

- taking steps to publish the DoV more widely for members to view in order to improve transparency and accountability
- that they consider what else they can do to publicise all the meetings that are accessible to non-members to show there is genuine openness of worship to the public

The trustees were reminded that it is essential that activities to demonstrate public benefit continue on a regular basis, can be evidenced and are reported on by the trustees in their annual report.

The commission did raise some governance and financial issues in relation to which action is required by the trustees. It issued an action plan to deal with these. We made clear we expect the trustees to act on and implement the recommendations and if the charity trustees do not take the actions detailed in the plan they risk being in breach of their legal duties as charity trustees.

Impact of our involvement

The commission obtained assurance that there are no significant issues relating to the charity's compliance with the DoV since it was registered.

The trustees have been issued with an action plan under s15(2) of the Charities Act 2011 which provides the commission's regulatory advice and guidance about the steps which we consider need to be taken to ensure the charity trustees comply with their legal duties and responsibilities and act in the best interests of the charity. It details the points they need to address to improve transparency and deal with the governance and financial issues identified by the commission. The commission will monitor compliance with this action plan.

Lessons for other charities

Trustees must ensure their charity is carrying out its purposes for the public benefit. Public benefit is not something trustees only need to think about when a charity is registered. Once a charity has been set up, its trustees must operate it in accordance with charity law and the charity's purposes. To carry out their charity's purposes for the public benefit, charity trustees should know what their charity's purposes are and understand how each purpose is for the public benefit. Trustees must have regard to the commission's guidance [Public benefit: running a charity](#).

Trustees must make sure that their charity complies with its governing document. Every trustee should have an up to date copy of their charity's governing document and regularly refer to it.

Trustees must manage their charity's resources responsibly and avoid exposing the charity's assets to undue risk. All charities should have appropriate internal financial controls which are essential checks and procedures that help charity trustees:

- meet their legal duties to safeguard the charity's assets
- administer the charity's finances and assets in a way that identifies and manages risk
- ensure the quality of financial reporting, by keeping adequate accounting records and preparing timely and relevant financial information

Trustees should consult the commission's guidance [Internal financial controls for charities \(CC8\)](#) and [Managing charity assets and resources \(CC25\)](#).

Trustees must ensure appropriate accountability to people interested in their charity. They should consider the benefits of having appropriate procedures for dealing with complaints, and ensuring they are easy to find and easy to follow.

In order to demonstrate effectiveness and to be transparent about how decisions on the application of funds are made, trustees of charities which make grants should have a grant making policy.

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

Good minutes of trustee meetings that contain sufficient detail are therefore key.

Looking ahead

There are upwards of 200 PBCC gospel halls up and down the UK. PDT was the first to adopt the DoV and be accepted onto the register of charities in England and Wales. This report, unless we have said otherwise, relates specifically to the PDT. Since then however, 96 more PBCC gospel halls have adopted the DoV and achieved registration. The commission's commitment to review compliance with the terms of the DoV extends across this ongoing programme of registrations. The commission will be continuing its programme of monitoring a sample of other registered gospel halls during 2016. When that work reaches a conclusion we intend to publish a further report.