

# Background information on the Charity Commission's and UK government's counter-terrorism strategies

The commission's [Counter-terrorism strategy](#) sets out its approach for tackling the threat of terrorist abuse in the charitable sector, and outlines a 4 strand approach:

- 1. Awareness** - raising awareness in the sector to build on charities' existing safeguards.
- 2. Oversight and supervision** - proactive monitoring of the sector, analysing trends and profiling risks and vulnerabilities.
- 3. Co-operation** - strengthening partnerships with government regulators and enforcement agencies.
- 4. Intervention** - dealing effectively and robustly when abuse, or the risk of abuse, is apparent.

As part of the 'awareness' strand of the strategy, the commission committed to developing this chapter of the Compliance toolkit: Protecting charities from harm which aims to provide guidance on charities' duties under counter-terrorism legislation and charity law. A wider goal is to encourage trustees to adopt a risk-based approach to better identify and minimise potential threats, and so to reduce the potential for harm in the sector from terrorist-related abuse. The commission also aims to encourage and support charities to improve their performance by working in partnership with each other and with umbrella groups, helping them to promote good practice and high standards of governance and accountability, and sharing this knowledge widely.

The Counter-terrorism strategy was developed in line with wider national and international developments, taking on board the [Financial Action Task Force's \(FATF\)](#) (updated in February 2012) and the UK government's strategy for Countering International Terrorism, called [CONTEST](#).

FATF is the global standard setting body for anti-money laundering and counter terrorist financing. It has developed a series of recommendations for countries to implement. Collectively these represent the global standard that every country is expected to meet.

FATF Recommendation 8 (R8) focuses on non-profit organisations (NPOs) and the implementation of measures so that they cannot be abused for the financing of terrorism. It tasks member countries (which includes the UK) to review domestic laws and regulations that relate to non-profit organisations. It proposes that countries should ensure these organisations cannot be misused:

- by terrorist organisations posing as legitimate entities
- by exploitation of legitimate entities as channels for terrorist financing including for the purpose of escaping asset-freezing measures
- to conceal or obscure the clandestine diversion of funds intended for legitimate purposes to terrorist organisations

The United Nations (UN) adopted Security Council Resolution 1373 ([UNSCR 1373](#)) which places barriers on the movement, organisation and fund-raising activities of terrorist groups. It requires member countries to act against terrorist financing. The UN Security Council's Counter-Terrorism Committee monitors to see if countries meet their obligations under the resolution.

For several years, the UK Government has been implementing its counter-terrorism strategy, [CONTEST](#). The aim of [CONTEST](#) is to reduce the risk to the UK and its interests overseas from terrorism, so that people can go about their lives freely and with confidence. In March 2009, the government published the first major revision of the strategy and subsequently refreshed it again in 2011. The UK's counter-terrorism strategy is organised around 4 workstreams, each comprising a number of key objectives:

- Pursue: to stop terrorist attacks.
- Prevent: to stop people becoming terrorists or supporting terrorism.
- Protect: to strengthen the UK's protection against a terrorist attack.
- Prepare: to mitigate the impact of a terrorist attack.

For more information about the terrorism threat to the UK, consult the [Home Office website](#).

In October 2015, the UK government published a Counter-extremism strategy to confront and defeat the challenge of extremism in Britain. This builds on its Prevent work and focuses on 4 areas:

- Countering extremist ideology – to continue to confront and challenge extremist propaganda, ensuring no space goes uncontested, including online, promoting a better alternative, and supporting those at risk of radicalisation.
- Building a partnership with all those opposed to extremism – to go further to stand with and build the capacity of mainstream individuals, community organisations and others in our society who work every day to challenge extremists and protect vulnerable individuals.
- Disrupting extremists – to create new targeted powers, flexible enough to cover the full range of extremist behaviour, including where extremists sow division in our communities and seek to undermine the rule of law.
- Building more cohesive communities – to review, understand and address the reasons why some people living here do not identify with our country and our values. A new Cohesive Communities Programme will help those communities most at risk of isolation.

The Counter-Extremism Bill, when enacted, will introduce new targeted powers to prevent and stop extremist activity.

## The commission's approach

The commission as the independent regulator of the charitable sector, is uniquely placed to protect charities and deal with instances of terrorism or extremism related abuse in charities. It's not a prosecuting authority and doesn't conduct criminal investigations. Where there are concerns about suspected terrorist abuse connected to a charity, it will always liaise with and work closely with the police and the Security Service as terrorist activity is a criminal offence. Its role and approach in tackling this kind of abuse is to supplement both the criminal, financial sanctions and terrorist asset freezing regimes through regulatory oversight by the commission and the charity law framework. It may take independent regulatory action to prevent, disrupt and investigate abuse, collaborates with other regulators and sector bodies and supports trustees themselves to strengthen safeguards to minimise the risk of such abuse in their charities.

The number of proven instances of terrorist involvement and abuse of charities in comparison to the size of the sector is small, but where these exist they will be dealt with under the current UK counter-terrorism legislation. It's the responsibility of you and your co-trustees to manage risk and safeguard your charity and its activities from all abuse, including terrorist and extremist abuse. The commission

will support you to do this, and will ensure that charities are able to carry out their valued, legitimate and vital humanitarian and other work, within the law.

If there are concerns, suspicions or evidence that a charity is, or has been, abused for terrorist and/or extremist purposes, 3 key principles underpin the commission's handling in these instances:

1. The commission will not register an organisation that has support of terrorism explicitly or implicitly as one of its purposes, or register anything that is not exclusively charitable.
2. The use of a charity's assets for support of terrorist or extremist activity is not a proper use of those assets and is illegal.
3. Links between a charity and terrorist activity corrode public confidence in the integrity of charity. Links include, but are not limited to, fundraising, financial support or provision of facilities, formal or informal links to proscribed organisations and the promotion or support of extremist ideas that are conducive to terrorism and are also part of terrorist ideology. The conduct of, or views expressed by an individual connected to the charity (such as a trustee) in relation to terrorist purposes, regardless of whether those views are held or expressed in a personal capacity, may be taken into account.

The commission's approach when looking at concerns, suspicions or evidence about charities and links to terrorism is:

- it will deal this as an immediate priority
- where allegations are made, the commission will liaise closely with the relevant law enforcement agencies to ensure a proper investigation of the allegations or suspicions and will co-operate fully
- the commission's regulatory interest relates to the lawful exercise by charity trustees of their legal duties and responsibilities and ensuring legitimate charitable relief continues properly to reach those in need

The commission will:

- take a balanced approach which is evidence-based and risk-based, targeted and proportionate
- work in partnership and collaborate with both the government and the charitable sector itself
- maintain its strategic and operational independence in line with statutory requirements
- ensure the way it tackles the risk of terrorist abuse of charities is within its existing approach to regulation
- encourage trustees to implement strong and effective governance arrangements, financial management and partnership management - charities which implement good general risk management policies and procedures will be better safeguarded against all types of abuse
- make clear the responsibilities of trustees to safeguard their charity from terrorist abuse or from being used as a platform to promote inappropriate or extremist views
- as a matter of priority, deal proactively, robustly and effectively with concerns where there is evidence or suspicion of terrorist abuse of or links to charities using our legal powers where necessary
- where necessary and proportionate, take targeted regulatory action in the charity, where its assets, services, beneficiaries or reputation are at risk of abuse or harm
- where proportionate, work with charities, providing corrective regulatory advice and guidance to ensure compliance with legal requirements to prevent problems and abuse occurring in the first place

For further guidance on the commission's approach see [OG410: Charities and Terrorism](#); the commission's [Counter-terrorism strategy](#). Guidance which explains your duty to prevent your charity being used to promote extremist views or terrorist ideology is also available: the commission's [Compliance toolkit chapter 5](#) 'Protecting charities from abuse for extremist purposes and managing the risks at events and in activities'. This is relevant to all charities but in particular to those that:

- host regular events involving external speakers
- use literature and publications to promote the charity's purposes, including on the internet and social media
- allow other charities or organisations to host events or activities from their premises
- distribute educational material