



Consultation

What to do if something goes wrong: reporting serious incidents

Contents

1. Trustees' duty to report	2
2. How to report	4
2.1 Action to take	4
2.2 Reporting multiple incidents	5
2.3 Reporting Incidents in the annual return	6
2.4 What happens after I have reported it?	6
3. What to report	7
3.1 Financial crime: fraud, theft and money laundering	7
3.2 Unverified or suspicious donations	9
3.3 Other significant financial loss	9
3.4 Links to terrorism and extremism	10
3.5 Safeguarding beneficiaries	11
3.6 Other significant incidents including disqualified trustees, insolvency, forced withdrawal of banking services, or actual/ suspected criminal activity	12
4. Data protection and confidentiality	13
Annex 1: examples table	14
Annex 2: fraud and theft information checklist	18

1. Trustees' duty to report

This guidance helps trustees identify serious incidents and ensure that they are reported to the Charity Commission (the commission). It also explains how to report them.

The commission requires charities to report serious incidents. A serious incident is an adverse event, whether actual or alleged, which results in or risks significant:

- loss of your charity's money or assets
- damage to your charity's property
- harm to your charity's work, beneficiaries or reputation

The most common type of incidents are frauds, thefts, significant financial losses, criminal breaches, terrorism or extremism allegations, and safeguarding issues.

If a serious incident takes place, you need to report what happened and explain how you are dealing with it, even if you have reported it to the police, donors or another regulator.

Who should report?

The responsibility for reporting serious incidents rests with the charity's trustees. In practice, some charities may delegate this task to someone else within the charity, such as an employee or the charity's professional advisers. However, all trustees are responsible for ensuring the charity makes a report and does so in a timely manner.

If it's a trustee reporting the incident, they need to confirm they have authority to report on behalf of the trustee body. If someone other than a trustee, they should declare who they are, their role in or relationship with the charity and confirm who in the trustee body is aware of the incident and that they have the authority of trustees to report it.

Why must you tell the commission?

In summary

Given the challenging nature of the work undertaken and the difficult context faced by many charities, it is likely that serious incidents will occur. Where this is the case, it is the commission's regulatory role to ensure that trustees comply with their legal duties and that the charity manages the incident responsibly, taking steps to limit its immediate impact and prevent it from happening again.

Most problems can be resolved by trustees themselves, in some cases with timely advice from professional advisers. Taking action quickly will help protect your charity from further harm and ensure that confidence is maintained in it, as well as benefitting other charities by improving public confidence in the sector as a whole.

In more detail

The commission needs to ensure trustees comply with their duties: by reporting a serious incident, you demonstrate that you have identified a risk to the charity and that the trustees are taking appropriate action to deal with it, now and in the future. This is very important because protecting the assets, reputation and beneficiaries of the charity are essential trustee responsibilities. The potential for reputational damage can be lessened, however, if trustees can show that they handled the incident well; this will also allow the commission, if asked by the media, to state that the trustees handled the situation responsibly in reporting it to them.

Trustees should always put appropriate safeguards in place and take reasonable steps to ensure their charity is not exposed to undue risk. Otherwise it can be vulnerable to fraud, theft or other kinds of abuse, and trustees may be in breach of their duties.

The commission may need to offer regulatory advice or guidance: timely reporting allows the commission to identify problems in charities at an early stage, and where appropriate, to provide regulatory advice and guidance to trustees to ensure they meet their legal duties. In more serious cases, where charities' assets, reputation, services or beneficiaries have been harmed, or are at significant risk, the commission may need to intervene by using its temporary or protective powers in order to safeguard charity assets and put it back on track.

The commission can assess the risk to other charities: serious incident reporting helps the commission to gauge the volume and impact of incidents within charities and to understand the risks facing the sector as a whole. This insight will inform the commission's approach as regulator and may lead it to issue timely advice, guidance or alerts to warn other charities of identified risks and how to manage them.

The commission's **Risk framework** explains how it assess risk and when it may become involved in charities.

Find out more about trustee duties in the commission's guidance: **The essential trustee: what you need to know, what you need to do (CC3)**.

When to report

Report an actual or suspected incident promptly. This means as soon as possible after it happens, or immediately after you become aware of it.

2. How to report

This section explains how to report an actual or suspected serious incident in your charity. You can also find out what types of incident the commission expects you to report and how to recognise these.

2.1 Action to take

If something does go wrong, you should take immediate action to:

- prevent or minimise any further harm, loss or damage
- report it to the commission as a serious incident
- report it to the police if you suspect a crime has been committed – and to any other regulators and stakeholders the charity is accountable to
- plan what to say to your staff, and where appropriate, volunteers, members, the public and the media
- review what happened and prevent it from happening again – this may include reviewing internal controls and procedures, and/or seeking appropriate help from professional advisers

You can report serious incidents to: RSI@charitycommission.gsi.gov.uk.

You need to report what happened and explain how you're dealing with it, even if you have already reported it to the police or another regulator. The commission does not directly investigate criminal offences, safeguarding or health and safety incidents – lead responsibility rests with other statutory agencies and regulators. However, the commission may need to make contact with the police or other regulators and follow up on their investigations (see 3.5).

You may find it helpful to refer to the following reporting checklist.

When making a serious incident report, you should provide details of:

- who you are and your connection to the charity
- the authority you have to report on behalf of the charity's trustees
- who in the trustee body is aware of the incident, for example all or only the chair
- what happened and when the charity first became aware of it
- action being taken to deal with the incident and prevent future problems
- whether and when it has been reported to the police or another regulator/ statutory agency (including official reference numbers)
- media handling lines you may have prepared

If, having read this guidance, you're unsure whether the incident needs to be reported, it's best to report it anyway - the commission can then decide what to advise you and what action, if any, is appropriate.

Remember – you should aim to provide enough detail in your report to give the commission a clear picture of what happened and when, the extent of any loss, how you're dealing with it and the possible next steps. There is no minimum loss figure that should be reported.

Reporting criminality

You should always report any actual or suspected criminal activity - do not wait until someone is arrested, charged or convicted before reporting the incident.

Reporting fraud

You should report incidents of fraud to **Action Fraud**, ensuring you obtain a crime reference number and making clear that you're representing a charity. Action Fraud is a national reporting centre specifically for reporting frauds and has an **online fraud reporting** service, available 24 hours a day. The website includes a comprehensive **A to Z of fraud types**.

Reporting theft

Report theft (or suspected theft) to the police and obtain a crime reference number. If you've already reported a serious incident to the police or another regulator/agency, you should still make a report direct to the commission, as its regulatory interest is different from that of other agencies.

In areas of high risk, the commission cannot rely on other agencies to engage proactively - they may be prohibited from doing so because legal processes are underway. Therefore it is important that charities take the initiative and report the incident to the commission directly.

To minimise work, if you prefer, you can simply forward the commission a copy of your report to another agency; where regulatory interests overlap, the commission will identify this and ensure that work is not duplicated and burdens on you increased. It may engage with the relevant agency and agree that they will take the lead on the issue, without the commission needing to take further action.

Remember – If reporting to the police or to Action Fraud, you should also make a serious incident report to the commission, following the previous advice.

2.2 Reporting multiple incidents

The commission recognises that some incidents may occur more frequently within certain charities because of the scope and/or nature of their activities - for instance, a charity may be more vulnerable to fraud if it undertakes a lot of complex financial trading. Where charities are in regular contact with the public and vulnerable beneficiaries, the likelihood of allegations being made and incidents occurring may be higher.

Where charities work overseas (particularly in high risk areas), they may be more vulnerable to harm and loss. The commission recognises the valuable work charities do internationally, often in difficult circumstances - in such instances, if charities are acting responsibly in dealing with incidents, periodic / multiple reporting is anticipated.

If your charity will be making regular multiple reports, you can submit periodic reports (bulk reports) rather than separate (single) reports for each incident. Many larger and well established charities have accounting and audit systems in place for periodic reporting to their own boards. These reports can be used or adapted for the commission rather than formatting a new one, so long as they include the information outlined in section 2.1.

If you choose to submit a bulk report in this way, you should be confident that each incident listed is reportable and worthy of inclusion; you should also provide sufficient detail regarding each incident, or the commission may have to contact you for more detail.

If your charity is likely to report more than 50 incidents a year, in order to ensure an effective reporting solution, you can submit a discussion request to the commission via rsi@charitycommission.gsi.gov.uk.

2.3 Reporting Incidents in the annual return

All charities, no matter their size or income, should report serious incidents to the commission as soon as possible after they occur. If your charity's income is over £25,000, you must, as part of the annual return, sign a declaration that there were no serious incidents over the previous financial year that should have been reported, but were not. If this is the case, you should make the report when you submit the annual return.

If you're unable to make this declaration, then the annual return will be incomplete and you will have defaulted on your statutory requirement under section 169 of the Charities Act 2011. It's also an offence under section 60 of the Charities Act 2011 to provide false or misleading information to the commission.

If trustees fail to report a serious incident that subsequently comes to light, the commission may consider this to be mismanagement and take regulatory action, particularly if further abuse or damage has arisen following the initial incident.

2.4 What happens after I have reported it?

The commission will let you know it has received your report. It will assess the risk and look at how you're dealing with the incident and may take steps to verify the details, for example by contacting the police. The commission will contact you again if it:

- needs more information about the incident
- considers your charity needs regulatory advice and guidance
- has to use its legal powers to protect your charity
- requires you to provide future, timely updates
- needs to monitor your progress in dealing with it

3. What to report

This section tells you what types of incident the commission expects you to report and explains the different authorities or agencies which may be involved. Remember, when making your report, to follow the advice and checklist outlined in section 2.1 - 'How to report'.

You should report an incident if it results in, or risks, significant loss of your charity's money or assets, damage to your charity's property or harm to your charity's work, beneficiaries or reputation.

The main categories of reportable incident are:

- financial crimes – fraud, theft and money laundering
- large donations from an unknown or unverified source, or a suspicious financial activity using the charity's funds
- other significant financial loss
- links to terrorism or extremism, including 'proscribed' organisations, individuals subject to an asset freeze, or kidnapping of staff
- suspicions, allegations or incidents of abuse involving beneficiaries
- other significant incidents, such as - insolvency, forced withdrawal of banking services; actual or suspected criminal activity within or involving the charity

To help you decide, see the table of examples provided at Annex 1.

3.1 Financial crime: fraud, theft and money laundering

Fraud and theft are different criminal offences. They may relate not just to a charity's funds and financial assets, but also to other assets, such as databases and confidential or sensitive information held. The impact on a charity can be significant, going beyond financial loss - these crimes cause distress to trustees, staff, volunteers and beneficiaries; they may also bring adverse publicity to the charity and damage its good reputation with donors, beneficiaries and the public, as well as that of the charity sector more generally.

Fraud: dishonesty, involving either false representation, for example identity fraud, failing to disclose information or abuse of position, undertaken in order to make a gain or cause loss to another.

The risks to your charity from 'cyber-fraud' are increasing all the time – roughly 70% of all fraud is now committed online and it has been described as 'the crime of our times'. These crimes can be quite complex and difficult to detect, often involving data breaches or identity fraud. It's important that you consider how best to protect your charity from harm online.

Find out more about [guarding against cyber-crime](#)

Theft: dishonestly taking property belonging to another with the intention of permanently depriving the other of it.

Money laundering: the term 'money laundering' is used where criminals turn the proceeds of crime (dirty money) into property or money (clean funds) so that they seem lawful and legitimate – this avoids suspicion or detection. Unfortunately, the good reputation and public confidence enjoyed by a charity can also make it a target for criminals looking for a safe 'hiding place' for illegitimate funds.

You can substantially reduce the risks of your charity being used as a vehicle for money laundering by following the due diligence 'know your donor' principles set out in **Chapter 2 of the commission's Compliance toolkit**.

Remember, there is no minimum loss figure that should be reported – you need to decide whether incidents are serious enough to report, in the context of your charity and its income, taking account of the actual harm and potential risks posed by the incident.

However, the higher the value of the loss, the more serious the incident is likely to be, indicating it should be reported. Other factors that are likely to indicate seriousness include:

- where the person accused of taking the funds/ assets is involved in the charity, particularly if he/she holds a senior position, for example, CEO or has responsibility for financial management, for example, the treasurer on board of trustees
- where the person accused is involved with other charities
- numerous incidents have taken place that are connected
- a single incident has been committed over a long period of time
- a number of separate incidents have occurred over a short period of time
- the funds lost/at risk are from a public appeal, collection or grant funding
- where there are signs of public interest, such as media reporting
- where the charity has had to take serious action against an individual, such as disciplinary procedures or suspension

Sometimes 'low value' incidents can pose serious risks – they may be a sign that individuals are trying to avoid detection. Repeated or frequent incidents can be symptomatic of weak financial controls and poor governance, leaving a charity more vulnerable to fraud or theft. Therefore, if there have been repeated incidents of low value fraud or theft in your charity, the commission would expect you to report this.

For some charities, due to the nature of their activities, for example, shops or trading outlets, the risk of incurring loss or being the victim of crime is higher. If your charity relies upon cash-based fund raising, it may be more vulnerable to opportunist and organised fraudsters, who can take advantage of the trust and honesty shown by trustees or volunteers.

For advice on protecting your charity from fraud and financial crime, see **Chapter 3 of the commission's Compliance toolkit**.

If you decide that an incident is not serious enough to report, it's still important that you handle the situation appropriately and take reasonable steps, perhaps by tightening financial controls and procedures, to ensure it doesn't happen again.

Find out more about improving your charity's financial controls in the commission's guidance: **Internal financial controls for charities (CC8)**.

Refer to the new Fraud and Theft Checklist at Annex 2.

3.2 Unverified or suspicious donations

You should act with 'due diligence' and be mindful of donations to your charity from unknown or unverified sources, or you may be in breach of your duties under the Finance Act 2011. This means you need to keep records of substantial donors and transactions, in order to avoid a tax liability.

Be alert to unusual donor activity, such as a large, one-off donation or a series of smaller donations from an unfamiliar, unverified or anonymous source; donations may take forms other than money, for example shares or goods.

As a guide, trustees should report, via email, unverified or suspicious donations totalling £25,000 or more, providing the assurance detail outlined previously.

However, remember that in the case of 'low value' incidents, you should use your own judgement to decide whether it's serious enough to report, taking into account all the relevant factors.

Find out more about donations and verification in Chapter 2 of the commission's guidance: **Compliance toolkit, due diligence, monitoring and verification of end use of charitable funds**.

You should also report where you are concerned about other suspicious financial activity connected to the charity's funds. This might include requests from third parties to:

- cash a cheque for a large sum of money
- convert large quantities of cash into another currency
- pay a fee to release funds to be donated to the charity

3.3 Other significant financial loss

Report any significant asset or financial loss due to other causes, particularly where this will affect the charity's ability to operate and serve its beneficiaries, or may require you to draw upon financial reserves. For example:

- significant fire, flood or storm damage destroying or seriously damaging the charity's main premises
- having to abandon property, for example in a war zone overseas
- losing a court case and having to pay significant fees out of charity funds
- losing institutional donors, public funding or key delivery contracts and being unable to replace these in order to ensure the charity's survival
- significant financial penalties for breaches or non-compliance imposed by HMRC, Financial Conduct Authority, HSE, ICO, Fundraising Regulator or other regulators

In the most serious cases, loss of funding could mean your charity cannot continue to operate and may need to 'wind up'.

Find out more about protecting your charity, in the commission's guidance: **Managing a charity's finances (CC12)** and **Charity governance, finance and resilience: 15 questions trustees should ask**.

As a guide for this type of incident, the commission would expect you to report any loss of funds or property with a value in excess of 20% of the charity's income, or totalling over £25,000. For amounts lower than that, you should decide if they are significant for your charity and should be reported, taking the charity's income, work and other factors into account.

You don't need to report financial loss such as a decrease in the value of investment funds, impairments, asset write-downs, pension deficits and bad debts, unless they pose a significant threat to the solvency of the charity.

Remember, when reporting to the commission, you should state what happened, the nature of the risk and the steps you're taking to deal with the incident.

3.4 Links to terrorism and extremism

These types of incident include discovering that someone within or connected to the charity does business with or has links to terrorist groups, or is subject to an asset freeze; also, where property has been stolen by terrorist groups, or charity money, personnel or other assets used to support terrorist activities.

You should report to the commission if you become aware of allegations being made, or have evidence to suspect that:

- your charity, including a trustee, member of staff, volunteer or anyone associated with your charity has any known or alleged links to a proscribed organisation or other terrorist/ unlawful activity
- someone within or closely connected to the charity, or one of your delivery partners, is placed on a UK or international terrorist list or is subject to an asset freeze
- charity funds or assets have been used to pay bribes, protection money or ransoms
- charity funds or assets have been used/ diverted (perhaps via a delivery partner) to support a terrorist group or for other terrorist purposes
- the charity has been used to circumvent asset freezing measures
- charity personnel have been kidnapped or harmed by terrorist groups, including overseas when representing the charity or carrying out charity work

You must also report your concerns or suspicions to the police immediately. If you don't, you may be committing a criminal offence under Section 19 of the Terrorism Act 2000.

You can report an incident to the police in the following ways:

- via the **National Crime Agency** website
- calling the Metropolitan Police Anti-Terrorist Hotline on 0800 789 321
- call 101 or report it at a local police station

Find out more about how to protect your charity from terrorist activity, in **chapter 1** of the commission's guidance: **Compliance toolkit, protecting charities from harm**.

You can find a list of **proscribed (banned) organisations** on GOV.UK.

You should also be aware of the risks to your charity of being abused for extremist purposes, for example, when carrying out activities or events involving guest speakers, or when promoting literature and educational materials, including through the charity's website and on social media. You should report to the commission if:

- you know or suspect that your charity's premises, or any of the activities that your charity runs, have been misused as a platform for the expression or promotion of extremist views, or the distribution of extremist materials
- you become aware of any media reports alleging that your charity has been misused for such purposes, particularly if you believe these could have a significant negative impact upon your charity's reputation

For detailed advice about protecting your charity from extremism and what extremism means, see the commission's guidance: **Protecting charities from abuse for extremist purposes**.

3.5 Safeguarding beneficiaries

You should make a report if any of the following things occur:

- beneficiaries of your charity (adults or children) have been, or alleged to have been, abused or mistreated while under the care of the charity, or by someone connected with the charity, for example, a trustee, staff member or volunteer
- there has been an incident where someone has been abused or mistreated (alleged or actual) and this is connected with the activities of the charity
- there has been a breach of procedures or policies at the charity which has put beneficiaries at risk, including failure to carry out checks which would have identified that a person is disqualified in law under safeguarding legislation from holding a position in the charity working with children or adults

If you have grounds to suspect that such incidents may have occurred, it is important to take action promptly: As well as reporting to the commission, depending on the incident, you must also notify the police, local authority and the relevant regulator or statutory agency.

The commission is not responsible for dealing with incidents of actual abuse or mistreatment and it does not administer safeguarding legislation. It cannot prosecute or bring criminal proceedings, although it may refer concerns on to 'lead agencies', such as the police, local authorities and the Disclosure and Barring Service (DBS), as well as to specialist bodies responsible for designated areas, such as education or health and social care. The commission's role is to ensure the charity's trustees are handling the incident responsibly, and where necessary, putting in place improved governance and internal controls in order to protect the charity and its beneficiaries from further harm.

Find out more about safeguarding in the commission's guidance: **Strategy for dealing with safeguarding issues in charities**.

3.6 Other significant incidents including disqualified trustees, insolvency, forced withdrawal of banking services, or actual/ suspected criminal activity

You should make a report to the commission if:

- you discover that one of the trustees is disqualified in law under s178 Charities Act 2011 from acting as a trustee, for example because they have an unspent conviction for fraud or theft, they are an undischarged bankrupt, or are disqualified as a director under company law
- something has happened to force your charity into insolvency (if a company or CIO) or to wind up, for example unmanageable debts or reduced income streams
- your charity's bank has served notice to close your account/s and withdraw all services; and/ or the charity has been unable to secure new services
- your charity is subject to a police investigation or a significant investigation by another agency/ regulator; you do not need to report routine inspections by for example, Ofsted or CQC, unless they have resulted in significant adverse findings or are likely to attract adverse attention
- major governance issues, such as mass resignation of staff or trustees, or other events, leaving the charity unable to operate
- the charity, its trustees, or employees are the subject of criminal proceedings, in connection with the charity or their role in it

Find out more about when a person may be disqualified in law from being a trustee in the commission's guidance: **Finding new trustees: what charities need to know (CC30)**.

4. Data protection and confidentiality

When trustees report serious incidents, some of the information provided may be of a sensitive nature. The commission will handle this responsibly and with care – this information is required only to carry out its statutory functions.

As a public authority and a 'data controller', the commission is subject to the Freedom of Information Act 2000 and the Data Protection Act 1998.

The commission will not disclose personal data to others unless:

- you have given consent to release
- the commission is legally bound to disclose the information
- the commission regards disclosure as necessary in order to properly carry out its statutory functions

The commission may also disclose information or personal data to another relevant public authority, but only where lawful to do so, and where for the purposes of national security, law enforcement, or other issues of overriding public interest, such disclosure is necessary or appropriate.

In short, any such disclosure will be lawful, fair and made only to serve the commission's statutory objectives as the regulator of charities.

Find out more about information on media handling, in the commission's guidance: **Public statements about investigations and other regulatory work.**

Annex 1: examples table

To help you decide what to report, see the examples table:

Examples of serious incidents you should report	Examples of serious incidents you don't need to report
Fraud and money laundering	
<p>Charity's chief executive and treasurer have produced false invoices for the charity's services.</p> <p>Cyber fraud for example bogus fundraising scheme online using charity's name.</p> <p>Attempted fraud by a member of charity staff but intercepted by the charity's own internal financial controls.</p> <p>Any actual/ alleged fraud or money laundering should be reported as a serious incident.</p>	<p>If in doubt, report it.</p>
Theft	
<p>Each month, between £100 to £200 goes missing, suspected stolen, from the cash till in the charity shop. It has been going on for 6 months and has been reported to the police.</p> <p>The office has been broken into and computers holding details of the charity's beneficiaries and personal details of donors have been stolen.</p> <p>Remember, there is no minimum loss figure that should be reported - you need to decide whether incidents are serious enough to report, in the context of your charity and its income, taking account of the actual harm and potential risks posed.</p>	<p>One-off theft of items such as jewellery or a mobile phone at the charity's premises.</p> <p>Theft of small amounts of cash belonging to a beneficiary, by another beneficiary, at a charity event.</p> <p>Theft of a collection tin with small amounts of cash in it.</p>
Unverified or suspicious donations	
<p>A significant amount is donated to the charity from an unknown or unverified source.</p>	<p>Large anonymous legacy left in a will received from solicitor dealing with probate, on condition he/she remains anonymous.</p> <p>Low value donation from an unknown source - trustees should check the commission's compliance toolkit for further guidance.</p>

Examples of serious incidents you should report	Examples of serious incidents you don't need to report
Significant financial loss	
<p>Significant loss of charity funds/assets due to a poor investment scheme undertaken by trustees, without professional advice.</p> <p>Sudden loss of major donor contracts, representing 50% or more of charity's funding stream – charity has no reserves, so a significant number of staff will need to be laid off and services stopped.</p> <p>Significant loss of charity funds due to legal costs and/ or liabilities incurred in a court case.</p>	<p>Loss of charity funds where the value lost represents less than 20% or £25,000 of charity assets.</p> <p>Charity property overseas is damaged due to bad weather conditions, for example a roof blown off during a storm.</p>
Links to terrorism or extremism	
<p>Charity discovers one of its overseas partners has passed money to a member of charity's personnel who is a designated individual subject to financial restrictions.</p> <p>Personnel at the charity have been arrested for terrorism related offences.</p> <p>Charity's warehouse in a war zone overseas has been raided and the charity's vehicles/ stock taken at gunpoint.</p> <p>Charity staff/volunteers detained or kidnapped by a terrorist group overseas.</p> <p>A visiting or external speaker using a charity event/ meeting to promote extremist messages, via live speech or social media.</p>	<p>If in doubt, report it.</p>

Examples of serious incidents you should report	Examples of serious incidents you don't need to report
Safeguarding - beneficiaries at risk	
<p>A beneficiary within the charity's care has, or alleges to have, suffered abuse or serious harm.</p> <p>Allegation that a staff member has physically assaulted a beneficiary.</p> <p>Repeated medication errors to beneficiaries in a care home.</p> <p>Charity discovers a person connected with the charity is on the sex offenders list.</p>	<p>Unusual/aggressive behaviour by a beneficiary towards a member of staff.</p> <p>Police called to a charity's premises because a beneficiary is drunk and being disorderly.</p> <p>Beneficiary in a care home received the wrong medication as a 'one-off' error.</p> <p>RIDDOR/accident book reports.</p> <p>Minor accidental injury to a charity service user, for example slipping on a floor.</p>
Other incidents – disqualified person acting as a trustee	
<p>Any person acting as a trustee while disqualified.</p>	<p>A trustee voluntarily steps down from trusteeship when disqualified for having an Individual Voluntary Arrangement (IVA).</p>
Charity subject to investigation by a regulatory body	
<p>If the charity is subject to official investigation by another regulator, for example the Fundraising Regulator, police, ASA, Ofcom, Information Commissioner, or the Care Quality Commission.</p>	<p>Routine investigations by a sector regulator, for example Ofsted or CQC, do not need to be reported.</p>
Poor governance	
<p>Mass resignation of trustees, leaving the charity unable to function.</p> <p>Evidence of trustees routinely signing blank cheques.</p>	<p>One or two trustees stepping down due to other commitments.</p>

Examples of serious incidents you should report	Examples of serious incidents you don't need to report
Fundraising issues	
<p>Suspicious or unauthorised collections in the name of the charity.</p> <p>Failure to comply with the law on requirements for solicitation statements or professional fundraising agreements.</p> <p>Significant funds due under a fundraising arrangement have not been paid by the professional fundraiser to the charity.</p> <p>Incident taken place involving a fundraising agency which will bring serious damage to the charity's reputation.</p>	<p>A missing collection tin containing a small sum of money.</p> <p>Failure of a sponsor, for example of a fun run, to submit small amounts of money raised for the charity.</p>
Data breaches or loss	
<p>Charity's data has been accessed by an unknown person; this data was accessed and deleted, including the charity's email account, donor names and addresses.</p> <p>A charity's laptop, containing the personal details of beneficiaries or staff, has been stolen.</p> <p>Charity funds lost due to an online or telephone 'phishing scam', where trustees were conned into giving out bank account details.</p> <p>A Data Protection Act breach, reported to the ICO.</p>	<p>A single laptop or mobile phone belonging to the charity is reported missing and it does not contain confidential data – it has been reported to the police.</p>
Other, including criminality	
<p>Any other type of incident that the trustees regard as serious and likely to damage reputation or incur loss of funds/assets.</p>	<p>If in doubt, report it.</p>

Annex 2: fraud and theft information checklist

When you report the incident, consider the following:

1. If it's a fraud, do you know what type of fraud it is?
2. If it's a theft, what was stolen?
3. What is the estimated value of the loss?
4. When did the charity first become aware of it?
5. How was it discovered - via the charity's own internal controls, its auditors or professional advisers, or perhaps via the bank?
6. What happened and when/over what period? Try to summarise the circumstances of the incident without omitting key detail.
7. Can you confirm that your charity's internal policies and procedures have been followed in this case?
8. Have you taken appropriate action to deal with the incident – has a report been made to Action Fraud or the police (if theft) and a crime reference number been obtained?
9. Have you recovered, or are trying to recover, the money/goods lost?
10. Are you pursuing or considering civil recovery of the funds?
11. Are your charity's losses covered by insurance?
12. Is the person suspected/ accused involved in the charity as a trustee, employee, volunteer or other?
13. Is the person suspected/accused in a senior position, for example chair, chief executive, director, head of...?
14. Is the person suspected/accused in a position of special responsibility for safeguarding the finances, for example treasurer or finance director?
15. Is this an isolated incident or have numerous incidents occurred that are connected?
16. Have there been a number of separate incidents over a period of time?
17. Are the funds from a public appeal or collection or from grant funding? If yes, can it still go ahead?
18. Are signs of public interest, for example media reporting already?
19. If you have media or press lines, what are they?
20. Have you had to take action against an individual, for example disciplinary, procedures or suspension?
21. Do you know if the person accused of taking the funds/assets is involved with any other charities?
22. Do you need to take steps to prevent this from happening again? If so, what are you planning?
23. Have you reviewed or are about to review your internal financial controls and procedures as a result? If so, what are the results of this review or when is this due to complete?