

**Guidance for PCCs:**

**Reporting non-safeguarding Serious Incidents**

**to the Charity Commission**

**Introduction**

A Serious Incident is an adverse event, whether actual or alleged, which results in or risks significant harm to the PCC’s, employees, office holders, volunteers or to others who come into contact with the church through its work, loss of the PCC’s money or assets, damage to the PCC’s property or harm to the PCC/church’s work or reputation.

This guidance does not cover safeguarding Serious Incidents. Specific guidance on how to report safeguarding Serious Incidents can be accessed at:

<https://www.churchofengland.org/sites/default/files/2019-07/Safeguarding%20SIR%20Guidance%20REVISED%201%20August%202019.pdf>

This guidance explains how to identify when a non-safeguarding Serious Incident has occurred and provides guidance on how you should report it to the Charity Commission.

**1. What is a “Serious Incident”?**

An incident is a Serious Incident if it results in, or risks, significant financial loss to a PCC, damage to a PCC’s property or harm to a PCC’s work, beneficiaries or to its reputation. Examples include fraud, cyber-crime, theft, significant financial loss, a data protection breach, links to terrorism or extremism, unverifiable or suspicious donations and other significant incidents.

A PCC must report Serious Incidents that involve its beneficiaries, as well as those who come into contact with the PCC through its work, including office holders, employees and volunteers.

Any incident which is connected with the activities of the PCC and involves actual or alleged criminal activity should always be reported as a Serious Incident to the police, Action Fraud or the NCA and to the PCC Commission. You should not wait until someone has been arrested, charged or convicted, before reporting an incident.

**2. What are the main types of Serious Incident[[1]](#footnote-1)?**

(A) Financial crimes, such as fraud, cyber-crime, theft and money laundering:

* Theft and fraud of money and financial assets.
* Cyber-crime is any criminal act involving computers and networks.
* Theft of “intangible” assets, such as databases and confidential or sensitive information, which can cause not only financial loss, but can also damage a PCC’s reputation with donors, beneficiaries and the general public.
* Fraud includes dishonesty and false representation, such as identity fraud.
* Charities can, inadvertently, be used to launder money.

(B) Large donations from an unknown or unverifiable source, or suspicious financial activity using the charity’s funds:

* Donations from unusual sources and one-off significant donations (or a series of smaller donations) from a previously unknown donor or an unverified[[2]](#footnote-2) source should be considered carefully. Unverified or suspicious donations from a single source exceeding £25k should be reported to the Charity Commission.

(C) Other significant financial loss:

A loss of funds or property totalling over £25,000 or, if the loss is valued at below £25,000, if the loss exceeds 20% of the PCC’s income, should generally be reported as a Serious Incident. Examples of such losses may include:

* significant fire, flood or storm damage destroying or seriously damaging the charity’s main premises;
* having to abandon property;
* losing a court case and having to pay substantial legal fees or damages out of PCC funds (unless costs are incurred through routine litigation, undertaken in line with charitable aims and on behalf of beneficiaries);
* significant financial penalties for breaches or non-compliance imposed by regulators including HMRC, the Financial Conduct Authority, the Health and Safety Executive, the Information Commissioners Office and the Fundraising Regulator.

(D) Other significant incidents:

* A PCC member is disqualified in law from acting on the PCC, for example due to an unspent conviction for fraud or theft, being an undischarged bankrupt, or being disqualified as a director under company law.
* A data protection breach which is notified to the Information Commissioner’s Office (ICO), or an investigation into the charity being launched by the ICO.
* The PCC is subject to a police investigation or a significant investigation by another agency or regulator, including the Fundraising Regulator
* The PCC or its employees are the subject of criminal proceedings in connection with the church or their role in it.

**3. What is not a Serious Incident?**

If an incident is not Serious, or it is not connected with the PCC/church’s activities, it does not need to be reported: health and safety type accidents, which do not result from a failure of governance or the following of proper procedures, do not need to be reported as a Serious Incident. For example, if the PCC’s minibus crashed on a children’s outing, with no serious injuries, because another driver drove into it, it does not need to be reported.

However, if it crashed because the minibus was in poor state of repair and had not been serviced, and/or any of those on the bus were killed or were seriously injured, it would need to be reported as a Serious Incident.

**4. When should a Serious Incident be reported to the Charity Commission?**

The Charity Commission expects that Serious Incidents are reported to it “promptly”[[3]](#footnote-3), ie as soon as is reasonably possible after it happens, or immediately after you become aware of it. In practice, a report should be made once sufficient information has been gathered for the report to be meaningful. However, there may be occasions where it is appropriate for a brief initial report to be made, with an indication that a follow-up report will be made once additional information has been obtained.

**5. Who is responsible for preparing and submitting the Serious Incident Report?**

The PCC should delegate the responsibility for submitting Serious Incident reports to the Charity Commission to two or three appropriate people.

**6. What information needs to be included in a Serious Incident Report?**

See Annex A.

*Further information about serious safeguarding incident reporting is available at:*

<https://www.parishresources.org.uk/wp-content/uploads/Safeguarding-SIR-Guidance-FINAL-1-Jan-2019.pdf>

*Information about reporting non-safeguarding serious incidents can be found at:*

<https://www.parishresources.org.uk/wp-content/uploads/SIR-Guidance-PCCs-Non-Safeguarding-FINAL-1-Jan-2018.pdf>

**Template for Individual Serious Incident Reports: Non-Safeguarding**

**Please note:**

**This form is for parish use only so as to keep a detailed record in your own files.**

**We would suggest that you give each report its own reference number.**

|  |  |
| --- | --- |
| Incident Reference number | *Make one up that is easy for you to find in your records* |
| Full name of the PCC charity | *Name of Church* |
| Charity registration number (or state that the charity is not registered) | *Registration number or, if not registered, state that the church is an excepted charity.* |
| PCC’s address | *Address of Church* |
| Date of Report’s submission to the Charity Commission |  |
| The name and contact details of the person submitting the Report | *Incumbent or churchwarden or one of the people who have been delegated* |
| How the person submitting the Report is connected to the PCC (or authority on which Report is being submitted) |  |
| Date of Report’s submission to Church House, Leeds |  |
| Reference numbers and contact details if the incident has been reported to other organisations, eg the police |  |
| Names and registration numbers of other charities involved in the incident, if relevant |  |
| Name and contact details (email and telephone) of named contact for follow-up queries |  |
| Nature of the Incident[[4]](#footnote-4) |  |
| Details of the Incident:* When did it happen?
* What happened?
* When did the PCC first become aware of it?
* How did the PCC first become aware of it?
* Is it an isolated incident, or part of a series of incidents? If part of a series, provide full details.
* What impact has the incident had on the PCC’s beneficiaries, finances, staff, operations or reputation
 | *Be as succinct as possible* |
| Are all or only some of the trustees aware of the incident (eg, only some of the trustees may be aware where the Serious Incident involves a trustee, someone who is connected to a trustee, or a senior member of staff) |  |
| Is anyone in the PCC involved (trustee, office holder, employee, volunteer, beneficiary)?If so, what is their role in the PCC?  Are you aware of any positions they hold in other charities?Will any disciplinary action need to be taken against an individual? Has the person resigned? If so, provide details. |  |
| Loss:What is the estimated value of the loss?How much of the loss (if any) might be recoverable and, if so, what steps are being taken to recover it?Are the PCC’s losses covered by insurance? |  |
| How is the charity handling the incident?:* Which of the charity’s policies or procedures relate to the incident and whether they were followed.
* What steps the charity has taken to deal with the incident.
* What steps the charity has taken to prevent similar incidents.
* Where applicable, the charity’s media handling or press lines, including a link to a press release if available.
 |  |
| Provide details of any anticipated next steps. |  |
| Provide any additional information that is not provided above which is of relevant to the Serious Incident being reported. |  |

1. Other than safeguarding Serious Incidents which are covered in separate guidance. [↑](#footnote-ref-1)
2. Charity Commission Toolkit on verification of donations provides guidance on how to verify donations and managing the risks involved: <https://www.gov.uk/government/publications/charities-due-diligence-checks-and-monitoring-end-use-of-funds> [↑](#footnote-ref-2)
3. A record of all Serious Incident reports, as well as any follow-up correspondence and copies of any papers sent to the Charity Commission, must be retained and stored securely, so that they can be referred to at a later date if necessary. [↑](#footnote-ref-3)
4. Summarise incident in one sentence. [↑](#footnote-ref-4)