

Serious incident reports and global events

The Charity Commission requires trustees to report all serious incidents.

Suhan Rajkumar and Jennifer Chong remind charities when and how to make a report.



Suhan Rajkumar Associate

T: 020 7551 7718
s.rajkumar@bateswells.co.uk

I advise charities, social enterprises and corporates on a broad range of legal and commercial matters. I've helped new organisations to set up as charities, assisted clients with contractual and joint-working arrangements and advised on regulatory issues and engagement with the Charity Commission.



Jennifer Chong Solicitor

T: 020 7551 7815
j.chong@bateswells.co.uk

I am a solicitor in Bates Wells' Charity and Social Enterprise team, working on a broad range of matters, including charity formation and registration, general charity law, governance and legal structures, constitutional changes and compliance and commercial contracts.

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The international coronavirus crisis, and the stringent UK government guidelines adopted to deal with the pandemic earlier this year, prompted many charities to consider what a 'serious incident' is, in such exceptional circumstances, and when to file a serious incident report, or 'SIR'.

Reminder: what is a serious incident?

Serious incidents are defined in the commission's SIR guidance (found [here](#)) as 'an adverse event, whether actual or alleged, which results in or risks significant:

- harm to your charity's beneficiaries, staff, volunteers or others who come into contact with your charity through its work [...];
- loss of your charity's money or assets;
- damage to your charity's property; or
- harm to your charity's work or reputation.'

'Significant' is taken to mean significant in the context of your charity, so it will depend on your charity's size, staff, operations, finances and/or reputation.

The trustees of a charity hold ultimate responsibility for ensuring that the charity makes an SIR when applicable, therefore it is in the trustees' discretion and judgement as to whether they consider an actual or alleged incident a serious incident.

Could a global event trigger a serious incident 'significant' enough to file a SIR?

The commission's position evolved throughout the early stages of the coronavirus pandemic. Initially, the commission released guidance (on 12 March 2020) reminding trustees that coronavirus could give rise to reportable serious incidents, with a number of examples. The next day, following feedback that this guidance was unhelpful and burdensome, the commission withdrew it, acknowledging that it 'was not as helpful as [it] would have liked'.

In subsequent guidance issued on 19

March 2020 the commission confirmed that charity trustees should continue to report serious incidents using the usual guidelines. More recently, on 3 June 2020, the commission issued supplementary **guidance**, with an accompanying examples table, to help trustees in deciding whether they need to report an incident related to the pandemic. This clarifies, for example, that it is the impact of any pandemic-related reduction of services or operations on the charity that is key in determining whether a SIR should be reported.

In practice, although there are some differences from the main guidance – for example, the usual thresholds for reporting a financial loss do not apply where the losses are related to the coronavirus crisis – the commission continues to expect trustees to exercise their own judgement as to what is 'significant' for a charity, with the effect that the pandemic may give rise to reportable incidents for many organisations.

What should we think about when filing an SIR?

The SIR regime aside, trustees should always deal with any serious incident appropriately, minimising harm to the charity, and its beneficiaries, staff, assets and reputation, in order to comply with their legal duties.

SIRs should detail what happened, and the approach that the charity is taking to deal with the serious incident. Although the commission recommends that reports of both actual and alleged incidents are filed promptly, it will often be the case that trustees will need to take some initial steps to deal with a serious incident before filing an SIR. The SIR guidance is clear that, through the regime, the commission is looking 'for assurance that the charity has taken steps to limit the immediate impact of the incident and, where possible, prevent it from happening again'.