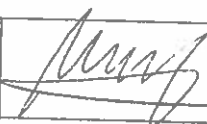





Serious Incident Reporting policy

Policy Number	HAPC/POL/SIR		
Previous review date	August 2018	Board of trustees	
Next Review date	July 2020	Board of trustees	

Policy Owner	People & Culture
Key responsibilities	People & Culture
Associated documents	NA

Approver Authorizer	July 2019	Board of Directors	
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Serious Incident Reporting Policy

1. Introduction

Human Appeal is an incorporated UK charity working across the globe to strengthen humanity's fight against poverty, social injustice and natural disaster, through the provision of immediate relief and establishment of self-sustaining development programmes. Our vision is to contribute to a just, caring and sustainable world, free of poverty. Human Appeal does this by raising money to fund immediate and long-term sustainable solutions and empower local communities.

2. Policy Statement

2.1. Human Appeal's values instil upon it to act with excellence, professionalism and commitment in working with integrity and transparency in all we do. We take a zero-tolerance approach to fraud, bribery and corruption and are committed to acting professionally, fairly and with integrity in all our operational dealings and relationships, wherever we operate.

2.2. We will uphold all regulations stipulated by the Charity Commission and are bound by UK laws in respect of our conduct at all our operational locations.

2.3. A requirement of the Charity Commission¹, under the Charities Act 2011 is to report serious incidents that affect the Charity. A further reporting requirement to the police or appropriate agency is also legislated under Section 19 of the Terrorism Act 2000. The responsibility for reporting serious incidents to the Commission or law enforcement bodies rests with the Human Appeal Board of Trustees, even if they delegate the work to others.

3. Policy Objective

The objective of this Policy is to ensure compliance by Human Appeal, branches, partners, staff, volunteers and contractors who act as staff, with all applicable laws and regulations relating to reporting Serious Incidents. Human Appeal emphasises that all incidents to be reported immediately, section 4 of this policy stipulates the serious incidents that must be reported to the charity commission.

4. Definition of terms

A **serious incident** is any incident that presents or potentially presents a considerable risk to:

- the beneficiaries or reputation of a charity;²
- significant financial loss to a charity;
- serious criminality and/ or illegal activity within or involving a charity (including fraud and money laundering), relating to a broad range of assets including funds, financial assets and data, including personal data held about volunteers and members;
- a charity deliberately being used for significant private advantage;
- where a charity's independence is seriously called into question; other significant non-

¹ <https://www.gov.uk/guidance/how-to-report-a-serious-incident-in-your-charity>

² See: <http://www.icaew.com/en/technical/charity-and-voluntary-sector/charity-trustee/law-and-regulation/reporting-serious-incidents#sthash.dvL70WmN.dpuf>



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compliance, breaches of trust or abuse that otherwise impact significantly on public trust and confidence in the charity and charities generally.

5. Governing Legislation

Charities Act 2011

Section 19 of the Terrorism Act 2000

6. Reporting Requirement to the Charity Commission

6.1. Under the 2011 Charities Act, it is a legal obligation of charity trustees to report serious incidents to the Charity Commission. The Commission's guidance states that a charity must:

Immediately report "any serious incident that results in – or risks - significant:

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

Serious incidents include but not limited to:

- fraud, theft or other significant loss³⁴;
- a large donation from an unknown or unverified source;
- links to terrorism or to any organisation that is 'proscribed' due to terrorist activity⁵;
- a disqualified person acting as a trustee⁶;
- not having a policy to safeguard⁷ your charity's vulnerable beneficiaries;
- not having 'vetting' procedures in place to check that prospective trustees, volunteers and staff are eligible;
- suspicions, allegations or incidents of abuse of vulnerable beneficiaries.

6.2. Any actual or suspected criminal activity within or involving the charity is a serious incident. Report of a serious incident is required if the charity is being investigated by the police or another regulator for any reason.⁸

Other incidents to be reported to the Charity Commission are:

where a charity's independence is seriously called into question;

issues that could damage the reputation of an individual charity or class of charities or the wider charity sector;

³

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/649908/OFSI_quick_guide_flyer.pdf

⁴ Includes loss of funds or assets to proscribed groups, which is covered in the "Aid Diversion & Reporting" policy. Incidents of this nature must be reported to the police or relevant government agency, under Section 19, Terrorism Act 2000.

⁵ In addition to the Charity Commission, the incident must also be reported immediately to the police or relevant agency, under Section 19, Terrorism Act 2000.

⁶ Persons disqualified from being charity trustees are given in Section 178 of the Charities Act 2011.

⁷ Human Appeal has a Child Protection/Safeguarding policy in place

⁸ How to report a serious incident in your charity, Charity Commission, 26 September 2014



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the incident is also reported to the police or other statutory agencies (unless it is a technical or minor issue that poses little or no risk);

the incident presents a serious or significant risk to the charity, its beneficiaries, reputation or assets;

- the internal risk assessment of the incident concludes that the charity should act to avoid a serious or significant risk to the charity, its beneficiaries, reputation or assets;
- professional advisers have advised Human Appeal to notify the Commission of the incident.

6.3. Furthermore, as part of the annual return to the Charity Commission, Human Appeal is required to formally declare that there have been no serious incidents or other matters affecting the charity over the past financial year, that should have been brought to the attention of the Charity Commission, but have not. If an incident has taken place, but not reported, a Serious Incident Report must be made as part of the Annual Return.

7. Reporting Requirement to the Police or Relevant Government Agency

7.1. Under Section 19, Terrorism Act 2000, the loss of funds or assets to a proscribed group⁹ or links to a proscribed group¹⁰ must be reported immediately to the police or relevant government agency¹¹.

7.2. Trustees, charity employees or volunteers must report suspicions or beliefs about terrorist financing offences as soon as is possible, to the National Crime Agency ('NCA') or a police officer. This is in order to comply with s.19 of the Terrorism Act 2000¹² ('TACT'). If you're concerned about an imminent threat to life and property you must contact the police immediately.

7.3. Legal requirement: charity trustees, employees and volunteers are under a positive legal duty to report any belief or suspicion of terrorist financing offences to the police. If they don't, they may commit a criminal offence.

8. Role of partner's/field offices/ Suppliers

8.1. Any serious incident is to be reported to Human Appeal (UK) immediately. In the first instance via telephone followed by an email with the Serious Incident report form – Annex 13 (SIRFVER02-AUG18) attached.

8.2. The following information is to be listed in the report.

- When the incident happened?
- Who was involved, including their position in the partner organisation/office, and whether this person is still involved/working with the partner/office?

⁹ Refer to the "Aid Diversion & Reporting" policy.

¹⁰ Beyond negotiating access to provide assistance and/or protection to the civilian population.

¹¹ <https://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>

¹² <https://www.legislation.gov.uk/ukpga/2000/11/section/19>



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- The effect of the incident on the partner/office or its beneficiaries or both.
 - If there has been loss of assets or damage to the property, give an estimate of the value of the asset and the effect of the incident on that value.
 - What action, if any, has been taken since the incident?
 - Has there been any publicity about the incident?
 - Has the partner/office conducted its own investigation into the incident and what was the outcome?
 - Any details of the involvement of the police, another regulator or law enforcement or government agency.
 - Whether the partner/office has any policies or procedures that apply to the incident in question, confirming they were followed, and if not, why (including an explanation and copies of the procedures and/or policies)?
- 8.3.** Our serious incident form can be found on Human Appeal's online platforms (i.e. SharePoint, PeopleHR etc) - **Annex 13 - SIRFVER02-AUG18**
- 8.4.** The partner/office will state how it is dealing with the incident, regardless whether it was reported to the police or another regulator.
- 8.5.** Once information has been received Human Appeal will observe how the incident is being dealt with and may contact the partner/office if;
- More information is required;
 - It can give advice or guidance;
 - It needs to act to protect the partner/office.
- 9. Role of Human Appeal**
- 9.1.** The officers responsible for making the report are the CEO or designated person who will do so on behalf of the Board of Trustees. In order to fulfil the duty, the officers need to be notified of the incident.
- 9.2.** The duty of the Audit Committee is to review incidents that have occurred for that quarter. However, the duty to report falls on all officers of Human Appeal, when an incident arises the following should be documented.
- Explain what happened;
 - Who, when and by whom;
 - How the matter is being handled.
- 9.3.** The Chairman of the Board of Trustees will consider whether the matter needs to be reported to the police, the regulator, or any statutory body.
- 10. Role of Charity Commission**
- The commission will let you know it has received the report and will look at how you are dealing with the incident. It will only contact you again if it:
- needs more information about the incident;
 - has to give you regulatory advice and guidance;
 - has to use its legal powers to protect your charity.



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11. Sanctions

- Failure to comply with this requirement may result in disciplinary action and immediate dismissal.
- The United Nations (UN) imposes financial sanctions and requires member states to implement them through Resolutions passed by the UN Security Council.¹³
- The European Union (EU) implements all financial sanctions imposed by the UN through EU regulations, which have a direct legal effect in the UK and all other EU member states. The EU also imposes their own financial sanctions and are referred to as 'EU autonomous' sanctions.¹⁴

11 Policy Review

The Serious Incident Reporting policy was prepared across functions at Human Appeal. It will be reviewed on an annual basis to ensure continuing appropriateness. Any changes made by external regulations will take precedence.

¹³ <https://www.un.org/sc/suborg/en/sanctions/information>

¹⁴ https://eeas.europa.eu/headquarters/headquarters-homepage/423/sanctions-policy_en