



The Milestone Society

PROCEDURE – REPORTING OF SERIOUS INCIDENTS TO THE CHARITY COMMISSION

1. Requirement

- 1.1. The Trustees have a duty to report serious incidents to the Charity Commission. Detailed guidance on reporting is given here:
<https://www.gov.uk/guidance/how-to-report-a-serious-incident-in-your-charity>.

2. Serious Incidents

- 2.1. A serious incident is an adverse event, whether actual or alleged, which results in or risks significant:

- harm to the Society's beneficiaries, volunteers or others who come into contact with the Society through its work (who are collectively referred to throughout this guidance as people who come into contact with the Society through its work)
- loss of the Society's money or assets
- damage to the Society's property
- harm to the Society's work or reputation.

For the purposes of this guidance, "significant" means significant in the context of the Society, taking account of its operations, finances and/or reputation.

- 2.2. Not all incidents are serious. Examples of what constitutes a serious incident are given in Appendix 1.

- 2.3. The main categories of reportable incident are:

- protecting people and safeguarding incidents – incidents that have resulted in or risk significant harm to beneficiaries and other people who come into contact with the Society through its work – see also the Society's Safeguarding Policy; these incidents may also need reporting to the police and to the local authority
- financial crimes – fraud, theft, cyber-crime and money laundering – these incidents may also need reporting to the police or Action Fraud
- large donations from an unknown or unverifiable source, or suspicious financial activity using the Society's funds
- other significant financial loss

- links to terrorism or extremism, including ‘proscribed’ (or banned) organisations, individuals subject to an asset freeze, or kidnapping of staff – these should also be reported to the police or the National Crime Agency
- other significant incidents, such as – insolvency, forced withdrawal of banking services without an alternative, significant data breaches/losses or incidents involving partners that materially affect the Society.

3. Procedure

- 3.1. The reporting of serious incidents is delegated by the Trustees to the Chairman of the Society, unless the Chairman is personally involved in which case the duty to report rests with the Chairman of the Trustees.
- 3.2. Anyone discovering a serious incident should report it to the Chairman of the Society (or the Chairman of the Trustees) who will report it to the Charity Commission.
- 3.3. The Trustees and the Honorary Secretary shall be kept informed of any serious incident reported to the Charity Commission.

4. Review

- 4.1. This procedure shall be reviewed as required and at least every three years.

Rev 1: August 2025

Appendix 1



CHARITY COMMISSION
FOR ENGLAND AND WALES

Examples table: deciding what to report

Serious incidents to report	Incidents not to report
Protecting people and safeguarding incidents	
A beneficiary or other individual connected with the charity's activities has/alleges to have suffered serious harm Allegation that a staff member has physically or sexually assaulted or neglected a beneficiary whilst under the charity's care The Chief Executive of the charity has been suspended pending the outcome of an investigation into their alleged sexual harassment of a fellow member of staff Allegation that a trustee, staff member or volunteer has been sexually assaulted by another trustee, staff member or volunteer A staff computer is found to contain images of child pornography An internal investigation has established that there is a widespread culture of bullying within the charity A beneficiary or individual connected with the charity's activities has died or been seriously harmed; a significant contributory factor is the charity's failure to implement a relevant policy Charity failed to carry out DBS checks which would have identified that a member of staff or trustee was disqualified in law (under safeguarding legislation) from holding that position	Minor unusual/aggressive behaviour by a beneficiary towards a member of staff Police called to charity premises because a beneficiary is drunk and disorderly Charity becomes aware of allegations of abuse or neglect of a beneficiary that occurred outside the charity; the charity has reported the allegations to the appropriate agencies, and there is no harm to the charity's reputation Beneficiary in a care home received the wrong medication as a 'one-off' error and there was no significant harm Logged accident book reports where there was no significant harm to individuals Details of reports under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) where there has been no significant harm to individuals Minor accidental injury to a charity service user e.g. slipping on a wet floor A staff member who is not in a senior position or position of specific responsibility (e.g. head of safeguarding) has bullied or harassed a fellow staff member. There is

Repeated medication errors to beneficiaries in a care home indicating a systemic problem Charity discovers that an employee or volunteer coming into contact with children or at risk adults is on the sex offenders register	no indication of a widespread culture of bullying or harassment within the charity and the incident is dealt with by minor disciplinary action (for example, the staff member responsible has not been suspended or dismissed). A staff member who is not in a senior position or position of specific responsibility is dismissed for marrying a member of the community in which the charity is working, in breach of the charity's code of conduct but not in breach of local laws
Fraud, cyber-crime and money laundering	
Charity's Chief Executive and Treasurer produced false invoices for charity services A bogus fundraising scheme is being promoted online, using charity's name Charity funds lost due to an online or telephone 'phishing scam', where trustees were conned into giving out bank account details Attempted fraud by a member of charity staff but intercepted by internal financial controls Any actual/alleged fraud or money laundering should be reported. Any actual/alleged cyber-crime should be reported with the exception of the example in the right hand column	Attempted cyber-crimes that are blocked by the charity's computer network security systems, except where the attempted cyber-crime is unusual in nature and the charity wants to bring it to the attention of the Commission
Theft	
Each month, between £100-£200 goes missing, suspected stolen, from the cash till in the charity shop. It has been going on for six months and has been reported to the police. Charity office has been broken into and computers, holding personal details of beneficiaries and donors, stolen 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	One-off random theft of items such as jewellery or a mobile phone at the charity's premises Theft of small amounts of cash belonging to a beneficiary, by another beneficiary, at a charity event Theft of a collection tin thought to contain small amount of cash

income, taking account of the actual harm and potential risks posed	
Unverified or suspicious donations	
A significant amount over £25,000 is donated to the charity from an unknown or unverifiable source	Large legacy left in a will, received via solicitor dealing with probate, on condition donor remains anonymous Large donation made by an anonymous donor via solicitor who is aware of their identity Low value donations from unknown sources - refer to our guidance on <u>due diligence and monitoring end use of funds</u>
Other significant financial loss	
Significant loss of charity funds in a poor investment scheme, commissioned by trustees, without professional advice Sudden loss of 20% or more of charity's income (e.g. due to termination of major donor contract); charity has no reserves, meaning staff will be laid off and services stopped Substantial loss of charity funds due to legal costs incurred in a court case; excludes those charities routinely undertaking budgeted litigation on behalf of beneficiaries The charity's main premises is severely damaged in a fire and the charity is unable to deliver services to its beneficiaries	Loss of charity funds where the value lost represents less than £25,000 of charity assets and is less than 20% of the charity's income. There is no significant impact on the charity's services. Charity property overseas is damaged due to bad weather conditions (e.g. office roof blown off during a storm) but doesn't prevent charity from delivering services to beneficiaries A vehicle owned by the charity is badly damaged in an accident. Nobody was hurt, the damage is covered by insurance and the charity is still able to deliver services to its beneficiaries
Links to terrorism or extremism	
Charity discovers that an overseas partner has passed money to a member of charity's personnel who is a designated individual, subject to financial restrictions	

A member of charity staff or volunteer has been arrested for terrorism related offences Charity's warehouse in a war zone has been raided and vehicles/ stock taken at gunpoint Charity personnel have been detained or kidnapped by a terrorist group overseas A visiting speaker has used a charity event to promote extremist messages, via live speech or social media	
Other significant incidents - Disqualified person acting as a trustee	
Any person acting as a trustee or senior manager while disqualified – refer to the Commission's <u>guidance</u>	A trustee or senior manager voluntarily steps down from trusteeship when disqualified for having an IVA (Individual Voluntary Arrangement)
Charity subject to investigation by a regulatory body	
Charity is subject to official investigation by another regulator e.g. Fundraising Regulator, Police, UK Visas & Immigration, Ofcom, Information Commissioner, Care Quality Commission or Care Inspectorate Wales	Routine inspections by a sector regulator e.g. Ofsted, CQC or CIW, do not need to be reported to the Commission unless there are adverse findings that place the future of the charity in doubt, relate to other categories of serious incidents or are likely to attract negative media attention
Major governance issues	
Mass resignation of trustees, leaving the charity unable to function Evidence that trustees have routinely signed blank cheques	One or two trustees stepping down at year-end, due to other commitments

Fundraising issues	
Suspicious of unauthorised public collections in the name of the charity Charity hasn't complied with law on requirements for solicitation statements or professional fundraising agreements Significant funds, due under a fundraising arrangement, have not been paid by the professional fundraiser, or commercial partner to the charity Incident has taken place involving a fundraising agency which will incur serious damage to the charity's reputation	A missing collection tin thought to contain a small sum of money Failure of a sponsor, e.g. of a local fun run, to submit small amounts of money raised for the charity
Data breaches or loss	
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 A charity laptop, containing personal details of beneficiaries or staff, has been stolen and there is no encryption or other security measures that would prevent the perpetrator from accessing this information A Data Protection Act breach has occurred and been reported to the ICO	A charity laptop or mobile phone (not containing confidential data) has gone missing – it's been reported to the police
Incidents involving partners	
A delivery partner of the charity is alleged to have links to terrorism and extremism A delivery partner of the charity has ceased to operate and this has prevented the charity from providing assistance to its beneficiaries The charity's subsidiary trading company has gone into liquidation and this has resulted in financial difficulties which place the future of the charity in doubt	A serious incident has taken place involving a partner but it has no or minimal impact on the charity's reputation or the partner's ability to deliver its work with the charity A delivery partner of the charity has ceased to operate and this has had some impact on the charity's ability to provide assistance to its beneficiaries but it is not a

Staff of another organisation within the same federated structure are found to have been committing systematic abuse of beneficiaries and this has significantly damaged the reputation of the charity	material impact and the assistance to beneficiaries hasn't stopped
Other, including criminality	
Any other type of incident that appears serious and likely to damage reputation or incur loss of charitable funds/assets	