

Association of Church Accountants and Treasurers

Serious incident reporting policy

1. General policy

- 1.1** The directors of the Corporate Trustee of the Association of Church Accountants and Treasurers (ACAT) acknowledge that the responsibility for the management of serious incidents and reporting of them to the Charity Commission for England and Wales for the charity rests with them. An integral part of this is the development of a policy that enables senior management and others to identify key issues to the directors which may require reporting.
- 1.2** Our policy is to identify and manage serious incidents to:
- Minimise any harm to the charity by enabling the directors to make informed decisions and to take timely action;
 - Ensure the charity undertakes the required reporting to the Charity Commission and other appropriate authorities, as required; and
 - Identify any remedial action that may be required to mitigate the effects of the incident and/or avoid a recurrence.
- 1.3** The directors' overriding responsibility is to develop, oversee and put into place systems, procedures and controls that enable the charity to be successful in achieving the purposes for which it was established and to be honouring to God.
- 1.4** In so doing, the directors recognise and accept that serious incidents can occur, even in well run organisations, and in that light would seek to mitigate, as far as is possible, any that pose a serious threat to the future viability and success of the charity.
- 1.5** In being transparent to the Charity Commission (and any other regulators to which it reports) the directors shall be prompt, full and frank in their disclosures.
- 1.6** In constructing this policy, the directors have paid due consideration to the Charity Commission guidance "How to report a serious incident in your charity".

2. The responsibility to report serious incidents

- 2.1** The Commission requires the directors to report serious incidents on a timely basis. This means as soon as is reasonably possible after such an incident happens, or immediately the directors become aware of it. This allows the Commission to identify problems at an early stage and, where appropriate, to provide regulatory advice and guidance to the corporate trustee. The notification advises what happened and, importantly, lets the Commission know how it is being dealt with, even if it has also been reported to the police, donors or any other regulator.

3. Identifying and assessing serious incidents

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

- harm to the charity's beneficiaries, staff, volunteers or others who come into contact with us as an organisation;
- loss of the charity's money or assets;
- damage to the charity's property;
- harm to the charity's work or reputation;

For the purposes of this policy, "significant" means significant in the context of the work and mission, taking account of workers, operations, finances and reputation.

3.2 The main categories of reportable incident are:

1. protecting people and safeguarding incidents – incidents that have resulted in or risk significant harm to beneficiaries and other people who come into contact with us through our work;
2. financial crimes – fraud, theft, cyber-crime and money laundering;
3. large donations from an unknown or unverifiable source, or suspicious financial activity using our funds;
4. other significant financial loss;
5. links to terrorism or extremism, including 'proscribed' (or banned) organisations, individuals subject to an asset freeze, or kidnapping of staff;
6. 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 charity.

3.3 The directors accept that this assessment is not an exact process, that each category of incident has different thresholds and that a degree of subjectivity will have to be applied when assessing the seriousness of an issue. The directors will consider any incident in the light of the Commission's guidance and examples and, if in doubt, take appropriate professional advice.

4. Process and timing of reporting serious incidents internally and externally

- 4.1** In order to ensure, as far as possible, that all serious incidents are identified promptly, all who work with ACAT, whether as staff or volunteers, should be informed of this policy and given guidelines on when an incident should be reported to the directors.
- 4.2** The Executive Officer is responsible for ensuring that all staff are briefed on this policy and including it as part of the induction of any new staff. Staff are responsible for advising the Executive Officer of any potential significant incidents.
- 4.3** The Executive Officer shall ensure that volunteers and other non-staff individuals working with ACAT are aware of the policy and of the need to report any potential significant incidents directly to them or, if they are not available or as may be appropriate, to the Chair/Vice Chair.
- 4.4** Each Director is personally responsible for reporting any potential significant incident to both the Chair/Vice Chair and, where appropriate, the Executive Officer, as soon as they become aware of a potentially reportable matter.
- 4.5** Other incidents which may fall into the category of 'serious' should be reported to a director without delay, so that appropriate action and follow up can be taken. Unless there are exceptional circumstances, reporting is expected to be within

the following timetables for each category in paragraph 3.2 allowing only enough time to carry out an initial assessment of the incident and establish key facts:

1. One hour except where this would be a breach of safeguarding policy;
2. 2 working hours;
3. One working day;
4. 2 working hours;
5. 2 working hours;
6. 2 working hours.

4.6 Having been informed of an incident, the director should assess the incident and, unless their assessment is that this is not a serious incident, they should report it to the Chair/Vice Chair to decide on appropriate action and what, if any, advice should be obtained (particularly on what should be covered, if there are any data protection or other confidentiality issues impacting the content of the report and to whom onward reporting is required).

4.7 The directors should make a written report to the Charity Commission in the format and to the address set out in the Charity Commission guidance. This report should be made as soon as reasonably possible after the Board has been able to properly assess the significance and the immediate action they are taking. This should not be unduly delayed for fear of any implications, or because the full extent of the actions has not yet been determined.

4.8 Other onward reporting should take place as required by any other regulations governing the charity and agreed by the directors.

4.9 It will be treated as a significant breach of responsibility if any director, staff, volunteer or other person working for ACAT fails to communicate what may possibly be a 'serious incident' under this policy. For directors and employees, in some cases the incident itself or their failure to report it in accordance with this policy may have such a detrimental impact on ACAT that it may be treated as gross misconduct leading to summary suspension and after due process, dismissal of those responsible. This policy does not form part of any employee's contract of employment, and it may be amended at any time.

5. Adoption of this policy

5.1 The directors of the Corporate Trustee of the Association of Church Accountants and Treasurers (ACAT) formally accepted this policy at the board meeting held on 24 February 2025.

5.2 Approved for publication at the Board meeting of 15 September 2025

Livia Velicu
Chair