



Policy paper

Counter-terrorism strategy

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This document describes the Charity Commission's role and approach to dealing with concerns about the abuse of charities for terrorist purposes and its strategy for tackling the risk of terrorist abuse in the charitable sector.

The strategy outlines a 4 strand approach:

- 1. Awareness** - raising awareness in the sector to build on charities' existing safeguards.
- 2. Oversight and supervision** - proactive monitoring of the sector, analysing trends and profiling risks and vulnerabilities.
- 3. Co-operation** - strengthening partnerships with government regulators and law enforcement agencies both nationally and internationally.
- 4. Intervention** - dealing effectively and robustly when abuse, or the risk of abuse, is apparent.

1. Introduction

1.1 The commission is established by law as the independent regulator and registrar for charities in England and Wales. Its aim is to provide the best possible regulation of charities in England and Wales in order to increase charities' effectiveness and public confidence and trust in them.

The commission's objectives, contained in the Charities Act 2011, are to:

- increase public trust and confidence in charities
- promote awareness and understanding of public benefit
- promote trustees' compliance with the law in their control and management of charities
- promote the effective use of charitable resources
- enhance the accountability of charities to donors, beneficiaries and the general public

1.2. The commission is a non-ministerial government department that operates independently. The Charities Act 2011 specifically prohibits the exercise of any commission function being subject to the direction or control of any minister or any other government department. It is the regulator for over 164,000 registered charities. There are also about 100,000 other unregistered charities which are subject to differing degrees of regulation and/or support from the commission. In carrying forward its compliance objective, the commission has statutory functions directed towards identifying and investigating apparent misconduct or mismanagement in the administration of charities and to encourage and facilitate the better administration of charities. Consequently, as well as intervening in a charity's affairs where the assets, services, beneficiaries or reputation are at serious risk of abuse or harm, the commission will also work with charities in such cases to ensure compliance in the first place. Further information on its role, responsibilities and how the commission goes about its work is available on GOV.UK.

1.3. The commission's aims include assuring the public that money intended for charitable purposes is used by charities in accordance with the law and that organisations with the status of charity are legitimate and act wholly in pursuit of those purposes. The commission has a risk-based approach to regulation¹. This means its starting point is that charities are publicly accountable for the funds they receive and privileges they enjoy because of their charitable status, and the responsibility for their administration and management rests with the trustees. However, the commission does have regulatory powers, including the power to institute statutory inquiries and to compel the provision of information along with temporary and protective powers of intervention to protect charitable property and more permanent and remedial powers to resolve issues of concern in the longer term. The commission will use its powers where necessary and proportionate to do so although often the best regulatory outcomes, and the best use of its resources, will be achieved by it providing trustees with corrective regulatory advice and guidance to put the charity back on a secure footing. The commission's approach to managing risk ensures that its intervention is appropriate, and that it properly reflects the seriousness of the problem and the potential impact of failing to regulate it. What is proportionate depends on the nature and level of the risk and the potential impact.

1 See the commission's [Risk framework](#).

1.4 As a modern regulator, the commission will place an emphasis on preventing problems arising in the first place by providing a wide range of online guidance to help trustees discharge their legal duties. It aims to encourage and support charities to improve their performance by working in partnership with each other and with umbrella groups, helping them to promote good practice and high standards of governance and accountability, and sharing this knowledge widely.

1.5 England and Wales have benefited from a strong and vibrant charity sector for hundreds of years. Charities exist to create a better society and operate for a vast range of purposes in many different ways. The 164,000 charities registered with the commission have an annual income of over £68 billion and assets and long term investments of around £200 billion, over 945,000 paid staff and around 940,000 trustee positions. The charitable sector is diverse and extends from local community based organisations to national arts organisations to international disaster relief charities. Each of these organisations is united by a commitment to voluntary action and a desire to make communities better places. Charities provide mechanisms for constructive debate and social action to build a strong civil society. This is an important protection against extremism. Charities make a vital contribution to society and the national economy, as well as a wider impact around the world which can address many of the underlying causes of disaffection that may lead people to turn to extremism or terrorism.

1.6 The sector's impact is not just domestic. International charities often work in areas of high risk, where the need can be greatest. Charities can often get to the hard-to-reach places and communities that governments cannot. They can work to empower local people to help improve the accountability of their own governments; they deliver essential services in spite of extreme and adverse conditions; and their knowledge of local issues is often better informed than that of public or private bodies because of their closeness to local people and issues.

1.7 The commission recognises the importance of a healthy, accountable and independent charitable sector in other countries. This is particularly so given the significant amount of funding from charities established in England and Wales which is remitted to other countries to further humanitarian and other charitable work. The commission's International Programme² has an important role in continuing to help create this by supporting the development of effective international and local regulation under which civil society can thrive. It does this by working with foreign governments and the charitable sector to strengthen and support the development of accountable and effective regulatory systems both internationally and domestically in other countries.

1.8 This document is the commission's strategy for delivering its regulatory response to the risk of terrorist abuse in the charitable sector. It presents the commission's overall approach and sets out its aims for the future. The strategy builds on its existing work and expertise in this area and applies the commission's overarching regulatory principles as well as its risk framework.

2 The International Programme is largely funded by the Foreign and Commonwealth Office.

1.9 The commission's work in this area is held in high regard both nationally and internationally. This strategy was developed in line with wider national and international developments, taking on board the Financial Action Task Force (FATF) recommendations and the UK Government's strategy for Countering International Terrorism, called CONTEST³. Since the commission first published its strategy in 2008, the government's counter-terrorism strategy has been updated and the Prevent work stream, in particular, has undergone a formal review. The Prevent work stream, emphasising the role of prevention, aims to stop people becoming terrorists or supporting terrorism. The Prevent review identified the need to focus on work with a wide range of sectors and institutions where there are risks of radicalisation that need to be addressed. The review also recognised that various sectors were helping to prevent people from becoming terrorists or supporting terrorism, and highlighted the education, faith, health, criminal justice and charity sectors as priority areas to work with going forward. The review identified how charities play an important part in supporting the Prevent strategy. The commission's existing counter-terrorism strategy through its 'Awareness' strand encompasses and complements these aims.

1.10 The strategy, which is set out in more detail at section 6, has a 4 strand approach comprising:

- awareness
- oversight and supervision
- co-operation
- intervention

2. Key factors relevant to the commission's strategy for safeguarding the sector from terrorist abuse

2.1. The commission's existing approach to regulation provides an important context to its strategy. The commission will continue to:

- take a balanced approach which is evidence and risk-based, targeted and proportionate
- work in partnership and collaboration with both the government and other relevant regulators and agencies and the charitable sector itself
- maintain its strategic and operational independence in line with its statutory remit

2.2 The key factors relevant to its strategy for safeguarding the sector from terrorist abuse are:

- when allegations of terrorist involvement or links with charities arise, it will deal with them as a matter of priority; the commission will deal with concerns proactively, robustly, effectively and swiftly when it has evidence or serious suspicions of terrorist abuse involving charities
- terrorist involvement and abuse of charities will be dealt with under the current UK counter-terrorism legislation
- the way the commission tackles the risk of terrorist abuse of charities falls squarely within its existing approach to regulation

3 [The Counter-terrorism strategy - Home Office.](#)

- effective regulation involves putting a strong emphasis on prevention and supporting charities to take action themselves to prevent problems and abuse occurring in the first place
- the commission believes that the most effective way for the sector to minimise its exposure to the risk of terrorist abuse is through implementing strong and effective governance arrangements, financial management and partner management; charities which implement good general risk management policies and procedures will be better safeguarded against a range of potential misuses
- it is the responsibility of charity trustees to safeguard their charity from terrorist abuse; the commission will support them to do this and will ensure that charities do carry out their valued, legitimate and vital humanitarian and other work within the law
- the commission is uniquely placed to deal with abuse where it does occur, collaborate with other regulators, law enforcement and other government agencies and support trustees to protect their charities

2.3 The commission's efficacy and its success as the civil regulator of charities is in part due to the respect and trust placed in it by the public and charities themselves. The value of this trust cannot be over-estimated; it is one of the most effective regulatory advantages it relies on.

2.4. The commission is committed to complying with its duty to have regard to the principles of best regulatory practice including its activities being proportionate, accountable, consistent, transparent and targeted only at cases in which action is needed. Proportionate means not only taking action that is commensurate to the risk of harm but also looking at what other options there are for achieving the same outcome which are less interventionist.

2.5 As a public body, the commission is conscious of its duty to act compatibly with the Human Rights Act 2000 and its other public law duties including its duties under the Equalities Act 2010.

3. The scale and nature of the threat

3.1 Terrorism is a serious and continuing threat both to UK society, UK interests abroad and the wider international community. This threat applies to the charity sector as much as any other sector.

3.2 The true scale of charitable funds being diverted for terrorist purposes, charity links with terrorist activities and other abuse is not known but, as the Home Office Review⁴ acknowledged, "actual instances of abuse have proven very rare". The commission's own experience indicates that the number of cases in which there is evidence to prove charities have been involved in supporting terrorist activity whether directly, indirectly, deliberately or unwittingly is very small in comparison to the size of the sector. However, such abuse is completely unacceptable, and the impact of even one proven case involving a charity is potentially significant for public trust and confidence in that charity and the sector in general.

⁴ Review of safeguards to protect the charitable sector (England and Wales) from terrorist abuse. A consultation document. Home Office, HM Treasury May 2007.

3.3 The commission has always been vigilant about the risk of potential links between charities and terrorist organisations and people connected to them. Charities are highly valued in society for a number of reasons which can also make them susceptible to unscrupulous abuse. Charities:

- enjoy high levels of public trust because of their voluntary and altruistic nature
- reach into all parts of society and are diverse in nature; because of this reach, large numbers of people come into close contact with charities, including those who may abuse them, through their services, the use of their property and through their trustees and volunteers
- have a global presence, often in conflict areas, or in areas with poor infrastructure, and frequently move money, goods and people to these areas
- often have complex global financial operations dealing with multiple donors and currencies; they can operate cash-intensively, either in the collection or disbursement of funds, and may deal in cash and alternative remittance systems where no formal banking infrastructure exists
- can pass funds to and work in partnership with other organisations, including NGOs⁵, based overseas rather than deliver their services directly
- are often engines for social change that attract people committed to making change happen
- are often powerful vehicles for bringing people together for a common purpose and collective action, and may inadvertently provide a ready made social network and platform of legitimacy for terrorists or terrorist ideology

3.4 In addition, charities are subject to different and, in some cases, weaker levels of regulation in different parts of the world.

3.5 For all these reasons, terrorists and those who support them and their causes may seek to exploit and corrupt charities for their own purposes.

3.6 The commission also recognises that all parts of the UK economy, particularly the financial sector, are tightening their safeguards and strengthening their defences against terrorist abuse. As avenues for terrorists to exploit in these sectors are closed off, there is an increasing risk of attention focusing on others, including the charitable sector. This increases the threat to the sector. There is a clear need for the commission to support charities in continuing work to step up their vigilance, risk assessment and management practices, particularly for charities working internationally in high-risk areas of the world.

3.7 It is recognised that the government and the commission need to ensure they understand the nature and scale of the terrorist threat to charities and how that threat may evolve. The commission has significant and wide-ranging experience from its regulatory work in this area that it will continue to analyse and draw on in implementing this strategy and carrying out its work. The commission will link this to expert knowledge within the sector and in the counter-terrorism community. It will continue to refine its strategy and aims as the nature of the threat and the risk to charities change.

5 Non governmental organisations, sometimes referred to as NPOs or 'Not for Profits'.

4. The commission's role and approach

4.1 The commission has a key role as the independent regulator of the charitable sector. It is uniquely placed to protect charities and deal with instances of terrorism or extremism related abuse. It is not a prosecuting authority and does not conduct criminal investigations. Where there are concerns about suspected terrorist abuse connected to a charity, it will always liaise with and work closely with the police and the Security Service as terrorist activity is a criminal offence. Its role and approach in tackling this kind of abuse is to supplement both the criminal, financial sanctions and terrorist asset freezing regimes through regulatory oversight by the commission and the charity law framework. It may take independent regulatory action to prevent, disrupt and investigate abuse. It collaborates with other regulators and sector bodies and supports trustees themselves to strengthen safeguards to minimise the risk of such abuse in their charities.

This position is primarily a result of the commission's:

- independent regulatory role and oversight of the charity sector
- broad and unique knowledge of the sector, its diversity and the way it operates
- access to protective and remedial powers which can be applied to disrupt abuse and protect charity assets and beneficiaries whilst also enabling legitimate activity to continue
- hard-earned credibility and the trust and confidence placed in the commission by the sector and the general public

4.2 The way the commission tackles the terrorist threat to charities fits within its existing approach to regulation. It acts robustly, swiftly and decisively where deliberate wrongdoing, criminality and serious abuse, including terrorist abuse, take place, or where there is a risk that abuse may occur. The commission expects all charities to effectively manage risk and strengthen safeguards against all abuse, including that by terrorists.

4.3 Effective regulation places a strong emphasis on prevention, encouraging the sector to identify and spread good practice itself, and on ensuring charities are aware of and comply with their legal duties and apply good practice standards. This prevents problems arising in the first place and reduces the need for the commission to intervene later. The effectiveness of its approach depends on striking the right balance between prevention and deterrence and, where necessary, intervention based on evidence and proportionality. The commission aims to regulate in a way which effectively addresses abuse and risk while minimising the regulatory burden and, as far as possible, enabling the continuing flow of funds for legitimate charitable activity.

4.4 It is important that the commission and the rest of government work hard to ensure one of the consequences of taking greater steps to prevent the risk of abuse is not to stop legitimate charities, operating within the law, from undertaking valuable work. This could harm international aid in areas of high risk and would have a negative impact on beneficiaries. The greatest humanitarian needs often exist in the same places where there is conflict or where it is thought terrorist groups, or those connected with them, operate. It would be profoundly undesirable if an unintended consequence of a counter-terrorism strategy were to make it impossible for legitimate overseas aid charities to be involved in providing aid, or make it impossible for any charity to provide aid in particular parts of the world. This is a difficult and complex challenge for charities, the commission and the rest of government.

4.5 The commission recognises that many charities face particularly challenging dilemmas when operating in some areas of the world. Political and legal contexts can complicate matters and organisations that are considered to be terrorist, or linked to terrorists, can exercise significant influence or control in some areas; for example, in the complex and difficult contexts in East Africa and the Occupied Palestinian Territories. This is further complicated by the differing stances taken by members of the international community to certain organisations, which often impose varying conditions on the aid they provide to these areas. Charities need assistance to help them overcome the practical difficulties they face in carrying out their work in these areas, while ensuring they comply with the law and do not support terrorism directly or indirectly. The commission has been working with government and the sector to clarify how humanitarian aid can continue in such areas while remaining within the law and it will continue to do so.

4.6 The commission must also be alert to the unintended risk that a higher burden of regulation may encourage money to be donated to unregistered organisations or to others overseas and therefore beyond its regulatory scope.

4.7 Charities, their trustees and others involved in their work are subject to the provisions of UK counter-terrorism legislation and the obligations that flow from it. The commission is a civil regulator and not an investigating or prosecuting authority in respect of criminal offences. It is the role and responsibility of the police and the law enforcement agencies to investigate terrorism and its related offences.

4.8 Various concerns related to terrorism come to the commission's attention. These can, for example, include allegations of terrorist financing through charities to concerns that a charity or trustee is connected to a proscribed organisation. Whatever the concerns, they are assessed against the commission's Risk framework. Concerns of this nature are always made a high priority but any action the commission takes will be based on the particular circumstances, the seriousness and scale of the problem and the strength and credibility of the evidence. When issues of this nature are reported to the commission it does not automatically mean that it will intervene using its powers in the affairs or administration of a charity.

4.9 When the commission identifies a concern through its work that charities, or those connected with them, may have committed a criminal offence, this is a matter for law enforcement agencies and it will refer suspicions of criminal activities, including terrorism, to them. This is in line with the commission's general approach to issues of criminality within, or associated with, charities. Conversely, those agencies may approach the commission where they have concerns or suspicions linked to a charity and/or its trustees, so an effective relationship between the commission and the police and law enforcement agencies is crucial. Where there are suspected links or associations to terrorist activity or incidents of suspected terrorist abuse within or connected to a charity, these can raise serious issues of potential misconduct or mismanagement in the administration of the charities which trigger the commission's intervention. In addition, the commission's regulatory role is to ensure that the charity and its funds are not put at further risk and it may have to use its powers to protect the charity even if an incident is being investigated by the police.

5. Strategic objective and the 4 strand approach

5.1 The overarching objective of the commission's counter-terrorism strategy is to identify, disrupt and prevent terrorist and other serious abuse of the charitable sector. The commission will do this itself and in co-operation with other relevant agencies through:

- support - encouraging and enabling the sector to build its awareness and strengthen its safeguards and defences
- supervision - through proactive regulatory oversight; and, where necessary
- intervention - using the commission's legal powers of protection and remedy

5.2 The strategy has a 4 strand approach to furthering this objective and protecting charities from the risk of terrorist abuse. This approach reflects a balance between prevention, deterrence and investigative intervention. The risk of terrorist exploitation does not apply equally across the sector and a 'one size fits all' approach is not appropriate or proportionate. The commission's strategy and its approach reflects this. The 4 strands are:

1. Awareness - raising awareness in the sector to build on charities' existing safeguards.

2. Oversight and supervision - proactive monitoring of the sector, analysing trends and profiling risks and vulnerabilities.

3. Co-operation - strengthening partnerships with government regulators and law enforcement agencies both nationally and internationally.

4. Intervention - dealing effectively and robustly when abuse, or the risk of abuse, is apparent.

5.3 There is a limit to what the commission can say publicly about its investigatory work and liaison with the counter-terrorism community so as not to prejudice its own or other agencies' work. However, under each strand of the strategy, the commission describes more about what it is seeking to achieve and, where possible, it refers to work that has been or will be done.

5.4 To implement the strategy the commission will continue to consolidate its working relationships with other regulators and law enforcement agencies in the UK and internationally while maintaining its independence. It will continue to take steps to monitor activity in this high-risk area with an eye to early intervention where possible; particularly where regulatory guidance is not followed and requirements are not met. The commission will continue to put an emphasis on preventative work, raising trustees' awareness of the legal requirements so that charity funds, property and beneficiaries are properly protected. This will ensure that the public can continue to give with confidence to charities knowing that their money is used for legitimate purposes and reaches the intended beneficiaries.

6. The 4 strands

Awareness

6.1 This strand aims to prevent abuse by ensuring that trustees are aware of the risks charities face from terrorism, that they take steps themselves to protect their charity from the risk of abuse and they act responsibly if concerns arise.

6.2 The commission believes that it will have the greatest impact on minimising the sector's exposure to the risk of terrorist abuse by encouraging and supporting the development in charities of robust, accountable and transparent governance, strong financial management and good general risk management policies and procedures. This is a core message of its work in this area.

6.3 The commission's key achievements in this strand include:

- publishing an online 'toolkit', '[Protecting charities from harm](#)', which gives trustees the knowledge and tools they need to manage risks and protect their charity from harm and abuse
- publishing chapter 1, '[Charities and terrorism](#)' which provides information for charities on key aspects of the UK's counter-terrorism legislation, showing how particular provisions are likely to affect charities and their work; it ensures trustees are aware of the legal requirements placed on them in relation to both UK legislation and charity law so that they can properly discharge their duties in the interest of their charity, this includes advice on the implications of working with organisations appearing on the UK, EU and UN designated lists and organisations designated by other governments; produced in partnership with the sector and the counter-terrorism community, it builds upon established good practice within the sector and learning from those charities that already have significant experience of managing these risks in their activities
- producing new guidance '[Charities: due diligence checks and monitoring end use of funds](#)' which now forms chapter 2 of the toolkit, aimed at making charity trustees aware of their legal duties and responsibilities in carrying out due diligence checks and monitoring in relation to the charity's involvement with external bodies and individuals
- publishing chapter 3, '[Charities: fraud and financial crime](#)' to raise awareness of the risks and assist trustees in managing them, and chapter 4: '[Charities: holding, moving and receiving funds safely](#)' which provides practical advice on financial controls and risk management
- publishing chapter 5, '[Protecting charities from abuse for extremist purposes](#)' which explains trustees' duty to prevent their charity being used to promote extremist views or terrorist ideology and is aimed in particular at charities that host regular events involving external speakers, and those with educational purposes that distribute material and information
- the toolkit has been welcomed by both charities and the commission's government partners nationally and internationally
- updating its existing guidance including: '[Charities: how to manage risks when working internationally](#)'

- issuing various compliance alerts for the sector and public, informed by its regulatory work and from the work of other regulators and law enforcement agencies
- running a number of safer giving campaigns and warnings, including during the humanitarian appeals for the Pakistan floods in 2010 and for the crisis in East Africa in 2011

6.4 Going forward the commission will:

- continue to run safer giving campaigns and focus its advice to charities, particularly where they work in higher risk situations where terrorist groups are known to operate
- continue to engage on key policy and strategic issues with the sector, focussing on engagement through umbrella bodies and key sector representatives
- continue to make a distinction in its guidance between what charities 'must' do to meet a legal or regulatory requirement or duty and what they 'should' do - meaning good practice that the commission expects trustees to follow and apply to their charity in order to avoid difficulties and comply with their legal duties
- continue to promote its guidance and toolkit and its use by the charitable sector
- continue its commitment to work with the sector in raising awareness of trustees duties and in disseminating good practice and learning
- through its work in the International Programme, to ensure that charities and civil society organisations working in other jurisdictions are aware of the risks posed and preventative means needed to guard against misuse of such organisations for terrorist purposes

Oversight and supervision

6.5 The commission takes a proactive approach to analysing the risks and vulnerabilities in the sector in relation to terrorism abuse. It monitors the sector in areas identified as being at higher risk in order to detect, at an early stage, those charities that may be facing problems or are exposed to greater risk by virtue of how and where they operate and take appropriate steps to resolve the issues, which may include providing them with regulatory advice to mitigate or avoid problems. Specialist staff in the commission's Investigations, Monitoring and Enforcement directorate continue to carry out this proactive work, including carrying out on-site regulatory compliance visits. Through its regulatory work the commission exercises oversight including, ensuring charities file their accounts and returns. Where appropriate, it will carry out financial books and records inspections to ensure charities are complying with key financial obligations and identify any areas of weakness. These activities act as an important deterrent against those who may seek to abuse charities for unlawful purposes.

6.6 Going forward the commission will continue to carry out this monitoring work, using its knowledge and other sources of information to ensure it carefully and effectively targets its resources so that when it engages with individual charities it is where it can have most impact.

Co-operation

6.7 The commission can conduct its work in this area only through close and effective partnership with the police and other law enforcement agencies both in the UK and internationally, as well as with those other regulators and government departments that have a role to play in dealing with the terrorist threat, whether at a policy or operational level.

6.8 In some circumstances, the commission will be best placed to take the lead in disrupting the abuse of charities through its investigative work and by using its civil regulatory powers. In others, it can help ensure other agencies better understand the sector when they are investigating abuse connected with it. The commission can also use its knowledge of the charitable sector to provide information and analysis of the risks affecting the sector.

6.9 The commission has built strong strategic and operational relationships with the key law enforcement agencies, other regulators, and government agencies involved in counter-terrorism work. It has agreed formal protocols and put in place memoranda of understanding to clarify and set the framework within which the commission liaises and works in partnership with them. As a result, it is able to collaborate effectively together to act on identified concerns and disrupt those that seek to exploit charities for terrorist ends.

6.10 The commission has continued to strengthen its relationship with the National Terrorist Financial Investigation Unit in the Metropolitan Police and with the regional Police Counter-Terrorism Units and other law enforcement agencies, as well as ensuring it has contributed its expertise to government counter-terrorism policy and plans, including on the Prevent Review. It has also been developing a regulatory engagement with other regulators and agencies internationally to assist its work in this area, which is vitally important given the international dimension of the threat of terrorist abuse.

6.11 Looking forward, its engagement and cooperation with the counter-terrorism community will continue to include:

- providing support in instances which fall within the commission's statutory remit, but where there is no immediate regulatory requirement for operational action by the commission
- ensuring that all suspicions of terrorist criminal activities within, or affecting, charities, are promptly reported to the Police, either by the commission or by the charity affected
- sharing information and intelligence where relevant and appropriate and within the confines of the law
- ensuring appropriate strategic as well as operational level relationships with other agencies are maintained and strengthened
- sharing expertise and encouraging reciprocal awareness sessions to help other agencies better understand the sector when they are investigating abuse connected with it
- providing advice to other agencies on its regulatory responsibilities and approach
- through the work of its International Programme, to support and provide technical assistance in foreign jurisdictions, both to governments and regulators, to enhance and develop their own regulatory systems to deal with terrorist abuse in charities and civil society organisations operating in their jurisdictions

Intervention

6.12 The commission's regulatory role focuses on the trustees of a charity. Where something goes wrong it expects the trustees to take responsibility for putting it right. Deliberate wrongdoing, criminality and serious abuse, including terrorist abuse, will be dealt with rigorously and decisively, based on the evidence and targeting the core of the abuse. However, generally speaking, when trustees act reasonably and honestly it will take this into account in deciding whether to take regulatory action against them, and in assessing how to support them in putting the charity back on a secure governance footing. Where possible the commission will ensure that legitimate and essential charitable activity can continue both during an investigation and afterwards. Regulatory action inhibiting the flow of funds must be justified by evidence that this is a necessary and appropriate step to take. An effective investigation and enforcement function in the commission is, therefore, of vital importance.

6.13. As the public and charities would expect, the commission treats allegations or suspicions of terrorist activity connected to charities, or involving individuals associated with charities, as a high priority. Each case is individually examined and the action the commission takes will depend on the circumstances. It always works closely with other agencies on these investigations as well as assisting them with their investigations where a charity or charity trustees are thought to be involved. Sometimes the commission may not be able to open an investigation or take particular action so as not to prejudice the investigations of other agencies.

6.14 The commission's own investigations are informed by the intelligence and evidence it has, aiming to:

- immediately disrupt the activities of those seeking to abuse charity for terrorist ends
- ensure that the charity, or charitable funds are put to their proper use for the benefit of their beneficiaries
- minimise the disruption any incident can cause to the wider sector

6.15 The commission has a range of statutory powers that it can use to stop abuse and protect charitable assets and beneficiaries, including:

- information gathering powers which enable the commission to obtain information or documents or require named individuals to meet and to answer questions
- temporary protective powers which allow it to protect charity property for a temporary period while it continues investigating
- remedial powers which allow it to implement long term solutions to problems often identified by an inquiry

6.16 Looking back, in 2010-11 16 investigations included dealing with allegations and suspicions of links to terrorist related activities or organisations. Eleven of these terrorism related investigations were completed during the year: 9 were regulatory compliance cases and 2 were statutory inquiries. In 2009-10, 11 investigations included dealing with allegations and suspicions of links to terrorist related activities or organisations. Eight terrorism related investigations were completed during the year: 5 were regulatory compliance cases and 3 were statutory inquiries.⁶

6 Up-to-date statistical information can be found in the commission's publication – [Tackling abuse and mismanagement](#) - which reports on the commission's work to prevent, detect and tackle abuse and mismanagement in charities and promote charity law.

6.17 Going forward the commission will continue to look into concerns raised about terrorism related issues and charities and carry out investigations into these. It will maintain its capacity to deal with work involving terrorist abuse and ensure it continues to develop the knowledge of its experts and specialists to deal with these kinds of cases. The commission will continue to maintain the security of its own information and communications infrastructure to ensure it is able to link in properly with law enforcement agencies and the rest of government in this area.

6.18 The commission will continue, as part of its annual public reporting on its regulatory work to report on:

- its use of powers of protection and remedy on cases involving possible links to terrorism
- the impact of its intervention, including the protection of charity property and assets, and significant and necessary improvement in charity governance
- the amount of charity funds protected or redirected by the commission’s actions
- the wider lessons learned from its investigative and regulatory casework in this area

The commission does not measure success in terms of increased numbers of investigations, as this can be misleading.

Counter-terrorism strategy: the 4 strand approach

