



MP Factsheet

Charities and terrorism

How does the Charity Commission deal with possible links and associations between charities and terrorist groups?

Proven instances of terrorist involvement or association in the charitable sector are rare, but are completely unacceptable and corrode public confidence in charities. The risk of links or association to terrorist activity or of terrorist abuse does not apply equally across the sector and there is no 'one size fits all' approach. The Charity Commission will respond to allegations of such links proactively, robustly, effectively and as a matter of immediate priority.

How might charities be vulnerable?

The abuse of charities for terrorist purposes may take a variety of different forms, including exploiting charity funding, abusing charity assets, misusing a charity name and status and setting up a sham charity. It may also include inappropriate expressions of support by a trustee for a proscribed organisation. Terrorism risks may arise when funds are raised and donations received, where grant funding is disbursed, and in the provision of services and other charitable activity.

Charities with strong governance arrangements, financial controls and risk management policies and procedures that fit their needs will be better safeguarded against a range of potential abuse, including terrorist abuse.

What does the Charity Commission expect of charity trustees?

Terrorist activity is a crime and charities need to be aware that concerns about terrorist abuse and activity are considered in the UK in that context. There are also charity law responsibilities that arise from trustees' positions in managing and administering a charity irrespective of whether a criminal offence has been committed.

The Commission expects trustees to be vigilant to ensure that a charity's premises, assets, staff, volunteers or other resources cannot be used for activities that may, or appear to, support or condone terrorist activities. They must also ensure that proper and adequate procedures are put in place and properly implemented to prevent terrorist organisations taking advantage of a charity's status, reputation, facilities or assets.

Trustees must consider and manage risks to the charity, whether operational, financial, or reputational, ensuring they exercise proper control over financial affairs and keeping accurate records. Trustees must ensure they and their charity comply with the law, including counter-terrorism laws.

Trustees risk committing a criminal offence if they have financial dealings with someone who is a designated financial sanction target in the UK. They also risk committing a criminal offence if they are connected to, or support a proscribed organisation. Trustees must report to us if their charity (including any individual staff, trustees or volunteers) has any known or alleged link to a proscribed organisation or to terrorist or other unlawful activity as soon as they become aware of it.

Trustees have a number of other specific obligations:

- They must not engage in conduct or activities which would lead a reasonable member of the public to conclude that the charity or its trustees are associated with a proscribed organisation or terrorism generally.
- Where a charity representative or a charity's activities may give, or appear to give, support to any terrorist activity, the Commission expects the charity's trustees to take immediate steps to dissociate the charity from the activity.
- Indirect or informal links with a terrorist organisation pose unacceptable risks to the property of a charity and its proper and effective administration. Even if the link or association does not amount to a criminal offence, it is difficult to see how a charity could adequately manage the risks to the charity and find a way in which the trustees could properly discharge their charity law duties and responsibilities.
- Where the risks are high, in order to fully discharge their duties, trustees must check partners and individuals against the list of proscribed organisations. Whatever the level of risk, it is good practice to do so.
- A designated person cannot be appointed as a trustee. This is because a designated person cannot discharge all of his or her duties as a trustee in the management and administration of a charity. If a trustee is subsequently designated, they must resign from their position or they will be in breach of charity law.

We have published clear guidance for trustees regarding charities and terrorism on our website: www.charitycommission.gov.uk/detailed-guidance/protecting-your-charity/protecting-charities-from-harm-compliance-toolkit/chapter-1-charities-and-terrorism

What action will the Charity Commission take if it receives a complaint about a possible link between a charity and terrorism?

The way we tackle the risk of terrorist abuse in charities falls squarely within our existing approach to regulation. The Commission is uniquely placed to deal with all kinds of abuse of charities where it does occur, collaborating with other regulators, law enforcement agencies and other government departments, and supporting trustees to protect their charities. Where allegations of criminality arise, these will be for the police and law enforcement agencies to assess. The Commission's role and concerns relate to the lawful exercise by the trustees of their duties and responsibilities and ensuring the charity is protected.

Effective regulation involves putting a strong emphasis on giving support and guidance to charities to prevent problems and abuse occurring in the first place. When allegations of terrorist involvement or links with charities arise, we deal with them as a matter of priority. We will act proactively, swiftly and effectively when we have evidence or serious suspicions of terrorist abuse or support involving charities.

What information can I expect to receive if I make a complaint?

The Charity Commission is committed to carrying out its regulatory functions as openly as possible and we strive to keep MPs and AMs informed about cases that are of interest to them. However, as you will appreciate, there are limits on how much information we can make public when investigating complaints of this nature.

It is our usual policy to inform the local MP or AM when we open a statutory inquiry into a particular charity so you have a contact point at the Commission to address any concerns or queries you may have. We are not generally able to give detailed information on the nature of our concerns, although we can confirm the general nature of the complaint or concerns being looked at. We will also inform you when the inquiry is completed and send you a copy of the published report.

Our senior staff are always happy to meet with parliamentarians to brief them on an issue, to address specific concerns, or to discuss the work of the Charity Commission generally. If such a meeting would be useful to you, contact our Public Affairs Manager, Jack Rowley, by telephone on 020 7674 2322 or by email at jack.rowley@charitycommission.gsi.gov.uk