

Supplementary written evidence submitted by Bond

Digital, Culture, Media and Sport Committee

Inquiry into the work of the Charity Commission, March 2020

17th March 2020

1. On Thursday 12 March 2020, the Charity Commission published and then withdrew new guidance for charities on COVID-19 following widespread criticism. The new advice stated that charities may need to make a Serious Incident Report if they are severely affected by COVID-19. The guidance also said that if a charity stops all or part of its operations because of the virus, this would have a significant impact on their operations and constitute serious harm to the work of the charity. The announcement was made via a tweet, telling charities that “the virus may result in your charity needing to report a serious incident” and linking to the guidance. This guidance is unhelpful and creates an additional burden for charities at a time when they are urgently responding to the challenges COVID-19 poses for their organisations, and the communities they support, both here in the UK and overseas.
2. We are pleased the Charity Commission quickly withdrew this guidance. However more can and must be done to support UK charities at this critical time for both the sector and our society as a whole. We urge the government to consider and rapidly implement measures to support the not for profit, charity and social enterprise sector, as they have done for profit making small business. This should include establishing an emergency fund to support charities at risk of insolvency or significantly lower levels of fundraised or trading income due to economic disruption and implement immediate short-term tax deferrals or temporary waivers (for example VAT) to help charities experiencing cash flow crises to stay solvent. We would like the Charity Commission to issue specific advice and support to charities on looking after staff, business continuity planning and staying financially viable.
3. We are concerned that COVID-19 will have a significant impact on international development and humanitarian organisations in the UK. We have already received anecdotal reports of the following impacts:
 - 3.1 Disruption to travel: including international travel restrictions placed on UK citizens by other countries, such as the USA and issues with accessing credible travel information for countries where international development organisations are working so that they can plan for impact of domestic travel restrictions on programme operations.
 - 3.2 Financial impact: including financial losses resulting from suspension of programmes or grant-funding, the cancellation of events, or reduced or suspended in-person fundraising efforts. We are concerned that small charities will be the most affected, and there is the potential that some may fold due to reliance on cash flow, which is forecast to drop considerably as a result of the crisis in a manner similar to SMEs.
 - 3.3 Human resources: including updating human resources policies to include COVID-19 advice on travel, working from home, care for dependents, sickness absence so that they can enact their duty of care towards staff and volunteers in the UK and overseas; extending risk assessments to cover COVID-19 so that they can mitigate the impact on their UK operations and overseas programmes; and training staff in remote working techniques, choosing and using tools, protecting and securing digital information,

ensuring adherence to GDPR and responsible data practice so that staff/volunteers can keep organisations functioning during this critical time.

March 2020