

# Coronavirus (COVID-19) guidance for the charity sector

Understandably, charities are concerned about what to do during the Coronavirus (COVID-19) outbreak, so we have set out our response to the most commonly asked questions.

We want to assure charities that our approach to regulation during this uncertain period will be as flexible and pragmatic as possible in the public interest, whilst helping trustees to be aware of and think about the wider or longer impact of their decisions on their charity.

We will update this page with responses to further questions on an ongoing basis.

## **How do I get support to pay my charity staff?**

The [government has announced that organisations, including charities, will get support to help them pay wages.](#)

Employers will be able to contact HMRC for a grant to cover most of the wages of their workforce who remain on payroll but are temporarily not working during the coronavirus outbreak. Any employer in the country- small or large, charitable or non-profit will be eligible for the scheme.

## **Can I use reserves and restricted funds to help my charity through the crisis?**

We understand that many charities are currently very concerned about their financial position. In the first instance, trustees should consider what are their short, medium and longer term priorities, and see if they need to amend their financial planning given their current situation. Trustees are encouraged in particular to think about whether or not certain projects, spends or activities can be stopped or delayed in order to focus on essential spending if they are facing financial challenges at this time.

Reserves can be spent to help cope with unexpected events like those unfolding at present.

You should identify which of your funds or assets have limits on their use. If these are internal only – for example your charity has decided to earmark certain funds for a particular purpose – you may be able to re-prioritise these. If they are restricted funds, meaning they cannot be spent at your (trustees) discretion, then they may only be used for a particular and defined purpose. For example, a fundraising appeal may restrict funds to a specific purpose, or if you have a permanent endowment, it may have restrictions on selling it to release funds.

If there are restrictions, in some instances there may be ways to amend these restrictions, but accessing or releasing restricted funds should only be considered if other options such as reserves are not possible. The Commission encourages you to also carefully consider the wider and longer term impacts of making such a decision on your financial resilience and donor relationships. You should seek professional advice on this if you can. The Commission will be as helpful as possible, and offer what guidance we can.

All decisions on such financial matters should normally be taken collectively, and significant decisions and action points noted in writing. We have further more detailed guidance on [financial resilience](#); on [charity reserves](#); and a [general tool to help trustees work out what to focus on](#).

## **Can I cancel or postpone my charity's AGM or other key meetings?**

Coronavirus is having a major impact on charity events and the government's health advice may lead to some charities having no choice but to decide to cancel or postpone their AGMs and other critical meetings.

If as trustees, you decide it is necessary to do so, you should record this decision to demonstrate good governance of your charity. This is particularly important if it is not possible to hold your AGM which may make it difficult for you to finalise your annual reports and accounts.

Wherever possible, we would ask you to try to get your annual reports to us on time. However, where the situation impacts on the completion of annual returns and accounts, charities with an imminent filing date can call us.

## **Can I use video, teleconferencing and the internet in place of face-to-face meetings?**

In the current situation, it is becoming increasingly difficult to hold face-to-face meetings. Some charities have clauses in their governing documents that allow them to meet virtually or to use telephone facilities, so we advise trustees to check their governing document and see if they can make amendments themselves to facilitate changes as to how or when meetings are held.

Where there is no such clause in your governing document and you decide to hold meetings over the phone or using digital solutions, we will understand but you should record this decision and that you have done this to demonstrate good governance of your charity.

## **What do I need to report to the Charity Commission?**

We appreciate that during the coronavirus pandemic the charity sector will face extremely demanding and ever-changing challenges. Charities' primary interest, and ours, must be looking after the public and the communities that we serve.

It is ultimately the responsibility of the charity trustees to continue to report serious incidents using our current guidelines, and we will continue to ask trustees to use their judgement in deciding whether an incident is significant in the context of their charity and should be reported to us.

We will continue to prioritise those incidents that place individuals at risk, or incidents that have had a significant impact on a charity's operations and therefore serious harm to the charity's work.

## **Keeping people safe**

This pandemic is already giving rise to that spirit of charity and community that brings people together, and we appreciate and value that people will want to help others during the challenges we are all facing. But now more than ever it is critical to ensure that charities protect and safeguard their beneficiaries, volunteers and staff.

This is all the more relevant for those directly helping communities or vulnerable members of society who are self-isolating. Our [safeguarding guidance](#) is a source of support on how to keep people safe, and what steps you should take if you identify concerns.

## **Reporting accounts and finances**

The Charity SORP has issued [updated guidance about what and how to report](#).