Press release: Charity regulator warns trustees to protect their charity from non-charitable interests

Charities are being told to ensure the close relationships some enjoy with non-charitable organisations are made clear to people outside their charity and never used to advance non-charitable agendas and interests.

Amid concerns that some relationships between charities and non-charities have damaged public confidence in charity, the Charity Commission has today published new quidance.

The Commission says its casework has identified examples where charities have not managed their links to non-charitable organisations with care, in some cases allowing charities to be misused to further non-charitable interests, including commercial or private interests.

The regulator recognises that many charities work successfully in close partnership with a wide variety of non-charitable organisations, such as trading subsidiaries. These relationships can be crucial in helping a charity deliver on its mission for the public benefit.

The new guidance aims to help charities reap the benefits of such relationships while managing the risks carefully.

The Commission says the guidance will also allow it, and the public, to better hold charities to account against existing rules.

The new guidance does not set out new rules or regulations, but draws together relevant law and practice in setting out six principles to help trustees ensure their arrangements for working with a linked body secure the charity's interests and independence.

Helen Stephenson, CEO of the Charity Commission, said:

As regulator, we want charities to thrive and inspire trust, and we know relationships with non-charitable organisations can help a charity deliver on its purposes. But operating alongside other organisations should always be well-considered and trustees must manage the risks that can arise carefully, and with probity.

Charities hold special status in society and the public rightly have high expectations of them, including that they are driven only by their charitable mission and purpose and that they work to defend and promote their independence from non-charitable organisations at all times.

No charity should ever use or be used by non-charitable

organisations to pursue uncharitable interests.

The guidance is available on <u>gov.uk</u> and includes an infographic and checklist to help trustees check and review their approach.

Ends.