



## Consultation summary

# Official warnings to charities and trustees

The Charity Commission's use of the new statutory power to issue official warnings.

## Introduction

The Charities (Protection and Social Investment) Act 2016 gives the Charity Commission a power to issue official warnings to a trustee or to a charity when it considers that there has been a breach of trust or duty, or other misconduct or mismanagement in the charity. This power will supplement the commission's existing powers for dealing with wrongdoing in charities. It's similar to powers that many other regulators have.

The commission wants to seek views on how it may use this new power. The responses to this consultation will help the commission to shape the approach it takes. As this is a new power, the commission expects to develop its approach over time, in light of its experience of using it.

## How is the commission proposing to use this power?

The commission has published draft guidance which explains its proposed approach to using this power. It explains:

- breach of trust or duty, misconduct or mismanagement
- how the new power will work
- how the commission will give notice of official warnings (including the length of notice)
- the commission's proposed policy on deciding when and how to publish official warnings
- making representations about an official warning

## What specific issues is the commission consulting on?

The commission wants to hear and will consider any general comments you have on the proposed approach set out in the draft guidance, but in particular invites comments on:

### Views on the commission's approach

**Having read the draft guidance, do you have any views or comments on how the commission proposes to use official warnings?** (Please select)

Yes [  ]

No [  ]

If you answered yes, please give details:

**Do you have any views or comments on action the commission might take following an official warning?** (Please select)

Yes

No

If you answered yes, please give details:

### How the commission will use this new power – principles and examples

**Do you have any comments on the factors that the commission will take account of and examples of when it might issue an official warning, as explained in the draft guidance?** (Please select)

Yes

No

If you answered yes, please give details:

**Are there particular circumstances in which you think the commission should issue an official warning?** (Please select)

Yes

No

If you answered yes, please give details:

**Should charities that repeatedly or persistently default on statutory accounting and reporting requirements automatically be issued with official warnings?** (Please select)

Yes

No

Please give your reasons why/why not:

### Notice and representations

**The commission proposes that 14 days should be the normal minimum notice period for an official warning. Do you agree, or do you think notice should normally be shorter or longer than this?** (Please select)

The normal minimum notice period should be 14 days

The normal minimum notice period should be less than 14 days

The normal minimum notice period should be more than 14 days

Please give your reasons why:

**Do you have any comments on the commission’s proposed approach to considering representations on official warnings?** (Please select)

Yes [  ]

No [  ]

If you answered yes, please give details:

### Publishing official warnings

The draft guidance explains the approach the commission proposes to take on publishing official warnings, based on public interest considerations.

**Do you agree with the approach set out in the guidance?** (Please select)

Yes [  ]

No [  ]

If you answered no, please give your reasons:

**Do you agree that the commission should usually publish warnings on its website for two years (unless a warning is withdrawn before then)?** (Please select)

Yes [  ]

No [  ]

If you answered no, please give your reasons:

**Do you agree that the commission should usually highlight published warnings on a charity’s page in the central register?** (Please select)

Yes [  ]

No [  ]

If you answered no, please give your reasons:

### Other comments

Please provide any other comments on the draft guidance or the commission’s approach to using official warnings:

The commission will use the responses it receives to help shape its approach to using this new power. It will publish a summary of responses within 3 months of the end of the consultation.

## Who does the commission want to hear from?

The commission would welcome comments from charities, professional advisers, members of the public, other regulators or public bodies that exercise similar powers and anyone with an interest in the charity sector.

## How, where and when to send comments on this consultation

Please respond to this consultation by completing the [online survey](#), which includes all the questions asked in the consultation document and also gives you the opportunity to provide any additional comments you may have.

The closing date for responses to this consultation is 5pm on Friday 23 September 2016.

## What will happen at the end of the consultation period?

The commission will use the responses it receives to help shape its approach to using this new power. It will publish a summary of responses within 3 months of the end of the consultation.