



An Rialálaí  
Carthanas  
Charities  
Regulator

# The Charities Regulator First Statement of Strategy

2016-2018







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# Foreword by the Chairperson and Chief Executive

The Charities Regulator is responsible for the registration and regulation of all charities that carry out activities in Ireland. It was established in October 2014 to regulate Ireland's charities in accordance with the 2009 Charities Act.

We are pleased to introduce the Regulator's first Statement of Strategy. This Statement is for the period 2016 to 2018. It sets out how the Regulator intends to carry out its mandate over these three years and the priorities we have identified for this period.

Ireland's charities play a vital role in our society and provide public benefit in diverse ways to communities in Ireland and across the world. Having the trust and confidence of the public is essential to charities, as they exist to provide public benefit and many raise funds from the public to help meet the cost of their charitable work. Levels of public trust in charities have declined in recent years, with an associated fall in donations. To regain and foster public trust, charities must demonstrate high standards of governance and accountability to their donors and beneficiaries, as well as to the wider public.

The Regulator also has an important role in increasing public trust and confidence in charities through effective yet proportionate regulation. The Charities Regulator aims to be a modern, robust and nimble regulator. We intend to implement the law so that the public can have confidence in the good work that occurs every hour of every day. **Good People** doing **Good Work** in the public interest should be protected and encouraged. As a regulator we aim to apply the law so that good charities flourish.

The Charities Regulator will provide effective and robust regulation which is transparent, accountable and proportionate, targeting resources and effort at the areas of highest risk. Our intention is that all charities will comply with the law with the least amount of regulatory burden. We want charities to use the minimum amount of time achieving compliance so that the maximum amount of effort goes into service users and beneficiaries. We will approach our compliance activities along a continuum, tailoring our regulatory interventions to be effective, taking into account sector diversity, while keeping focused on the Regulator's ultimate goal – ensuring that charities comply with the law and their statutory obligations.

In fulfilling this role, we work to support charity trustees in complying with their legal obligations, and take action to address non-compliance where necessary. We promote best practice and, in doing so, we strive to exemplify the values and practices we promote and to ensure that we operate to high standards of governance, accountability and transparency in our own organisation.

Over the next three years, we will consolidate and further develop the Register of Charities and increase the information available on registered charities to donors, beneficiaries and the general public. This work will help to strengthen the accountability of the charity sector, and provide a valuable source of information for charity funding bodies, donors and beneficiaries.

We will also work to develop our role in supporting best practice in charity governance and administration, in helping charity trustees to understand and comply with their obligations, and in responding to concerns raised about charities.

The next three years will also see further organisational development of the Regulator as a learning organisation, actively engaged with the sector we regulate and continually seeking ways to improve our service delivery within the resources available to us. At the time of adoption of this Strategy, we have just completed a nationwide series of 23 information workshops for charities which were attended by approximately 1,700 individuals representing 1,200 charities.

We look forward to the valued engagement of all our stakeholders as we carry out this work.

**Patrick Hopkins**  
Chairperson  
June 2016

**John Farrelly**  
Chief Executive  
June 2016

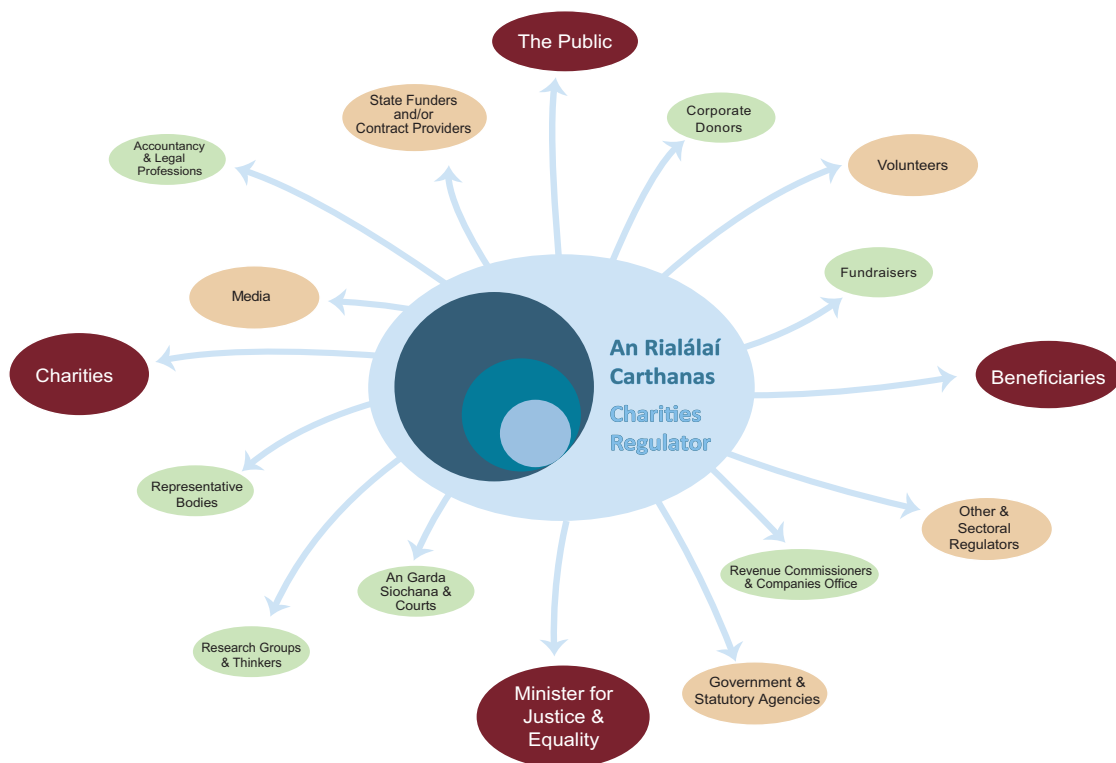
# Operating Context

The Charities Regulator is responsible for registering and regulating all Ireland’s charities. Ireland has a vibrant and diverse charity sector that includes local community groups, schools, universities, churches, theatres and museums, healthcare providers, international development organisations, and many other bodies that provide public benefit in a wide variety of ways. Ireland’s charities make an immense contribution to communities both here in Ireland and across the world. Through their work they change lives. The trust and confidence of the public is very important to charities, especially to those who receive some of their income in the form of donations from the public. In recent years, there has been a decline in public trust and confidence in charities. There are increased expectations on the part of public and private funders that charities will work to improve their efficiency, value for money, and accountability. The Regulator has a part to play in the rebuilding of public trust in charities through effective and proportionate regulation that supports high standards.

# Stakeholders

The environment in which we operate is complex with many perspectives and actors. Figure 1 below demonstrates some of that complexity. Four key actors within our environment are charities themselves, the beneficiaries they serve, the general public, and Government (in particular the Minister for Justice and Equality).

Figure 1 - Our Stakeholder Environment



We will work to develop our understanding and engagement with all stakeholders during the period covered by this Statement of Strategy.

# About Us

The Charities Regulator is an independent authority. It was established in 2014 under the Charities Act of 2009 with the following statutory functions:

- Increase public trust and confidence in the management and administration of charitable trusts and charitable organisations,
- Promote compliance by charity trustees with their duties in the control and management of charitable trusts and charitable organisations,
- Promote the effective use of the property of charitable trusts or charitable organisations,
- Ensure the accountability of charitable organisations to donors and beneficiaries of charitable gifts, and the public,
- Promote understanding of the requirement that charitable purposes confer a public benefit,
- Establish and maintain a register of charitable organisations,
- Ensure and monitor compliance by charitable organisations with this Act,
- Carry out investigations in accordance with this Act,
- Encourage and facilitate the better administration and management of charitable organisations by the provision of information or advice, including in particular by way of issuing (or, as it considers appropriate, approving) guidelines, codes of conduct, and model constitutional documents,
- Carry on such activities or publish such information (including statistical information) concerning charitable organisations and charitable trusts as it considers appropriate,
- Provide information (including statistical information) or advice, or make proposals, to the Minister on matters relating to the functions of the Regulator.

Programmes to support these functions are being developed on a phased basis over the early years of the Regulator's operation, with the initial focus on the development of a statutory Register of Charities for the first time in Ireland.

The Regulator has a duty to be independent in the performance of all of its functions. The Regulator is governed by a Board of fifteen members, drawn from charity sector interests and the legal and accountancy professions, and appointed by the Minister for Justice and Equality. The Board is responsible for setting the strategic direction of the organisation (see Board Membership below). The Chief Executive is responsible for the management and administration of the Regulator.

The Regulator is funded by the Exchequer through an annual allocation from the Department of Justice and Equality. The allocation for 2016 is €2,665,000. Corporate Governance arrangements for the Regulator are set out in an annual Performance Agreement with the Department of Justice and Equality.

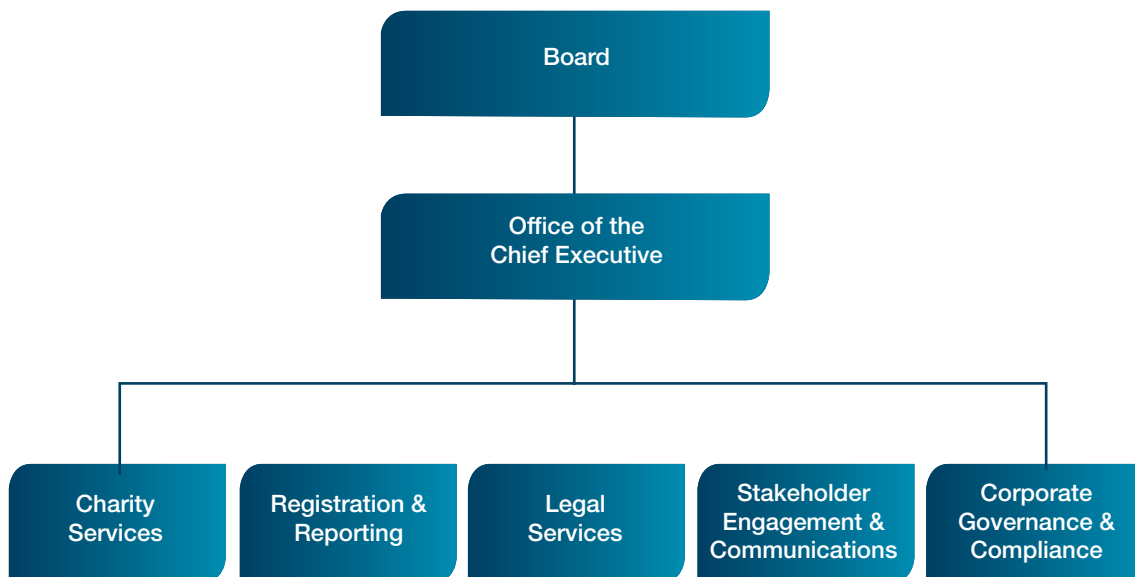
The Regulator currently has twenty two staff (see organisation chart overleaf). The achievement of our Strategic Objectives will require increased investment in the organisation over the period covered by the Strategy. Increased funding allocated for 2016 will enable the recruitment of additional staff in a number of key areas including policy development; registration and reporting; compliance and investigations; and communications. Based on our assessment of the known financial allocation for 2016, we aspire to a staffing level of 36 by the end of 2016.



# Members of the Charities Regulator (at 4 February 2016)

Patrick Hopkins (Chairperson)  
David Brady  
Katie Cadden  
Sandra Chambers  
Cynthia Clampett  
Anna Classon  
Tom Costello  
Patricia Cronin  
Fergus Finlay  
Ann Fitzgerald  
Hugh Maddock  
Barbara O'Connell  
Graham Richards  
Senan Turnbull  
Noel Wardick

## Current Charities Regulator Structure 2016



# Statement of Strategy

This Statement of Strategy is prepared in accordance with section 29 of the Charities Act 2009. It was developed over the period September 2015 to January 2016 under the leadership of a Strategy Development Project Steering Group comprised of a Sub-Group of the Board and Executive Management, and facilitated by Genesis Consulting. Its development has been informed by interviews with selected stakeholders and an online public consultation to which we received almost 500 responses. A summary of these can be seen on the Regulator’s website ([www.charitiesregulator.ie](http://www.charitiesregulator.ie)).

The delivery of our Strategic Objectives will be further guided by Annual Business Plans which will include performance indicators for our work.

This Statement of Strategy also includes our Vision for the sector we regulate and our Mission as an independent regulatory authority. Our Values guide how we work, and how we engage with charities and our broader stakeholders. The Strategic Objectives set out a clear direction for us, with specific goals and actions as well as a range of indicators we will use to measure our progress over the next three years.

 <p><b>Vision</b></p> <p>A vibrant, trusted charity sector that is valued for the public benefit it provides.</p>	 <p><b>Values</b></p> <ul style="list-style-type: none"> <li>• Independence</li> <li>• Fairness</li> <li>• Openness</li> <li>• Proportionality</li> <li>• Learning</li> <li>• Engagement</li> </ul>
 <p><b>Mission</b></p> <p>To regulate the charity sector in the public interest so as to ensure compliance with the law and support best practice in the governance, management and administration of charities.</p>	 <p><b>Strategic Objectives</b></p> <ul style="list-style-type: none"> <li>• To establish and maintain a public register and reporting framework for charities operating in Ireland.</li> <li>• To monitor proactively the compliance of charities with their legal obligations and to investigate any perceived breaches of these.</li> <li>• To engage and communicate effectively with all stakeholders in support of our regulatory role.</li> <li>• To develop as an effective and efficient independent regulatory agency.</li> </ul>



## Our Vision

*A vibrant, trusted charity sector that is valued for the public benefit it provides.*



## Our Mission

*To regulate the charity sector in the public interest so as to ensure compliance with the law and support best practice in the governance, management and administration of charities.*



## Our Values

### Independence

- *We take decisions independently and in the public interest. We stand over our actions and decisions and take responsibility for them.*

### Fairness

- *We operate fairly and impartially. We apply our procedures consistently and give reasons for our actions and decisions.*

### Openness

- *We take an open and transparent approach to our work. We make information available about how we operate and about the sector we regulate.*

### Proportionality

- *We recognise the diversity of size and capacity among the organisations that we regulate. We regulate in a proportionate way and target the resources available to us at areas of greatest risk.*

### Learning

- *Our actions and decisions are informed by evidence and embedded in a learning culture. We continually seek ways to improve how we do our work and strive to be authoritative in our field.*

### Engagement

- *We communicate with and listen to our stakeholders. We seek to anticipate and address regulatory issues of concern to them.*



# Our Strategic Objectives

1

## Strategic Objective One - Registration and Reporting

To establish and maintain a public register and reporting framework for charities operating in Ireland.

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2

## Strategic Objective Two - Compliance and Investigation

To monitor proactively the compliance of charities with their legal obligations and to investigate any perceived breaches of these.

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3

## Strategic Objective Three - Stakeholder Engagement

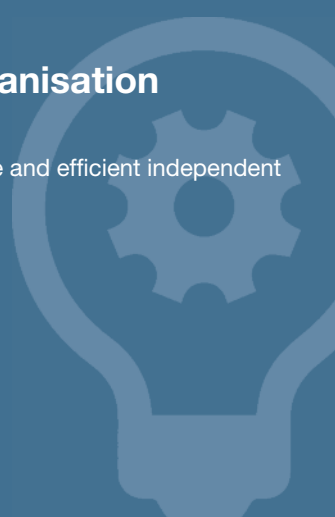
To engage and communicate effectively with all stakeholders in support of our regulatory role.

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4

## Strategic Objective Four – An Effective and Efficient Organisation

To develop the Charities Regulator as an effective and efficient independent regulatory agency.



# Strategic Objective One – Registration and Reporting

To establish and maintain a public register and reporting framework for charities operating in Ireland.

	Goals	Actions	Key Indicators and Deliverables
1.1.	To maintain and develop an effective registration system for charities.	Continue to develop and make improvements to the online charity registration system.	Usage and satisfaction surveys.
1.2.	To register charities according to a registration policy and process that is legally sound and can withstand scrutiny.	<p>Engage with all charities automatically registered with the Regulator to obtain full registration information for each of them.</p> <p>Engage with all unregistered charities established prior to the 16th of October 2014 to ensure they are aware of their obligation to apply for registration before the 16th of April 2016.</p> <p>Process registration applications from charities established after the 16th of October 2014.</p> <p>Formalise and continue to improve our registration policies and processes.</p>	<p>Number of charities registered.</p> <p>Completion rates for entries on the Register of Charities for charities automatically registered with the Regulator on its establishment.</p> <p>Application rates for unregistered charities established prior to the 16th of October 2014.</p> <p>Number of charity applications for registration outstanding.</p> <p>Average time from application to registration.</p> <p>Number of appeals sought.</p> <p>Number of appeals upheld.</p>
1.3.	To establish and maintain an effective reporting system for charities.	<p>Develop an accounting and reporting framework for charities.</p> <p>Consult on the accounting and reporting framework.</p> <p>Develop supporting guidance for users.</p> <p>Communicate the new requirements to registered charities.</p> <p>Implement the new requirements.</p>	<p>Number of annual reports outstanding.</p> <p>Number of reports compliant with the new requirements.</p> <p>Usage and satisfaction surveys.</p>
1.4.	To increase the transparency of the charity sector.	Publish information about charities on the public Register of Charities.	Usage and satisfaction surveys.

Successful achievement of this Objective will result in steady growth over the period of the Strategy towards full coverage in the numbers of registered and recognised charities in Ireland. It will provide a reliable picture for the first time of the full range of charities in operation. This will increase transparency about the sector and contribute to its standing and trust among the public. It will also provide a valuable resource for sector planning and development.

## Strategic Objective Two – Compliance and Investigation

To monitor proactively the compliance of charities with their legal obligations and to investigate any perceived breaches of these.

	Goals	Actions	Key Indicators and Deliverables
2.1.	To help charities to understand and comply with their regulatory obligations.	<p>Provide guidance and support to charity trustees in matters of compliance.</p> <p>Provide guidance and support to charity trustees in matters of best practice</p> <p>Support the effective use of charity property through the provision of services to trustees.</p>	Usage and satisfaction surveys.
2.2.	To monitor the compliance of charities with their regulatory obligations.	Develop a compliance monitoring programme for registered charities.	Number of routine monitoring events completed.
2.3.	To investigate perceived non-compliance in accordance with interim procedures.	Implement interim procedures to investigate allegations of non-compliance by charity trustees with their obligations.	<p>Number of complaints received.</p> <p>Number of investigations completed.</p>
2.4.	To take effective steps to address compliance problems.	Make appropriate recommendations for remedial action to charity trustees where required and monitor their implementation.	<p>Implementation by charity trustees of appropriate remedial action.</p> <p>Number of compliance breaches satisfactorily resolved.</p> <p>Number and type of regulatory actions taken.</p>
2.5.	To have access to statutory powers of investigation.	Develop, adopt and implement policies and procedures for use of statutory powers of investigation.	Adoption and implementation of full investigation procedures.

Successful achievement of this Objective will deepen the understanding of charities of their obligations to operate at the highest standards of corporate governance and administration, including greater awareness by charity trustees of their specific obligations. As a result, the public and other funders of charities will have greater assurance of the effectiveness and efficiency of the charities they invest in.

## Strategic Objective Three - Stakeholder Engagement

To engage and communicate effectively with all stakeholders in support of our regulatory role.

	Goals	Actions	Key Indicators and Deliverables
3.1.	To increase the transparency of the charity sector.	Publish information about charities on the public Register of Charities.	Usage and satisfaction surveys.
3.2.	To help charities to understand and comply with their regulatory obligations.	Provide clear guidance and support to charity trustees in matters of compliance.  Develop guidance on what it means to be a charity.	Usage and satisfaction surveys.  Guidance developed and published.
3.3.	To be responsive to stakeholder needs.	Carry out consultations with stakeholders on work of the Regulator that may affect them.  Establish a Consultative Panel on Charitable Fundraising.	Number of planned communication events carried out.  Number of consultations carried out.  Number of stakeholder consultation meetings carried out.  Feedback collected at/after events from participants.
3.4.	To be open and transparent on our work.	Publish information about our own work.  Develop our website as our core information and communication tool.	Website visit KPIs.  Usage and satisfaction surveys.
3.5.	Build relationships with key state stakeholders with the aim of ensuring coherence and efficiency in interactions with registered charities and minimising duplication.	Develop arrangements such as Memoranda of Understanding with relevant authorities.	Number of MoUs or other arrangements put in place.  Stakeholder feedback on scope and effectiveness of arrangements in place.

## Strategic Objective Three - Stakeholder Engagement (continued)

	Goals	Actions	Key Indicators and Deliverables
3.6.	Advise the Minister and other policy stakeholders on matters relating to our functions.	<p>Make recommendations to Minister regarding charity accounting and reporting regulations.</p> <p>Make recommendations to Minister regarding regulation of charity fundraising.</p> <p>Make recommendations to Minister regarding phased commencement of remaining provisions of the Charities Act 2009.</p> <p>Support measurement and benchmarking of the economic and social impact of the charities sector.</p>	<p>Number of recommendations made to the Minister.</p> <p>Volume of published policy advice.</p> <p>Tracking of receptiveness and implementation of advice.</p> <p>Publication of analysis and advice.</p>
3.7.	Communicate our role, mandate and key messages to stakeholders and the wider public.	Develop, adopt and begin to implement a communications strategy.	<p>Communications strategy developed, adopted and implemented.</p> <p>Baseline (2016) research on public awareness and knowledge; tracker research to compare against baseline.</p>

Successful achievement of this Objective will result in higher awareness and visibility within the charities sector and the wider interested public about the range of charities operating, and the value and public benefit they provide in support of worthy causes. As confidence in the sector increases, potential donors will have increased confidence that their contributions are meeting desirable social needs and are being well used. Increasing the level of understanding of the legislation and the requirement to register will be essential in building stakeholder engagement.



# Strategic Objective Four – An Effective and Efficient Organisation

To develop the Regulator as an effective and efficient independent regulatory authority.

	Goals	Actions	Key Indicators and Deliverables
4.1.	Develop the organisation so that its structure supports our mission and available resources are prioritised in accordance with strategic goals and developing operational challenges.	<p>Prepare and adopt Annual Business Plans to support the delivery of strategic objectives.</p> <p>Work with the Department of Justice and Equality to increase the staffing complement over the strategy period to support the phased delivery of objectives.</p> <p>Strengthen organisational ability to meet business needs in a changing environment.</p> <p>Support staff engagement and invest in training to ensure that all staff have the skills and resources they need to play their part in the achievement of strategic goals.</p> <p>Review and strengthen where necessary governance and administrative arrangements for funds held on behalf of charities.</p>	<p>Adoption and implementation of Annual Business Plans.</p> <p>Number of FTE's employed.</p> <p>Rolling reviews of Strategy and Annual Business Plans carried out.</p> <p>Number of training days completed.</p> <p>Employee satisfaction surveys.</p>
4.2.	An IT system that supports the maximum use of digital services for all client facing services.	<p>Publish Digital Services Roadmap.</p> <p>Develop User Led Services supporting charity requirements and integration of 1961 Act services.</p> <p>Use statistical outputs of system to provide enhanced transparency and support evidence based policies.</p> <p>Develop Risk Intelligence Module which supports compliance and investigation work.</p>	<p>Digital Services Roadmap Published.</p> <p>Number of digital transactions processed.</p> <p>Digital Experience Survey (component of usage and satisfaction surveys).</p>

## Strategic Objective Four – An Effective and Efficient Organisation (continued)

	Goals	Actions	Key Indicators and Deliverables
4.3.	Adopt and maintain high governance standards.	Ensure that appropriate governance and management arrangements are in place.	<p>Number of Board and Committee meetings held.</p> <p>Governance standards/codes adopted.</p> <p>Active engagement of and by Board members.</p> <p>Transparency of Board decision making.</p> <p>Benchmarking of governance and operation of the Regulator against comparable organisations nationally and internationally.</p>
4.4.	Phased introduction of additional statutory powers to support increased service delivery.	Make recommendations to the Minister regarding the phased commencement of the remaining provisions of the Charities Act and any necessary supporting secondary legislation and additional resourcing.	Recommendations made and agreed.
4.5.	Provide value for money.	Meet public financial accountability requirements.	Financial metrics in Annual Report.

Successful achievement of this Objective will result in a highly motivated and engaged Board and staff. A strong and committed leadership team will enjoy appropriate delegation for day to day operations. The Regulator will have an effective IT infrastructure that makes registration and compliance for clients transparent and as simple as possible. As the Regulator develops towards stability and maturity it will compare well with sister organisations nationally and internationally.





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Telephone: 01-633 1500  
Email: [info@charitiesregulator.ie](mailto:info@charitiesregulator.ie)