

Corporate Plan 2014-17



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1. Chair and Chief Executive Introduction

We are pleased to introduce the Charity Commission for Northern Ireland's 2014-2017 Corporate Plan.

The period of this plan will see the development of the Northern Ireland register of charities. This important step forward will provide information on local charities for beneficiaries, donors and the public. A key principle will be online access to information, provided by the charities themselves as they register in a phased and co-ordinated manner over the next three years.

At the end of this plan the Commission anticipates having processed in the region of 7,000-10,000 applications from local organisations. It will be the first time an overview will be available to the public regarding the charitable purposes being progressed, the resources used and the public benefit being delivered. There will be many challenges arising from increased transparency and the Commission will work with the charity sector and stakeholders to address these.

The Corporate Plan sets out how we will allocate our limited resources to registration and regulation of these organisations. The Commission has identified a number of priorities focussed on circumstances which may arise during registration. This, for example, may involve delaying progress on other work and shifting resources during the period of the plan.

This plan will also see some changes within the Board of Commissioners as appointment periods end and the Board takes steps to ensure plans are in place to manage succession. The Commission will also work with its sponsor Department, the Department for Social Development, to provide assistance when it commences further parts of the legislation in relation to charity accounting regulations. There will also be a body of work undertaken to restructure internal processes, which were developed during transitional arrangements. Again the patience of all working in the charity sector is greatly appreciated.

As we learn from previous experience and look to the future, the Commission will continue to work in a professional manner with the aim of promoting public trust and confidence in Northern Ireland's charities.

Tom McGrath
Frances McCandless



Tom McGrath CBE
Chief Commissioner



Frances McCandless
Chief Executive

2. Executive Summary

Our vision

'A dynamic and well governed charities sector in which the public has confidence, underpinned by the Charity Commission for Northern Ireland's effective delivery of its regulatory and advisory role.'

Our aims

Public confidence

To increase public trust and confidence in charities.

Public benefit

To promote awareness and understanding of the operation of the public benefit requirement.

Compliance

To promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.

Charitable resources

To promote the effective use of charitable resources.

Accountability

To enhance the accountability of charities to donors, beneficiaries and the public.

Delivery

To manage the Charity Commission for Northern Ireland as an effective and efficient non-departmental public body.

Our Values

- **Independent:** we will maintain independence in our decision making, acting without fear or favour, in the public interest.
- **Accountable:** we will be proactive in accounting to all our stakeholders, which will include involving others on a continuous and appropriate basis and taking responsibility for our decisions.
- **Proportionate:** our actions, procedures and culture will be proportionate to the burden of regulation on charities, of different sizes, to the degree of risk involved and to the potential impact, within the resources available to us.
- **Impartial:** we will exercise our powers and discretion in a way which is non-partisan and even-handed.
- **Transparent:** we will communicate with and listen to our stakeholders and will be clear about our actions, intentions and expectations.
- **Consistent:** we will act consistently in our decision making.

Key Milestones and Performance Targets

The key milestones over the next three years are to:

2014-15

- focus on building the charity register by inviting forward 4,800 organisations to apply to register, receiving 2,300 completed applications and processing 1,900 decisions by year end;
- bring into operation interim annual reporting arrangements for registered charities in April 2014;
- begin monitoring and reporting on website hits on the charity register, and understanding of public benefit and registration guidance; and
- assist the Department to develop statutory annual reporting and accounting regulations, and publish compliance guidance for trustees on exercising control and management of charities.

2015-16

- build the charity register by issuing 4,500 invitations or directions to apply to register, receiving 3,000 completed applications, and processing 2,500 decisions by year end; and
- roll out the interim compliance monitoring procedures by the end of the year.

2016-17

- continue to build the charity register having issued a further 3,700 invitations or directions to apply to register, received an additional 3,000 completed applications, and processed 2,500 decisions by year end; and
- implement full compliance monitoring and increase transparency of charity.

The Commission has prioritised its roles and believes registration, compliance monitoring and investigation of concerns are essential. All other activities are categorised as desirable, and if registration and enquiries take longer and more resources than planned for, then work such as the development of advice and research will be delayed.

Our key targets over the next three years are to:

External

- issue 13,000 invitations or directions to apply to register, receive 8,300 completed applications and make 6,900 decisions;
- achieve satisfaction with public benefit guidance above 75%;
- undertake up to 130 investigations into concerns every year (depending on the number of concerns received and whether CCNI can deal with them);
- produce up to six reports on the findings of our investigations work every year;
- ensure 80% of concerns about charities will have their initial enquiry risk assessments completed within 30 days;

- produce 28 pieces of guidance for charities and the public;
- ensure monitoring and compliance systems are in place for December 2014 and implementation thereafter; and
- achieve 60,000 hits on our website every year.

Internal

- complete 100% of business plan actions on schedule;
- ensure an appropriate staffing structure is in place to deliver the corporate plan;
- manage the organisation within 1% budget;
- ensure an integrated IT system is implemented;
- manage staff sickness absence within 3%; and
- pay 90% of suppliers within 10 days.

3. About us

The Charity Commission for Northern Ireland (CCNI) is a non-Departmental Public Body (NDPB), established by Royal Assent to deliver the legislative requirements of the Charities Act (Northern Ireland) 2008. We are sponsored by the Department for Social Development (DSD), as the independent regulator of charities in Northern Ireland.

The Charities Act (Northern Ireland) 2008 introduced a new regulatory framework for the charitable sector in Northern Ireland. The previous framework did not provide for any form of registration and only made limited provisions for enforcement generally. The main objectives of the Act are to introduce:

- an integrated system of registration and regulation; and
- supervision and support of registered charities.

The aim of these changes is to provide a structure and process through which:

- charities can demonstrate their contribution to society;
- public trust and confidence in charities is enhanced; and
- appropriate charity governance is promoted.

The Commission has a crucial role to play in the development of charities, enabling them to meet modern expectations and obligations. It is essential that charities operate in a climate of public trust and confidence through the provision of firm and fair regulation.

Our regulation is responsive to the charity sector, mindful of the need to promote the good work that charities do, and geared towards protecting charities from abuse, misconduct and mismanagement. The Commission aims therefore to develop a regulatory framework which is not only about intervention and strong governance, but which, over the longer term, promotes standards and good practice.

It is also important that we develop effective relationships and work in partnership with those engaged in charitable activities. This will involve the provision of advice and guidance to assist charities with compliance monitoring issues but also requires development of an ethos which promotes confidence in public charitable giving, encourages sharing of best practice and, ultimately, helps to raise standards.

Our Vision

The Commission's vision is to deliver, in partnership with other key stakeholders in the charitable sector:

'A dynamic and well governed charities sector in which the public has confidence, underpinned by the Commission's effective delivery of its regulatory and advisory role.'

Our Aims

The Commission has five objectives set out in the Charities Act (Northern Ireland) 2008. These are reflected in the Management Statement and Financial Memorandum (MSFM) with DSD, under which the Commission operates. For the purposes of this corporate plan we are treating these objectives as the Commission's overarching aims with subsequent strategic, measurable and time-bound objectives, targets and actions.

- 1. Public confidence objective:** to increase public trust and confidence in charities.
- 2. Public benefit objective:** to promote awareness and understanding of the operation of the public benefit requirement.
- 3. Compliance objective:** to promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.
- 4. Charitable resources objective:** to promote the effective use of charitable resources.
- 5. Accountability objective:** to enhance the accountability of charities to donors, beneficiaries and the general public.

In addition a sixth objective has been developed to ensure CCNI is managed appropriately as an NDPB and contributes to the achievement of the Department's strategic aims.

- 6. Delivery objective:** to manage the Commission as an effective and efficient non-departmental public body.

Our Values

The Commission aspires to be respected and valued in the execution of its functions and to demonstrate best practice as a regulator and as a public body. We will ensure that in the performance of our role as the charity regulator for Northern Ireland we will be:

- **Independent:** we will maintain independence in our decision making, acting without fear or favour, in the public interest.
- **Accountable:** we will be proactive in accounting to all our stakeholders, which will include involving others on a continuous and appropriate basis and taking responsibility for our decisions.
- **Proportionate:** our actions, procedures and culture will be proportionate to the burden of regulation on charities of different sizes, to the degree of risk involved and to the potential impact within the resources available to us.
- **Impartial:** we will exercise our powers and discretion in a way which is non-partisan and even-handed.
- **Transparent:** we will communicate with and listen to our stakeholders and will be clear about our actions, intentions and expectations.
- **Consistent:** we will act consistently in our decision making.

Looking back

2012 - 2013

- Further liaison with DSD regarding technical aspects of the Charities Act (Northern Ireland) 2008 and passing of the Charities Bill in January 2013.
- Continued communications activities resulting in over 30,500 unique visits to our website and 542 general enquiries about our role.
- Attended and delivered 29 seminars and workshops across Northern Ireland, aimed at increasing understanding of the role and powers of the Charity Commission.
- 67 concerns about charities received with 48 progressed to conclusion.
- Began a public consultation on the Commission's draft public benefit and registration guidance, involving hosting six consultation events.
- Three statutory investigations initiated and ongoing at year end.
- Further refinement and internal testing of online registration, registration processes and procedures in anticipation of amendment to Charities Act (Northern Ireland) 2008.
- Developed and submitted a draft Equality Scheme and Action Plan detailing our commitment to equality across all of our work to Equality Commission for approval.
- Publication of second in a series of thematic reports looking at concerns about charity fundraising.

2013 – 2014 (as anticipated as of end Mar 14)

- Publication of a further two thematic reports looking at concerns common to charities.
- Completion of a test registration phase involving 20 charitable organisations.
- Began charity registration in December 2013 with the first charities successfully registered by the Commission.
- Introduction of a number of new powers, for example, powers which allowed the Commission to provide prior written consent to a charitable company's alteration of its governing document.
- Completion and publication of external guidance and forms on consents for charitable companies and cy-près schemes.
- The making of Charity (Failed Appeals and Disclaimers) Regulations (Northern Ireland) 2013 in exercise of powers conferred on the Commission by sections 27(8) and 28(9) of the Charities Act (Northern Ireland) 2008.
- Ongoing work to investigate 80 concerns about charities received by the Commission.
- One statutory inquiry closed and two opened.
- Completion of a public consultation on the Commission's draft public benefit and registration guidance, and a further six consultation events hosted.
- Development and publication of final public benefit and registration guidance documents, including *Registering as a Charity in Northern*

Ireland guidance and *The Public benefit requirement* statutory guidance.

- Publication of *Running your charity* guidance for charity trustees.
- Delivery of a public consultation on draft interim reporting requirements for registered charities and production of the final policy and guidance.
- Publication of an updated deemed list following the Charities Act 2008 (Transitional Provision) Order (Northern Ireland) 2013, which came into effect in August 2013.

Looking Forward

Since 2010 the Commission has set out anticipated developments and resource needs in its corporate plans. During the fourth year of operation we have reviewed our activities, our understanding of the strategic context and have revised and rolled forward our objectives and resource needs accordingly. In the coming three year period the Charity Commission for Northern Ireland will focus on all six aims which govern its work.

The Commission sees the following areas of work as its key challenges over the coming three year period:

- Managing the volume of charity registrations, which may number over 10,000 in total, using historic information from other organisations that could be out of date or incomplete.
- Managing cy-près schemes and other casework volume to meet the expectations of those who require decisions and consents under charity law.
- Managing the volume of concerns about charities which result in investigations or the provision of regulatory advice.
- Designing, consulting on and implementing an interim and then a final annual reporting programme for registered charities, which includes charity accounts. This will be the programme through which all charities will submit annual returns to us, including their accounts, annual report and other information.
- Dealing with Charity Tribunal cases as they arise and the intensive and complex legal work this will require.
- Implementation of further sections of the Act (to be commenced) including:
 - group accounts;
 - Official Custodian;
 - charity land.
- Ongoing review and development of our internal processes to implement these new areas of work once legislation has been brought into operation.
- Ongoing development of associated external guidance so we can explain to our service users what these new parts of the legislation mean for them.
- The strategic development of a continuing programme of guidance and policies, both internal and external, as identified in our policy development plan. This will provide an increasingly extensive range of advice and information to charities and the public on complying with charity law.

- The design and commencement of a research strategy, so that we can monitor and understand the impact of charity law, and make best use of the large amount of data we will be gathering about local charities. In this way charities will be able to benefit from this information gathering and hopefully see a return for the information which they provide to us.
- Retention and development of staff to enable the Commission to deliver its statutory obligations and service standards.
- Implementing the findings of an IT review, integrating a new IT workflow management system and ensuring that our other systems are fit for purpose.
- Rewriting of many of our existing processes once registration has begun as all our existing processes thus far are designed to work around the absence of a *register of charities*.

We have drawn upon our experiences of service delivery to plan scenarios which we have used to inform the assumptions underlying this corporate plan and the resulting business plans.

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2014-15

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- bring into operation interim annual reporting arrangements following commencement of registration in April 2014;
- begin monitoring and reporting on website hits on the charity register, and understanding of public benefit and registration guidance;

2015-16

- build the charity register by issuing 4,500 invitations or directions to apply to register, receiving 3,000 completed applications, and processing 2,500 decisions by year end;
- roll out the interim compliance monitoring procedures by the end of the year;
- assist the Department to develop statutory annual reporting and accounting regulations, and publish compliance guidance for trustees on exercising control and management of charities; and.

2016-17

- continue to build the charity register having issued a further 3,700 invitations or directions to apply to register, received an additional 3,000 completed applications, and processed 2,500 decisions by year end;
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Risks to the delivery of this plan

This plan is underpinned by a number of assumptions. Due to these assumptions, the Commission recognises the following risks to the delivery of this plan:

- Legal challenges to decisions may have consequential effects across casework decisions and could have consequential effects across other programmes of work as the Commission implements new legislation.
- The regulatory work of the Commission, in particular in relation to investigations, also takes us into uncharted territory. Investigations have become complex in nature, often involving multiple issues. The number of cases that result in Charity Tribunal hearings cannot be predicted in advance and are of necessity highly resource intensive.
- The Commission's work will be highly dependent on an integrated IT system. Not only will this enable the management of information and case work flows internally, but it will provide a portal for online interaction and exchange on information between the Commission and all charities. Failure to secure the appropriate system or loss of a strategic IT provider would present serious risks to the delivery of targets.
- The Commission is dependent on the making of commencement orders and regulations by DSD. Any slippage in DSD's timetables will result in the Commission being unable to deliver planned work.
- The Commission is dependent on resources from the sponsor department (DSD) and, while these have been increased following a recent Light Touch Review, resources could be cut by the Department in future years.

- Recruitment and retention of staff is a major issue for any small organisation and the loss of various staff, especially after building up knowledge and expertise, could have an impact on capacity to deliver business plan commitments.

4. Governance and accountability

Board

The Charity Commissioners are appointed by the Minister for Social Development. Whilst Commissioners are selected by Ministerial Appointment, the Commission is an arm's length body, responsible for the structure, recruitment and appointment of its own staff, including the Chief Executive and Senior Management Team.

The Commission has a Board comprising a Chief Commissioner, a Deputy Chief Commissioner and up to five other Charity Commissioners, all on a part-time basis. At least one Charity Commissioner must be a barrister or solicitor of at least seven years' standing.

The Board has a responsibility for the Commission's overall strategy and future direction.

The current Charity Commissioners are:

Chief Charity Commissioner	Mr Thomas McGrath
Deputy Commissioner	Mr Walter Rader
Legally Qualified Commissioner	Ms Rosemary Connolly
Charity Commissioner	Mr Philip McDonagh
Charity Commissioner	Mr Norman Bennett
Charity Commissioner	Ms Brenda Maitland
Charity Commissioner	Ms Geraldine Donaghy

Our website provides further information on our Commissioners, including their declaration of interests.

The Board is supported by an Audit and Risk Committee and a Human Resources and Remuneration Committee.

Committees

Audit and Risk Committee

The Audit and Risk Committee supports the Board in its responsibilities regarding issues of risk, control and governance and associated assurances. Its oversight role includes, but is not limited to, internal and external audit, the Commission's financial statements and risk management.

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee supports the Board in its responsibilities regarding issues of staff resource and staff performance, including, but not limited to, recruitment, staff structure, remuneration and resource, human resource policies and practice and legislative compliance.

Chief Executive

The role of the Chief Executive carries with it the designation of Accounting Officer by the Departmental Accounting Officer of the sponsor department. The Accounting Officer is personally responsible for safeguarding the public funds for which the Chief Executive has charge, for ensuring propriety and regularity in the handling of those public funds and for the day-to-day operations and management of the Charity Commission for Northern Ireland.

In particular, the role involves the following responsibilities:

- Planning, establishing and monitoring, in agreement with the sponsor department and the Commission's Board, the Commission's corporate and business plans in support of wider strategic aims and the outcomes and targets contained in its current Public Service Agreement.
- Advising the Board on discharging its responsibilities.
- Managing risk and resources: ensuring that a system of risk management is maintained to inform decisions on financial and operational planning to help achieve objectives and targets, and to ensure that an effective programme, project management and contract management system is maintained.
- Accounting for the Commission's activities.

Operational activity

Operational management of the Commission is carried out by a senior management team led by the Chief Executive (Frances McCandless). The Chief Executive is supported by the Head of Charity Services, Head of Corporate Services, and the Head of Compliance & Enquiries. This team makes decisions involving day-to-day operations and implements the programmes and policies arising from the Board's decisions.

The Charities Act (Northern Ireland) 2008 lays out the operational areas of work for the Commission. As part of the transition from the previous system of charity law to the new regulatory framework administered by the Commission, a series of commencement orders will bring into effect provisions of the Charities Act (Northern Ireland) 2008. These areas of work include a portfolio of programmes, regulation and assurance:

- Registration programme for all charities.
- Annual monitoring and compliance programme for all registered charities.
- Consents programme.
- Requesting a scheme programme.
- Investigations.
- Interim Manager.
- Tribunal Process.
- Official Custodian.

- Removing/suspending trustees and/or employees.
- Mergers and closures for registered charities.
- Regulation of fundraising.

Equality and disability

The Charity Commission for Northern Ireland is committed to the fulfilment of its Section 75 obligations, under the Northern Ireland Act 1998, in all aspects of its work. The Commission has worked with the Equality Commission for Northern Ireland to deliver an equality scheme which will be implemented throughout the life of this Corporate Plan. Responsibility for the effective development, implementation, maintenance and review of equality lies with the Chief Commissioner and Chief Executive.

Under amendments made to the Disability Discrimination Act in 2006, the Charity Commission must take into account the need to promote positive attitudes towards people with a disability, and to encourage participation by disabled people in public life. The Commission is committed to developing and implementing a Disability Action Plan during the life of this Corporate Plan.

Freedom of Information and Publication Scheme

The Freedom of Information Act 2000 has created a statutory right of access to public information. As a public body, the Commission has an obligation and is committed to providing information where available (and no exemption applies).

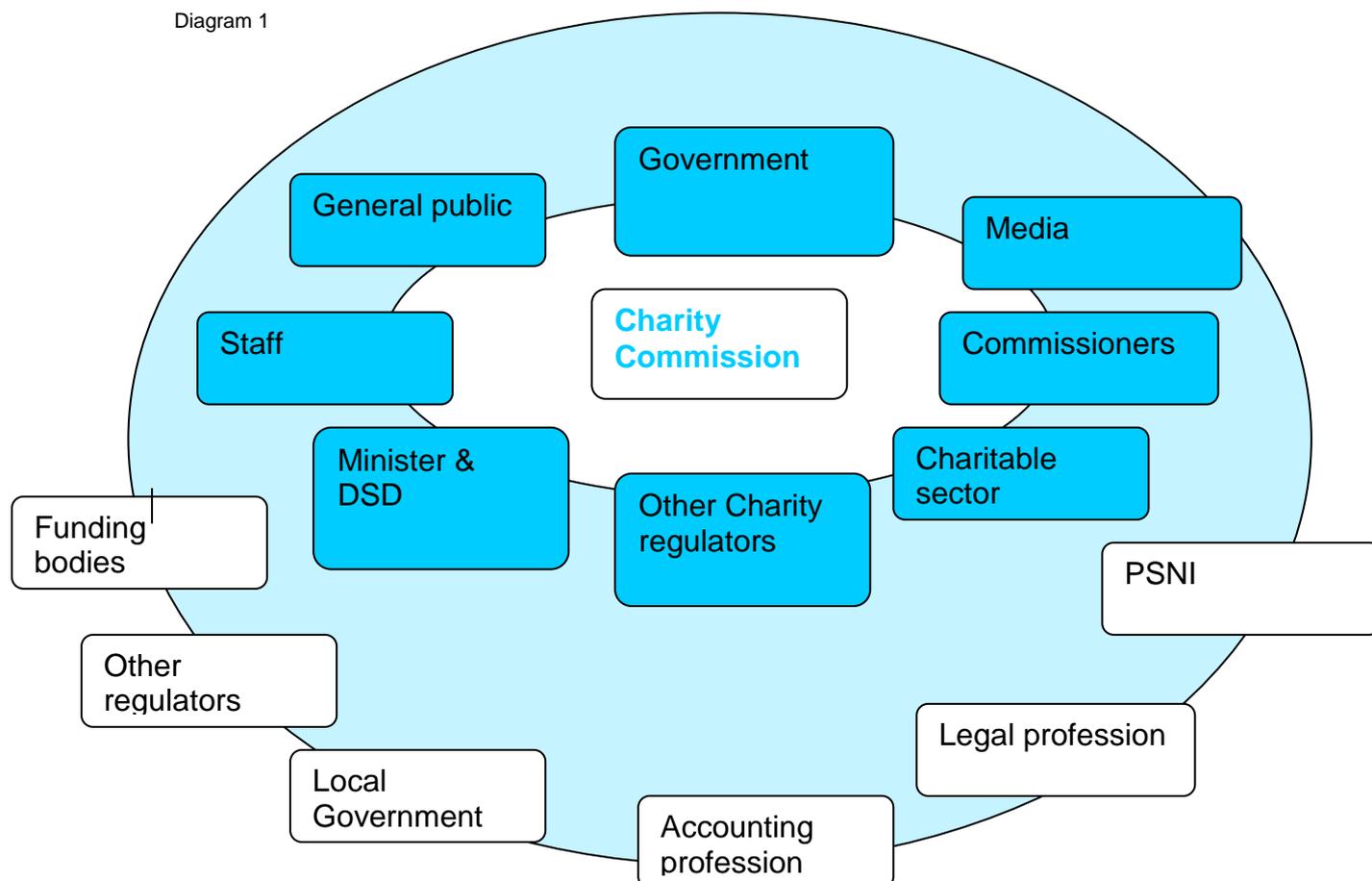
The Act requires us to produce a Publication Scheme. By 'publication' we mean information that is available to the public in a variety of formats, for example, reports on paper or web pages. We have developed and published a Publication Scheme, which will be progressed within the lifetime of this Corporate Plan.

5. Strategic context

Operating environment

There are many people and organisations that interact within the Charity Commission's operating environment. These are summarised in Diagram 1 below:

Diagram 1



Since it was established in March 2009, the Commission has met with many groups and individuals to build an understanding of the current environment and consider stakeholders' needs and expectations.

Charity context

Charities make a significant contribution to civic life in Northern Ireland. They improve society by providing diverse activities and services that range, for example, from small community groups working at grass roots level to umbrella bodies, from arts and cultural organisations to groups providing health and environmental services.

The Northern Ireland Council for Voluntary Action (NICVA) carries out a regular analysis of the voluntary and community sector. *State of the Sector VI* indicates a sector with the following key features:

- Number: 4,836 organisations.

- Income: £741.9 million.
- Expenditure: £719.6 million.
- Direct departmental expenditure: £254 million.
- Assets: £863.8 million.
- Workforce: 27,773.
- Volunteers: 189,362.

Her Majesty's Revenue and Customs (HMRC) detail that over 7,000 organisations from Northern Ireland are accepted as charitable for tax purposes. The definitive number of Northern Ireland charities will be established when the Commission introduces the Register of Charities and registration work is largely completed by 2017.

The Commission, through its registration and monitoring and compliance activities, will build a clear picture of the sector's diversity, size, location, beneficiaries, activities and income levels, as well as the longer term impact of regulation on public confidence.

While it is important for us to have access to the information that we are collecting, it is equally important to make the information publicly available, in keeping with our objective of enhancing the accountability of charities to donors, beneficiaries and the general public. Information will be made available on our website when we collect and collate it and we will encourage the public to make use of it. We will also devise a means by which the combined information that we collect can be used for research and information purposes.

Since our establishment, we have become increasingly aware that charities are coming under more pressure to improve their efficiency and accountability, deliver services to high standards and demonstrate that they are providing value for money. We have an important role to educate and assist charities, and are mindful of the high level of charity volunteering, in matters of governance and management. We will do this ourselves but also in partnership with other agencies, both government and non-government, that have skills and resources in this area.

The public

The public is an important stakeholder in the charitable sector. Members of the public receive services and provide funds, support and resources (including volunteering). The public do not currently have much access to information about charities and those charities that did not want to divulge financial information have had no requirement to do so. One of the Commission's key functions is to make information about charities available to the public through the development of a Register of Charities. Information required for registration (such as trustee details) and annual return information (including annual accounts). This will be made available via the Commission's online Register of Charities. The Register will have a search facility that will enable the public to search for information about registered charities using a number of search criteria.

We believe that the availability of information on the Register of Charities will enable the public to develop a greater degree of understanding about

the charities with which they interact, and will assist with the development of trust and confidence in the sector.

The Government

The NI Executive's Programme for Government 2011-2015 sets priorities as, "Building a strong and shared community" alongside "Delivering high quality and efficient public services". As a non-Departmental Public Body, our role encompasses delivering these objectives.

Our status dictates that we operate independently and impartially while remaining accountable to the Minister for Social Development for our performance and use of public funds. The NDPB model allows us to work independently of government in our decision making, but within DSD's broader strategy for charity law reform and regulation.

The Commission's strategic direction will therefore also actively contribute to DSD's Corporate Plan objectives. Specifically, our statutory functions will assist the Department in its commitment to increase sustainability in the broad community sector.

Through the Programme for Government and DSD's commitments, government acknowledges the important economic and social contribution that the charitable sector makes to Northern Ireland society.

The Concordat between government and Northern Ireland's voluntary and community sector recognises the importance of a close working relationship between both parties in achieving positive social, economic, cultural, and environmental outcomes. Government also wants to be sure that public and private funds flowing into the sector are used appropriately and that they are used for the charitable purpose of the charity organisation.

Government has expressed a desire that government agencies coordinate their activities, wherever possible, to avoid duplication and minimise compliance costs to the sector. This extends to ensuring that the sector has access to appropriate advice and support concerning regulatory obligations. Information held on the Register of Charities will allow for much easier communication with the sector than has been previously possible.

Government agencies

Many government agencies interact with charities. Charities can be recipients or providers of government services, providers of information, subjects of regulatory intervention or partners working in particular communities. We will work cooperatively with these agencies to ensure that the services available are well integrated and coordinated.

It is important for government agencies that charities are transparent, well managed and effective. They also need reliable data on the sector so that appropriate policy is developed. They will increasingly be looking to

the Commission to be a leading source of information and guidance on issues relating to the sector.

Financial

The continuing economic difficulties and associated austerity spending reviews will undoubtedly have an impact on the charitable sector in terms of its ability to deliver services and in the type of services it is required to provide to meet demands. Organisations will have to individually and collectively deal with the challenges a weak economic environment brings. These may include withdrawal of some services, a fall in income from the public sector and from the general public, and the governance challenges of managing staff in a downturn, which may include redundancies and wage reductions. Nevertheless it is certain that the sector will continue to play a vital role in Northern Ireland society.

Regulation

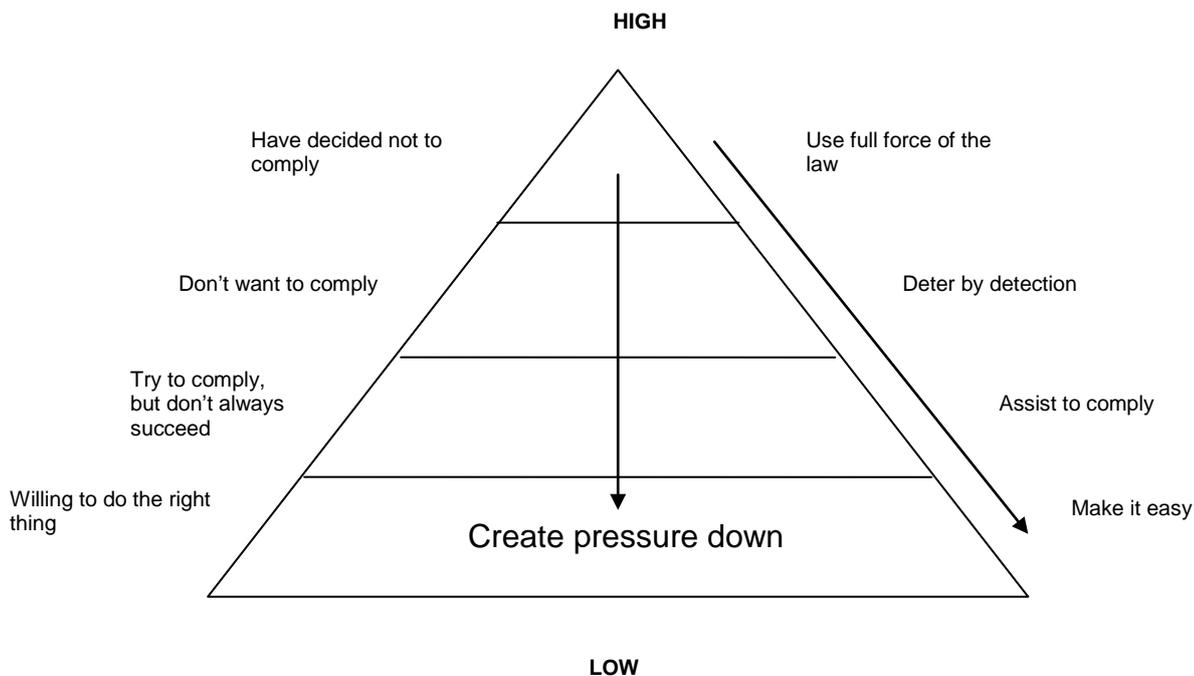
The Charity Commission for Northern Ireland aims to take a modern, risk-based approach to regulation. We intend to minimise the burden of regulation on charities, wherever possible, whilst still ensuring that the law is fully implemented. We will combine this with a 'smart' approach to monitoring and compliance to encourage maximum compliance with the most cost-effective use of our own limited resources.

Proportionality and informed assessment of risk will underpin our approach to carrying out our work. Where we judge risks to be low, we will apply lighter touch regulation and will make advice and guidance widely available through our website to enable charities dealing with common, low-risk issues to improve their own practice. Where risks are high, we will ensure robust monitoring and investigation and provide targeted advice and guidance as required.

We will encourage maximum compliance by seeking to create the right incentives for charities to comply with the law. We will support high levels of compliance amongst charities, and monitor overall compliance in a cost-effective way. This multi-tiered approach is reflected in the 'regulatory pyramid' ¹ diagram 2 shown below.

Diagram 2

¹ Sparrow, Malcolm (2000) *The Regulatory Craft: Controlling Risks, Solving Problems and Managing Compliance*. Brookings Institution Press



At the most basic level of promoting compliance we will enable those seeking to comply to do so by providing the appropriate systems and information. At the next level (deter by detection) we will review compliance by sampling the annual monitoring returns of charities, enabling us to look closely at their activities, governance and finances.

At the peak of the pyramid we will use our legal powers to institute inquiries and take remedial action where necessary. We will co-operate with other agencies in doing so, where relevant, to ensure effective use of resources.

Public body

The Commission has in place with its sponsor department, a MSFM that explains the broad framework within which the Commission will operate. The Commission works with the Voluntary and Community Unit of DSD, which has responsibility for the overall policy framework and legislation in respect of charity matters in Northern Ireland. During the period of this Corporate Plan, we expect most of the Charities Act (Northern Ireland) 2008 to be implemented, requiring drafting, consultation and the development of new procedures as further provisions are commenced.

As a public body we also have a general responsibility to take account of relevant policy priorities of the Northern Ireland Executive, whilst maintaining our operating independence and delivering the public best value.

Key developments which are particularly relevant to us as a public body include:

- Expectations on all public bodies to put arrangements in place that support best value. This will involve continuous performance

improvement and maximising the value for money of all our activities.

- The likelihood of constraints on available funding for public services in Northern Ireland influencing the scale and scope of our activities.

This will however:

- encourage us in our existing commitment to create strong links and partnerships with umbrella bodies and other regulators to maximise delivery of services to the charitable sector;
- challenge us to find innovative ways of reaching charities and our other stakeholders; and
- reinforce our drive to develop a risk-based approach to regulation.

6. Corporate objectives

In order to deliver our vision of 'a dynamic and well governed charities sector in which the public have confidence, underpinned by the Charity Commission for Northern Ireland's effective delivery of its regulatory and advisory role,' we have detailed our aims and objectives as part of the Commission's operational planning arrangements.

These set out what we are trying to achieve by way of impact, how we will do it, when we will take action to deliver the objective, how we might measure success and who is responsible.

<p>Increase public trust and confidence in charities.</p> <p>1.1 Communicate the work of the Commission effectively.</p> <p>1.2 Implement the relevant sections of the Charities Act (Northern Ireland) 2008.</p> <p>1.3 Review the impact of the Charities Act (Northern Ireland) 2008 as it is implemented.</p> <p>1.4 Use appropriate legal powers and participate in Tribunal/Court processes as necessary.</p>	<p>Promote awareness and understanding of the operation of the public benefit requirement.</p> <p>2.1 Develop a range of guidance and advice.</p> <p>2.2 Review the effectiveness of the guidance and advice produced.</p> <p>2.3 Monitor awareness of the public benefit requirement.</p>
<p>Promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.</p> <p>3.1 Establish a compliance monitoring programme for registered charities.</p> <p>3.2 Investigate alleged misconduct and mismanagement in charities.</p> <p>3.3 Develop and maintain partnerships with key stakeholder bodies.</p> <p>3.4 Promote compliance by supporting trustees in the effective control of charities.</p>	<p>Promote the effective use of charitable resources.</p> <p>4.1 Provide access to a range of information on effective use of resources by the charity sector.</p>
<p>Enhance the accountability of charities to donors, beneficiaries and the public.</p> <p>5.1 Develop and maintain a register of charities.</p>	<p>Manage the Commission as an effective and efficient non-departmental public body.</p> <p>6.1 Maintain a flexible, responsive organisational structure and</p>

<p>5.2 Implement accounting regulations for Northern Ireland charities.</p> <p>5.3 -Hold and display other information relevant to charities.</p>	<p>appropriate governance and management arrangements.</p> <p>6.2 Ensure Commission staff are valued, recognised and appropriately skilled to meet business needs.</p> <p>6.3 Prioritise available resources to ensure appropriate systems and resources are in place to enable effective operation.</p>
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Strategic Aim 1**Public confidence**

To increase public trust and confidence in charities.

What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/15	2015/16	2016/17		
1.1 Communicate the work of the Commission effectively.	a) Communicate with a range of stakeholders using the methods identified in the Commission's communications strategy.	√	√	√	Report against performance measures in the annual communications plan and yearly planner linked to business plans. KPI - 60,000 hits on the website.	Board Chief Executive (CEX) Head of Charity Services (HCS) Head of Compliance & Enquiries (HC&E) Head of Corporate Services (HCoS)
	b) Develop and manage the website as the primary means of communication with the public and other stakeholders.	√	√	√	Report web traffic and timeliness of updates to the website as part of the communications plan.	Communications Officer (CO)
	c) Implement and monitor the operation of the participation strategy.	√	√	√	Report on the effectiveness of the operation of the participation strategy through post-consultation evaluations.	CO

Strategic Aim 1						
Public confidence						
To increase public trust and confidence in charities.						
What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
1.2 Implement the relevant sections of the Charities Act (Northern Ireland) 2008.	a) Develop and review relevant programmes, processes and procedures to deliver sections of the Act as they are commenced.	√	√	√	Programmes, processes and procedures will be in place. Staff will be trained and systems operational by the date of each commencement.	Board HCS HCE HCoS
	b) Review internal procedures and processes as the Act is implemented.	√	√	√	Processes will be reviewed and amended as required within 24 months of implementation.	HCS HC&E
1.3 Review the impact of the Charities Act (Northern Ireland) 2008 as it is implemented.	a) Implement a research agenda and report on findings and impact measurement.	√	√	√	Research findings published citing prevalence of impacts. Report overall level of public trust and confidence in charities.	HCS Policy Manager (PM)
	b) Evaluate research findings and liaise with charity sector to inform policy development plan	√	√	√	New policy programmes identified and research agenda developed to inform stakeholders about impacts.	HCS PM
1.4 Use appropriate legal powers and participate in Tribunal/Court processes as necessary.	a) Make legal decisions, respond to challenges and incorporate rulings, and seek legal clarifications when necessary	√	√	√	Implications incorporated into existing processes within a reasonable time period and challenges made within statutory time limits.	Board HCS HC&E

Strategic Aim 2							
Public benefit							
To promote awareness and understanding of the operation of the public benefit requirement.							
What we aim to do		Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
			2014/2015	2015/2016	2016/2017		
2.1	Develop a range of guidance and advice.	a) Promote public benefit and registration guidance.	√	√	√	Assessment of awareness and effectiveness of publications. KPI – >75% satisfaction with public benefit guidance.	Board HCS
		b) Disseminate information and advice on the public benefit requirement	√	√	√	Evaluation of sectoral-based presentations/events. Public benefit general enquiries process response times.	HCS
2.2	Review the effectiveness of guidance and advice produced.	a) Monitor the introduction and usage of the public benefit guidance and review after an appropriate period.	√	√	√	Review the information provided in registration applications with regard to public benefit to identify issues. Report on results of survey to applicants to establish usefulness of the guidance.	HCS
2.3	Monitor awareness of the public benefit requirement.	a) Report trustee awareness and understanding of public benefit requirement through the use of surveys.	√	√	√	Report on survey results to show increase from 2013/14 baseline of Trustees knowledge.	HCS

**Strategic Aim 3
Compliance**

To promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.

What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
3.1 Establish a compliance monitoring programme for registered charities.	a) Implement interim compliance monitoring systems.	√	√	√	Interim processes and procedures will be in place. Staff will be trained and systems operational.	HC&E Finance & Admin Manager (F&AM)
	b) Develop a full compliance monitoring programme.	√	√	√	Agreement of a full risk based monitoring approach. Guidance will be available and published on the website.	HC&E F&AM
	c) Prepare for implementation of full compliance monitoring.			√	Processes and procedures developed to monitor compliance with annual reporting and accounting regulations.	HC&E F&AM

**Strategic Aim 3
Compliance**

To promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.

What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
3.2 Investigate alleged misconduct and mismanagement in charities.	a) Respond to problems identified either through compliance work or concerns about the misconduct and mismanagement of charities.	√	√	√	Deal with investigations in line with approved procedures and within established process timescales. KPI – Process up to 130 investigations into concerns per annum.	Board HC&E Enquiries Manager (EM)
	b) Act on findings and take remedial action appropriate to each case.	√	√	√	Communicate required action to charities and monitor implementation within timescales. KPI - 80% initial risk assessment of concerns within 30 days.	HC&E EM
	c) Share lessons arising from investigations and compliance work to benefit the more effective operation of charities.	√	√	√	KPI – produce up to 6 reports on findings of investigation work per annum.	HC&E EM

**Strategic Aim 3
Compliance**

To promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.

What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
3.3 Develop and maintain partnerships with key stakeholder bodies.	a) Maintain regular liaison with key stakeholders, for example, other statutory bodies and charity sector intermediaries.	√	√	√	The effectiveness of our consultation and participation activities will be evaluated in line with our Participation Strategy.	Board CEO HCS HC&E HCos
	b) Develop and review Memoranda of Understanding (MOU) with relevant key stakeholders.	√	√	√	MOUs will be in place and subject to review within twenty-four months of establishment. Prioritise and develop a further five MOUs.	CEO
3.4 Promote compliance by supporting trustees in the effective control of charities.	a) Develop compliance guidance for trustees on exercising control and management of a charity.	√	√	√	Guidance will be published and available for use.	Board HC&E

Strategic Aim 4						
Charitable resources						
To promote the effective use of charitable resources.						
What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
4.1 Provide access to a range of information on effective use of resources by the charity sector.	a) Promote links and sign posting to other regulators, helper organisations and sources of information provided on the website.	√	√	√	Links will be available on our website and CCNI will have sign posted organisations to other helper agencies and sources of information. Responses to general enquiries will be analysed.	HCoS CO
	b) Develop and publish a range of advice and information relevant to the use of charitable resources.	√	√	√	KPI - 28 pieces of guidance information and advice developed and published.	HCS

Strategic Aim 5						
Accountability						
To enhance the accountability of charities to donors, beneficiaries and the public.						
What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
5.1 Develop and maintain a register of charities.	(a) Implement the Registration Programme.	√	√	√	KPI – deliver decisions on 9,000 charity registrations. Registration programme will be progressed in the lifetime of this plan.	HCS
	(b) Monitor and review the Registration Programme.	√	√	√	Review completed and initial lessons learned implemented.	HCS
	(c) Make available an up-to-date public register of charities on the website.	√	√	√	The register will be available online.	HCoS
	(d) Make available on the website information on charities' compliance with the requirements of the legislation to enhance accountability.	√	√	√	Registered charity information will be available on the website.	HCoS

**Strategic Aim 5
Accountability**

To enhance the accountability of charities to donors, beneficiaries and the public.

What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
5.2 Implement accounting regulations for Northern Ireland charities.	(a) Work with Charity SORP committee on development of charity accounting formats.	√			Attendance at Charity SORP committee and consultation events. Issues taken forward with DSD.	HC&E
	(b) Work jointly with DSD on development of NI charity accounting regulations.	√			Plans for a joint public consultation with DSD.	HC&E
	(c) Develop and publish guidance.	√	√		Guidance will have been developed and published after the outcome of the consultation is known.	HC&E
	(d) Incorporate accounting requirements into interim annual monitoring.		√		Adherence to the accounting regulations will form part of the monitoring programme.	HC&E
5.3 Hold and display other information relevant to charities.	a) Develop registers and relevant lists of charity information as required by the Act.	√	√		Production and maintenance of a range of information as relevant sections of the Act are commenced on the website e.g. a register of mergers.	HC&E HCoS

Strategic Aim 6						
Delivery						
To manage the Charity Commission for Northern Ireland as an effective and efficient non-departmental public body.						
What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
6.1 Maintain a flexible, responsive organisational structure and appropriate governance and management arrangements.	(a) Establish and implement robust operational structures and processes to deliver our services	√	√	√	Corporate processes are in place and being followed as demonstrated by annual external and internal audits	Board CEO HCoS
	(b) Continue to develop and maintain appropriate Corporate Governance structures to ensure we are an effective and accountable organisation.	√	√	√	Corporate processes are in place and being followed as demonstrated by annual external and internal audits. Review Governance manual annually, MSFM compliance reviewed twice yearly. A&R ctte regularly scrutinise risk.	Board CEO HCoS
	(c) Establish a robust corporate and business plan, and maintain reporting mechanisms.	√	√	√	Business planning and reporting is appropriate and timely. KPI - 100% overall business plan measures and targets achieved.	Board CEO HCoS
	(d) Make accessible via the web key minutes and governance documents to ensure transparency and accountability	√	√	√	Regular review of website to ensure relevant and up-to-date documents are available within 5 days of Board meetings.	Board CEO HCoS

	(e) Maintain strong working relationships with sponsor department.	√	√	√	Meetings held with the sponsor department on a regular basis and further liaison as required.	Board CEO
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Strategic Aim 6**Delivery**

To manage the Charity Commission for Northern Ireland as an effective and efficient non-departmental public body.

What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
6.2 Ensure Commission staff are valued, recognised and appropriately skilled to meet business needs.	(a) Implement and review HR policies and procedures. to ensure compliance with current legislation and practice.	√	√	√	HR policies are in place, being followed and meeting needs as evidenced by quarterly assurance checks. KPI: Staff absence <3%.	Board HCoS
	b) Deliver the Equality Scheme and Action Plan commitment to equality and good relations.	√	√	√	Policies in place, and monitored, commitment evident.	Board All staff
	(d) Meet identified skills needs through appropriate training for staff and Commissioners.	√	√	√	Training and learning needs audit completed and training identified/delivered within budget.	HCoS

Strategic Aim 6**Delivery**

To manage the Charity Commission for Northern Ireland as an effective and efficient non-departmental public body.

What we aim to do	Actions we will carry out	When we plan to do it			How we will measure success	Who is responsible
		2014/2015	2015/2016	2016/2017		
6.3 Prioritise available resources to ensure appropriate systems and resources are in place to enable effective operation	a) Integrated IT system (InITs) developed and implemented.	√	√		Work orders agreed and build underway.	HCoS
	b) Manage strategic development and delivery of IT systems.	√	√	√	Implement IT review recommendations.	HCoS
	c) Maintain robust financial forecasting and budgeting processes.	√	√	√	Forecasting and budgeting processes in place and meeting needs. Budget spend within 1% variance at year end.	HCoS
	d) Review staffing structure.		√	√	Report produced, recommendations raised with sponsor dept and changes implemented.	CEX HCoS
	e) Review premises to ensure continuing to meet needs			√	Review completed prior to break lease point and recommendations brought forward.	HCoS

7. Resources

Source of income: 100% Grant in Aid from the Department for Social Development

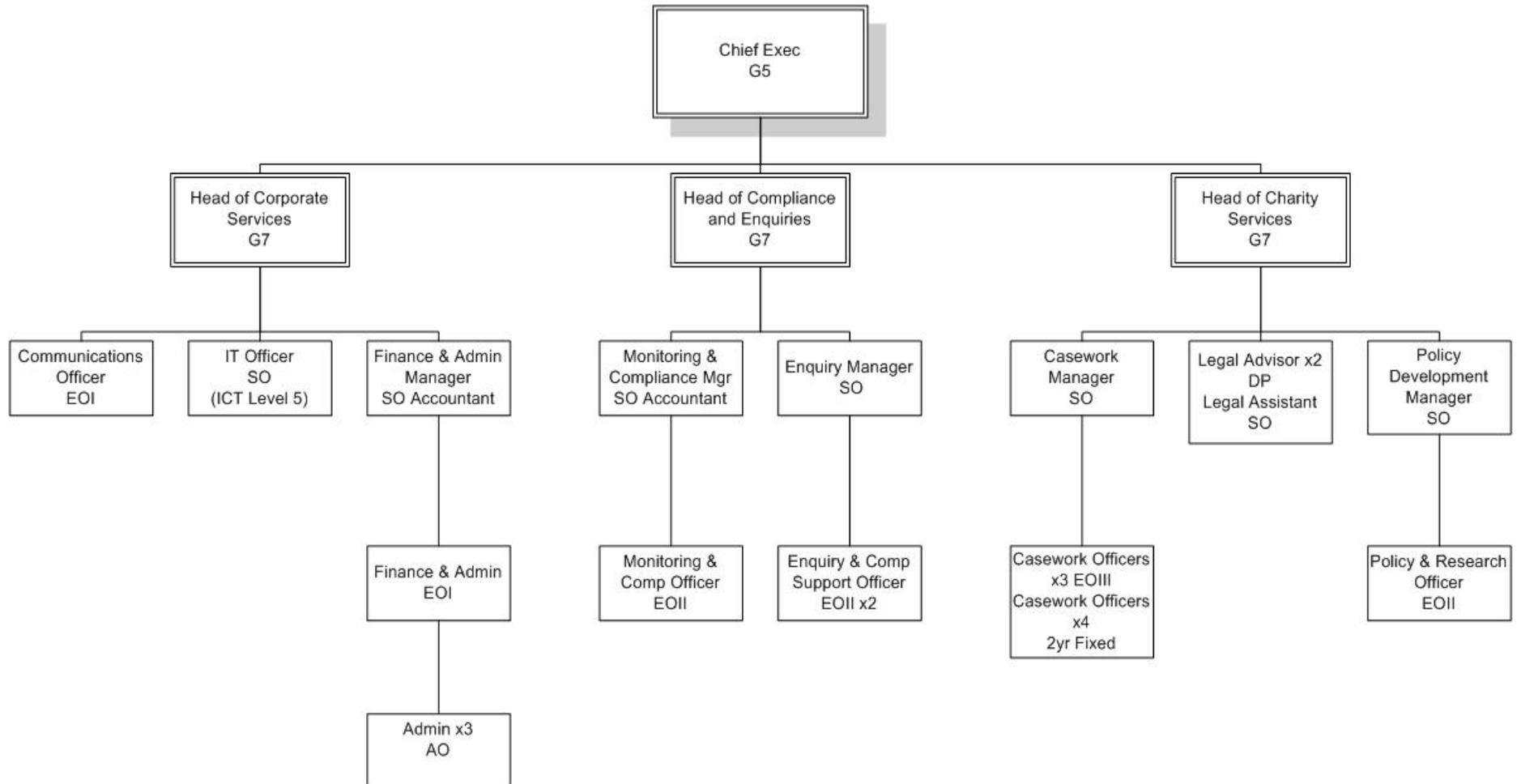
Draft Budget

Item	2013/14 Baseline	2014/15	2015/16	2016/17
Commissioners Remuneration	£20,700	£20,700	£20,700	£20,700
Staffing Costs	£964,007	£1,138,268	£1,076,485	£1,014,013
Staff/Commissioner Non-Remuneration Costs	£53,375	£55,438	£55,938	£49,188
IT Costs	£91,630	£157,000	£157,000	£157,000
Premises Costs	£62,949	£72,911	£75,520	£73,082
General Running Costs	£22,750	£42,969	£45,688	£39,938
Programme Delivery Costs	£100,500	£159,500	£160,000	£160,000
TOTAL REVENUE COSTS	£1,307,911	£1,646,785	£1,591,330	£1,513,920
Capital Costs				
Integrated IT System	£230,000	£149,000	£20,000	£0
CCNI Accommodation Enhancements	£21,000	£0	£0	£0
Total Capital Costs	£251,000	£149,000	£20,000	£0
Overall Total	£1,558,911	£1,795,785	£1,611,330	£1,513,920

Budgeting Assumptions

- It is assumed the NICS 2014/15 pay settlement will be followed by a pay freeze.
- All Light Touch Review assumptions about resource allocation remain unchanged, in particular that four secondees will end in November 2016-17.
- All Light Touch Review assumptions about resource consumption remain unchanged, in particular that there will be no provision for annual increase in Commissioners or related costs. Maternity Cover to end of December 14, one recruitment per year of replacement staff members, training will reflect identified needs and essential refresher training, IT budget will increase to reflect Integrated System support from CCEW and IT Assist, No migration to Account NI for accounts, Rates costs with inflationary increase. Stationery based on a small uplift on previous years budget for staff usage. Telephony based on current call costs. Legal and Professional services includes £120k. £2.5k printing annual report/plans, £15k on consultation related activity. 10% increase in events and hospitality per annum, No change investigation and interviewee costs, minor equipment to cover repairs and renewals, equipment replacement.
- CCNI will remain at its current premises at Loughview, Lurgan and there will be no change in the current rent charge after the passing of the first break point in the lease.
- Overall capital allocation for InITs project will remain and IT support will continue with CCEW and IT Assist on current cost basis.

Staff Structure



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The Charity Commission for Northern Ireland (CCNI) is the regulator of charities in Northern Ireland. It is a non-departmental public body sponsored by the Department for Social Development.

The Commission's vision is to create

'A dynamic and well governed charities sector in which the public has confidence, underpinned by the Charity Commission for Northern Ireland's effective delivery of its regulatory and advisory role'.

Further information about the Commission's activities is available from:

www.charitycommissionni.org.uk

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