

Charities Regulatory Authority's Governance Framework

Table 1 Policy details

Author	Corporate Affairs
Rev	Rev 002
Date	22 nd June 2023

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1. Introduction

The Charities Regulatory Authority (“the Charities Regulator”) is committed to high standards of corporate governance. This is particularly important given the need for the organisation to embody the standards that it sets for others.

This Governance Framework is intended to ensure that the Charities Regulator as an organisation, has all key aspects of governance in place and is actively keeping its governance procedures under review. The Governance Framework is also intended to explain clearly to our stakeholders and to the wider public, how we govern the organisation and how key responsibilities are assigned within the Charities Regulator.

The Governance Framework forms part of the Charities Regulator’s overall Governance and Assurance Framework. It reflects the legislation under which it must function, government guidelines including the [Code of Practice for the Governance of State Bodies \(2016\)](#) (“the Code”) and organisational arrangements and practices for directing and controlling the business of the Charities Regulator.

Corporate governance as described in the Code (pg. 4) comprises “the systems and procedures by which organisations are directed, controlled and managed.” Furthermore, it says that State bodies should serve the “interests of Government as shareholder, the taxpayer, and all other stakeholders, and pursue value for money in their endeavours, including managing risk appropriately. The Code advises that State bodies “should act prudently, ethically and with transparency as public entities and should conduct their activities consistent with their statutory responsibilities.”

1.1 Purpose and Scope of the Corporate Governance Framework

The Charities Regulator's Corporate Governance Framework is intended as a guide for everyone who works for, and on behalf of, the Charities Regulator, as well as those we serve. It sets out the standards of conduct we expect from our employees and office holders, our values, and the governance systems and procedures, to which we seek to adhere. All Charities Regulator staff, Authority and committee members have a role to play in ensuring the principles of good governance are adhered to, and that the Charities Regulator complies with the Code.

1.2 A living framework

The objective for this Governance Framework is to ensure that:

- the Charities Regulator's systems of accountability and responsibility, including its compliance arrangements, are effective, robust, clear, and identifiable; and
- the Framework evolves so that the Charities Regulator can better adapt to social, political, technological, environmental and economic changes. The Framework should demonstrate the potential for continuous improvement and development and is therefore intended to be a living document which will evolve in line with best practice.

The Chief Executive and the Board of the Charities Regulator will review the Framework on a periodic basis as necessary to ensure its effectiveness and expand the Framework as further policies are developed and adopted.

2.0 Overview of the Charities Regulator

2.1 Governing Legislation

The Charities Regulator was established on 16 October 2014 and is responsible for the regulation of charitable organisations ('charities') and the protection of charitable assets.

2.2 Functions of the Charities Regulator

The key functions of the Charities Regulator are set out in the [Charities Act 2009](#) ('the Act') which are to:

- 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 the Act,
- carry out investigations in accordance with the 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, and
- provide information (including statistical information) or advice, or make proposals, to the Minister on matters relating to the functions of the Regulator.

The Charities Regulator also has functions under the Charities Act 1961 and 1973 in relation to the provision of services and assistance to trustees of charities in respect of the carrying out of the intentions of persons making donations and bequests to charities. These functions were transferred to the Charities Regulator from the Commissioners of Charitable Donations and Bequests for Ireland under section 82 of the Charities Act 2009.

2.3 Mission, Vision and Values

The Regulator’s Vision¹ is:

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

and its mission is:

“To regulate the charity sector in the public interest to ensure compliance with charity law and support best practice in the governance and administration of charities.”

The Regulator’s values as set out in the Strategy Statement are:

- *Independence*
- *Fairness*
- *Proportionality*
- *Accountability*
- *Respect*

3.0 Strategic Direction and Business Planning

3.1 Corporate Strategy

Strategy Statement

The Charities Regulator is required to adopt a Statement of Strategy (“Strategy”) on a three-yearly basis². The Strategy is submitted to the Minister who then arranges for a copy to be laid before each house of the Oireachtas. This document outlines the key strategic objectives for the period in question and is the basis for the Regulator’s annual business plans. The Board has adopted its third Statement of Strategy 2022-2024.

¹ As set out in the [Strategy Statement 2022 to 2024](#)

²In accordance with [Section 29 Charities Act, 2009](#)

Process for setting strategy

The Charities Regulator's Strategy is prepared following consultation, internally within the Charities Regulator, and externally with our stakeholders. A copy of the Strategy is submitted to the Minister in respect of the period of three years immediately following the year in which the Strategy is so submitted.

Progress against the Strategy is reviewed on a regular basis by members of the Charities Regulator's Board to ensure that the objectives and metrics identified are being met, to reflect on achievements, to consider resources available, or any obstacles or risks to achieving the remaining objectives.

3.2 Business Planning

The Charities Regulator's annual Business Plan sets out how it will carry out specific actions, which will deliver the high level objectives in the Strategy.

The preparation and implementation of an annual Business Plan is central to guiding and monitoring progress at an organisational and individual level. The Charities Regulator's Board approves the annual Business Plan and budget, and monitors performance and progress on a quarterly basis via a Business Plan Tracker mechanism.

The Charities Regulator links its strategic and annual goals to the work of the Charities Regulator's Executive Team ("ET"), and its staff, through the Charities Regulator's performance management development system ("PMDS"). This allows employees to see exactly how their individual work contributes to the achievement of the Charities Regulator's strategic objectives.

3.2 Annual Report

The Annual Report outlines the Charities Regulator's main achievements in line with its strategic objectives and other developments during the previous year. The Annual Report and Financial Statements provide the information necessary for an assessment of the Charities Regulator's financial performance, financial position, business model and strategy. The Annual Report is submitted to the Minister for Rural and Community Development, by 30th of June each year, for approval and laying before the Houses of the Oireachtas³.

4.0 External Stakeholders

4.1 Customer Charter

The Charities Regulator is committed to engaging with our customers in a courteous manner, to ensure the timely delivery of services and to be informative and effective in our engagement in accordance with the [12 Principles of Quality Customer Service](#). We treat all our customers equally and make every effort to ensure that the services we provide reflect their needs and expectations. The Charities Regulator has developed a [Customer Charter and Action Plan](#) to demonstrate our commitment to high quality customer service.

4.2 Stakeholder Engagement

As per [S.35 of the Charities Act 2009](#), the Charities Regulator takes such steps as it considers appropriate to consult with persons whom it considers may be affected by the performance of its functions. The Charities Regulator has a wide range of stakeholders, which it engages and consults with, including the Board; its own staff; charitable organisations; beneficiaries of charities; members of the general public; ministers; other government departments and committees; public representatives; members of the Oireachtas; other regulators; public bodies; state agencies and providers of goods and services.

The Charities Regulator is committed to consulting through a variety of means, and media, with all our stakeholders. We seek out, listen to, and take account of our stakeholders' views, via a variety of forums including surveys; webinars; working groups; consultative panels; stakeholder forum; workshops; presentations and meetings.

³ In accordance with [S.31.1 of the Charities Act 2009](#)

5.0 Structure of the Charities Regulator

5.1 Governance of the Charities Regulator

The Charities Regulator is an independent statutory body established under and governed by the Charities Act 2009. As a public body, the Charities Regulator works to ensure that we meet the requirements set out in the [Code of Practice for the Governance of State Bodies \(2016\)](#).

The Board of the Charities Regulator is responsible for overseeing the delivery of its statutory functions in the public interest. This includes agreeing on the strategy for the Charities Regulator and ensuring that its strategic objectives are met.

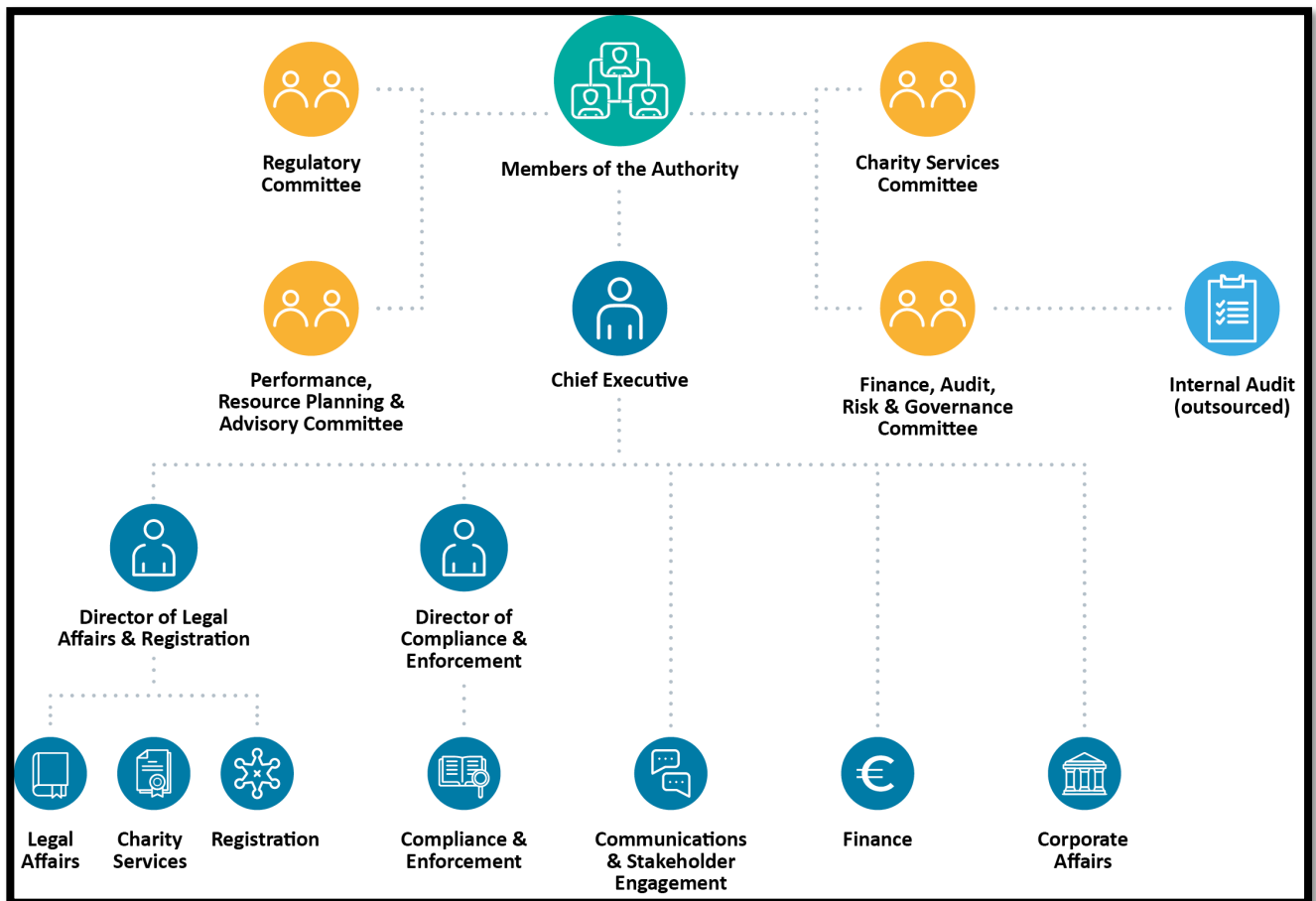


Figure 1: Organisational structure

The Chief Executive is appointed under the Charities Act 2009 and is responsible for leading the day-to-day work and operation of the organisation and seeing that the Charities Regulator's strategy and decisions are implemented efficiently and effectively. The Chief Executive reports to the Board of the Charities Regulator on the organisation's activities and performance.

5.2 Charities Regulatory Authority

The Charities Act 2009 provides that the Board of the Authority must consist of not less than 9 and not greater than 20 members (“Authority members”) who are appointed by the Minister for Rural and Community Development. The membership requirements of the Board of the Authority are detailed in [Schedule 1](#) of the Act which includes the following:

Removal of an Authority Member from office

An Authority member may be removed from office by the Minister if:

- (a) in the Minister’s opinion, the member has become incapable through ill-health of performing his or her functions,
- (b) or has committed stated misbehaviour, or
- (c) the removal of the member appears to the Minister to be necessary for the effective performance by the Authority of its functions.

Resignation of an Authority Member

In the event that an Authority member wishes to resign from the Board, they are required to write to the Minister informing him/her of their resignation and send a copy of the letter to the Chairperson of the Board of the Authority who then notifies the other Authority members of the of the resignation.

5.3 Committees of the Authority

The Act allows for the establishment of Committees to –

- (a) assist and advise the Board of the Authority in relation to the performance of any or all of its functions, and
- (b) perform such functions of the Charities Regulator as may stand delegated to them.

The Committees established by the Board of the Authority established under section 1 and Schedule 1 of the Act are as follows:

1. Finance, Audit, Risk and Governance (“FARG”) Committee;
2. Charity Services Committee (“CSC”);
3. Performance, Resource Planning and Advisory Committee (“PPRAC”);
4. Regulatory Committee (“RC”); and
5. Nominations Committee⁴.

The Board of the Authority may determine the terms of reference and regulate the procedure of a committee and with the consent of the Minister, may delegate such one or more of its functions as it considers appropriate to a committee. The Board of the Authority is responsible for appointing individuals to serve on committees. Appointments to committees are approved by the Authority. Nominations are made following an expression of interest process.

Any resignation of a committee member should be notified to the Chair of the committee, and to the Board of the Authority.

Each committee has its own Terms of Reference which defines the authority, membership, frequency of meetings, quorum and duties of the committees as required by the Code.

Currently the roles of the five [Committees](#) are as follows:

1. **Finance, Audit, Risk and Governance Committee (“FARG”)**: The roles of the FARG Committee is to provide advice on matters relating to Financial reporting; Risk management; Systems of internal control; Audit; and the Charity Regulator’s process for monitoring compliance with its statutory obligations.

⁴ Unlike the other Committees of the Board, the Nominations Committee is not a standing committee and is convened as required.

2. **Charity Services Committee (“CSC”)**: The roles of the CSC is to assist the Board of the Authority in carrying out the functions previously vested in the Commissioners of Charitable Donations and Bequests. These include authorising disposal of charity property, appointment of new trustees and vesting of charity property in trustees, framing of Schemes of Incorporation and Cy-Près Schemes and approval of grants and scholarships.
3. **Performance, Resource Planning and Advisory Committee (“PPRAC”)**: The roles of the PRPAC is to assist the Board of the Authority to manage the recruitment of a CEO, to oversee the performance management process for senior management and to consider the terms and conditions of members of staff of the Charities Regulator including the terms under which staff are assigned/seconded/allocated/transferred to the Charities Regulator.
4. **Regulatory Committee (“RC”)**: The roles of the RC is to oversee the effectiveness and controls around the delivery of the Authority's registration, reporting and other regulatory functions.
5. **Nominations Committee (“NC”)**: The roles of the NC is to lead the process to search for, identify and attract individuals with specific professional qualifications, expertise and relevant experience to fulfil the role/s as an External member of the Board’s sub-committees.

5.4 Organisational Structure

The Board of the Authority consists of members⁵ with a broad range of skills and experience in line with the Code. The Authority Members were appointed by the Minister for Justice and Equality, the Minister of State for the Department of Rural and Community Development, and the Minister for Rural and Community Development.

The overall organisation

The organisation chart is available on our [website](#). The organisation consists of a number of business units which have responsibility for Compliance and Enforcement, Registration, Legal Affairs & Charity Services, Corporate Affairs, Finance and Communications & Stakeholder Engagement.

⁵ [Schedule 1, 2. \(1\) of the Charities Act](#) states that the Authority shall consist of not less than 9 and not greater than 20 members

6.0 The Board of the Charities Regulator

6.1 The Board of the Charities Regulator's accountability

Subject to the Charities Act 2009, the Board of the Charities Regulator is independent in the performance of its functions and it may perform any of its functions through or by any member of staff of the Charities Regulator authorised in that behalf by the Board.

The powers and responsibilities of the Board of the Charities Regulator are exercised jointly by its members, each of whom has a statutory and fiduciary duty (i.e. the duty to act in good faith, and in the best interests of the Charities Regulator), in discharging them. The Board of the Charities Regulator is accountable to the Minister for Rural and Community Development, and the Oireachtas, for the overall performance of the organisation and for exercising its public responsibilities by ensuring it always acts within the context of the public benefit.

The Board of the Charities Regulator is responsible for ensuring good governance by setting strategic objectives and targets and taking strategic decisions on all key business issues. The Board provides strategic guidance for the Charities Regulator and monitors the activities and effectiveness of management. The Board is responsible for holding the Chief Executive to account for the effective performance of their responsibilities.

The Board is accountable for its Board decisions, for the overall performance of the organisation, for ensuring that the necessary organisational and management framework is in place and has a fiduciary duty in relation to the Charities Regulator's affairs and finances.

The Board of the Charities Regulator is required to act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Charities Regulator, subject to the objectives set by government. The Board has a key role in setting the ethical tone and culture of the Charities Regulator, leading by example and ensuring that good standards of governance and ethical behaviours permeate through all levels of the organisation. The Charities Regulator has adopted a [Code of Business Conduct](#) for Members of the Board and its committee members in accordance with the Code of Practice for the Governance of State Bodies (2016).

6.2 Collective and Individual Responsibilities of Members of the Board of the Charities Regulator

When considering roles and responsibilities in the Charities Regulator, its role and remit is the first point of reference. The Charities Regulator was established under the Charities Act 2009 (“the Act”). Its mission as set out in its strategy is “to regulate the charity sector in the public interest to ensure compliance with charity law and support best practice in the governance and administration of charities.” The Charities Regulator uses the provisions of the Act to serve as the Terms of Reference for the Board - [Schedule 1 of the Act](#) sets out the role of the Board. It has set up Standing Orders – rules to manage the Board. The Charities Regulator also complies with the provisions of the Code regarding the Role of the Board⁶.

All members of the Board of the Charities Regulator are afforded the opportunity to contribute to the Board’s deliberations and are encouraged to engage constructively. At the same time, the Board is required to guard against any attempts by a member, or members, to exert excessive influence over decision making. The Board fosters a culture in the Board room, which supports openness and debate and facilitates effective contributions from Board members and members of the Executive Team and staff alike.

The Board operates on the principles of collective responsibility, support and respect, integrity, confidentiality, loyalty and fairness. Decisions by the Authority are normally made by consensus rather than by formal vote. Failing a consensus, decisions are made by a vote. In certain circumstances, it is necessary for the Board to make a decision in the period between scheduled meetings and the Board has established Standing Orders to facilitate decisions between scheduled meetings.

⁶ As set out in section 1 of the *Code of Governance for State Bodies (2016)*.

Board of the Charities Regulator's members' individual responsibilities

While there is a suite of policies and procedures in place ensuring appropriate Board governance, members of the Board of the Charities Regulator have individual responsibility for:

- discharging their fiduciary duties including avoiding any conflicts of interest;
- allocating sufficient time to discharge their responsibilities effectively including:
 - preparing well for Board and Committee meetings by reading the meeting papers;
 - attending all Board meetings; and
 - attending any committee meetings of which they are a member;
- contributing as appropriate to Board or Committee discussion; and
- bringing independent judgment to bear on matters before the Board.

The Board meets at least 9 times annually and minutes of its meetings are published on the Charities Regulator's website⁷.

6.3 Effectiveness of the Authority

As per the Code, good governance suggests that all governing bodies should undertake periodically an evaluation of their effectiveness to ensure the organisation and the Board of the Charities Regulator remains effective in implementing the legal, regulatory and governance obligations of the organisation. The Board of the Charities Regulator holds an annual Board Effectiveness Day, during which the Board undertakes a self-assessment of its own performance and that of its committees.

The results of the evaluations are reflected in the yearly work programmes of the Board and its committees. The Board continually monitors its governance structures every three years including reviewing and updating its reserved and delegated functions where necessary. The Board also reviews the terms of references for all of its committees annually.

In addition to the above, an external assessment is performed by an external party every three years, as required by the Code. The Board of the Charities Regulator embraces initiatives which will assist in improving its overall effectiveness. The evaluation process incorporates an analysis of the gender, diversity and skills mix within the Authority, as required by the [Annex \(2020\)](#) to

⁷Board minutes available at: <https://www.charitiesregulator.ie/en/who-we-are/board-meeting-minutes>

the Code of Practice for the Governance of State Bodies on Gender Balance, Diversity and Inclusion.

Further to the Code, the Charities Regulator adheres to its obligations contained within the annual Oversight and Assurance Agreements with its parent department, Department of Rural and Community Development (“DRCD”), which sets out in broad terms the corporate governance arrangements in place and the roles and responsibilities of the parties in terms of supporting, communicating, meeting and delivering on those arrangements in a number of areas including strategic plans, financial statements and internal audit. The Agreement also addresses performance delivery by reference to required financial and human resource inputs, planned targets, deliverables and potential risk factors.

6.4 Functions of the Authority and their delegation

The Board of the Charities Regulator retains overall responsibility for the discharge of the key functions of the Charities Regulator as specified in the Charities Act 2009.

- The Board of the Charities Regulator is appointed by the Minister for Rural and Community Development in accordance with the Act.
- The Board of the Charities Regulator is accountable to the Minister for Rural and Community Development, and the Oireachtas, for the overall performance of the organisation, and to the public, for the discharge of its functions.
- The Board of the Charities Regulator has delegated certain of its statutory functions to the Chief Executive and other senior staff members. The Board has a Policy on the Exercise of Delegated Functions which explains its approach to the exercise of delegated functions and outlines the responsibilities of the Chief Executive and other senior staff when exercising such functions.
- Where the Board of the Charities Regulator delegates a function, the Board remains the accountable body.
- The Chief Executive is accountable to the Board of the Charities Regulator for the efficient and effective management of the Authority and for the due performance of his or her functions.
- The Chief Executive is accountable and shall attend a Committee appointed by either House of the Oireachtas, when requested in writing.
- The day-to-day management of the Charities Regulator is undertaken by the Charities Regulator’s Executive Team supported by the Senior Management Team.

- The meetings of the Authority including its committee meetings are bound by the Standing Orders for the regulation of proceedings at meetings as adopted by the Authority pursuant to [Schedule 1 Section 5\(6\) of the Charities Act 2009](#).

6.5 Role of the Chairperson

There is a clear division of responsibilities of the Role of Chairperson and Chief Executive of the Charities Regulator which has been documented.⁸

- 1.1 **The Chairperson** is responsible for leading the Board of the Authority in relation to exercising the functions that are reserved to the Authority.
- 1.2 **Board's Agenda:** The Chairperson and the Chief Executive are responsible for the effective management of the Board's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues, at meetings of the Board. The Chairperson and the Chief Executive meet in advance of the Board meeting to agree the agenda. *(COP, 2.1)*⁹
- 1.3 **Chair Board Meetings:** The Chairperson shall, if s/he is present, be chairperson of the meeting *(SO. 6.1*¹⁰*)* and will operate in accordance with SO 6.2, 6.3, 6.4 and 6.5.
- 1.4 **An unscheduled Authority meeting** may be convened by the Chairperson *(see SO 11)* or following written request to the Chairperson from at least three Authority Members, *(SO 4.3)*.
- 1.5 **Openness and Debate:** Dialogue which is both constructive and challenging is essential to the effective functioning of the Board. The Chairperson promotes a culture of openness and debate by facilitating the effective contribution of key management and all Board members *(COP, 2.2)*¹¹*(SO 3.3)*.

⁸ As per paragraph 1.24 of the Code

⁹ Ibid

¹⁰ SO means Standing Order

¹¹As per paragraph 1.24 of the Code

- 1.6 **Timely Information:** The Chairperson is responsible for ensuring that the Board receives accurate, timely and clear information. The Chairperson ensures effective communication with all relevant stakeholders (*COP, 2.2*)¹².
- 1.7 **Board Skills:** Where the Chairperson is of the view that specific skills are required on the Board, he/she should advise the relevant Minister of this view and the Chairperson should also draw attention to the current gender balance ratio on the Board¹³ for their consideration sufficiently in advance of a time when Board vacancies are due to arise. This is in order to ensure that the process undertaken under the Guidelines for Appointments to State Boards identifies candidates with those skills and so that the Minister may take the Chairperson's views into consideration when making appointments from qualified candidates from the stateboards.ie process, (*COP, 2.4*)¹⁴.
- 1.8 **Review of Performance of Board:** The Chairperson will annually review the performance of individual members and hold a private discussion with each on foot of his/her review. This will include, inter alia, contributions at meetings, attendance and training needs. (*SO.17.2*).
- 1.9 **Information Flows:** Under the direction of the Chairperson, the responsibilities of the Secretary of the Board include ensuring good information flows within the Board and its committees and between senior management and non-executive Board members, as well as facilitating induction, mentoring and assisting with ongoing professional development as required (*COP, 2.5*)¹⁵.
- 1.10 **Comprehensive Report to the Minister:** The Chairperson should furnish to the relevant Minister and, where appropriate, in conjunction with the annual report and financial statements of the Charities Regulator, a comprehensive report covering the Charities Regulator, (*COP, 2.6*).

¹² Ibid

¹³ Additions to Code Provision 4.4: Diversity as outlined in Annex on Gender Balance, Diversity and Inclusion (2020)

¹⁴ Taken from the Code of Practice for the Governance of State Bodies – pg. 18.

¹⁵ Ibid

1.11 **Statement on Internal Control:** The Chairperson’s report to the relevant Minister regarding the system of internal control should be included in the annual report of the Charities Regulator. This statement should be reviewed by the external auditors to confirm that it reflects the Charities Regulator’s compliance with the requirements of paragraph 1.9(iv) and is consistent with the information of which they are aware from their audit of the financial statements. The external auditor should include their report on this matter in their audit report on the financial statements (*COP, 2.7*)¹⁶.

1.12 **Oireachtas Committee:** Where appropriate, the Chairperson shall make themselves available to an Oireachtas Committee to discuss the approach they will take to their role as Chairperson and their views about the future contribution of the body or Board in question (*COP, 2.8*)¹⁷.

6.6 Role of the Board Secretary

The Board secretary provides support to the Board of the Charities Regulator by ensuring that:

- the Board is kept abreast of best practice in corporate governance;
- relevant and timely information is made available to the Board;
- an appropriate induction is provided to new Board members and relevant training is provided when needs are identified;
- appropriate governance arrangements are in place for those joining and leaving the Board;
- appropriate procedures are in place for the effective operation of the Board; and
- performance management reviews are undertaken annually for the Board, the committees of the Board and the Chief Executive.

¹⁶ Taken from the Code of Practice for the Governance of State Bodies – pg. 19.

¹⁷ Ibid

7. Committee of the Board of the Charities Regulator

7.1 Appointment to Committees of the Board of the Charities Regulator

Appointments to Committees are approved by the Board of the Charities Regulator. Any resignation of Committee members should be notified to the Chair of the committee, and the Chairperson of the Authority.

It is also open to the Board of the Charities Regulator to nominate and appoint external non-Authority members to a committee, should certain skill-sets be required that are unavailable from within the Board of the Charities Regulator's own membership. The Nominations Committee, on behalf of the Board, leads the process to search for, identify and attract individuals with specific professional qualifications, expertise and relevant experience to fulfil the role/s as an External member of the Board's committees.

7.2 Period of Appointment to Committees

Members of the committees are reviewed annually by the Board of the Charities Regulator. The period of membership of a committee does not exceed two years, as provided for in the Terms of Reference for each of the four committees. External members are appointed for a period not exceeding two years and may be renewed thereafter for further periods not exceeding two years to a maximum of eight years in total as prescribed in the Code of Practice for the Governance of State Bodies (2016).

7.3 Effectiveness of Committees

The effectiveness of Committees is reviewed on an annual basis, in line with the Code, including the terms of reference. Attendance at Committee meetings is reported on in [the Charities Regulator's Annual Report](#).

7.4 Functions of the Committees

The duties of each of the committees are set out in the Terms of References for each committee.

8. Key Roles and Functions of the Chief Executive, Executive Team and Staff of the Charities Regulator

8.1 Appointment of the Chief Executive.

The Authority appoints the Chief Executive of the Charities Regulator, on terms and conditions as may be determined by the Authority and approved by the Minister and consented to by the Minister for Finance.

8.2 Appointment of an Acting Chief Executive

The Authority may, in the absence of the Chief Executive or where the position becomes vacant, appoint a member of staff as Acting Chief Executive in accordance with S.20 (4) of the Charities Act.

8.3 Specific functions, powers and obligations of the Chief Executive

The Chief Executive is appointed by the Board and has responsibility for the administration and management of the organisation.

The Chief Executive submits a report on the activities of the Charities Regulator as a standard item at Board meetings. The Chief Executive meets regularly with senior managers, individually and collectively, to discuss progress in respective areas of responsibility, to consider cross-cutting issues and forward planning. There is a clear division of responsibilities of the Role of Chairperson and Chief Executive of the Charities Regulator which has been documented.¹⁸

1. **Board's Agenda:** Both the Chairperson and the Chief Executive are responsible for the effective management of the Board's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chairperson and the Chief Executive should meet in advance of the Board meeting to agree the agenda (*COP, 2.1*).
2. **Communications on behalf of the Authority:** The Chief Executive is the primary spokesperson for the Authority, while the Chairperson, normally in consultation with the Chief Executive, is the spokesperson for the Board. The Authority may decide that any matter at a Meeting will be confidential and not for public comment, (*SO. 22.1*).

¹⁸ As per paragraph 1.24 of the Code

3. All functions of the Authority under the Charities Act 2009, other than the reserved functions, are delegated by the Board to the Chief Executive and senior staff members as appropriate. Delegated functions are to be performed in accordance with the Authority's Policy on the Exercise of Delegated Functions and such other policies as may be determined by the Authority from time to time.

Under the Charities Act 2009 the Chief Executive has the following functions:

4. The Chief Executive shall carry on and manage, and control generally, the administration of the Authority and perform such other functions (if any) as may be determined by the Authority, (S.20.1).

5. The Chief Executive shall perform their functions subject to such policies as may be determined from time to time by the Authority, and shall be accountable to the Authority for the efficient and effective management of the Authority and for the due performance of his or her functions, (S.20.2).

6. The Chief Executive may make proposals to the Authority on any matter relating to its functions, (S.20.3).

7. The Chief Executive may, with the consent of the Authority in writing, delegate any of his/her functions to a specified member of staff of the Authority, and that member of staff shall be accountable to the Chief Executive for the performance of the functions so delegated, (S.21.1).

8. The Chief Executive shall be accountable to the Authority for the performance of functions delegated by them in accordance with subsection 21.1, (S.21.2).

9. The Chief Executive may, with the consent of the Authority in writing, revoke a delegation made in accordance with S.21, (S.21.3).

10. The Chief Executive shall, when required, examine and report to Dáil Éireann on the appropriation accounts and reports of the Comptroller and Auditor General, give evidence to that Committee in relation to aspects of the Charities Regulator as set out in S.22.1 of the Act.

11. The Chief Executive shall, at the request in writing of other Committee(s), in addition to the Public Accounts Committee referred to in s.22, attend before it to give account for the general administration of the Authority, (S.23.2), except on any matter which is or has been or may at a future time be the subject of proceedings before a court or Tribunal in the State, (S.23.3) and in accordance with the provisions as set out in S.23.4, S.23.5, S.23.6, S.23.7 and S.23.8.

12. The Chief Executive shall regularly report to the Board of the Authority on the exercise by him/her of delegated functions in particular those functions relating to compliance and

enforcement matters, registration of charitable organisations and the appointment of persons as members of staff of the Authority.

13. Further to section 21 of the Charities Act 2009, where the Chief Executive proposes to delegate any of his/her functions to a specified member of staff of the Authority, s/he must first seek the written consent of the Authority. In such cases, a briefing note on the proposed delegation setting out the reasons underlying the proposal shall be submitted for decision to the Board of the Authority.

8.4 Role of the Executive Team

The Executive Team consists of the Chief Executive and his/her direct reports which are the Director Legal Affairs & Registration, the Director of Compliance & Enforcement, the Head of Communications & Stakeholder Engagement, the Head of Corporate Affairs, the Head of Finance and the Head of HR. The Executive Team meets regularly to discuss any matters arising in each unit and any upcoming decisions that are to be made by the Authority. The Executive Team has its own Terms of Reference which defines the membership, frequency of meetings, quorum and scope of work of the team.

8.5 Role of Charities Regulator's Staff

The duties for all roles are documented and all staff are assigned goals each year and their performance against their goals is monitored.

9. Codes of Conduct, Ethics in Public Office; Disclosure of Interests and Protected Disclosures

9.1 Code of Conduct for Authority and Committee Members.

As a governing body, the Board of the Charities Regulator adopts and complies with appropriate standards of conduct. The Board has approved [a Code of Business Conduct for Members of the Charities Regulator and its committees](#) whose general principles include integrity, confidentiality, loyalty and fairness. This Code requires members of the Board and its committee members to act at all times in accordance with the law and to perform their duties to the highest ethical standards in compliance with the obligations and responsibilities set out in the Code and in the Ethics in Public Office Act, 1995 and 2012 (hereafter "the Ethics Acts") and the Charities Act 2009.

The Board has a significant role in setting the ethical tone of the State body and ensuring that good governance standards and ethical behaviour permeate all levels of the organisation. The following controls are in place to support appropriate behaviour in the Charities Regulator: process for submitting annual statements of interest to SIPO from Board members and relevant staff members; Code of Business Conduct; Conflict of Interest Policy, Fraud and Corruption Prevention and Reporting policy and a range of corporate policies and procedures.

9.2 Disclosure of certain interests

The Board of the Charities Regulator and committees

To avoid conflicts of interest each Board or Committee member must furnish to the Board Secretary details of his or her employment, and all other business interests including shareholdings, which could be perceived as posing a conflict of interest, or could materially influence his or her functions as a member of the Board or Committee of the Charities Regulator.

Each Board or Committee member of the Charities Regulator is responsible for ensuring that any change to their interests which could be perceived as influencing their work with the Board of

the Charities Regulator, is notified to the Board Secretary in order that the 'Confidential Register of Interests'¹⁹ can be updated.

The Conflict of Interest Policy's objective is to ensure so far as possible that Board and sub-Committee members make decisions free from any external influences, whether personal, professional, financial or non-financial. The guiding principle when declaring interests, is that matters need only be declared which in the perception of others, might be seen to give material or other advantage to the Board or Committee member, or a 'connected person' e.g. a relative, her/his close family members, or business or professional partner either directly or indirectly.

The Standing Orders of the Board of the Charities Regulator and of the Committees also provide that each member should declare any conflict of interest with regard to a particular agenda item at the beginning of a meeting. The member must then absent himself or herself from the meeting or that part of the meeting during which the matter is being discussed. In the event of a member not appreciating at the beginning of a discussion that an interest exists, the member shall declare such an interest as soon as he or she becomes aware of it. In any case of doubt, the member should openly declare the possibility of interest.

9.3 Breaches of conflicts of interest

Failure of members to declare all conflict of interests or failure to declare an interest with the potential for conflict may be considered as a *prima facie* breach of trust towards the Authority. In the event that the Authority discovers or is made aware that a declaration is incomplete, clarification of the situation is sought from the individual concerned with the objective of resolving any possible conflict. In the meantime, the person may not be involved in any Board activity. Appropriate corrective action will be taken following due process, which may include sanction as provided for under Schedule 1 of the Charities Act 2009.

¹⁹ In line with provision 5.8 of the [Code of Practice for the governance of state bodies](#), Details of interests disclosed are kept by the Secretary of the Board and Governance Policy Manager in a special confidential register.

Staff of the Charities Regulator

All staff are made aware of, and comply with, their obligations under [Section 10 of Schedule 1 of the Charities Act 2009](#) relating to a material interest, or otherwise any contracts, agreements or arrangements. The Code of Conduct for staff members is an important element of the overall framework within which all staff are expected to work. It sets out the standards required of staff in the discharge of their duties.

9.4 Ethics in Public Office Act 1995 and 2001

Board of the Charities Regulator/Committee members

In addition to their obligations under [Schedule 1 paragraph 9 of the Charities Act 2009](#) to declare their interests to the Authority, members are also bound by the [Ethics in Public Office Act 1995](#) and the [Standards in Public Office Act 2001](#). Each member of the Board of the Charities Regulator and its committees, holders of positions of “Designated Directors”, is required to comply with their obligations to prepare and furnish an annual statement of disclosure²⁰. In January of each year, Authority and committee members are sent a reminder regarding their duty to disclose interests for the previous year.

Staff of the Charities Regulator

In addition to their obligations under [Schedule 1 paragraph 10 of the Charities Act, 2009](#), to declare their interests to the Authority, some senior staff, holders of “Designated Positions”²¹ are also bound by the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001. Each person holding a designated senior position, as defined in the legislation, or prescribed by the organisation by nature of the person’s role, is required to comply with their obligations to prepare and furnish an annual statement of disclosure. In January of each year, these employees are sent a reminder regarding their duty to disclose interests. Designated senior employees should forward their annual statement to the Board Secretariat.

²⁰ As defined by [Guidelines on Compliance with the Provisions of the Ethics in Public Office Acts 1995 and 2001](#).

²¹ Ibid

9.5 Protected Disclosure Act 2014

The Charities Regulator aims to foster a working environment where workers feel comfortable in raising concerns relating to potential wrongdoing within the office of the Charities Regulator and to provide the necessary supports for those that raise genuine concerns. This sort of working environment reflects the office's core values, especially those of fairness, accountability and respect.

The [Protected Disclosures Act 2014](#) as amended by the Protected Disclosures Act 2022 (the "Disclosures Act") enables all workers to raise a concern regarding perceived wrongdoing in the Charities Regulator, and ensures they are safeguarded against any reprisal by the Charities Regulator arising from their disclosure. The Charities Regulator is committed to addressing concerns relating to wrongdoing in the workplace, and to provide the necessary support for staff who raise a concern regarding any wrongdoing at the Charities Regulator. The Charities Regulator has a [Protected Disclosure Policy](#)²² which has been circulated to all staff; in addition all staff undertake annual refresher training. The Charities Regulator is a member of the Integrity at Work (IAW) programme²³.

The Charities Regulator publishes an annual Protected Disclosures Report on its [website](#) and in its Annual Report, noting any protected disclosures it has received from members of Charities Regulator staff.

[Under Statutory Instrument No.367 of 2020](#), the Chief Executive of the Charities Regulator is a 'prescribed person' for the purpose of receiving disclosures of relevant wrongdoings in respect of all matters relating to the regulation of charities pursuant to the Charities Act 2009. The Charities Regulator provides [guidance to workers in charities](#) on the procedures to be followed when making a protected disclosure to the Charities Regulator.

²² Available from the [Charities Regulator's page on Protected Disclosures](#).

²³ [Integrity at Work programme](#) is a Transparency International Ireland initiative that helps foster workplaces where people are supported to raise concerns of wrongdoing and act with integrity. As part of our commitment to protecting workers who raise concerns of wrongdoing, the Charities Regulator has signed and complies with the Integrity at Work (IAW) pledge to ensure that workers reporting wrongdoing will not face penalisation and that action will be taken in response to the concerns raised.

9.6 Non-compliance with statutory obligations

If a member of the Charities Regulator's Board finds evidence that there is non-compliance with any statutory obligations that apply to the Charities Regulator, he/she should immediately bring this to the attention of the Chairperson with a view to having the matter rectified in line with the Code. The Code also requires that the matter should be brought to the attention of the Minister by the Chairperson indicating (i) the consequence of such non-compliance and (ii) the steps that have been or will be taken to rectify the matter. It is the responsibility of members of the Charities Regulator's Board to ensure that matters are addressed and that any concerns of members that cannot be resolved, are formally recorded in the minutes of the Board meeting.

9.7 Conflict of Interest policy

The Charities Regulator has developed a Conflicts of Interest Policy for its Board and committee members, the aim of which is to prevent conflict of interest scenarios from arising where possible and if any conflict(s) of interest does arise that it is managed in such a way that the independence and integrity of the decisions of the Board, its committees and staff are neither compromised nor perceived as being compromised.

10. Meetings and Procedures of the Charities Regulatory Authority

10.1 Standing Orders of the Authority

The Standing Orders which are made under section 13 and paragraph 5(6) of [Schedule 1 of the Charities Act 2009](#), set out the terms under which meetings of the Authority are convened.

In certain circumstances a decision of the Charities Regulator's Board may be required between meetings. The Board has established Standing Orders to facilitate decisions between scheduled meetings.

10.2 Publishing of Meetings of the Authority

The [minutes of Board meetings](#) are published on the Charities Regulator's website following each Board meeting.

10.3 Professional Advice

Members of the Charities Regulator's Board in the furtherance of their duties may take independent professional advice, if necessary at the reasonable expense of the Charities Regulator where it is judged to be necessary to discharge their responsibilities as Board members. The Board has approved a formal policy and procedures for this process.

10.4 Induction of new members

New members of the Board and its committees receive a relevant and comprehensive induction, which meets their needs and ensures that they can play an active role on the Board and/or its committees as per the Induction Policy.

10.5 Post Resignation/Retirement of members

Where a member or committee member is either resigning or retiring, they must adhere to the Policy and procedures that are outlined to guard against conflicts of interest or inappropriate disclosure of information that might otherwise arise in line with the Code of Practice for the governance of state bodies (2016).

10.6 Reimbursement and Expenses

Members are entitled to reimbursement for expenditure on travel and expenses incurred on Authority business and for costs of accommodation and subsistence within rates determined by the Department of Public Expenditure NDP Delivery and Reform.

The Charities Regulator adheres to the guidelines covering payment of fees to the Chairpersons and Members of the Board of the Charities Regulator and its committees. The Annual Report and Financial Statements of the Charities Regulator includes a schedule of the fees and aggregate expenses paid to Members.

11. Assurance, Audit and Compliance Arrangements

The Board of the Charities Regulator and its committees approve programmes of action, set deadlines, review priorities, and are kept informed of progress. It is the responsibility of the FARG committee to decide the extent of the internal control system based on current best practice and the responsibility of the Board of the Charities Regulator to ensure that the internal control system is effective.

Internal control systems includes a number of sub-systems, including internal financial, operational and compliance controls, internal and risk management strategies. The Board reviews the effectiveness of these systems annually.

The following are ways in which the Authority monitors progress:

11.1 Business and Financial Reporting

The Board of the Charities Regulator prepares a corporate strategy spanning three years and on an annual basis a Business Plan is prepared which sets out how the corporate strategy will be implemented. This is monitored by the Board of the Charities Regulator at their meetings through the receipt of updates from the Chief Executive, the updated Business Plan Tracker, the updated Corporate Risk Register and updates from the Chairs of the committees.

The Chief Executive is responsible for arranging the preparation of the Annual Report and Financial Statements in accordance with relevant accounting standards which are submitted to the Board for approval, for onward submission to the Minister for Rural and Community Development.

The Charities Regulator is required to prepare and submit Annual Accounts for audit to the Comptroller and Auditor General (C&AG). After the audit, these accounts and a copy of the C&AG's report shall be presented to the Minister who arranges copies to be laid before each House of the Oireachtas.

There are effective budget management procedures in place and these include regular monitoring and reporting of income and expenditure levels.

11.2 Oversight and Assurance Agreement with DRCD

An Oversight and Assurance Agreement is agreed annually between the Charities Regulator and the Department of Rural and Community Development (DRCD)²⁴, the document outlines an agreed level of service between the Charities Regulator and the Department in order to facilitate improved effectiveness and efficiency of relevant public services. It sets out the Charities Regulator's targets for the given year and defines the output and outcome indicators on which performance should be measured.

11.3 Internal Audit

The Internal Audit function in the Charities Regulator is part of the FARG Committee's duties. The performance of the internal audits are outsourced to a professional services firm. The purpose of internal audit is to ensure that the Charities Regulator's operations are conducted according to the highest standards by providing an independent, objective assurance function and by advising best practice. The Internal Auditors examine, and evaluate, the adequacy and effectiveness of the Charities Regulator's system of internal controls throughout the organisation.

There is an Internal Audit Charter which sets out the purpose, authority and responsibility of the Internal Auditors within the Charities Regulator. The assurance facilitates the signing of the annual Statement of Internal Controls (SIC) by the Chairperson of the Board.

Any issues identified during the audits are notified to the Chief Executive and the FARG Committee along with recommendations for strengthening controls in areas where weaknesses are identified.

²⁴ As per the Code Section 8

11.4 Financial Audit Risk Governance (“FARG”) Committee

The FARG Committee assures the Board of the Charities Regulator on whether an appropriate regime of internal controls, (financial and other), risk management and governance is in operation.

The duties of the FARG Committee are to:

- oversee strategic processes for risk, internal control and governance and their effectiveness;
- oversee the accounting policies and financial reporting process;
- review anti-fraud policies, protected disclosure processes, and arrangements for special investigations;
- review the financial statements including the Common Investment Fund Account prior to submission for audit, levels of error identified, and management’s letter of representation to the external auditors; and make recommendations to the Authority as to whether to adopt the financial statements;
- review the annual report of the Authority;
- review management accounts;
- review the Corporate Risk Register;
- consider the effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks
- oversee proposals for tendering for either internal or external audit services or for the purchase of non-audit services from contractors who provide audit services;
- oversee the audit process and results of both internal and external audit;
- monitor periodically management’s implementation of audit recommendations;
- oversee the Common Investment Fund;
- meet with the External Auditor and Internal Auditor in the absence of the Executive at least once a year;
- assure the Board that the Authority is implementing the Code of Practice for the Governance of State Bodies (2016 and 2020);
- annually review and assess the adequacy of governance practices of the Authority and recommend any changes considered appropriate;
- monitor developments in governance and other regulatory developments relevant to the conduct of affairs of the Authority and advise the Board accordingly;
- review the Authority's governance statement for inclusion in the Annual Report and Accounts;
- review the process for monitoring compliance with laws and regulations and make recommendations to the Authority in relation to the above functions; and
- prepare a brief annual report to the Board by Year-End regarding the committee’s activities and progress against the committee’s workplan, or levels of activity and commentary on same if more appropriate, and any findings from the self-evaluation process, including professional development requirements.

11.5 Risk Management Framework

The Charities Regulator is exposed to a range of potential risks which, were they to materialise, would impact adversely on its ability to service the needs of its stakeholders, and meet its statutory remit. The management of these risks involves identifying them, evaluating the likelihood of them occurring, assessing their potential impact and likelihood, and taking steps to mitigate them, by either reducing the likelihood of them occurring, or their impact. The Charities Regulator has a Risk Management Framework (includes a Risk Management Policy, a Risk Appetite statement and Corporate Risk Register) which provides a structure for managers and their teams to consider how they manage risk, and the strategies to put in place to mitigate them.

The Charities Regulator's Chief Risk Officer ("the CRO") reports both to the FARG Committee, and to the Board of the Charities Regulator. The CRO, the Executive Team supported by the Senior Management Team conduct regular reviews and updates of the Charities Regulator's Corporate Risk Register and put plans and actions in place to successfully mitigate identified risks. High level risks and strategic corporate risks are logged on the Corporate Risk Register and reviewed by both the FARG Committee and the Board of the Charities Regulator.

The FARG Committee reviews the Charities Regulator's Corporate Risk Register at each of its quarterly meetings. The Authority regularly reviews the Corporate Risk Register at its meetings.

11.6 Reporting on Compliance with Governance Standards

The Charities Regulator completes a checklist of compliance with the Code of Practice for the Governance of State Bodies (2016). The Chairperson of the Board signs off on the Code's compliance statement in the Annual Report and Financial Statements. The Charities Regulator has regular governance meetings with the DRCD to update them on governance-related matters and to discuss progress against targets set down in the Charities Regulator's and DRCD's annual Oversight and Assurance agreement.

11.7 Information Governance

The Charities Regulator places high importance on the lawful, fair and transparent processing of all Personal Data and is fully committed to the protection of the rights and privacy of individuals whose Personal Data it holds. This commitment is underpinned by compliance with the statutory measures that ensure these rights. The Charities Regulator reviews its Information Governance systems and procedures on a regular basis, in order to ensure these rights continue to be protected. There is a wide variety of legislation governing records and record-keeping in Ireland. The Charities Regulator, as a data controller, complies with applicable legal requirements including those that require the retention of records such as the Freedom of Information Act 2014, the National Archives Act 1986, Data Protection law, the General Data Protection Regulation (the “GDPR”) and the Regulation of Lobbying Act 2015 amongst others. The above mentioned laws require the Charities Regulator to have a suite of information governance policies in place.

12. Review and Approval of the Governance Framework

The Authority keeps this document under review, and commits to reviewing it on an annual basis, and to updating it to reflect any changes to corporate governance best practice, the law, or relevant government policy.

Revision History of the Framework:

Revision Number	Review Date	Reason for update
000	22 September 2016	EMT Approved of draft policy. Approved by the Authority
001	14 Feb 2022	Presented to the FARG committee; Document has been updated to reflect the current governance framework.
002	12 June 2023	Presented to the FARG committee for their approval.
002	25 June 2023	The Authority adopted the Framework.