



An Rialálaí  
Carthanas  
Charities  
Regulator

# Statement of Strategy 2019-2021





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## 1

# Introduction

## Chairperson's Introduction



**Patrick Hopkins**  
Chairperson

**The Charities Regulatory Authority (“Charities Regulator”) is responsible for the registration and regulation of all charities that carry out activities in Ireland.**

It was established in October 2014 to regulate Ireland’s charities in accordance with the Charities Act 2009. Ireland’s charities play a vital role in our society and provide public benefit to communities in Ireland and across the world. Having the trust and confidence of the public is essential to charities, as many raise funds from the public to help meet the cost of their charitable work.

Our first Statement of Strategy 2016 – 2018 was about getting established and resourced to deliver on our mandate. The strategic objectives set out were achieved through the huge effort and commitment of our staff and the very active support of our parent departments - the Department of Justice and Equality (Oct 2014 – July 2017) and the Department of Rural and Community Development (DRCD) (since July 2017).

This Second Statement of Strategy focuses on embedding and developing on the achievements of the first strategy. A pillar of the Charities Regulator’s mandate is to increase public trust and confidence in charities through effective yet proportionate regulation. In fulfilling this role, we will work to support charity trustees in complying with their legal obligations, and take steps to address non-compliance where necessary. In addressing non-compliance, the 2019 – 2021 strategy is based on the introduction of a risk-based model of regulation and a focus on ensuring compliance with standards of best practice in governance.

Over the next three years, we will build on the achievements of the first strategy and increase the information available on registered charities to donors, beneficiaries and the general public. This work will help to strengthen the accountability of the charity sector, and provide a valuable source of information for charity funding bodies, donors and beneficiaries. We will also seek to improve the volume and quality of guidance on good practice available to charities, with a particular focus on embedding the new Charities Governance Code in all charities, large and small.

The next three years will see further organisational development of the Charities Regulator as we continue our work to build an effective and efficient regulatory authority within the resources available to us. While the Charities Regulator is an independent authority, staff are currently assigned from our parent department – DRCD. During the lifetime of this strategy, it is proposed to move the authority to corporate independence and directly employ staff with the required expertise to deliver on our mandate. To achieve this objective, we will continue to actively engage with DRCD and the Department of Public Expenditure and Reform (DPER).

The work that we do in no small way depends on the continuing active support and engagement of stakeholders, especially from within the sector itself. We wish to thank our stakeholders for the support they have given us over the last three years and look forward to the valued engagement of all our stakeholders as we move into the period of our Second Statement of Strategy.

**Patrick Hopkins**  
Chairperson

## Interim Chief Executive's Introduction



**Helen Martin**  
Interim Chief  
Executive

**The functions and overall remit of the Charities Regulator are set out in the Charities Act 2009 and the Charities Acts 1961 and 1973.**

Over the last three years, the Charities Regulator has made significant progress in creating an organisational structure that supports the delivery of our statutory mandate. However, securing and retaining suitably qualified and experienced regulatory staff remains a significant challenge for the Charities Regulator as we move into the period of our second statement of strategy. Our overall strategic plan for the period 2019 – 2021 is dependent on successfully addressing this challenge in a way that delivers a fully resourced, experienced and stable staff complement.

In the period of our first statement of strategy, with the support of an increased budget, we established the Public Register of Charities, successfully launched our new IT Platform, introduced 'Guidelines for Charitable Organisations on Fundraising from the Public', launched the Charities Governance Code and published important research on the social and economic impact of charities in Ireland along with a suite of guidance documents for charity trustees on a range of topics. We intend to work with all of our stakeholders to build on this work over the next three years. We will do this by further developing our organisation and our IT Platform in a manner that supports the delivery of proportionate and risk-based regulation for the benefit of charities, funders, donors, beneficiaries, volunteers and the wider public.

Work remains to be done particularly in the area of transparency and accountability of charities to their stakeholders. The use of abridged accounts by some charities, which provide limited insight into the finances of their organisations, highlights this. We are conscious that full implementation of the statutory provisions relating to the preparation of accounts by charities and their audit and independent review will contribute significantly to achieving greater transparency and accountability. During the period of our first statement of strategy, we made significant progress in advancing the legislative amendments and draft regulations required to fully implement the provisions of the Charities Act 2009 relating to financial statements and their review. Our ability to fully realise our strategic plan for the period 2019 – 2021 and associated yearly business plan targets, particularly those relating to the application of risk-based regulation and deployment of our new IT Platform, will be reliant on the required legislation being enacted. I am therefore hopeful that the Charities Regulator will continue to receive the support of all relevant stakeholders in this regard.

As we move into the period of our next Statement of Strategy, it is important to acknowledge the hard work and dedication of the staff of the Charities Regulator and everyone that has engaged so positively with us over the last three years to support us in our development. Both I and the staff of the Charities Regulator, look forward to working with all of our stakeholders and moving closer to the realisation of the Charities Regulator's vision for a vibrant, trusted charity sector that is valued for the public benefit that it provides.

A handwritten signature in black ink that reads "Helen Martin". The signature is written in a cursive, flowing style.

**Helen Martin**  
Interim Chief Executive

# 2 Contextual Overview

## **Charitable organisations (“charities”) are a fundamental part of society and provide substantial public benefit in a variety of ways.**

Ireland has a diverse charity sector with almost 10,000 organisations registered as charities, which include public service type organisations such as major hospitals, universities and government services as well as smaller, localised and community-based organisations.

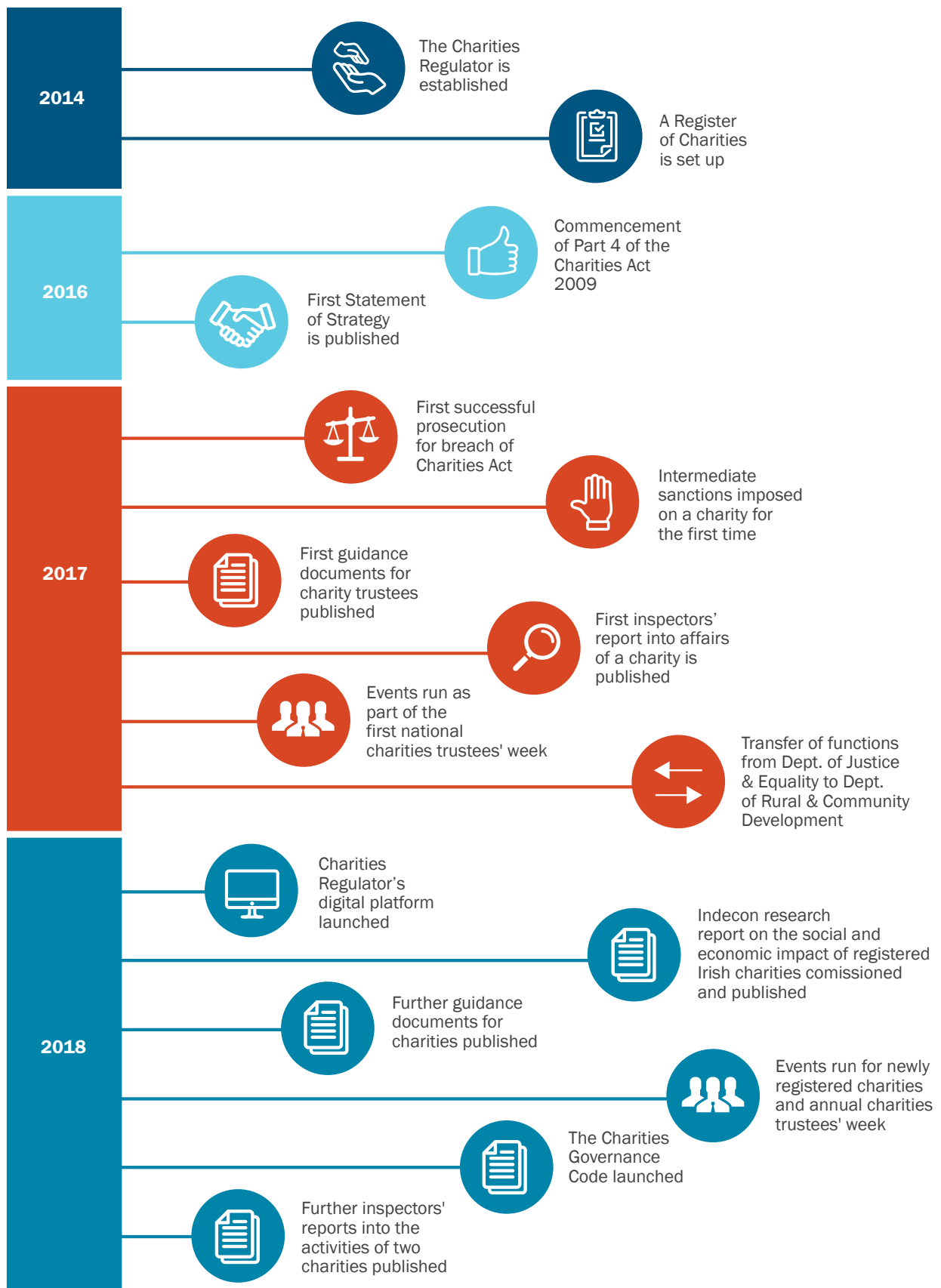
Charities receive support in many ways, including by way of volunteering, donations and State funding. Charities must demonstrate how they advance charitable purposes and achieve public benefit in an open and transparent manner, irrespective of their size.

In order for the charity sector to prosper and continue to contribute to the communities in which they operate, it is essential that public trust and confidence exists. Levels of trust and confidence in charities have been eroded in recent years, resulting in governance and fundraising practices being placed under ever-increasing public scrutiny.

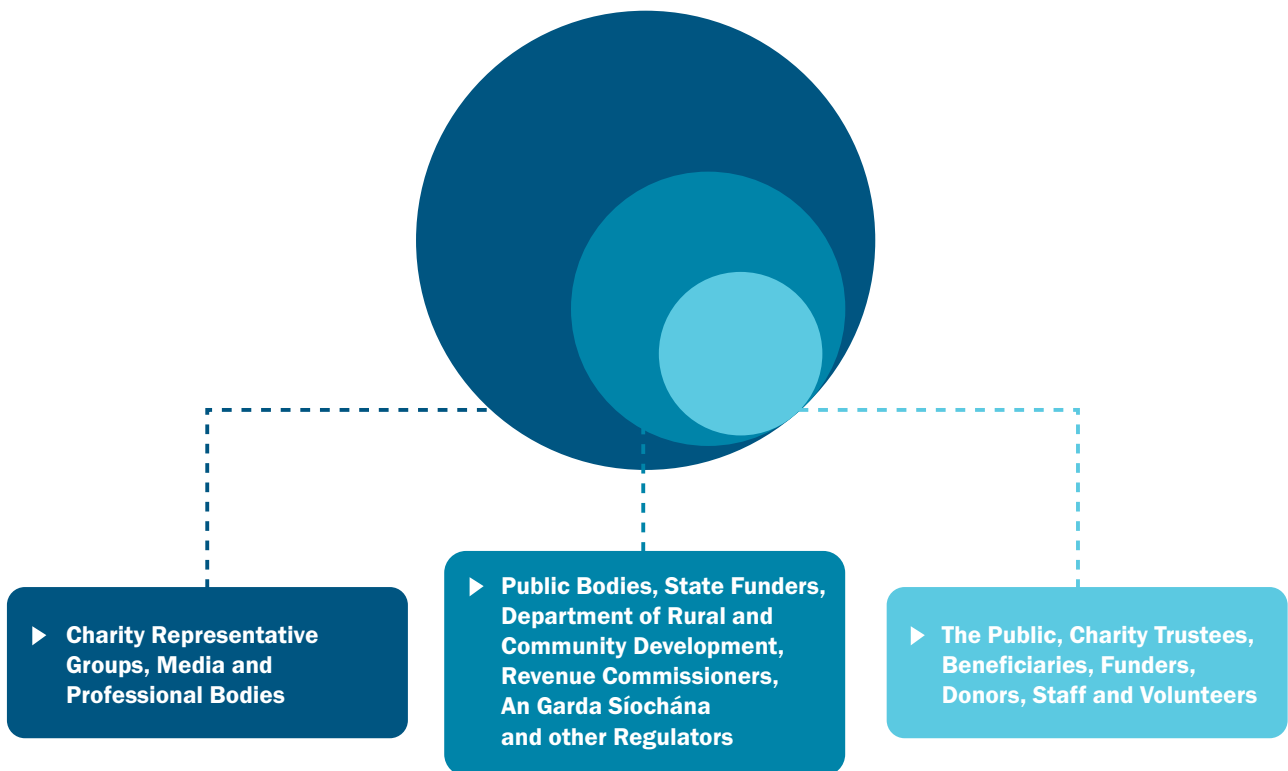
Since our establishment in 2014, the Charities Regulator has made significant progress in the regulation of charities and the protection of charitable assets. We have a number of functions under the Charities Act 2009, such as maintaining the Register of Charities, ensuring that charities comply with their legal requirements, ensuring compliance with the Charities Act 2009 more generally, carrying out inquiries and investigations into the affairs of charities and issuing guidance and other codes for charities and their charity trustees. We also deal with applications by charities under the Charities Acts 1961 and 1973 including cy-près applications and applications for authorisation to dispose of charity lands where such is not provided for in a charity’s governing document.

Our first Statement of Strategy supported the establishment of the Charities Regulator and guided us through our formative years. Over this period, a significant proportion of time was dedicated to consolidating and developing the Public Register of Charities. In addition to establishing the Register, the timeline in the graphic following provides an overview of other key milestones since our formation.

## Timeline and overview of other key milestones since the Charities Regulatory Authority's establishment.



## The Charities Regulator's main stakeholders



In developing our Second Statement of Strategy, we consulted with stakeholders, engaged with our international peers, and completed independent research and analysis. The above diagram includes some of our main stakeholders and reflects their broad and diverse nature.

The strategic planning process highlighted a broad range of strategic options. As a regulator operating in the context of limited resources, it was necessary to consider all options identified, and to prioritise on the basis of delivering our statutory mandate in a balanced and proportionate way.

Our Second Statement of Strategy sets out an ambitious direction of travel for the next three years, building on the significant progress made by the Charities Regulator in particular over the past three years. It will see the evolution of our operations to achieve corporate independence and a move towards a risk-based model of regulation that is proportionate and focuses on proactive identification and prevention of harm where possible.

In doing so, our aim is to be recognised as a regulator that charities and the public have confidence in, that acts fairly, proportionately and transparently. Notwithstanding our role as a regulator, our strategy demonstrates our commitment to championing the success of charities and supporting a sustainable, innovative and vibrant charitable sector.

Our people are key to the achievement of our strategy. Throughout the period of our first Statement of Strategy we worked with limited resources. Open and transparent recruitment, training and retention of suitably skilled people and teams is critical to the realisation of our mission and ultimately our vision. We will therefore face considerable challenges in achieving our strategic priorities and objectives over the period of our second statement of strategy if we do not have adequate resources and sufficient independence in the area of recruitment and deployment.

Over the life of this plan, we will continue to review and improve the way we operate in order to ensure we efficiently and effectively deliver on our statutory mandate.



# 3

## Vision, Mission and Values

**Our vision, mission and values underpin our actions and interactions, and guide the behaviours of our people and teams.**

### Our Vision

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

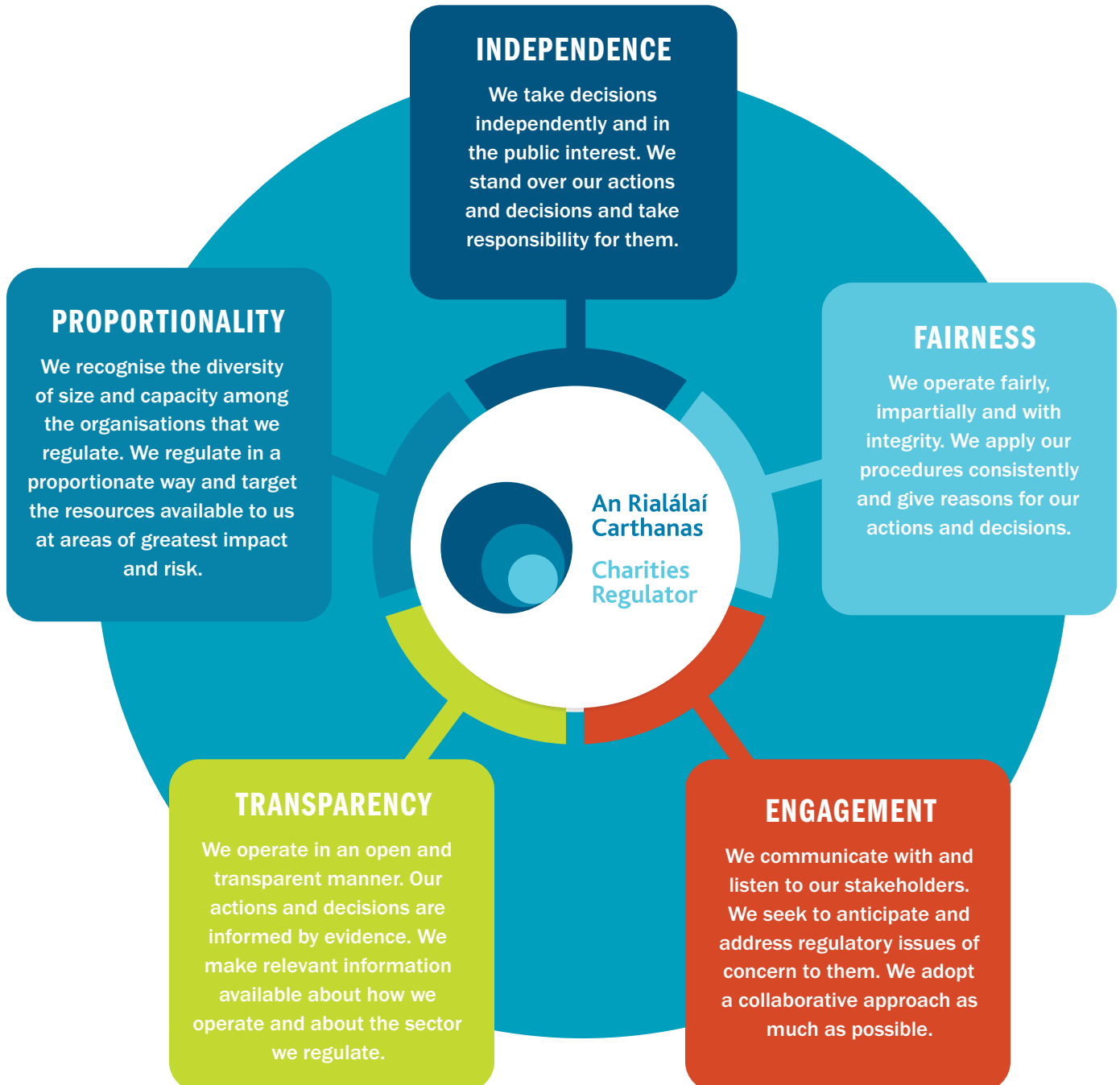


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### Our Mission

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

# Our Values



# 4 Strategic Priorities and Objectives

The Charities Regulator has identified four strategic priorities outlined below:

**STRATEGIC  
PRIORITY 1**

Strengthen Public Trust  
and Confidence in Charities

**STRATEGIC  
PRIORITY 2**

Provide Proportionate Risk-Based  
Regulation and Protection

**STRATEGIC  
PRIORITY 3**

Promote Compliance  
and Enhance Engagement

**STRATEGIC  
PRIORITY 4**

Enhance Operational Efficiency  
and Service Delivery

The four strategic priorities outlined above have 16 associated objectives that will guide the activities of the Charities Regulator over the period 2019 – 2021. The objectives outlined within this Statement of Strategy will form the basis of our annual Business Plans, which detail the specific actions required to achieve our vision in a balanced and proportionate way.

# STRATEGIC PRIORITY 1



## Strengthen Public Trust and Confidence in Charities

The following objectives will support the achievement of this priority. We will:

- 1.1** Ensure that the Public Register of Charities provides reliable and up-to-date information so that funders, donors, beneficiaries, volunteers and members of the public can inform themselves on the activities and status of charities;

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- 1.2** Identify and commission research into issues of relevance to the regulation of charities to ensure that policies and regulatory activities are underpinned by data, expert knowledge and experience;

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- 1.3** Enhance accountability and promote good governance within charities in respect of the control and management of their operations by underpinning the Charities Code of Governance with appropriate training, monitoring and compliance activities;

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- 1.4** Work with stakeholders to promote a greater understanding that charitable purposes must confer a public benefit.

### OUTCOME

**The charity sector is regarded as well run and well-regulated with appropriate checks and balances in place so that people feel confident donating, providing and receiving services, volunteering and working in it.**



## STRATEGIC PRIORITY 2



### Provide Proportionate Risk-Based Regulation and Protection

The following objectives will support the achievement of this priority. We will:

- 2.1 Regulate in a manner that accords with the Charities Regulator's values and ensures decision-making processes are robust and can withstand external scrutiny;
- 2.2 Implement a pro-active monitoring approach to ensure registered charities fulfil their legal duties and take action to protect charitable assets where appropriate;
- 2.3 Develop a risk-based approach to regulation that utilises data and indicators to identify and anticipate risks and targets available resources where risks are greatest to reduce the level or likelihood of harm;
- 2.4 Utilise our regulatory powers proportionately and transparently to enquire into and investigate matters in a timely manner and hold charities accountable.

#### OUTCOME

**Based on a targeted assessment of significant risk using available data, the charities sector will be strengthened through the early identification of harm or potential harm, and proactive intervention and engagement with charities.**



## STRATEGIC PRIORITY

# 3



## Promote Compliance and Enhance Engagement

The following objectives will support the achievement of this priority. We will:

- 3.1** Provide information, advice and guidance that provides charities with the knowledge and tools necessary to fulfil their obligations;

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- 3.2** Continue to work with the Revenue Commissioners, other regulators and stakeholders for the purpose of avoiding unnecessary duplication of activities in respect of charities and to facilitate greater levels of administrative cooperation in order to reduce the administrative burden on charities, where possible;

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- 3.3** Build awareness among charities of potential synergies that promote the effective use of charity resources;

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- 3.4** Engage with our stakeholders proactively and enhance our online presence to provide more easily accessible and user-friendly services to all.

### OUTCOME

**There is sufficient information, understanding and engagement amongst charities, donors, funders, beneficiaries, volunteers and the public to facilitate higher levels of voluntary compliance with regulatory obligations and increased levels of proactive engagement by charities with their stakeholders.**



## STRATEGIC PRIORITY

# 4



## Enhance Operational Efficiency and Service Delivery

The following objectives will support the achievement of this priority. We will:

- 4.1 Work with the Department of Rural and Community Development to enhance our internal governance structures and to enable the Charities Regulator to achieve corporate independence over the life of this strategy;
- 4.2 Ensure the Charities Regulator is appropriately resourced with suitably qualified, experienced and skilled staff;
- 4.3 Improve operational efficiency and deploy resources in line with regulatory priorities to achieve maximum impact and enhance the overall level of service provided by the Charities Regulator;
- 4.4 Develop a communications strategy that builds greater awareness of the Charities Regulator and delivers targeted and consistent messaging about the organisation and its activities.

### OUTCOME

**The Charities Regulator is a corporately independent organisation with the knowledge, expertise and organisational resources to effectively and efficiently deliver on our statutory mandate, with the understanding and broad support of our stakeholders.**



# Appendix:

## Part 1 : Authority

**The Charities Regulatory Authority comprised the following ten members, as at December 2018.**

Patrick Hopkins ( <i>Chairperson</i> )
David Brady
Katie Cadden
Tom Costello
Patricia Cronin
Fergus Finlay
Graham Richards
Máire McMahon
Niamh Cahill
Ercus Stewart

## Part 2 : Performance and Resource Planning Committee

The Statement of Strategy development process was supported by a sub-committee of the Charities Regulatory Authority, the Performance and Resource Planning Committee (PRPC).

**The PRPC comprised the following four members, as at December 2018.**

Patrick Hopkins
Tom Costello
Patricia Cronin
Fergus Finlay











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