

Strategic Plan 2023-26

Vision:

Well run and trusted charities making a difference in peoples' lives

Purpose:

'enabling charities to do things right through proportionate regulation, best practice and advice

Values:

Value	Enabling Behaviours
Integrity	Honest, open, supportive, fair, trustworthy, respectful, valuing diversity, accountable.
Independence	Impartial, fearless, supporting equality, rigorous.
Excellence	Striving to be the best we can be, implementing best practice, learning, influencing, leading, seeking continuous improvement, innovating, proactive, targeted.
Accessible	Good communications, flexible approach, listening, respectful in tone, reflective, engaging, collaborative, encouraging and positive, visible.
Proportionate	Supportive, targeted, being responsive.

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Foreword

Since the Commission's last strategic plan there have been several significant changes, including the passing of the [Charities Act \(Northern Ireland\) 2022](#) which addressed issues arising from the original act. The [Independent Review of Charity Regulation](#) was also progressed resulting in ninety three recommendations for the Department for Communities (DfC) and the Commission. DfC published its [formal response](#) to the review in November 2022, recognising that neither it nor the Commission can deliver all the review recommendations working alone.

The Commission embraces the opportunity the Independent Review presents to reset the culture of regulation and develop as an enabling regulator. It aims to implement as many of the recommendations from the review as resources made available by its sponsor department DfC will allow, mindful of the need to maintain core regulatory work. Individually the recommendations have some one hundred and nine actions to be addressed, with over ninety having implications for the Commission. In 2022-23 the Commission completed ten review recommendations. The Commission, like all public bodies and many charities, faces a budget reduction in the first year of the strategic plan and resourcing levels in subsequent years are unclear. This makes balancing delivery of the recommendations with the Commission's ongoing regulatory work extremely challenging and means that service levels will have to be reduced. At the time of drafting this plan the Department for Communities did not have budget confirmed beyond 2023-24 and a challenging outlook is anticipated beyond that. The actions in the latter years of this plan may therefore require adjustment once budget availability is confirmed.

In addition, as a delivery body, many recommendations will only be able to be delivered when the required legislation is in place. Some of the recommendations are linked to powers in the new Charities Act (2022), but others require primary or secondary legislation, or work by other bodies. As not all of the review's recommendations can be delivered at once, this strategic plan prioritises 43 actions relating to 34 recommendations that will be implemented over the next three years, a further 18 actions relating to 15 recommendations could progress depending on resources. These will be managed through a rolling programme of annual business plans detailing previous progress of recommendations, future actions, milestones and measures to achieve the overall strategic themes. In 2023-24 work on progressing 37 recommendation actions is planned.

The strategic plan sets out how we will continue to balance registration and casework, compliance and investigatory work with a significant change agenda. Both are not deliverable at previous levels with the

resourcing being made available. Cutbacks of between 30-40% will therefore have to be made to the scale of various regulatory work and response times will lengthen. We understand that this may not be in keeping with the charity sector's expectations, but we are planning to deliver an increasing and changing workload without additional budget.

Finally, the Commission would acknowledge the assistance of our stakeholder forum in taking this plan forward and underline its appeal to the wider charitable sector to collaborate fully with the Commission to create a good regulatory environment for charities.



Gerard McCurdy
Interim Chief Commissioner



Frances McCandless
Chief Executive

Executive summary

The Charity Commission for Northern Ireland is the independent regulator of Northern Ireland charities, as created by the Charities Act (Northern Ireland) 2008 (the "Act"), which was amended by the Charities Act (Northern Ireland) 2022. The Commission has five statutory objectives under the Act relating to public trust and confidence in charities, operation of the public benefit requirement, compliance by charity trustees, effective use of charitable resources, and enhancing accountability of charities.

At the start of this strategic plan there are over 7,100 registered charities on the Commission's website, with a large proportion having uploaded information about their annual accounts and reports for public display. The Commission has identified four strategic aims for the next three years which will deliver its wider statutory remit, the primary objective of which is increasing public trust and confidence in charities as well as delivering the range of [Independent Review Recommendations](#) (IR recs) which are referenced throughout this plan.

The Commission's strategic aims and priorities for 2023-26 are:

Strategic Aim 1 – Progressing charity registration to enhance accountability.

Priority actions - we will support accountability of the sector through growing the register by:

- Continuing to prioritise registration and clear the backlog.
- Work with DfC on impact and implementation of a registration threshold.
- Phasing out the combined list.

Strategic Aim 2 – Progressing our development as an enabling regulator.

Priority actions - we will respond to the development of charity regulation by:

- Working with sponsor department and other charity regulators and stakeholders to take forward key regulatory developments.
- Enabling and facilitating the better administration and operation of charities through casework.
- Developing and implementing an effective engagement strategy reflecting a key role for the Stakeholder Forum to inform the Commission's thinking across a range of areas.
- Developing and implementing a new communications strategy to change the Commission's communication culture and enhance effectiveness of key communications channels.
- Reviewing and redesigning our website.

Strategic Aim 3 – Continuing to develop proportionate regulation.

Priority actions - we will support compliance by charity trustees with their legal obligations and address non-compliance by:

- Implementing the annual return process, including risk-based checking and preparation for automating the selection for risk-based checking.
- Developing monitoring & compliance processes to further incorporate proportionality considerations.
- Develop, implement and evaluate a traffic light system for filing status display on the register.
- Continue development and testing of a Risk Assessment Framework to help inform proportionality criteria to ensure prioritisation for enquiries, compliance and Annual Monitoring Return selection.
- Manage the enquiries programme to ensure risk based and proportionate regulation.
- Subject to DfC prioritisation, work with the department on a new Charities Bill and Charitable Incorporated Organisations.

Strategic Aim 4 – Developing as a properly governed, transparent and independent decision-making body.

Priority actions - We will manage our business and deliver services to our customers in an efficient and effective way while promoting a positive internal organisational culture by:

- maintaining a focus on organisational governance, culture and values.
- reporting reliable information on performance against targets and standards, and on the use of all available statutory powers.
- developing the capacity to manage change effectively and identify ongoing improvements to systems and processes.
- monitoring and responding to customer needs and satisfaction.
- operating HR policies via a people strategy.
- having a commitment to promoting equality of opportunity and good relations.
- Developing and implementing a 2023-26 ICT strategy.
- Implementing the outworkings of any potential scheme of delegation.
- Operating a robust internal legal advisory capacity.

Over the next three years, resources permitting, the Commission will focus on:

- **2023 - 24:** taking forward key recommendations from the Independent Review and changing to be a more enabling regulator.
- **2023 - 24:** the return of annual reporting obligations for all registered charities and the implementation of traffic light display on the register of charities
- **2024 – 25:** providing proportionality in checking annual returns and taking action against those who fail to comply, alongside management of the enquiries programme to ensure risk-based and proportionate regulation.

- **2024 - 25:** long-term strategy for registration and charity annual reporting, including the implementation of a registration threshold and deregistration of appropriate charities.
- **2025 - 26:** expanding use of the new website and new online guidance updated so that important information is conveyed at a level that is understandable to the average charity trustee.
- **2025 - 26:** the new Risk Assessment Framework and supporting IT will be completed but there will be a lag period until trend data is built up to ensure proportionality.

The Commission's current source of income is 100% 'Grant in Aid' from the Department for Communities. At the time of drafting this plan the overall 2023-24 resource allocation was £1,896k. Many of the 43 recommendation actions to be progressed in the business plans that will operationalise this strategic plan, particularly those to do with the Commission's regulatory approach (eg reviewing and developing new guidance) and engagement with stakeholders (eg training) are scaleable and modest programmes and amounts of work are planned using resources that would normally be assigned to programmes of statutory regulatory work. If more resourcing is made available, then additional activities could be progressed in relation to these in future years of this strategic plan.

This plan does not assume 2023-24 funding levels in the remaining two years of the plan. The amounts for 2024-26 in the budget in Section 6 reflect a bid for additional strategic resource. This would create capacity to deliver 18 of the review recommendation actions identified in this strategic plan. Delivering these specifically depends on this additional resourcing being made available in the second and third years of this plan. These recommendation actions are detailed in Section 3.14, in relation to the various sections of the Independent Review they include:

- The Commission's regulatory approach – IR rec 8, 11 and 12.
- Engagement with stakeholders – IR rec 16a, 16d, 16e, and 17e.
- Registration – IR rec 27 and 29
- Reporting – IR rec 48 and 49.
- Compliance & Investigations - 52, 53a, 53b and 59.
- Enforcement & Appeals – IR rec 65, and 69.
- Sponsor department ownership of policy & regulation – IR rec 78.

Some 21 review recommendations and corresponding actions are anticipated to fall into the next strategic planning period. These are detailed in Section 3.15, in relation to the various sections of the Independent Review they include:

- Engagement with stakeholders – IR rec 17d.
- Registration – IR rec 32 and 36.
- Reporting – IR rec 39, 40, 41, 42, 43, 44, 45, 47, 50 and 51.
- Compliance and Investigations – IR rec 55.
- Enforcement and appeals – IR rec 63b, 63c, 67.
- Technical Issues – IR rec 86, 87, 88 and 89.

1. Introduction – About Us

- 1.1 The Charity Commission for Northern Ireland’s purpose is to register, regulate and report on the charity sector in Northern Ireland. At the start of this strategic plan there are over 7,100 registered charities on the Commission’s website, with a large proportion having uploaded information about their annual accounts and reports for public display.
- 1.2 The Commission is a non-Departmental Public Body (NDPB), established by Royal Assent to deliver the statutory provisions of the Act, which was recently amended by the Charities Act (Northern Ireland) 2022. We are sponsored by the Department for Communities (DfC), with a board of seven Commissioners appointed by the Minister for Communities.
- 1.3 As an Non-Departmental Public Body, the Commission is independent in its decision making, acting without fear or favour, in the public interest. Various decisions of the Commission are appealable to the Charity Tribunal or the Courts. The Commission welcomes the opportunity to test and clarify charity law as opportunities arise.
- 1.4 The Commission has five statutory objectives under the Act:
 1. *to increase public trust and confidence in charities.*
 2. *to promote awareness and understanding of the operation of the public benefit requirement.*
 3. *to promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.*
 4. *to promote the effective use of charitable resources.*
 5. *to enhance the accountability of charities to donors, beneficiaries and the general public.*

2. Commission Vision, Purpose and Values

2.1 The Commission's Vision for the period of this strategic plan is:

'Well run and trusted charities making a difference in peoples' lives.'

2.2 Our Purpose is:

'enabling charities to do things right through proportionate regulation, best practice and advice.'

2.3 The Commission works with its various stakeholders and provides services which reflect our Corporate Values of being:

Value	Enabling Behaviours
<i>Integrity</i>	<i>Honest, open, supportive, fair, trustworthy, respectful, valuing diversity, accountable.</i>
<i>Independence</i>	<i>Impartial, fearless, supporting equality, rigorous.</i>
<i>Excellence</i>	<i>Striving to be the best we can be, implementing best practice, learning, influencing, leading, seeking continuous improvement, innovating, proactive, targeted.</i>
<i>Accessible</i>	<i>Good communications, flexible approach, listening, respectful in tone, reflective, engaging, collaborative, encouraging and positive, visible.</i>
<i>Proportionate</i>	<i>Supportive, targeted, being responsive.</i>

3. Context in which the Commission operates

Strategic Issues

- 3.1 As part of the strategic planning process the Commission considered the issues and factors it was likely to face, including the impact of changes in the regulatory landscape. A number of strategic issues will impact on Commission practices in the next three to five years.
- 3.2 Political - The lack of an Executive would impact on capacity to bring forward change which requires underpinning legislation. In the interim, Independent Review recommendations such as introduction of a registration threshold may be misunderstood as the existing legal position. A de facto compliance threshold may begin to operate below which Trustees do not comply with the law and the Commission has to respond using new risk-based approaches.
- 3.3 Economic – Budget settlements may result in reduced resource and capital allocations leading to reduced quality or levels of service and reputational damage. The focus on a change agenda by DfC and the charity sector may result in pressure for resources to be drawn away from ongoing statutory regulatory work. This may present risks to charities requiring decisions or waiting to be registered and other areas may need to be deprioritized. Reductions in charity resourcing mean they may not be able to participate in the Commission’s increased engagement activities, leaving these unable to deliver the planned outcomes.
- 3.4 Social – change in charity sector priorities to address legacy needs from the pandemic, cost of living crisis and migration may become mainstream, reducing the capacity to return to previously traditional activities/charitable purposes and their associated patterns of volunteering. Regulation may also become increasingly seen as a barrier in managing the cycle of replacing existing experienced volunteers and Trustees.
- 3.5 Technical - lack of user knowledge and involvement in changes to Commission systems may lead to criticism and complaints. In the past ten years the Commission has predominantly dealt with charity volunteers, staff and Trustees who are digital ‘adopters’. In the next five years the proportion of people who have only ever operated in a digital environment will increase, creating pressures to go further with digital systems and services. This may result in neither being satisfied. Some of the Commission’s IT systems are approaching the end of their useful life and major changes are required as a result of the Independent Review recommendations. These are unlikely to be deliverable without major capital investment.

- 3.6 Environmental – changes in remote operating, meaning less face-to-face engagement in terms of work and delivery of training could increase stakeholder disengagement. The reduction in personal contact could reduce trust in the Commission, impacting on stakeholder input to shaping and delivering change.
- 3.7 Legal/Legislation – the Independent Review requires a range of new legislation and some complex changes to the existing legislation, which is not within the Commission’s control. There is also a risk that compliance with annual reporting will continue at very low levels due to the recent hiatus when filing was not mandatory. Although this was ended by the 2022 Act, the underlying culture may remain for some years.
- 3.8 Capacity – If a legislative programme is enacted during the life of the strategic plan to progress key recommendations in the Independent Review there is a risk the Commission may be insufficiently resourced to deliver the changes necessary, impacting on a variety of statutory regulatory priorities. The latest DfC Independent Review action plan does not envisage key recommendations relating to the funding model for the Commission and short-term interim resources for implementation of the recommendations in the review report being addressed until the end of this strategic plan. There is also a risk the charity sector is not in a position or willing to engage and collaborate with the Commission as the review recommended.

Risk Framework for 2023-26

- 3.9 During the previous strategic plan the Board managed risk levels which were much reduced compared to earlier periods when the Commission was being set up and assuming new powers¹. In relation to progressing this plan the main risks are the level of funding being made available and balancing the amount of statutory regulation and change that can be delivered, and the expectations of principal stakeholders such as charities, beneficiaries or donors. The Board has to produce a balanced budget and in setting its aims it is matching resources primarily to manage risks in the charity sector. A corporate risk register will be developed to address risks to delivery of each annual business plan.

Review of performance 2022-23

- 3.10 During 2022-23 the Commission achieved five of its seven (71%) key performance indicators (KPIs) and delivered against forty-five service-related measures, as detailed below. The two KPIs not achieved related to spend of budget at year end and staff absence

¹ Refers to risk appetite, see [dfc-risk-management-framework.pdf \(nigov.net\)](#) for guidance

levels. In total sixty-nine (91%) of the actions in the business plan were achieved at year end. The remainder included, for example, exploring options for a simplified registration process for smaller organisations, evaluating new online annual monitoring return form and guidance, and seeking feedback from users on changes to enquiry processes. These were either not started or completed by year end and will be carried forward into subsequent business plans.

External KPIs

- 555 registration application decisions made (target: 550). The results of a streamlined registration pilot were reviewed in June 2022 with the new processes now embedded. This has supported the Commission in speeding up the registration process.
- 75% of registration applications were processed within six months of receiving an application (target: 75%). This rose to 98% processed within six months of receiving a 'complete' application.
- 69% of enquiry cases were processed to closure within nine months of receiving a concern about a charity (target: 60%).
- 17% of annual returns due subject to a basic compliance check (target: 15%).

Internal KPIs

- 98.3% of creditors' invoices paid within 10 working days (target: 90%).
- total budget managed within 97.7% (target: 99%)
- staff absence levels managed within 8.74% (target: 3%).

3.11 In addition to statutory regulatory work in 2022-23 the Commission also progressed and completed ten [Independent Review recommendations](#):

- Board members taking an active role in Stakeholder Forum and building relationships (IR rec 14).
- Set up a learning opportunity with the Charity Commission for England and Wales (IR rec 20).
- Set up a learning opportunity with the Office of the Scottish Charity Regulator (IR rec 21).
- The Commission should separate those charities on the Combined list who are awaiting registration call forward from those which are dormant or closed and those that have failed to come forward for registration (IR rec 23).
- The Commission should not list charities that fail to come forward when called as actively applying for registration and once removed, the onus should be on the charity trustees to reapply (IR rec 24).

- The Commission's main focus should be on registering those charities which have come forward and are actively awaiting registration and that this focus should frame how the Commission's sets its priorities at this time (IR rec 30).
- Complete an MOU with Charities Regulatory Authority (IR rec 33).
- Review operating procedures to ensure that staff are fully briefed on the nature and format of material that Commissioners need to exercise the full scope of their powers effectively (IR rec 60).
- In line with best practice elsewhere, the Commission should revise its approach of automatically naming charity trustees in its statutory inquiry reports (IR rec 63a²).
- Review Terms of Reference for Schedule 1 Committees and consider the staff attendance requirement for such meetings (IR rec 72).

3.12 Work was also commenced on a further eleven recommendations and associated actions which will continue during the life of this plan:

- Introduce new registration and annual monitoring forms to allow collection of additional information to populate the Risk Assessment Framework (IR rec 5).
- Changing the tone of letters (IR rec 13).
- Resourcing or delivering trustee training, both initial and refresher sessions (IR rec 16a).
- Review use of website (IR rec 16b³).
- Review how guidance is pitched and communicated to charities. (IR rec 16c).
- More roadshow events and use of virtual platforms Zoom, Youtube and vlogs/videos/recordings of events available online (IR rec 16d).
- More front facing engagement by Commission staff (see recommendation 18) (IR rec 16e).
- How communications by letter or email are signed, either by a staff member or the Chief Executive. (IR rec 16f).
- Review Website (IR rec 17a)
- Review of standardised letters, particularly in relation to compliance matters, to improve tone and clarity of content (IR rec 17b).
- Review of how the submission of annual reports and accounts is acknowledged and the level of feedback provided to charities (IR rec 17c).

² 1st bullet point

³ 2nd bullet point

- The use of virtual technology for engagement, training, clinics, roadshows and other methods of engagement. New ten minute guidance documents for better accessibility (IR rec 17e).
- Pilot direct contact with Commission staff within limited hours (IR rec 18).
- Introduce traffic light system that allows greater differentiation between filing defaulters (IR rec 38).
- Amend enquiries manual, softening tone, considering use of names in inquiry reports (IR rec 53).
- Adding individual staff names as signatories in correspondence and annually review (IR rec 56a).
- Reviewing and closing some long-running inquiries (IR rec 58)
- Call for new members to expand and develop the stakeholder forum to secure additional engagement (IR rec 75).

3.13 The Commission intends that many of the 43 actions related to priority recommendations to be progressed in the related business plans, particularly those to do with the Commission's regulatory approach eg reviewing and developing new guidance, and engagement with stakeholders eg training, are scaleable and modest amounts of work are planned in the current budget scenario. If more resourcing is made available then additional guidance and more engagement activities could be progressed in relation to these recommendations in future years of this strategic plan. No research strategy has been included, due to budgetary constraints, but this could also be added if additional resourcing becomes available.

3.14 In addition, within the current budget scenario, the Commission intends to assist:

- DfC and Department of Education resolve matters relating to how deemed schools operate beyond the competence of the Commission (IR rec 31b).
- DfC review and amend the wording of s.167 prior to commencement to clarify the organisations that fall within its remit and the scope of activities that may trigger a requirement to register (IR rec 34).
- DfC consider making prior registration with a charity regulator in another jurisdiction a pre-condition to applying for registration under s. 167 (IR rec 35).
- DfC with the associated regulations to introduce Charitable Incorporated Organisations (CIOs) as a legal form option for charities (IR rec 46), and advance regulations to give effect to Part 11 of the Charities Act (NI) 2008 and operate any staggering of availability of converting to a CIO (IR rec 84),

- DfC avail of assistance from both CCEW and OSCR to share experience on drafting CIO regulations as well as operational insights (IR rec 85).

3.15 Capacity to deliver 18 review recommendations prioritised in this strategic plan depend on additional strategic resourcing. In relation to the sections of the Independent Review these include:

- The Commission's regulatory approach - developing a learning approach around the new Risk Assessment Framework and the IT to deliver a transformation in regulatory approach (IR rec 8), and assisting the Department explore how Commission legal staff are retained and how skills exchange can happen (IR recs 11, 12).
- Engagement with stakeholders - supporting charities to achieve compliance by delivering trustee training (IR rec 16a), increasing roadshows and using virtual platforms (16d), more front facing engagement (IR rec 16e), , use of virtual technology for engagement, training, clinics, roadshows and other methods of engagement (IR Rec 17e).
- Registration - simplifying and streamlining the process of registration to make it proportionate to the size of charity applicant (IR rec 27), working with helper group organisations and Stakeholder Forum to better understand charity trustee's existing knowledge of regulatory requirements and raise charity trustee awareness of their statutory responsibilities (IR rec 29).
- Reporting - apply the Risk Assessment Framework to concentrate on protecting charitable assets at risk of mismanagement or misconduct where most risk exists to public trust and confidence (IR rec 48), reviewing how existing written guidance and best practice on financial accounting and reporting is communicated (IR rec 49).
- Compliance & Investigations - review information requested of charities during the registration process (IR rec 52), review and improve communications about compliance to ensure clarity about the types of concerns the Commission can and cannot pursue (IR rec 53a), clarity in communications with charities about the nature of a compliance issue, definition of the problem and steps to resolve the situation (IR rec 53b), explore new, more streamlined ways of sharing learning from compliance cases (IR rec 59).
- Enforcement & appeals - internal review process to mirror flexibility provided by Office of the Scottish Charity Regulator's approach (IR rec 65), , improve communication with the Courts Service of NI, the Law Society of NI and the Bar Council of NI to bring the existence of s.54(2) of the 2008 Act to the wider attention (IR rec 69).

- Sponsor department ownership of Policy & regulation - implement the practice of the CRA in co-opting external experts to Board committees (IR rec 78).

3.15 Some 21 recommendations and associated actions are anticipated to fall into the next strategic planning period. These include:

- Engaging with stakeholders - Review of how internal review procedures operate and are communicated (IR rec 17d).
- Registration - Develop a list of potentially dormant charities to form the basis of a pilot revitalising trust project for NI (IR rec 32).
- Reporting - provide greater feedback to charities through the completion of an increased rate of basic compliance checks (IR rec 39), assist the Department review the 2015 regulations to give the Commission the power to grant a dispensation from the requirement of preparing accrual accounts in favour of receipts and payments account when a charity experiences an exceptional year of income (IR rec 40), implement a proportionate approach to reporting (IR rec 41) operate any amendments to the Charities Act 2008 and The Charities (Accounts and Reports) Regulations (NI) 2015 to enable a more proportionate, tiered approach to reporting for small charities to reduce their reporting burden (IR rec 42), input to consultation on definition of the threshold (IR rec 43), implement the department's amendment of s.64 of the 2008 Act and the Charities (Accounts and Reports) Regulations (NI) 2015 regarding the format of receipts and payments accounts and the statement of assets and liabilities (IR rec 44), amend the definition of 'gross income' in s. 180 of the 2008 Act to provide greater clarity to charities as to its meaning (IR rec 45) progress work arising from commencement of Part 11 of the Charities Act, develop an API (Application Programming Interface) to enable charities (or their third-party providers) (IR rec 47), assist the Department review Section 6(1)(b) of Schedule 6 of the 2008 Act vis asset threshold (IR rec 50), assisting the Department review and amend the current audit threshold for group accounts (IR rec 51).
- Compliance and Investigations – progress use of a warning power if agreed (IR rec 55).
- Enforcement and appeals – implement any expanded power to remove trustees (IR rec 63b), expanded power to issue directions to trustees not to undertake certain actions (IR rec 63c), extend time limit for initiating a Commission decision review (IR rec 67).
- Technical Issues – Assist the Department commence s.167 when it has completed a series of tasks (IR rec 86), assist the

Department identify if there should be a de minimis threshold of operations below relating to s.167 registration (IR rec 87), input to Department's consultation re revising s.167 reporting requirements and enforcement powers (IR rec 88) and the Department's development of Commission's regulatory powers under s.167 (IR rec 89).

4. Key Performance Results

- 4.1 In developing this plan the Commission considered the recommendations and assumptions in the Independent Review of Charity regulation, knowledge within the organisation and feedback from a range of stakeholders including their views and expectations obtained through consultation.
- 4.2 The Commission plans to achieve the following key performance results over the next three years:

2023-24

- Registration – (staffing assumption - one SO⁴ and five EO2s decision making by Schedule 1 committee) continue to build the charity register by processing 330 cases (+/-10%) to closure by year end (based on an assumption of receiving the requisite number of complete applications, the availability of Schedule 1 committee to consider the requisite number of recommendations and undertaking some change work); process 60% of registration applications to decision within 6 months of receiving an application.
- Monitoring & Compliance – (staffing assumption one SO and two EO2s) review 150 Annual Monitoring Returns (AMRs) submitted by charities legally required to report to the Commission; improve annual return processes by reviewing and automating checking, where possible.
- Enquiries – (staffing assumption one SO and 1.5⁵ EO2s) 50% of concerns received about charities will have an initial enquiry risk assessment completed within 30 days; process 60% of enquiries cases to closure within 12 months of respective risk assessments.

2024-25 (All figures subject to change depending on introduction and scope of scheme of delegation and commencement of a registration threshold)

- Registration – (one SO and five EO2s) continue to build the charity register by processing 330 cases (+/-10%) to closure by year end (based on an assumption of receiving the requisite number of complete applications, decision making by staff as per scheme of delegation considering the requisite number of recommendations and undertaking some transformation work); process 60% of registration applications to decision within 6 months of receiving an application.

⁴ SO – Staff Officers EO2 – Executive Officer grade 2

⁵ Reflects DfC Moratorium on recruiting permanent staff in quarter 1 while indicative budget arrangement was notified

- Monitoring & Compliance – (one SO and two EO2s) review 150⁴ Annual Monitoring Returns (AMRs) submitted by charities legally required to report to the Commission; improve annual return and closures processes by reviewing and automating checking, where possible.
- Enquiries – (one SO and two EO2s) 50%⁴ of concerns received about charities will have an initial enquiry risk assessment completed within 30 days; process 60%⁴ of enquiries cases to closure within 12 months of respective risk assessments.

2025-26 (All figures subject to change depending on introduction and scope of scheme of delegation and commencement of a registration threshold))

- Registration – (one SO and five EO2s) continue to build the charity register by processing 330 cases (+/-10%) to closure by year end (based on an assumption of receiving the requisite number of complete applications, decision making by staff as per scheme of delegation considering the requisite number of recommendations and undertaking some transformation work); process 60% of registration applications to decision within 6⁴ months of receiving a 'complete' application.
- Monitoring & Compliance – (one SO and two EO2s) review 150⁴ Annual Monitoring Returns (AMRs) submitted by charities legally required to report to the Commission; improve annual return and closures processes by reviewing and automating checking, where possible.
Enquiries – (one SO and two EO2s) 50% of concerns received about charities will have an initial enquiry risk assessment completed within 30 days; process 60% of enquiries cases to closure within 12 months of respective risk assessments.

4.3 The following section sets out strategic aims along with criteria against which performance will be measured. This includes activities the timing of which is depending on resourcing being available and legislative capacity in DfC and the Assembly.

5. Delivery and Measures of Success

- 5.1 This strategic plan will be put into effect through a series of annual business plans. In addition to the strategic aims and priorities, details are set out of associated Independent Review recommendations (IR recs) which are not currently being taken forward during the 2023-26 planning cycle. These are headed as 'Potential additional aims' which if additional strategic resources became available may be progressed during the second and/or and third years of this plan (Yr 2, 3). 'Strategic aims in a future planning cycle' are for the next three-year strategic planning cycle. Prioritisation is yet to be confirmed (TBC) as this will depend on the progress of DfC's legislative programme and resourcing.
- 5.2 Progress of aims and priorities will be assessed each year and some change in priorities may be made. Each business plan will include details of these updates along with actions needed, key milestones and performance measures to underpin the strategic themes and priorities. The table below reflects priority aims with actions, performance measures and impacts. A variety of quantitative and qualitative performance measures will be included in annual business plans. Results will be reported through annual and research reports.

Strategic aims and measures 2023-26

Strategic Aim 1 – Progressing charity registration to enhance accountability Actions:	How will we measure success	Impact - What success would look like
Priority - we will support accountability of the sector through growing the register by: a) Continuing to prioritise registration and clear the backlog (IR Recs 7,22,31).	Publish performance information in annual report on the number of charities we are aware of waiting	Fewer charities will have to wait to register. Charities will be able to start their registration application process when it suits them, rather than submitting an Expression of Intent form first. Increased visibility for the public and

	for registration and the waiting time. We will publish our target processing time for registration.	funders with more charities on the register, giving greater transparency and building confidence.
b) Work with DfC on impact and implementation of a registration threshold (IR Rec 26).	Regular feedback from the sector and stakeholder forum. We publish information in our annual report on the changes achieved	Small, registered charities will be able to deregister and other small charities will no longer be required to register. Those who want to register voluntarily will be able to.
c) Phasing out the combined list (IR Rec 25)	Publish information on progress and end date.	Combined list phased out.

Potential Additional Actions (Strategic Resource dependent)

- Streamline system to be more proportionate to size of applicant (IR rec 27) (Yr 2).
- Review information requested to speed up process, ask only for information required (IR rec 52) (Yr 2,3).

Future Strategic Planning cycle 2026-29 (priorities TBC)

- In instances of applications from charities regulated by charity regulators from another jurisdiction not mentioned in the regulations, the Charity Commission should be given (operate) leeway to carry out greater due diligence on a case-by-case basis before admitting institutions primarily regulated by these other regulators to the s.167 Register (IR rec 36).
- Review and commencement of s167 (IR recs 86, 87, 88, 89).

Strategic Aim 2 – Progressing our development as an enabling regulator Actions:	How will we measure success	Impact - What success would look like
Priority - We will respond to the development of charity regulation by: a) Working with sponsor department and other charity regulators and stakeholders to take forward key regulatory developments.	Publication of the new Charities SORP.	Charities understand when they need to provide accounts and how to use the right format. All relevant charities comply with the new SORP.
b) Enabling and facilitating the better administration and operation of charities through casework.	Publish information on number and types of casework handled.	Charities are better able to operate effectively with required consents from the Commission.
c) Developing and implementing an effective engagement strategy reflecting a key role for the Stakeholder forum to inform the Commission’s thinking across a range of areas (IR Recs 13, 16c, 19b, 75).	Publish performance information as per the relevant business plan milestones and measures.	Charities experience regulatory action in a proportionate, clear and fair way. Commission can best reflect the needs of the sector.
d) Developing and implementing a new communications strategy to change the Commission’s communication culture and enhance effectiveness of key communications channels (IR Recs 13, 16f, 17a, 17b, 17c, 18, 56).	Publish performance information as per the relevant business plan milestones and measures.	Effective, better targeted, communications that enable charities and the public to understand regulation and increase public trust and confidence.
e) Review and redesign website (IR Recs 16b, 19a)	Publish information on new website available during 2025/26.	Charities and the public can access clear information through a user-

	Updated guidance to be published throughout the period covered by this plan.	friendly website.
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Potential Additional Actions (Strategic Resource dependent)

- Consider resourcing or delivering trustee training, both initial and refresher sessions (IR rec 16a) (Yr 2,3).
- Increase roadshows and attendance at them by using the emergence of virtual platforms (IR rec 16d) (Yr 2).
- More front facing engagement by Commission staff (IR rec 16e) (Yr 2,3).
- Consider use of virtual technology for engagement, training, clinics, roadshows and other methods of engagement. (IR rec 17e) (Yr 2).
- Review how internal review procedures operate and are communicated (IR recs 17d, 67) (Yr 3).
- Work with helper groups and Stakeholder Forum to better understand charity trustees' existing knowledge of regulatory requirements and engage in an ongoing education programme to raise charity trustee awareness of their statutory responsibilities. (IR rec 29) (Yr 2,3).
- Review how Commission communicates existing written guidance and best practice on financial accounting and reporting to charity trustees (IR rec 49) (Yr 2,3).
- Improve communication with the Courts Service of NI, the Law Society of NI and the Bar Council of NI to bring the existence of s.54(2) of the 2008 Act to the wider attention of these various stakeholders (IR rec 69) (Yr 3).

Future Strategic Planning cycle 2026-29 (priorities TBC)

- Develop a list of potentially dormant charities from the Combined List to form the basis of a pilot revitalising trust project (IR rec 32).
- (If recommendations on reduced reporting are accepted) Provide greater feedback to charities through the completion of an increased rate of basic compliance checks (IR rec 39).
- Amend decision review process to extend time limit to period longer than 3 months (IR rec 67).

Strategic Aim 3 – Continuing to develop proportionate regulation Actions:	How will we measure success	Impact - What success would look like
Priority - we will support compliance by charity trustees with their legal obligations and address non-compliance by: a) Implementing annual return process including risk-based checking, and preparation for automating selection for risk-based checking.	Publish performance information as per the relevant business plan milestones and measures.	We make it easier to comply with requirements, leading to a more transparent and accountable sector.
b) Developing monitoring & compliance processes to further incorporate proportionality considerations.	Number of instances of regulatory guidance issued. Number of charities complying through their annual returns.	Easier for charities to comply due to improved communication.
c) Develop, implement and evaluate a traffic light system for filing status display on the register (IR Rec 38).	Publication of research reports as per the relevant business plan milestones and measures. Annual report publication of website survey feedback.	Increased transparency and regulatory oversight, and less reputational damage for charities.
d) Continue development and testing of Risk Assessment Framework to help inform proportionality criteria to ensure prioritisation for enquiries, compliance and Annual Monitoring Return selection (IR Recs 5, 6).	Publication of information about charity sector in annual report.	Increased confidence in charity regulation due to targeting areas of greatest risk.
e) Manage Enquiries programme to ensure risk based and proportionate regulation (IR Recs 57, 58).	Publish performance information as per the relevant business plan milestones and measures.	Proportionate intervention increases public confidence.

f) Subject to DfC prioritisation, work with the department on a new Charities Bill (IR Recs 31, 34, 35) and Charitable Incorporated Organisations (year 3 of this plan) (IR Recs 46, 84, 85).	Publish information in annual report.	Fit-for-purpose charity legislation, ensuring best practice and effective regulation.
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Potential Additional Actions (Strategic Resource dependent)

- Develop our learning approach to include how the new Risk Assessment Framework and the IT to deliver it, informs the culture of the Commission to mirror a transformation in regulatory approach. (IR rec 8) (Yr 2)
- Actively apply Risk Assessment Framework to concentrate on protecting charitable assets at risk of mismanagement or misconduct where most risk exists to public trust and confidence and reduce scrutiny of compliant charities. (IR rec 48) (Yr 2).
- Review and improve communications about compliance to ensure clarity about the types of concerns that the Commission can pursue and those that it cannot, provide direct feedback where concerns have been followed through, and ensure clarity about the nature of a compliance issue, definition of the nature of the problem and clearly set out steps that could be taken to resolve the situation. (IR rec 53) (Yr 2).
- Explore new ways of sharing learning from compliance cases, outside of the traditional thematic report format (IR rec 59) (Yr 3).
- When reviewing internal review process, mirror the flexibility provided by Office of the Scottish Charity Regulator’s approach to who reviews what decisions within the Commission. (IR rec 65) (Yr 3).

Future Strategic Planning cycle 2026-29 (priorities TBC)

- Develop an Application Programming Interface to enable charities (or their third-party providers), particularly those in the £25,000 - £250,000 category, more easily to file their annual monitoring return (AMR) and ultimately their financial statements in the correct format. (IR rec 47).

Strategic Aim 4 – Developing as a properly governed, transparent and independent decision-making body Actions:	How will we measure success	Impact - What success would look like
Priority – We will manage our business and deliver services to our customers in an efficient and effective way while promoting a positive internal organisational culture by: a) maintaining a focus on organisational governance, culture and values.	Publish audit opinions on accounts and assurance mechanisms. Maintain published governance framework. Feedback from Stakeholder forum on perceived changes in culture. A new Partnership Agreement will be in place.	Dept for Communities and Minister receive high level of assurance in financial management and governance provided by externally facilitated Board review. Stakeholders will be assured that an effective working relationship is in place between the Commission and its sponsor body, to ensure effective use of public money and performance of legal duties.
b) reporting reliable information on performance against targets and standards, and on the use of all available statutory powers.	Publish performance information as per the relevant business plan milestones and measures. Publish audit opinion on assurance mechanisms.	Transparency is provided by SMART performance information inside and outside the organisation enabling effective scrutiny, so that delivery can be demonstrated. Effective regulator in the eyes of the public.
c) developing the capacity to manage change effectively and identify	Publish performance information in annual reports.	Culture of the organisation reflects flexibility and focus on ongoing

ongoing improvements to systems and processes.		development.
d) monitoring and responding to customer needs and satisfaction.	Annual report will include information on: <ul style="list-style-type: none"> • ad hoc customer surveys • monitoring of complaints and customer charter service standards. 	The public and charities receive a good service.
e) operate HR policies via people strategy.	Annual report will include information on: <ul style="list-style-type: none"> • People Strategy implementation. • Staff survey results 	High staff engagement levels. Commission accommodation reflects new operating arrangements and is fit for purpose.
f) Delivering our obligations to promoting equality of opportunity and good relations.	Annual report to Equality Commission for NI on scheme implementation. Annual report will include information on staffing.	A culture that values and delivers on equality obligations.
g) Develop and implement a 2023-26 ICT strategy.	Publish performance information as per the relevant business plan milestones and measures.	ICT services deliver the organisation's and users' information and communication needs.
h) Implement the out workings of a potential scheme of delegation.	Publish performance information as per the relevant business plan milestones and measures.	More effective use of Commission resources under a scheme of delegation. Increased transparency about how decisions are made.
i) Operate a robust internal legal	Publish performance information as	Charities and the public can trust the

advisory capacity.	per the relevant business plan milestones and measures.	Commission's decisions.
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Potential Additional Actions (Strategic Resource dependent)

- Explore, with the Department how skills exchange can happen to supplement legal capacity within the Commission (IR rec 11) (Yr 2).
- Assist the Department to critically review how legally trained staff are provided to the Commission, including grading and salary levels for retention of same (IR rec 12) (Yr 2).
- Implement the practice of the CRA in co-opting external experts to Board committees as an effective option for enhancing Board skills and proceed to make provision for this (IR rec 78) (Yr 2).
- undertake a programme of research, including identifying best practice (Yr 2,3).
- Develop a Corporate Social Responsibility strategy (Yr2,3).
- Transformation Project Phase 3 (Yr 2,3).

6. Resources

6.1 The Commission's current source of income is 100% 'Grant in Aid' from the Sponsor Department. Sponsor department agreed to the Board developing a 2023-26 strategic plan and related resourcing based on an assessment of options to deliver regulatory work and a programme of change activities. In December 2022 the Board considered a number of options and identified its preferred option to achieve this. However, the budget for 2023-24 involved a 5% reduction. The following table outlines this allocation, with figures from the Board's agreed option set out in the remaining two years to take forward the wider change agenda. The introduction section of this plan provides a narrative explaining what will have to stop based on the budget level in year one. In subsequent years continuing reductions will mean regulatory services will be reduced further than the initial indication in year one or some review recommendations will not progress as planned. At the time of drafting this plan the Department for Communities did not have budget confirmed beyond 2023-24 and a challenging outlook is anticipated beyond that. The actions in the latter years of this plan may therefore require adjustment once budget availability is confirmed.

Item	2022/23 Actual	2023/24	2024/25	2025/26
Revenue Costs	£ 000's	£ 000's	£ 000's	£ 000's
Commissioners' Remuneration	67	71	55	56
Staffing Costs	1,421	1,450	1876	1914
Staff/Commissioner Non-Remuneration Costs	85	62	130	132
IT Costs	66	72	94	96
Premises Costs	84	98	114	125
General Running Costs	29	34	34	34
Programme Delivery Costs	162	109	192	196
Total Revenue Costs	1,915	1,896	2,495	2,553
Capital spend	40	97	TBC ⁶	TBC
Capital Leased Asset (accommodation)	84	114	TBC ⁷	TBC

⁶ Pending confirmation of DfC prioritization of Independent review recommendations with major implications for ICT systems eg progressing registration threshold.

⁷ Pending outcome accommodation needs review and DfC lease negotiations.

Total Capital Costs	125	211		
Overall Total	2,040	2,107		

Budgeting Assumptions

6.2 The detailed budget with assumptions will be set out as follows.

Commissioner costs	It is assumed a full Board will be in place following public appointments by DfC. It is assumed there will continue to be payments for Schedule 1 committee work and additional Commissioner days. Sponsor department are undertaking a review of Commissioner remuneration in 2023-24.
Staff Remuneration	It is assumed the NICS pay settlement for 2023/24 will be a 1% increase and continue for a further three years, and that employer payroll costs will be fully met and remain unchanged.
Staff/Commissioners non-remuneration costs	The existing recruitment budget will be maintained in anticipation of continuing staff turnover of around 10-15% per annum arising from the low pay awards. The training budget will be flat lined to reflect the need to maintain existing staff knowledge and any recruited as part of normal churn. An increase in travel and subsistence is anticipated in light of more face-to face work than in previous three years, which included lockdown.
IT costs	Significant changes are anticipated in ICT costs. Major increases are anticipated in terms of software development to meet the requirements of a threshold, the introduction of new powers in a Charities Bill, introduction of Charitable Incorporated Organisations and overall update of systems that are at end of life.
Facilities/Premises costs	Facilities/Premises costs are expected to continue to increase for at least the first two years and could, on current trends, account for the second highest area of

	overall spend by the end of this plan. A review of accommodation will be undertaken during the first year of this plan and sponsor department will be presented with reduced floor space needs reflecting hybrid working. This will be followed by an office move in year 2.
General running costs	General running costs are anticipated to increase in line with inflation.
Programme Costs (excl legal and professional costs)	Programme delivery costs eg communications are anticipated to be reduced to bare minimum in light of inescapable spend across other budget headings.
Legal and professional costs	Legal and professional fees will remain at current levels.
Research costs	It is anticipated the Commission will undertake the five yearly public attitudes survey during the lifetime of this plan

Staff

6.3 The Commission's largest area of expenditure is on staffing, with approx. £1,450k being spent in 2022/23 on permanent, temporary and agency staff. During this plan it is anticipated there will be no overall change to the permanent staff structure which makes up the three divisions - Charity Services, Compliance and Enquiries, and Corporate Services. Part of the additional resource business case made for 2023/26 saw 5 additional fixed term posts added to the staff compliment.

7. Equality Impact

- 7.1 Under our approved integrated equality scheme the Commission is committed to delivering scheme commitments. During the lifetime of this plan the scheme will continue to be progressed and kept under review. Annual reports on annual progress will be submitted to the Equality Commission for Northern Ireland and published on our website. As a regulator and service provider the Commission reflects delivery of the scheme in relation to strategic aim four. Additional monitoring and compliance effort will be directed towards organisations working with young and vulnerable people and a range of regulatory guidance will be provided to improve governance and service delivery in charities serving individuals from across the Section 75 groups.