

Business Plan 2020-21

v1.0

**Previously draft agreed Board Dec 2019 & Feb 2020)
Updated following SMT Consideration of Court of Appeal Judgment and Covid-19 response (June 2020)**

Vision:

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

Purpose:

'to register, regulate and report on the charity sector in Northern Ireland.'

Values:

'Independent, Accountable, Proportionate, Impartial, Transparent, Consistent, Respectful.'

Foreword

This plan was originally drafted in late 2019, but has been updated to reflect consideration of the Court of Appeal judgment (February 2020) regarding delegation of decision making by the Commission and the COVID-19 pandemic response. The plan covers the first full year of the new Chief Commissioner and several Board members who were appointed and inducted during the second half of 2019/20. In terms of governance the Commission will be operating its Audit & Risk Assurance (A&RA) and Human Resource committees with refreshed membership and a new independent member of the A&RA committee.

The Commission also hopes to have in place a new Partnership Agreement with its sponsor department, the Department for Communities (DfC). This is intended to provide departments and Arm's Length Bodies (ALBs) such as the Commission with a new governance model. It sets out the overall governance framework within which the Commission operates, including the framework through which the necessary assurances will be provided to stakeholders. Roles/responsibilities of partners within the overall governance framework are also outlined. These are intended to be based on a mutual understanding of strategic aims and objectives, clear accountability, and a recognition of the distinct roles each party contributes.

This plan includes a range of targets which have been adjusted to take into account the impact of Covid-19, the outworkings of the Court of Appeal judgment and the potential implementation of any ministerial decision on the way forward which may arise during the year. At the start of the plan there were over 6,100 charities in law with their charitable purposes and details on the Commission's website, with a large proportion having uploaded information about their annual accounts and reports for public display.

A range of changes to business processes and practices agreed as part of an ongoing Transformation project will be progressed during the plan including new on line smart forms for making registration applications and submitting concerns. Some planned changes, such as decision-making process redesign, considering de minimus levels for certain consents, producing thematic reports on risk patterns and trends, and undertaking a post project evaluation of Transformation phase 2, will be moved to the next business plan but remain within the overall timescale of the current strategic plan.

The plan includes actions to support and guide the charity sector through 2020-21 as we all feel the impact of an unprecedented health emergency. Following on from the Court of Appeal, work will be done to adapt processes and reassure the public and the charity sector following the Courts' judgements. In light of the outcome of litigation relating to how the Commission makes decisions and the impact of remote working during the pandemic, some targets, which relate to numbers of decisions, might not be reached in this year and other work relating to compliance activities has been reconfigured in accordance with the court's judgment on previous decision making. Revised decision-making procedures put in place for certain decisions during 2019/20 will continue to operate as the outcome of the Minister's consideration of the way forward is not yet known.

Chief Commissioner

Chief Executive

Executive summary

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 plan there are over 6,100 charities in law with their charitable purposes and details on the Commission's web site. These charities have a range of charitable purposes intended to deliver public benefit in Northern Ireland.

The Commission's 2019-22 strategic plan details the organisation's strategic themes and priorities for the period of this business plan as:

- 1 developing compliance regarding the use of charitable resources;
- 2 progressing charity registration to enhance accountability;
- 3 demonstrating the public benefit arising from charitable giving and activities; and
- 4 developing as a properly governed, transparent and independent decision making body.

Not all elements of the strategic plan can be progressed in this year, due to the impacts of the Court of Appeal judgment on previous Commission decisions. The strategic plan may have to be redrafted in light of any ministerial decisions.

The Commission's corporate risk framework includes a range of issues which could impact on our ability to act as a regulator. While implementing this business plan it is likely that risks related to changes to working practice due to Covid-19, out workings of the Court of Appeal judgment and ongoing Tribunal challenges will need to be managed in conjunction with DfC.

The Commission aims to achieve a range of external and internal business results and key performance indicators (KPIs) in 2020/21. These include building the charity register by processing 360 cases to closure by year end via new decision making processes implemented after the outcome of recent litigation. This number is lower than previous years' targets due to the operational limitation of these processes. The Commission also aims to assess 400 cases of organisations that have closed before being called forward to register. Previous targets regarding the checking of annual monitoring returns have had to be suspended temporarily as a result of the Court of Appeal judgment.

This plan also details key priorities that will be progressed to deliver the four strategic themes during 2020/21, such as registration and enquiries. The plan omits a range of regular and routine work that is carried out by the Commission, particularly in relation to operating as a public body and its own governance. The actions needed to deliver the strategic themes and priorities, and service related measures are set out in Section 5. These include:

- addressing new risks to the charity sector including safeguarding
- redesigning registration procedures to speed up processes and build the register
- review and update the on line Annual monitoring return form 2020
- progress preparation for automated checking of Annual returns where possible
- focus on investigating charities where high risk concerns have been identified

- progress plans for office relocation.

The Commission's current source of income is 100% 'Grant in Aid' from the Sponsor Department. The Commission's 2020/21 baseline resource budget has been confirmed as £1,988k with a non-reoccurring allocation of £317k reflecting the resourcing envisaged to deliver the second year of the 2019/22 strategic plan. This represents an increase in baseline from the 2019/20 baseline resource budget of £1,671k, and in part mirrors uplifts in allocations made to other charity regulators in the UK and Ireland.

Strategic Themes and Risk Framework for 2020/21

- 3.1 The Commission's 2019/22 strategic plan details the organisation's strategic themes and priorities for the period of this business plan as:
- Progressing charity registration to enhance accountability.
 - Developing compliance regarding the use of charitable resources
 - Demonstrating the public benefit arising from charitable giving and activities.
 - Developing as a properly governed, transparent and independent decision making body.
- 3.2 The Commission's corporate risk framework includes a range of issues which could impact on our ability to act as a regulator. While implementing this business plan it is likely that risks related to the following headings will need to be managed in conjunction with DfC:
- 1 The outworking of the February 2020 Court of Appeal could lead to damage to public confidence in the Commission and to additional litigation, and could require a restructuring of the Commission and its decision-making processes and systems.
 - 2 The resilience of current Information & Communication Technology (ICT) systems and mix of suppliers could lead the Commission to be unable to deliver front line systems that could damage customer relations and cause reputational damage.
 - 3 Challenges in managing resources, including people, premises and finances, could lead to reduced quality or levels of service and reputational damage
 - 4 The Transformation project may not be as effective as anticipated because of unintended consequences and fundamental reworking of decision-making processes, which could result in some charities being able to evade regulation across registration, monitoring and compliance, and enquiries work.
 - 5 External factors such as coronavirus could impact on service in a way that was not anticipated, leading to reduced service capacity and increased stress on staff.

4.0 Business Results and Key Performance Indicators for 2020/21

4.1 The Commission aims to achieve a range of business results and key performance indicators (KPIs) in 2020/21. These are dependent on the level of resourcing made available by sponsor department. This plan has therefore been prepared based on a revenue budget of £1,988k that reflects a continuation of the 2019/20 resourcing level (£1,671k baseline and £317k non reoccurring funding).

4.2 The main key performance indicators which will be reported quarterly are:

External KPIs

- continue to build the charity register by processing 360 (+/-10%) cases to decision by year end (based on an assumption of receiving the requisite number of complete applications);
- process 60% of registration applications to decision within 7 months of receiving a 'complete' application;
- assess 400 cases of organisations that have closed before being called forward to register ;
- process 80% of self regulatory and 60% of regulatory enquiries to closure within 6 months of respective risk assessments.

Internal KPIs

- manage the organisation within 1% budget;
- manage staff sickness absence within 3%; and
- pay 90% of suppliers within 10 days.

4.2 The decrease in the registration target in 2020/21 reflects the adoption of new decision making processes required as a result of the outcome of recent litigation and the challenges of remote working during the COVID-19 health crisis. At the start of 2020/21 there were approximately 448 open registration applications and 84 casework applications, and 122 open enquiries ongoing.

4.3 This plan also details key priorities that will be progressed to deliver the four strategic themes during 2020/21. The plan does not detail the significant range of regular and routine work involved in operating as a public body that is carried out by the Commission, particularly in relation to the Commission operating as a public body and its own governance. The actions needed to deliver the strategic themes and priorities, and service related measures are set out below.

5. Actions and Measures

(Ordinarily these are replicated from the Strategic Plan. Due to the out-workings of the Court of Appeal judgment some of this year's business objectives do not replicate the exact wording of the Strategic Plan which will need revised in light of ministerial decisions)

Strategic Aim 1 - Progressing charity registration and casework to enhance accountability.	Actions needed	Performance measures and information
<p>We will increase charity transparency by progressing the definitive public list of Northern Ireland charities by:</p> <p>a) continuing to build the register through redesigning registration procedures to speed up processes and using risk to prioritise</p>	<ul style="list-style-type: none"> • Give effect to Transformation project Phase II by updating On line registration application systems, increasing the role of NI Direct to handle calls, ongoing work to revise manuals and guidance materials to reflect new transformed processes and updating videos and workshops. • Gather additional Trustee information to improve notification about legal obligations. • Ongoing work with governing bodies regarding potential grouped registrations. 	<p>We publish performance information in annual reports on</p> <ul style="list-style-type: none"> • Number of recommendations for and decisions on Registration made by the Commission (target n= 360 (+/- 10%). • 60% Registration applications processed to decision within 57 months of receiving a 'complete' application. • Number of new applications for charitable status received. • Number of new Expressions of Intent received.
<p>c) Publishing information from charities and statutory decisions the Commission has made about them</p>	<ul style="list-style-type: none"> • Continue to publish information to give details of appealable orders and decisions made by the Commission in line with publishing decisions policy. 	<p>We publish information in our annual report on</p> <ul style="list-style-type: none"> • Frequency of web hits on charity register page • Frequency of accessing charity on line services by charities.

Strategic Aim 2 - Developing compliance regarding the use of charitable resources	Actions	Performance measures and information
<p>Priority - we will support compliance by charity trustees with their legal obligations and address non-compliance by:</p> <p>a) Improve annual return process by reviewing processes and automating checking, where possible.</p>	<ul style="list-style-type: none"> • Give effect to Transformation project Phase II by updating monitoring & compliance policies, procedures and guidance to reflect new transformed processes. • Ongoing review of proportionality criteria. • Further develop a risk based approach to regulation including progressing work on automated checking of annual returns, where possible. • Continue to develop the online Annual monitoring return form. • Develop the Commission's non statutory 'Annual return regulations 2020. • Public communications programme. 	<p>We will publish a twice yearly snapshot of regular performance information on:</p> <ul style="list-style-type: none"> • Number of concerns about charity accounts. • Number of cases publicised for removal
<p>b) Continue work related to monitoring and compliance function</p>	<ul style="list-style-type: none"> • Ongoing review and updating of suite of accounting and reporting guidance. • Sharing relevant experiences with CCEW/OSCR/CRA. • Contribute to the development of the new Charity SORP (planned for 2022). 	<p>We will publish a twice yearly snapshot on: the scale of charitable assets safeguarded via closures process.</p> <p>We will publish information in the annual report on:</p> <ul style="list-style-type: none"> • % decision on complete waiver

	<ul style="list-style-type: none"> • Develop strategic approach to the implementation and monitoring of the new Charity SORP Committee (which commences in March 2020), and the Charity SORP Engagement Partners. • We will assess 400 cases of organisations that have closed before being called forward to register. • We will develop a procedure for detailed checks on post-registration closures 	<p>applications within 30 working days (target 100%).</p> <ul style="list-style-type: none"> • orders & directions, opening of statutory inquiry, thematic reports resulting from actions taken in enquiries and compliance.
c) Progress work on new mechanisms for 'marking the register' when charities have failed basic accounts checks on their annual monitoring returns, to increase transparency and efficiencies	<ul style="list-style-type: none"> • Continue to test and develop new mechanisms for marking the register to prepare for implementation, when appropriate. 	<p>We will publish information in the annual report on</p> <ul style="list-style-type: none"> • Progress on new mechanisms for marking the register
d) Undertaking preventative work on AMRs to reduce fails and non-submissions	<ul style="list-style-type: none"> • Work with DfC on Charities Protection Bill, if appropriate. • Develop bitesize online tutorial, depending on remote working arrangements 	<p>We will publish ad hoc information on:</p> <ul style="list-style-type: none"> • Thematic reports on lessons learnt from dealing with charities •
e) Applying proportionality criteria and risk framework to ensure prioritisation of enquiries resources towards only most serious cases	<ul style="list-style-type: none"> • Develop enquiries procedures to focus resources on where regulatory action is most appropriate in the circumstances of specific concerns. • Timely action will be taken against charity Trustees and/or Officers following investigation as appropriate. 	<p>We will publish information in our annual report on</p> <ul style="list-style-type: none"> • Our risk based approach to regulation. • % of enquiry cases older than 12 months processed to closure. • % of self regulatory enquiries processed to closure within 6 months of initial risk assessment (target

	<ul style="list-style-type: none"> Action taken on submission of false information. 	<p>80%).</p> <ul style="list-style-type: none"> % of regulatory enquiries processed to closure within 6 months of full risk assessment (target 60%). <p>We will publish ad hoc information on:</p> <ul style="list-style-type: none"> Thematic reports on substantiated concerns and outcomes.
f) Addressing new risk issues such as safeguarding within registered NI charities by bringing the greatest number of charities on to the register as fast as possible, thus bringing them within our regulatory view, and undertaking targeted interventions such as thematic reviews.	<ul style="list-style-type: none"> Continue to implement the Expressions of Intent processes to manage safeguarding risk. Serious Incident reporting thematic report. Specific SIR guidance for safeguarding. Collect information about safeguarding at registration stage and target registration efforts accordingly. Include new safeguarding questions in AMR 	<p>We will publish information in our annual report on</p> <ul style="list-style-type: none"> no of organisations working with vulnerable adults and children on the Expression of Intent list

Strategic Aim 3 - Demonstrating the public benefit arising from charitable resources and activities.	Actions needed	Performance measures and information
<p>Priority - We will encourage the public to play a key role in holding registered charities accountable by:</p> <p>a) developing public awareness of what charity regulation means and the operation of public</p>	<ul style="list-style-type: none"> Public communications plan to include key messages and topics as per annual Communications 	<p>We will publish regular performance information on</p> <ul style="list-style-type: none"> Number of Telephone / email general

benefit	<p>plan.</p> <ul style="list-style-type: none"> • Ongoing development of 'bitesize' guidance and use of infographics • Develop and implement communications strategy to respond to COVID-19 and Court of Appeal judgment. • Ongoing refresh of website structure, content and accessibility. 	<p>enquiries processed by the Commission.</p> <p>We will publish information in our annual report on</p> <ul style="list-style-type: none"> • concerns from the public. • issuing of regulatory guidance on improved public benefit reporting.
b) providing a resource where the public can raise concerns about charities' public benefit and/or obtain guidance.	<ul style="list-style-type: none"> • Monitor inquiry work to identify unsubstantiated issues at the earliest point. • Review guidance "Concerns about charities" to include specifics on Public Benefit Reporting 	<p>We will publish information on</p> <ul style="list-style-type: none"> • Number of concerns received / enquiries opened/closed. • % of concerns received about charities have an initial enquiry risk assessed within 30 days (Target 80%) • website hits on concerns page. • Number of public benefit concerns.
c) undertaking a programme of research, including identifying best practice	<ul style="list-style-type: none"> • Draft and agree a three year research strategy • Begin implementation of agreed research strategy, to include trust and confidence research. • Continue to produce accessible mini reports on research. 	<p>We will publish information in our annual report on</p> <ul style="list-style-type: none"> • research reports. • web site hits on reports.
d) publishing a range of open data and research reports reflecting the size, diversity, operations and funding of the charity sector	<ul style="list-style-type: none"> • Review and expand open data 	<p>We will publish information in our annual report on</p> <ul style="list-style-type: none"> • Development of website open data • Number of Thematic reports published. • Number of Statutory inquiry reports. • Number of downloads of the charity register data.

<p>e) working with umbrella bodies dealing with charities to develop strategies to widen the opportunities for others to hold registered charities accountable, while retaining our independence.</p>	<ul style="list-style-type: none"> • Develop a range of online resources. • Provide feedback on helper group work with charities. 	<p>We will publish regular performance information on</p> <ul style="list-style-type: none"> • helper group resources per year.
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<p>Strategic Aim 4 - Developing as a properly governed, transparent and independent decision making body.</p>	<p>Actions Needed</p>	<p>Performance measures and information</p>
<p>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:</p> <p>a) maintaining a focus on organisational governance, culture and values</p>	<ul style="list-style-type: none"> • Implement strategic plan 2019-2022. • Schedule Team Development events. • Ongoing Board development work and staff refresher programme on organisational governance & culture. • Support Internal & External Audit fieldwork. • Manage assurance processes to confirm progress on remedial actions. • External Board Assessment exercise. 	<p>We will publish information in our annual report governance section on</p> <ul style="list-style-type: none"> • Audit opinions. • Reports on internal compliance. • Results of staff survey. • People Strategy Action Plan Implementation.

<p>b) reporting reliable information on performance against targets and standards, and on the use of all available statutory powers</p>	<ul style="list-style-type: none"> • Monthly and quarterly updates on progress against business plan. • Implement annual assurance checks framework. • Analysing and learning from decisions of other regulators and courts. • Review Publication Scheme 	<p>We will publish performance information in our annual report re corporate performance and service information against targets including.</p> <ul style="list-style-type: none"> • Number of website hits. • Number of engagement events. • % Staff absence levels. • % budget spend revenue (projected). • % budget spend capital (projected). • % Creditors' invoices paid within 10 working days (year to date).
<p>c) ensuring appropriate statutory powers are in place and monitored</p>	<ul style="list-style-type: none"> • Extend Transformation project Phase II implementation timescale and operate project monitoring to demonstrate changes in policies and procedures being put into effect. • Take forward Privacy Impact Assessments as appropriate. • Respond to changes from sponsor department to meet governance requirements. • Review Schedule 1 procedures. • Liaise with sponsor department on out-workings of Court of Appeal judgment. 	<p>We will publish information in our annual report on</p> <ul style="list-style-type: none"> • Progress of policy development agenda • Use of available statutory powers • Number of tribunal and court challenges
<p>d) developing the capacity to manage change effectively and identify ongoing improvements to systems and processes</p>	<ul style="list-style-type: none"> • Manage secure remote working in line with government guidance to deliver effective service provision. • Manage safe transition back to office working at appropriate time. • Recruit and train new staff. • Analyse web usage figures. • manage range of on line 	<p>We will publish information in our annual report on</p> <ul style="list-style-type: none"> • Project/programme team work. • Feedback from pilot schemes and critical friends on systems if appropriate.

	<p>customer surveys.</p> <ul style="list-style-type: none"> • Assurance checks of service standards. • Exploit further opportunities to use shared services and procurement frameworks. 	
e) monitoring and responding to customer needs and satisfaction	<ul style="list-style-type: none"> • Assurance checks of service standards. • Analyse web usage figures. 	<p>We will publish performance information in the annual report on</p> <ul style="list-style-type: none"> • Number of complaints received about the Commission. • Number of information requests (FoI, DPA, EiR) received and responded to. <p>We will publish information in our annual report on</p> <ul style="list-style-type: none"> • Feedback from customer surveys on web site.
f) having a commitment to promoting equality of opportunity and good relations.	<ul style="list-style-type: none"> • Undertake screening as part of policy development. Gather equality assurance information. 	<p>We will publish an Annual Report on scheme implementation and achievement of the action plan.</p> <p>We will publish ad hoc information on</p> <ul style="list-style-type: none"> • equality issues identified through project and program teams. • No of equality scheme complaints.
g) Plan for and undertake relocation.	<ul style="list-style-type: none"> • Develop project plan. • Secure appropriate budget. • Undertake user acceptance testing of new facilities prior to move. • Snag list cleared. • Manage move arrangements with minimal disruption to service. • Undertake post project evaluation. 	<p>We will publish details in the Annual Report.</p> <p>Survey of staff opinion</p> <p>Post project evaluation</p>

6. Resources

6.1 The Commission's current source of income is 100% 'Grant in Aid' from the Sponsor Department. The 2020/21 budget has been confirmed by sponsor branch reflecting the overall parameters set as part of the 2020/21 budget settlement and departmental allocations.

Item	2019/20 Baseline	2020/21 Baseline
Commissioners' Remuneration	£21,168	£40,908
Staffing Costs	£1,49,161	£1,545,864
Staff/Commissioner Non-Remuneration Costs	£59,801	£82,296
IT Costs	£99,700	£103,500
Premises Costs	£79,975	£80,155
General Running Costs	£42,500	£43,500
Programme Delivery Costs	£118,955	£137,085
TOTAL REVENUE COSTS	£1,671,000	£1,988,000
Capital Costs	£297,000	£293,000 ¹
Total Capital Costs		
Overall Total	£1,928,000	£2,281,000

¹ Assuming a tail of £90k for 2019/20, £3k for changes to the register arising from the Court of Appeal judgement, additional £100k capital for ICT strategy work and £100k for further transformation in 2020/21 arising from court ruling on delegation and Minister's policy intent on way forward.

Budgeting Assumptions

6.2 Baseline Resource budget includes the additional £100k allocated in 2019/20 which allowed for the addition of three posts to the staffing structure. The following is based on resourcing option 1 being allocated which assumes additional funding of £100k for Schedule 1 committee operation and increased employer national insurance costs. A capital budget in the region of £100k will be allocated to the overall ICT strategy which will be to 'piggy back' CCEW ICT developments where most advantageous. CCNI will seek to avail of CCEW's programme agenda and sub contractors at proportionate cost.

Commissioner costs	There is no provision for annual increase in Commissioners or related costs. Assumed full complement of 7 in place for the year. Schedule 1 Committee costs of £20k.
Staff Remuneration	The additional 6 temporary/secondment posts recruited with non-recurrent funds in 2019/20 are extended into the current year at a cost of £214k. Limited provision for temporary staffing cover. Increased employer national insurance costs of £80k.
Staff/Commissioners non-remuneration costs	Continued use of HR Connect. Training costs limited to 1% of salary costs. Provision for excess travel fares. Limited provision for recruitment costs (3 x £6k).
IT costs	ICT budget static with potential for reduction if new hosting arrangements secured.
Facilities/Premises costs	Additional facility/premises costs arising from relocation, presently unknown but assumed will be funded by DfC, along with Q1 security costs.
General running costs	Includes NI Direct for call handling (based on actual total call duration by an hourly charge rate). Provision for additional compliance reminders included in postage.
Programme Costs (excl legal and professional costs)	Additional provision for communications. Membership fees remain unchanged. Increased provision for research costs.
Legal and professional costs	Legal & professional budget static with limited provision for forensic accountancy and investigation services. Assumption that legal pressures relating to Court of Appeal will be supported by DfC. Increased provision for SORP committee costs.