

Strategic Plan

2008-11



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A. Introduction by Chair and Chief Executive

We have successfully completed the first three years of our long-term ambition to transform the Commission into a fully effective modern regulator, focused on the needs of charities, their supporters and beneficiaries, and the public.

During this time we have consulted, listened, reorganised and restructured, taken on additional responsibilities, engaged much more actively with a wide variety of stakeholders and charities and, more than ever, established ourselves as the effective, independent regulator of the sector which both charities and the public deserve.

We have accomplished this in the face of an annually reducing budget in real terms, and we are proud to be able to say that we have achieved all efficiency targets set for us by Government, despite having had to reduce our workforce by 20% since 2004/05. As financial constraints dig ever deeper, it is crucial that we are able to agree with Government a more secure approach to our long-term funding. We will be looking carefully and constructively at this issue over the coming months, seeking to ensure a sustainable future for the Commission.

We are still on a journey. Although our strategic review in 2005 seems quite distant now, it established our new vision and mission. These remain undimmed although, as we anticipated and as every organisation must, we have refreshed our

vision, mission and values. We have also revised our strategic outcomes to keep them up to date with our progress and ambitions, and in line with the new objectives given to us by Parliament in the Charities Act 2006.

We have already gone a long way in helping make charities more effective and transparent, and making certain that we act in a proportionate manner that is targeted on areas of greatest risk. We are proud of what we have achieved but we aim to do more. Indeed, we continue to develop our ideas about further improving our effectiveness and ensuring that the Charities Act 2006 is successfully implemented and serves as a positive force for modernizing the sector.

This, our new Strategic Plan, sets out our priorities and ambitions for the next three years. It is underpinned by our Business Plan, available on our website, which sets out in further detail what we will deliver to achieve these aims.

August 2008

Andrew Hind
Chief Executive



Dame Suzi Leather
Chair

B. Our Vision, Mission and Values

vision	Charity working at the heart of society for public benefit				
mission	<p>The Charity Commission is the independent regulator for charitable activity</p> <table><tr><td>ensuring legal compliance</td><td>enhancing accountability</td><td>encouraging effectiveness and impact</td><td>promoting the public interest in charity</td></tr></table> <p>to promote the public's trust and confidence</p>	ensuring legal compliance	enhancing accountability	encouraging effectiveness and impact	promoting the public interest in charity
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values	Effective Expert Fair Independent Innovative Responsive				

Our values underpin everything we do and shape our behaviour, both as an organisation and as individuals working in the Commission. The six values have the following meanings:

Effective

We deliver on our promises and get the basics right. We are focused on the outcome rather than the process. Our work is targeted, appropriate and efficient and provides value for money. We do things well and are accountable to our stakeholders.

Expert

We have a unique perspective and reservoir of knowledge on the charity sector and charity law. Our expertise adds to the work of individual charities, the work of the charity sector and the public confidence in charity.

Fair

We treat all stakeholders consistently and without bias. Any actions we take are proportionate, fair and reasonable. We behave in an open, honest and transparent way. We take account of, and value, diversity.

Independent

We operate as an independent regulator of the charitable sector, making our decisions based on the facts of each individual case and acting in the best interests of the charity, the sector and the public who support it.

Innovative

We are willing to adapt and change and try new ways of doing things. We are imaginative and flexible in the way we respond to the issues we face. We seek feedback to help us innovate. We encourage diversity within the Commission and the charity sector.

Responsive

We listen to the needs of trustees and their charities, and the general public. We respond swiftly and in a way which is supportive and enabling. We work in partnership with other organisations and stakeholders, and build effective relationships.

C. Strategic Priorities for the next three years

C1. An Evolving Regulator

The Charity Commission is the regulator for all charities in England and Wales. Over the period of our Corporate Plan 2006-08, the Commission undertook a programme of significant change and development in accordance with the mission and strategic goals we set for ourselves.

During this time we have:

- revised our governance, and expanded our Board to give the Commission wider experience and expertise;
- created Charity Commission Direct, our award-winning multi-channel contact centre which provides a single point of contact and advice for charities and the public;
- supported the delivery of key provisions of the Charities Act 2006, including a number of deregulatory changes for small charities;
- undertaken detailed consultation with charities and the public on public benefit and published authoritative guidance for all charities on the public benefit requirement;
- significantly reduced the time we take to make regulatory consents and advice, providing a faster and better customer service;
- enhanced our risk-based approach to ensuring charities comply with the law;
- simplified and refocused the Annual Return, asking less of small charities;
- made it possible for charities to file their accounts and returns with us online;
- improved the information we provide about charities to the public through our website, including publishing charity accounts; and
- published authoritative guidance for charities on key issues, including the role of trustees, collaborative working and mergers, campaigning and political activity by charities, fundraising, and trading.

The size and complexity of the charity sector, and its relationship with both the state and its citizens, continues to change rapidly. The Charity Commission cannot stand still, but must anticipate and respond appropriately to changes that affect regulation, the charity sector and society itself. In the next few years we will see a major change to the shape of the registered charity sector, as charities that were previously excepted or exempt from registering will have to do so under new provisions in the Charities Act. This will increase significantly the size of the Register of Charities, and increase the transparency and accountability of the charity sector.

For the coming three years, we have divided our strategic aspirations and our planned delivery of strategic outcomes into two documents. This Strategic Plan represents our top-level priorities for 2008-11. Our Business Plan (available on our website) sets out in greater detail how we will deliver our strategy and includes how we will deliver new initiatives, priorities and legal requirements as well as maintain or improve service delivery in core areas, within a reducing funding baseline.

C2. Strategic themes

We have identified a number of key strategic themes which, during the life of the Plan, will influence our priorities, shape our performance and ensure we deliver against our mission and our Strategic Outcomes. These strategic themes reflect the need for the Commission to build on the huge progress we have made in developing our regulation of the sector and improving our services, and the need for us to continue to develop, modernise and improve.

We also recognise that we operate within the context of high and changing expectations from the sector we regulate, from Parliament, and from the public. We want to achieve excellence in our services to customers, our engagement with stakeholders and in all aspects of our regulation of charities in the public interest.

Our dual role as regulator and enabler for charities and the charitable sector underpins our approach to delivering our strategy.

C. Strategic Priorities for the next three years

Continuing our commitment to modern, risk-based regulation

The voluntary nature of charities makes it particularly important to reduce the burden of regulation wherever possible. This means we must be even more focused on where and how we apply our regulatory demands. We must continue to improve our service delivery and strive for excellence in all we do.

Proportionality and informed assessment of risk are the basis for all our regulatory work, from the initial registration of a new organisation, through the standards we set for the submission of information, to our consideration of fraud or abuse within charities.

The recent Charities Act 2006 has given us a new role in ensuring that a charitable purpose is for the benefit of the public and that we promote awareness and understanding of the operation of the public benefit requirement. We have already issued guidance and will continue to develop an effective communications strategy with charities, umbrella groups and the sector.

Where the risks are low we will enable charities to do better by encouraging greater self-regulation or through lighter touch regulation. We will make our guidance and advice widely available so that self-service is possible for charities who are dealing with common, low-risk issues. We will further develop our partnership

working with umbrella groups to ensure that small charities within these groups get clear and accurate advice tailored to their needs.

Where risks are high we are putting in place an enhanced compliance function, with a strong focus on intelligence-led proactive monitoring. This will help us identify high risk and vulnerable areas in the charitable sector and assist with detecting, deterring and preventing abuse in charities, and with targeting our support, advice and guidance.

We will concentrate most effort on resolving problems where charities, their assets or their beneficiaries are at risk. We will offer advice and guidance to improve governance and resolve issues - where there is deliberate wrong-doing or a charity has been exploited we will act swiftly and rigorously. We have increased staff numbers in our Compliance Division by 50%, to reflect the importance we place on this area of our work. We will further modernise our compliance work and develop our intelligence, monitoring and outreach functions to support our delivery in this area.

Delivering organisational change and valuing our people

Developing our organisation, and motivating and building the expertise of our staff is a key priority. **Only capable and motivated staff in the right roles, with the right tools and training to do their jobs effectively, will be able to deliver the services we want to offer.** We aspire to be recognised as a centre of expertise, professionalism and excellence. We are committed to building a diverse work force, providing excellent training, development and learning, and encouraging staff to make decisions appropriate to their knowledge and experience.

We will:

- create a culture of confidence and engagement, with a commitment to improving diversity and enabling innovation;
- develop quality leadership and management throughout the organisation;
- raise expertise in the organisation through measurable learning and development, talent management and strategic resourcing;
- improve productivity and effectiveness within the organisation; and
- implement a new service model and improvements in service delivery.

The leadership provided by our Board is vital to ensuring we have a clear strategic direction. The

Board is committed to ensuring that their own performance is measured and externally validated, setting the tone for the Commission as a whole.

When recruiting we will use innovative ways to identify and attract candidates with the most suitable skills, experience and attitude. Our workforce must also reflect the diversity of the charity sector and the public.

We recognise that diversity means more than mere compliance with statutory duties in respect of gender, ethnicity, disability and belief. It will be about achieving true diversity of thought, skills, background and experience. It must be integral to our business and a key part of how we behave. A diverse workforce will help us to carry out our work more effectively with our customers, giving us a greater understanding of the context in which they operate. We want to create an environment and ethos in which diversity and talent can flourish, and which supports creativity and innovation.

Championing innovation and promoting quality leadership and management throughout the organisation, and identifying key skills and needs will be central to our delivery of better services to charities. We will continue to build expertise within the Commission through learning and development, talent management and strategic resourcing.

C. Strategic Priorities for the next three years

Independent, objective decision-making and leadership

We are proud of our status: independent from Government and accountable directly to Parliament. We listen to and work with stakeholders and regularly seek their views, but we do not represent the sector or government. Our credibility as a regulator, the integrity of our decision-making, and the confidence of the sector and the public in our leadership all rest in large part on our independence.

Independent regulation means making objective decisions, based on the public interest and the facts of each individual case. Parliament gives us a statutory role to make decisions based on charity law. We must increase the public trust and confidence in charities and give leadership to the sector. Through our engagement with charities, and

our wider communication of our policy and research, we will seek to lead and participate in debates about issues affecting the sector and the public's perception of it.

There may be times when those concerned disagree with our decisions, and it is right that those affected should be able to challenge our conclusions. The new Charity Tribunal means our decisions can be tested more easily and will help charity law develop. This is an important development for the Commission and supports our role as independent regulator.

Driving the accountability of charities to the public

The public expects that charities should be accountable, transparent and act with integrity at all times, and we must continue to drive this behaviour.

Only 75% of charities submit their accounts and annual returns within the statutory deadline, which means one quarter of charities fail to achieve this most basic of accountability standards. We do not have the power to penalise charities directly for this non-compliance but we will make it a priority to improve this performance.

As part of our commitment to reducing the burden of regulation on charities, whilst ensuring accountability to the public, we will continue our rolling review of the information we ask charities to provide in their Annual Returns. This may include reducing the

numbers of charities expected to provide an Annual Return in response to consultations under the Charities Act.

The Register of Charities is the most frequently visited section of the Commission's website, and is an essential tool for donors, users and consumers seeking the best information about charities and the sector. We will make this information more accessible and easier to understand. We will also make the Summary Information Return a more effective tool for sharing information with the public about the aims and achievements of the largest charities.

C. Strategic Priorities for the next three years

Delivering faster, more efficient services to our customers

As an enabling regulator we must continually improve the quality, and expand the scope, of our face to face service delivery. We will seek external validation and benchmarking for our services as part of our improvement programme.

Customers and other stakeholders expect to be able to access our services and find the information they are looking for quickly and efficiently, and we want to meet and exceed those expectations. Through our website, our online services and our contact centre we have made major improvements in providing a swift, personal service to customers and this continues to be a priority.

Customers have responded very positively to the development of Charity Commission Direct, our one-stop contact centre. We are committed to developing better channels of access for customers to our knowledge and expertise. We know that for many customers the ability to get the best advice swiftly is essential, so we have extended the opening hours of our contact centre. We will also encourage staff and customers to use emails and the telephone wherever appropriate.

We will further develop our website, to make it easier for visitors to find the information they are looking for and to give a better overview of the Commission's services. We will focus on making our guidance and information easily accessible online. Take-up of the services we offer online, such as filing accounts and updates, and in some cases registration, has already been very positive. We will improve and increase the range of services we offer online so that this becomes the first choice for all our customers.

This focus on developing our website and online services, and encouraging customers to use these routes, is key to enable us to release resources for more complex and detailed work, and indeed for the new opportunities and challenges which will arise. In this way we can improve our efficiency and drive up performance and impact.

Completing implementation of the charities act 2006

The Charities Act 2006 modernised the legal framework allowing charities to operate with greater freedom and flexibility to respond to changes in society. We are committed to implementing in full the provisions of the Act and will work with stakeholders to achieve this.

Under the Act, the Commission has new responsibilities for increasing awareness and understanding of the public benefit requirement. This is a key role for the Commission, and a significant development for charities and for the public understanding of charity. We will continue to develop the essential framework for charities to meet the public benefit requirement. We will consult with charities, professional advisers and the general public as we evolve the framework for public benefit, and will develop our operation of the requirement in line with our regulatory principles of risk and proportionality.

Other areas where the Commission has a key role to play include:

- consulting on regulations, model governing documents and other issues to enable the Charitable Incorporated Organisation (CIO) model to come into effect;

- developing the right accounting regime for charities which are currently exempt;
- establishing a framework and developing relationships with the new principal regulators for some groups of charities;
- understanding and clarifying charitable status issues around Industrial and Provident Societies;
- subject to funding, developing and implementing the first phase of the public collections legislation.

The Act gives the Commission new powers and we will need to consider the effective use of these powers. Like all regulators, we will also continue to review our existing powers and consider whether they are sufficient to drive the behaviours that the public expects of charities.

D. Delivering our Mission

The previous section outlined our strategic priorities for the next three years. Delivering against these will enable us to achieve the five new statutory objectives for the Commission which are set out in the Charities Act 2006. We have adopted these statutory objectives as the Strategic Outcomes we are committed to achieving in the period 2008-11, through a successful service delivery plan that:

- meets the needs of our customers and stakeholders;
- meets public and Parliamentary expectations;
- meets regulatory requirements; and
- encourages a successful and effective charitable sector.

In our Business Plan we will set out all the key initiatives by which we will achieve our strategic outcomes over the next three years. Our Business Plan will be available on our website.

Our Strategic Outcomes:

- To increase public trust and confidence in charities.
- To promote awareness and understanding of the operation of the public benefit requirement.
- To promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.
- To promote the effective use of charitable resources.
- To enhance the accountability of charities to donors, beneficiaries and the general public.

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values	Effective Expert Fair Independent Innovative Responsive				

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