



Charity working at the heart of society
The way forward 2005-2008





Charities exist to create a better society. The 190,000 charities registered with the Charity Commission have an annual income of £36 billion, almost 600,000 paid staff and 900,000 trustees. They operate for a vast range of purposes, and in many different ways.

Each of these organisations is united by a commitment to voluntary action and a desire to make the world a better place for everyone.

Our job as their regulator is to help them achieve this. By working closely with charities to ensure that they are accountable, well run and meet their legal obligations, we contribute significantly to a charity sector that enjoys a high level of public trust and confidence.

The size and complexity of the charity sector, and its relationship with both the state and its citizens, is changing at an ever-increasing pace. In parallel, the Charity Commission has also been changing over recent years as the need for better regulation of the sector has grown.

Creating a better society

We have worked hard to improve our responsiveness to the needs of both charities and the public:

- Introducing principles of good regulation;
- Using the law in more modern ways to enable new types of charity to be registered and to flourish;
- Developing a popular web site, www.charitycommission.gov.uk, which attracted 20 million hits last year;
- Strengthening our complaints procedures through the appointment of an independent complaints reviewer;
- And making our work more transparent by publishing our working procedures, decisions and reports.

But, just as charities continue to evolve, so must we continually improve our effectiveness. We have undertaken a strategic review of our activities, seeking views from both inside and outside the Commission to produce a new vision and mission for the organisation and a strategy for the next three years.

Our objective is to create a Charity Commission which is a modern regulator, focussing on the needs of charities and the public. We will be proactive, strategic and outcome-focussed; working in an open way, valuing partnerships and engaging in dialogue with all our stakeholders.

This document is a summary of our new strategy.



Geraldine Peacock
Chairman

Andrew Hind
Chief Executive

December 2005

The environment in which charities operate is changing. There are more demands on their services and an increasing expectation that they demonstrate the impacts of their work. It is essential that the Charity Commission also evolves as the sector's regulator.

Our conclusions about the way forward are based on an analysis of the views and experience of a wide range of organisations and people, including the continual feedback we receive from charities and their trustees on a daily basis. We have also taken account of the views of other external stakeholders, including the recommendations of the Cabinet Office Strategy Unit report in 2002 and the underlying themes in the Charities Bill.

To further enhance our approach, we commissioned an independent company to conduct in-depth interviews with 75 opinion-formers representing both large and small charities, funders, parliamentarians, civil servants, regulators in other sectors and the media. We wanted to hear what external stakeholders needed from a modern regulator for the charity sector.

This was the first time the Charity Commission had sought feedback from external

stakeholders in such a structured and comprehensive way. Our provisional conclusions were also subject to full public consultation.

Emerging from this process are the following guiding principles that will shape our priorities and actions for the next three years. **We will:**

- Build on the progress of recent years and become a modern regulator.
- Be independent and enabling, working both with, and for, the charitable sector.
- Place a new vision and strategic purpose at the heart of our activities. This will be shared with both charities and the public so that everyone knows what we do and the guiding principles that support our actions.
- Be accessible, accountable and transparent: encouraging greater dialogue with charities and trustees, becoming better listeners and being more collaborative, outcome-focussed and proactive.
- Be accurate, consistent and timely when asked for advice, based on well-publicised performance standards.
- Concentrate our engagement with charities on where it is most needed. Small charities

will be regulated in a way which is appropriate for their size; but we will have greater expectations of larger charities due to their size and impact. Where trustees have made honest mistakes we will respond flexibly; deliberate wrong-doing will be dealt with rigorously.

- Support the improved performance of charities by working much more in partnership, particularly with umbrella groups, 'signposting' other sources of expertise and introducing wider networks of communication and influence to help them.
- Deepen our knowledge of the sector through the information submitted to us by charities and gained from our own casework. We will share this knowledge widely across the sector, helping to define best practice and make charities aware of the standards to which they should aspire.
- Engage more actively with politicians and government in influencing the policy formulation process for the sector as a whole.
- Promote the work of trustees and volunteers and the contributions charitable activity makes to society.

Our vision

To achieve our guiding principles, we have created a new vision, mission and set of values for the Charity Commission. Our future strategy, and the way we behave as an organisation, will be inspired by the vision, rooted in the mission and shaped by the values.

vision	Charity working at the heart of society			
mission	The Charity Commission is the independent regulator for charitable activity			
	enabling charities to maximise their impact	ensuring compliance with legal obligations	encouraging innovation and effectiveness	championing the public interest in charity
	to promote the public's trust and confidence			
values	Effective Expert Fair Innovative Responsive			

Vision:

Our new vision moves away from a focus on the role of the Commission itself to a vision which focuses on the critically important contribution that charitable activity makes to society.

Values:

Our new values will shape our behaviour, both as an organisation and as individuals working in the Commission.

Our new Mission:

- Recognises that we are the protector of charity integrity.
- Gives new emphasis to enabling individual charities to maximise their impact and encouraging innovation and effectiveness across the charity sector.
- Confirms that these activities are undertaken to promote the public's trust and confidence in charitable activity.

Commitment to deliver



In following the priorities outlined in our mission, we are committed to delivering the following strategic outcomes by 2008. We will organise ourselves in a new way to provide a real focus on customers' needs. We believe that this will contribute to stronger performance by charities and help promote the public's trust and confidence in the sector.

Continually improving services, assisting charities to deliver

We will achieve greater consistency in the services we provide by bringing together all the one-to-one operational services the Commission provides to charities. We will do this by creating a single Charity Services Division, with a central 'reception' unit that will immediately direct new cases to the right part of the Commission.

We will also minimise duplication of activities on different sites and develop a customer network to improve the feedback we receive about the quality of our work.

Proportionate regulation

We will engage with charities in a way which will make most difference to them and those who benefit from them. Any actions we take will be proportionate, fair and reasonable, taking account of the issue, the risk involved to the charity and its beneficiaries and the capacity of the charity to comply.

Accordingly, we will only ask for information that we need, we will work with other regulators to standardise information requirements, we will increase thresholds to minimise the regulatory burden for smaller charities and ensure our compliance energies are focussed where the risk is greatest.

Guiding charities in complying with their legal obligations

We will continue to place considerable emphasis on our enforcement role, ensuring that charities comply with their legal obligations. Where there is evidence of deliberate wrong-doing, we will be faster and sharper in our response.

We will require charities to better explain how they benefit the public and what they achieve, particularly through SORP 2005 and the Summary Information Return.

We will clearly separate guidance for charities about what they 'must do' according to legal requirements from what they 'should do' to meet best practice. We will clearly signpost other sources of advice and guidance provided by umbrella groups. Where appropriate, we will accredit others to deliver advice on our behalf and encourage self-regulation in different parts of the sector.

Sharing knowledge and working together across the sector

We will encourage charities to improve their performance by creating a Charity Effectiveness Division which will help to define best practice and capture such knowledge from our case work. We will work in partnership with umbrella groups to share this knowledge widely, and encourage innovation and collaborative working across the sector.

Commitment to deliver

A modern regulator engaging with you – working with the sector, we will use the best evidence to inform our work and improve our services



Enhancing trustees' knowledge and understanding

Trustees stand behind every charity, with ultimate responsibility for running them. We have an important role to play in equipping them to carry out this task more effectively. We will re-design and enhance our online service so that it becomes an instant and powerful resource to communicate with all trustees and stakeholders, including an interactive email advice service and web-based discussion groups on particular issues, or for particular types of charity. We will work in partnership with others to improve the induction of new trustees and raise standards of governance in the sector.

Increasing public understanding and support for charities

To help the public make better-informed choices about how they engage with charities, we will create a Charities Information Division. This will enhance our ability to analyse information and conduct research. We will work in partnership with others, using this knowledge to report regularly on key trends and the state of the sector overall.

To enable us to engage more effectively with the public and other stakeholders, we will develop a Public Affairs function. We will strengthen our Board and increase the diversity of its members, holding their meetings in public and organising an annual meeting where members of the public can hold us accountable for our performance.



Charity Commission

Telephone: 0845 300 0218

Minicom: 0845 300 0219

Website: www.charitycommission.gov.uk