

Scottish Charity Regulator (OSCR) Business Plan 2015-16: Year end outcome



1. BACKGROUND

Our purpose and role

The Scottish Charity Regulator is the independent registrar and regulator for over 23,000 charities in Scotland.

We were set up under the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and took up our formal powers in April 2006. We are a non-ministerial department and form part of the Scottish Administration. While we are operationally independent of the Scottish Government we do take account of its policy priorities, and our work contributes to the delivery of the National Outcomes. As a publicly funded body we also have a general duty to deliver best value by operating efficiently and effectively, and in addition we must carry out our work in accordance with the regulatory principles of being proportionate, accountable, consistent and transparent.

Our vision

Charities you can trust and that provide public benefit.

Our regulatory duties

Our regulatory functions are defined by the 2005 Act, which places a duty on us to:

- Determine which bodies are charities
- Keep an accurate public Register of charities
- Encourage, facilitate and monitor compliance by charities
- Identify and investigate apparent misconduct
- Give information and advice to Scottish Ministers.

2. OUR MEDIUM-TERM STRATEGIC AIMS

Our Corporate Plan for 2014-17 sets out our strategic aims and operating priorities for the three year plan period.

Our four strategic aims are to:

- **Help the public to have more confidence in charities**
- **Help charity trustees to understand and comply with their legal duties**
- **Keep registration and reporting straightforward and proportionate**
- **Continually improve the way we operate and deliver services**

3. OUR BUSINESS PRIORITIES FOR 2015-16 & OUR RISK FRAMEWORK

This Business Plan outlines the work we will carry out to ensure that our four strategic aims are delivered in the coming year. Key objectives and milestones are listed for each strategic aim, although it is noted that a number of milestones may contribute to the delivery of more than one strategic aim.

This Plan does not take into account all of the ongoing, continuous work activities undertaken in support of meeting our regulatory and public duties, particularly our work on complex cases, which, by necessity, is often of a reactive nature.

A core part of our work this year will be the first stages of implementation of the Targeted Regulation programme. We will start to develop new systems and ways of working in order to target our energy and resources on areas of work that have the greatest potential to undermine confidence in the charity sector.

Our risk framework will underpin our decision making. In order of treated risk, the 10 current risks are:

1. Non submitting charities
2. Trustees acting improperly causing adverse impact;
3. Criminal activity
4. A body misrepresenting itself as a charity
5. Charities that don't provide public benefit

6. Individuals/organisations inappropriately benefiting from charities
7. Charities carrying out actions without seeking the appropriate consent from OSCR
8. Lack of clarity over the charity brand
9. Persons who are disqualified but acting as charity trustees
10. Charities operating in fragile states

The framework will be used as a tool to ensure that both our proactive and reactive activities are influenced and prioritised by these key areas. It will help us to introduce a consistent approach across our organisation and help us to detect and deal with problems in a more focused way. For example it will:

- Underpin the assessment and prioritisation of casework within both our Registration and Compliance and Investigation teams
- Focus the activity of the Engagement team, allowing them to prioritise guidance and directing us to the groups we should be developing relationships with
- Influence the information that we collect from charities via the Annual Return process
- Inform the resources we develop to allow charities to better help and equip them in dealing with difficult situations
- Initiate studies where we identify charities that have a tendency to experience such issues

This plan reflects the first stages of the implementation of this programme. Charities will begin to see changes during 2015-2016, with more substantial changes implemented at the start of financial year 2016-2017, when re-designed IT systems should be in place.

Our business priorities achievements in 2015-16

Ref	Objectives	Milestones	OSCR Team/project manager	Year end position
Strategic aim 1: Help the public to have more confidence in charities				
Key measures of success 2014-17:				
<ul style="list-style-type: none"> • We will run bi-annual surveys • We will publish more information about charities on our Register and our website • We will publish case studies and inquiry reports on our website • Our new annual reporting framework will be implemented 				
1.1	Develop a new annual return (AR) reporting regime	Undertake internal engagement work on the new Annual Returns regime Update the Annual Return form Decide on new thresholds Undertake IT procurement in support of the new AR regime Develop & communicate new AR guidance Develop & implement IT structure to accommodate improvements	Change Group	ACHIEVED

1.2	Contribute to increasing the transparency of charities through the publication of their Annual Reports & Accounts	<p>Undertake IT procurement in support of publishing annual reports & accounts</p> <p>Develop & implement internal processes in support of publishing annual reports & accounts</p> <p>Begin publishing accounts (phase 1)</p>	Change Group	ACHIEVED
1.3	Develop and enhance the accessibility of our Inquiry Reports. Prepare case studies, guidance and other learning materials based on our inquiry work, including lessons learned	Produce 6 case studies	Enforcement and Engagement	ACHIEVED
1.4	Develop a Charity Review framework that combines reactive and proactive activities aimed at allowing us to focus on charities or groups of charities that are most likely to undermine public confidence and trust in charities.	<p>Develop a framework of Charity Review activities</p> <p>Draft business changes including resource impact</p> <p>Develop a Charity Review work plan for the first 6 months of 2016-17</p>	Change Group	ONGOING

Ref	Objectives	Milestones	OSCR Team	Year end position
Strategic aim 2: Help charity trustees to understand and comply with their legal duties				
Key measures of success 2014-17:				
<ul style="list-style-type: none"> • The number of charities which don't submit annual returns and accounts to us will have gone down • Fewer applications for charitable status will be closed or withdrawn by the applicants without a decision • We get fewer complaints about charities within the first 18 months of their being registered • Consultations and feedback on new guidance from the public and charities tell us it's easier to understand than previous guidance 				
2.1	Undertake inquiries in response to concerns raised, within OSCR's performance indicators and in line with OSCR's Inquiry Policy	Complete 75% of concerns within 9 months	Enforcement	ACHIEVED
2.2	Undertake monitoring of charities and charitable assets within OSCR's performance indicators and in line with OSCR's Monitoring Policy	<p>Undertake accounts compliance work in line with our current Monitoring Policy and until our new, updated compliance monitoring policy is implemented.</p> <p>Continue to meet the current policy targets of 2 months for processing annual and supplementary returns and completing follow-up work until our new policy is developed and implemented.</p>	Enforcement	ACHIEVED

2.3	Develop an internal trustee database	<p>Decisions made with respect to information required.</p> <p>Procure IT capacity in support of trustee database</p> <p>Begin populating database</p>	Change Group	ONGOING
2.4	Develop & implement a Notifiable Events regime	<p>Undertake desk research on current Notifiable Events practices across the regulatory sector</p> <p>Develop Notifiable Events policy</p> <p>Draft & publish Notifiable Events guidance</p> <p>Implement Notifiable Events policy and procedures</p>	Change Group	ACHIEVED
2.5	Develop new policy and procedures (within our legislative limitations) aimed at significantly reducing (by 700) the number of non-submitting charities throughout the year.	<p>Draft & implement new policy and procedures for non-submitting charities</p> <p>Quarterly reporting on non-</p>	Change Group	ONGOING

		submissions shows numbers of non-submitting charities have reduced significantly, and that this is sustainable.		
2.6	Facilitate increased compliance across the sector through clear and targeted communication, training and guidance.	<p>Hold 6 Meet the Charity Regulator (MTCR) events</p> <p>Achieve a 90% approval rating at our MTCR events</p> <p>Undertake an analysis of our social media activities and our website showing our communications messages are reaching a wider audience and are having a greater impact</p> <p>Complete & publish our Meet the Charity Test guidance</p> <p>Complete & publish our Charity Trustee Guidance</p> <p>Complete & publish our Social Enterprise Guidance</p> <p>Organise Scottish contribution to Trustees Week, ensuring the event has generated:</p> <ul style="list-style-type: none"> • relevant activities for 	Engagement	ACHIEVED

		trustees which have been organised and widely publicized		
2.7	Maintain a good understanding of the external policy environment through the co-ordination of responses to external policies and developing internal policy where required	<p>Ensure our response to relevant consultations is carried out in a timely manner</p> <p>Support the sector to find a robust & manageable solution for the regulation of fundraising in Scotland</p> <p>Develop & implement a strategy for working on banking issues</p> <p>Ensure changes required by the introduction of the Regulatory Reform Act are embedded across OSCR</p> <p>Develop, implement & widely communicate our Equality Strategy action plan</p> <p>Develop new & update existing MoUs</p>	Engagement	ACHIEVED

2.8	Improve the change of legal form process for charities	<p>Identify what additional information and advice would improve the quality of applications, and update the website offering in line with this</p> <p>Engage with identified stakeholder groups to understand the apparent obstacles during this process</p> <p>Identify & implement changes required to improve process</p>	Registration	ONGOING
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Ref	Objectives	Milestones	OSCR Team	Year end position
Strategic aim 3: Keep registration and reporting straightforward and proportionate				
Key measures of success 2014-17:				
<ul style="list-style-type: none"> • Fewer applications for charitable status will be closed or withdrawn by the applicants without a decision • The average number of days we take to decide whether or not an organisation can be a charity goes down • We provide more services (for instance application for charitable status) interactively online • The number of charities which don't submit annual returns and accounts to us has gone down • Feedback in Surveys and at events indicates that our services have improved 				
3.1	Make decisions on applications for charitable status and consents for changes to charities proportionately and as quickly as possible	<p>Aim to issue decisions on 80% of status applications within 90 days</p> <p>Aim to ensure that all statutory deadlines for reorganisations, consents and reviews are met</p> <p>Consider and submit to SMT a proposal for a graduated, risk-based target for status applications</p>	Registration	ACHIEVED
3.2	Address common issues in granting status for new charities	<p>Engage with stakeholders to identify issues with village hall constitutions and governance</p> <p>Identify & implement guidance/procedure change for village halls</p>	Registration	ACHIEVED

		Identify other issues to tackle in light of conclusions of charity review work stream and risk framework, and submit proposals to SMT		
3.3	Develop & implement online charitable status applications	<p>Develop detailed requirements and technical specification for a pilot form</p> <p>Initiate procurement in line with procurement schedule for trustee database and accounts publication</p>	Registration	NOT ACHIEVED TAKEN FORWARD TO 2016-17 PLAN

Ref	Objectives	Milestones	OSCR Team	Year end position
Strategic aim 4: Continually improve the way we operate and deliver services				
Key measures of success 2014-17: <ul style="list-style-type: none"> • Performance targets • Feedback in surveys • We offer an increased range of digital services • Our accounts are unqualified • The number of justified service complaints reduces • Our carbon emissions will reduce annually • Our staff engagement levels will remain high 				
4.1	Fulfil our statutory duties as a public body	100% of FOIs, EIRs & Data Protection Subject Access requests responded to within legislative timescales. Meet the requirements of the Public Records (Scotland) Act through: <ul style="list-style-type: none"> ○ producing compliant annual reports & accounts in a timely manner, making formal recommendations to Scottish Ministers ○ delivering an effective financial management & payment process ensuring 100% of payments are made within 30 days of receipt of a valid invoice. Continue to aspire to pay 100% of invoices within 10 days of a valid invoice 	Support Services	ONGOING

		<ul style="list-style-type: none"> ○ co-ordinating the processes of the internal & external audit process ○ producing & publishing monthly expenditure reports ○ producing & publishing an annual disclosure statement ○ annually reviewing our Records Management (RM) Plan ensuring that it is fit for purpose ○ undertaking monthly disposal of obsolete records <p>100% of service complaints responded to within timescales stated in our Complaints Handling Procedure</p> <p>Monitor & lessen the impact of our business on the environment as set down in our Carbon Management Plan 2014-17 and the duties set down in the Climate Change Act (Scotland) 2009</p>	Support Services & ALL	
4.2	Have a skilled, motivated & resilient team applying their expertise flexibly to meet changing demands	<p>Contribute to the delivery of the SG People Strategy by:</p> <ul style="list-style-type: none"> ○ developing, monitoring & reporting of an annual L&D Plan ○ preserving liP recognition and enhancing well-being & engagement among staff 	Support Services ALL	ACHIEVED

		<ul style="list-style-type: none"> developing, tracking and reporting on the implementation of an updated Improvement Plan 	SMT & Support Services	
4.3	Continue to offer a high quality contact service to the public	<p>Ensure at least 95% of SRQ enquiries received are responded to within 15 working days</p> <p>Ensure that Twitter queries are responded to within 2 working days.</p> <p>Ensure validation of annual returns are completed within 2 months of receipt</p>	<p>ALL</p> <p>Engagement</p> <p>Enforcement</p>	ACHIEVED
4.4	Support the effective delivery & daily operation of OSCR's business infrastructure & online applications	Procure & manage our contracted services & their associated Service Level Agreements (SLAs). Eg. Objective, Health & Safety, OSCR Online, LAN support	Support Services	ACHIEVED
4.5	Maximise the options & opportunities available to us in line with SG's Digital Agenda	<p>Record OSCR's digital aspirations through:</p> <ul style="list-style-type: none"> developing a Digital Action Plan supporting the implementation of actions from the Plan 	Support Services	ONGOING
4.6	Review options for ongoing provision of external legal advice in light of new SG legal procurement frameworks	<p>Assess suitability of SG and other frameworks for OSCR's ongoing legal needs</p> <p>Recommendations for decision to SMT</p>	Legal	ACHIEVED

4.7	Support a Business Planning function within OSCR	<p>Track the achievements of the Business Plan (BP) objectives & milestones through:</p> <ul style="list-style-type: none"> ○ monthly meetings with Heads of Service ○ providing a fully tracked version of the BP at SMT meetings & to staff ○ reporting annual BP achievements <p>Co-ordinate the development, of an annual business plan</p>	Support Services	ACHIEVED
4.8	Work towards 100% OSCR online uptake by the end of the financial year	<p>Implement a communications plan aimed at encouraging uptake of OSCR online</p> <p>Develop a plan outlining avenues of support for online users</p>	Engagement	ONGOING
4.9	Develop and implement a consistent approach to project management (PM) across OSCR	<p>PM procedures agreed and implemented</p> <p>PM templates developed in support of PM procedures</p> <p>Project manager and project sponsor meeting facilitated to clarify roles and responsibilities</p>	Engagement & Project Managers	NOT ACHIEVED