

# Meet the Regulator

Aberdeen

# Welcome



Jess Wade, OSCR Board Member

# Agenda

- About OSCR
- Public Trust
- Consultation on Charity Law
- Things to know about
- Sources of help and advice
- Governance Matters: Making your charity stronger
- Break and Networking
- Trustee Recruitment
- Panel Q&A

# About OSCR



OSCR is the **regulator** and **registrar** for Scotland's 24,500 charities

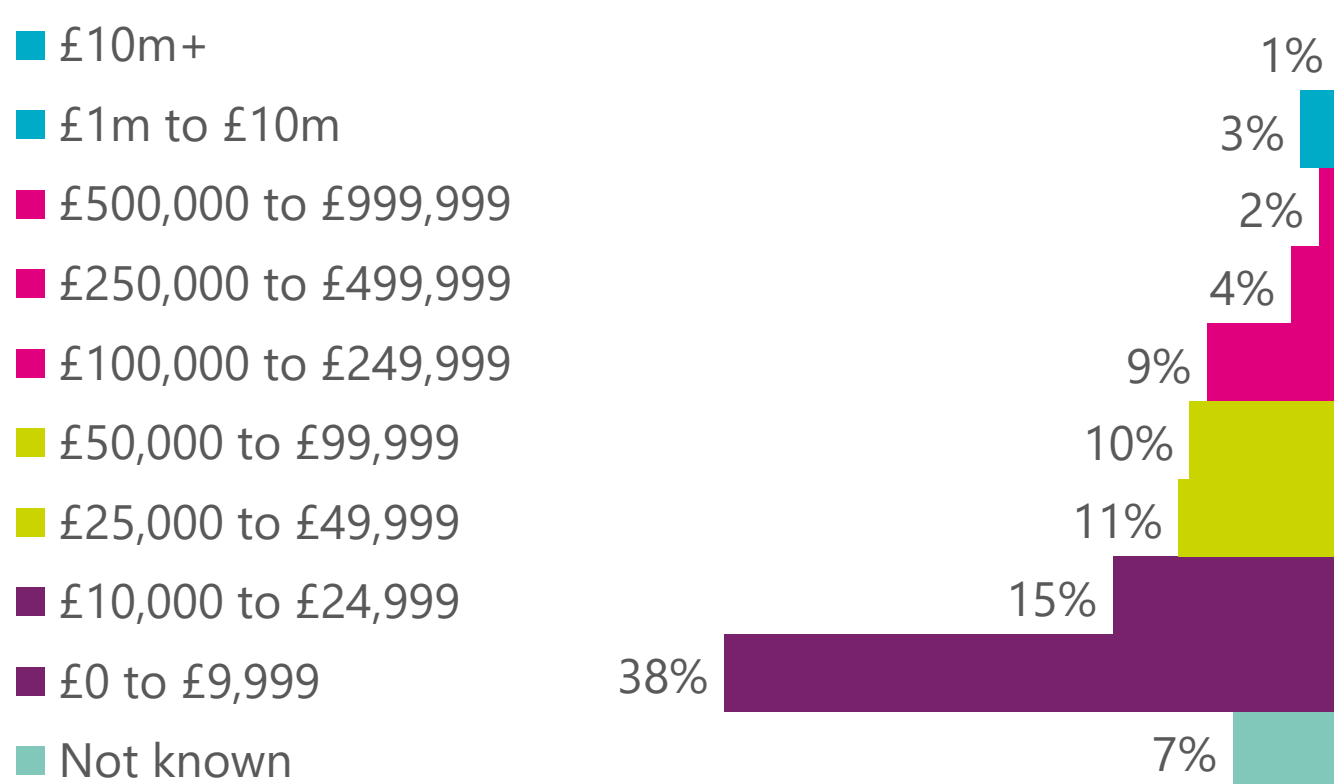
# OSCR's vision



Charities you can **trust** that provide **public benefit**

# Who do we regulate?

## Incomes of Scottish charities



# What we do



Register new charities



Help shape policy

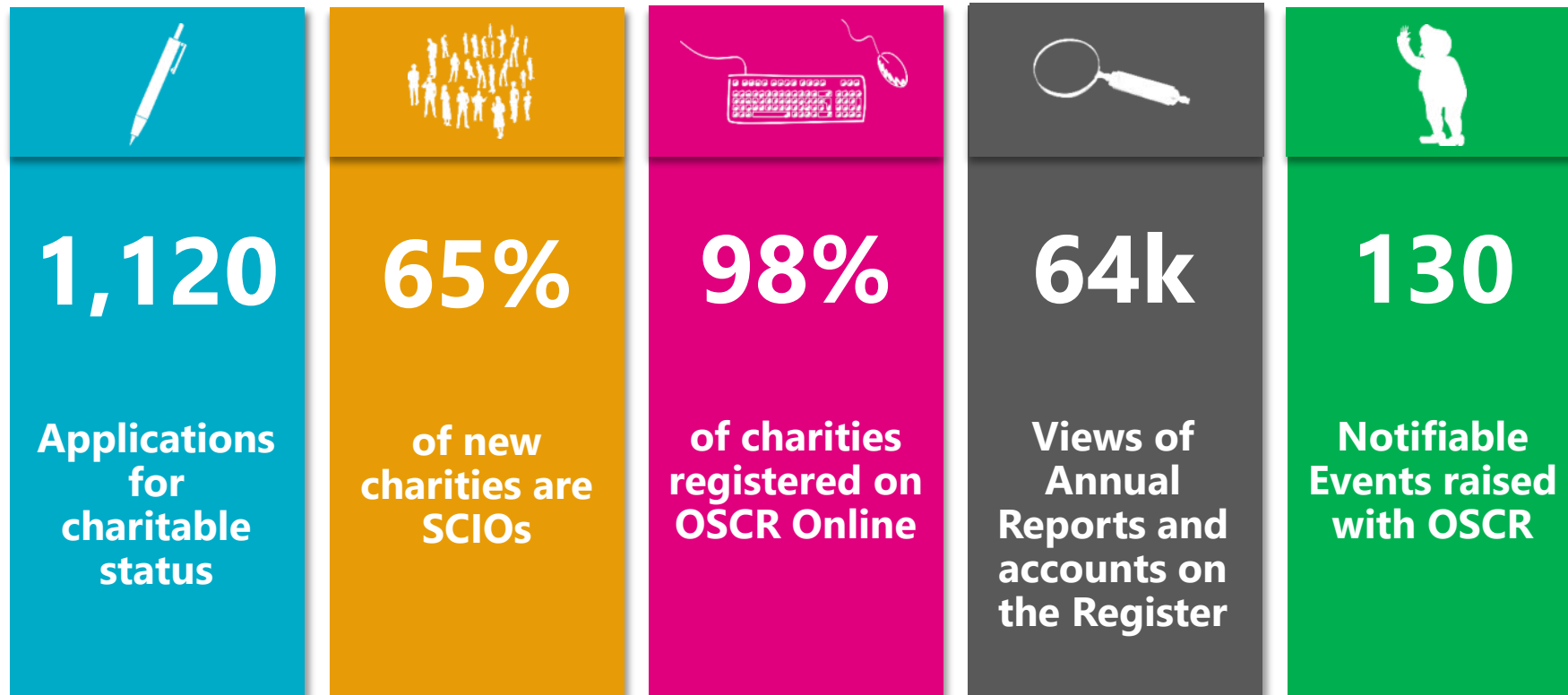


Help charities understand  
and comply with their duties



Take action when a charity  
breaks the rules

# Our year in numbers...

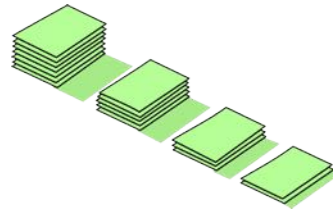




# Notifiable Events



Charities telling  
us when things  
happen



320 Notifiable  
Events in 3 years



Financial loss  
most reported  
(24%)

# Targeted Regulation

OSCR puts more focus into these areas:

- Deliberate mismanagement of charities
- Criminal activity
- Charity trustees' lack of knowledge
- Attempts to gain charitable status for private benefit
- Lack of clarity of the charity brand
- Charities that don't provide public benefit.

# Public trust in charities

**81%** say trust is important when donating

**76%** say knowing how much goes to the cause increases trust

**84%** say charity regulation is important

**72%** say evidence of achievements increases trust

# 5 things we can do to improve trust

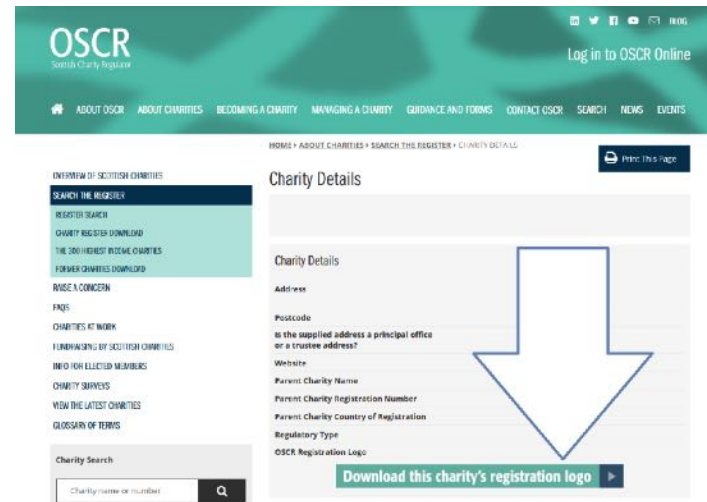
1. Get our guidance right
2. Engage as early as possible with problems and issues
3. Be strong when we have to
4. Let the public know we are here
5. Make the register as good a tool as possible for transparency.

# 5 things charities can do to improve trust

1. Get your reports, accounts and annual return to us **on time**
2. Make sure your register entry is up to date
3. Shout about how you make a difference
4. Invest in your governance
5. Use your free registration logo.

# OSCR Registration Logo

Every charity has a free registration logo that they can download on their register entry at **www.oscr.org.uk**



# Charity Law Consultation

In 2019 the Scottish Government consulted on Charity Law, here are six of the key themes:



Transparency of annual  
reports and accounts



Trustee database



Trustee disqualification  
criteria



Positive directions issued  
by OSCR



Removal of charities who  
do not provide info



Connection to Scotland

# What is new?

## New guidance on the OSCR website



Charity  
Accounting



Thinking of  
becoming a charity



Investments  
guidance



# What else is new?

## Online application form

- New way to become a charity
- Asks questions relevant to you
- Accessible from any device
- Ability to upload supporting documents
- Built-in guidance.

# What else is coming?

## New digital strategy

- More services available online
- Enhanced suite of online guidance
- More efficient ways to contact others
- Increased presence on social channels.

# What else is coming?

## Updated inquiry policy

- Policy explains how we deal with concerns
- First update since 2014
- Better clarity for concerners and charities.

# Need help?

**OSCR**  
Scottish Charity Regulator



**Volunteer**  
Scotland



**Scottish  
Fundraising  
Standards  
Panel**



**scottish  
mediation**



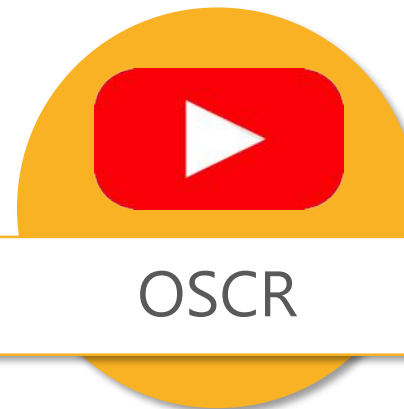
# Keep in touch



@ScotCharityReg



[www.oscr.org.uk](http://www.oscr.org.uk)



OSCR



ScottishCharityRegulator



Scottish Charity Regulator

# Q&A

# Governance Matters

Making your charity stronger

# The key question...

Is your charity run in a way that  
makes it as resilient as possible?



# What is a strong charity?

- Trustees are aware of their duties
- It applies good governance
- It looks after its beneficiaries and staff
- It is aware of factors affecting its work.



# Trustee duties

**1.**

**Act in the best interests of the charity**

1.1

You must operate in a manner consistent with the charity's purpose

1.2

You must act with care and diligence

1.3

You must manage any conflict of interest between the charity and anyone who appoints trustees

**2.**

**Comply with the 2005 Act (specific duties)**

2.1

Charity details on the Scottish Charity Register

2.2

Reporting to OSCR: making changes to your charity

2.3

Financial records and reporting

2.4

Fundraising

2.5

Providing information to the public

# Applying good governance

## Scottish Governance Code for the Third Sector

This Code sets out the core principles and key elements of good governance for the boards of charities in Scotland.



Available at [www.governancecode.scot](http://www.governancecode.scot)

# Applying good governance

## Five Core Principles

- Organisational Purpose
- Leadership
- Board Behaviour
- Control
- Effectiveness






# Organisational Purpose

A charity's purposes are what the charity has been set up to achieve and are the reason the charity exists. It is the responsibility of the trustees to act in a manner consistent with the purpose.



# Organisational Purpose

## How to deliver the purpose...

-  Understand the purpose
-  Work to your governing document
-  Make decisions in line with the purpose
-  Use resources to meet the aims
-  Communicate your work.






# Leadership

A well-run board is clear about its role and responsibilities, and provides strategic direction in line with the organisation's purpose, vision and values.



# Leadership

## How to lead an organisation...

-  Embed the vision and values
-  Understand the roles and responsibilities of the board
-  Promote equality and diversity
-  Scrutinise information on activities and achievements
-  Delegate tasks when it is appropriate.








# Board behaviour

A well-run board, both collectively and individually, embraces and demonstrates mutual respect, integrity, openness and accountability.



# Board behaviour

**Make sure your behaviour is consistent with your vision and values by...**






-  Being transparent, open and accountable
-  Listening to each other, your beneficiaries and staff
-  Handling concerns and complaints correctly
-  Acknowledging where conflicts of interest may arise
-  Creating a board environment where diverse views are welcomed.

# Control

A well-run board will develop and implement appropriate controls to direct and oversee progress and performance of the organisation.



## Put in place structures, controls and processes by...

-  Regularly reviewing current policies and procedures
-  Making sure decisions are well informed and transparent
-  Applying appropriate risk management systems
-  Evaluating performance against plans and budgets
-  Considering whether your legal form is right for you.

# Effectiveness

A well-run board understands its role, powers and duties, and works collectively and proactively to achieve its organisational purpose.



# Effectiveness

**Be self-aware and work together as a team by...**



Regularly reviewing the composition and skills of your board



Developing your capability with support and training



Having a pro-active succession plan



Recruiting and inducting new trustees in the right way



Making sure your meetings have active participation from all.

# Applying good governance

## Scottish Governance Code for the Third Sector



Available at [www.governancecode.scot](http://www.governancecode.scot)

# Safeguarding





# Safeguarding Top Tips



**Know your  
charity law  
duties**



**Know your  
other  
statutory  
duties**



**Be trained in  
safeguarding**



**Manage the  
risks of your  
charity**



**Have  
appropriate  
policies and  
procedures**



**Properly  
implement  
policies and  
procedures**



**Embed  
safeguarding  
in your  
culture**



**Have clear  
policies  
around  
raising  
concerns**



**Deal with  
any concerns  
correctly**



**Learn and  
reflect from  
incidents**

# External factors

## Brexit

- Funding
- Labour market
- Specific sectoral impacts, particularly health and social care
- Human rights.

**[www.oscr.org.uk/managing-a-charity/planning-for-brexit/](http://www.oscr.org.uk/managing-a-charity/planning-for-brexit/)**

# External factors

## Fraud and cybercrime

- **Fraud:** when trickery is used to gain a dishonest advantage (often financial) over another person
- **Cybercrime:** any criminal act committed by digital means



**ANYONE CAN BE A TARGET**



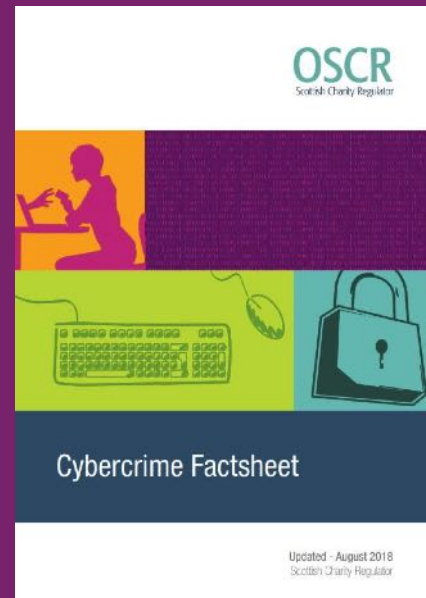
# Fraud and cybercrime

## Key things to watch out for...

- Scam or fake emails or SMS messages
- Bogus links
- Ransomware
- Viruses
- Data security breaches.

# Fraud and cybercrime

**Guidance available on our website**



# In summary...

**“The best preparation for tomorrow is doing your best today.”**



# Q&A



# Time for a break



# Looking for Heroes

Trustee recruitment and succession planning



# Charities you can trust and that provide public benefit



# What words come to mind when we think about charity trustees?



Heroes?



Professionals?



Volunteers?

## Our survey says...

**63%**

of charities have  
5 to 10 trustees

**33%**

recruit trustees  
every year

**50%**

say their constitution  
restricts who can be a  
trustee

**42%**

say their constitution  
restricts how long a  
trustee can serve

**72%**

find new trustees  
by word of mouth

# Let's discuss...

1. What has your experience been to date in recruiting trustees?
2. What two things might help you recruit trustees more easily?

# Step 1: Check the rules



- What does your governing document say about trustees?
- Are there special rules?
- Do you need to have specific types of trustees on the board?

# Step 1: Check the rules



Some things your governing document may say...

1. You may need to have someone specific on your board
2. You may need to have service user representation
3. You may be able to co-opt non-member trustees

## Step 2: Skills audit

- What skills do you have on your board?
- What skills are missing?
- What skills do you want to fill?





## **Step 3: Attract and advertise**

- Find a way to get them excited about becoming a trustee!
- What does the charity do? What difference does it make?
- And then find a place to advertise...



# Step 3: Attract and advertise



Good Moves



Newspapers



Job sites



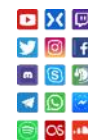
Newsletters



Small charities  
Coalition



Volunteer  
Scotland



Social Media



Professional  
Associations

# Step 4: Choosing the right person

- What are you looking for?
- How to are you going to select someone?
- Will you do an informal chat or more formal interview?





# Step 5: Elect

- What does the governing document say?
- Do you have a membership? Do they have to elect?
- Do you have trustee declaration forms?

# Step 6: Inducting someone new

It is vital to get the induction right.

The case of a charity I am a trustee for:

1. Good basic folder of policies
2. Meetings to key staff at the start to understand the work
3. 'Field' trips, to understand the activities in the real world
4. Informal event with all charity trustees.

# Step 6: Inducting someone new

Things to highlight:



Purposes



Vision



Policies



Staffing



Governing  
Document



Annual  
Accounts



Meeting  
Schedule



Key  
Stakeholders

# Recruiting young trustees

- Your advert must be understandable and in the best place
- Consider using alternative media like video
- How will you support a young trustee through induction and mentoring?



# Young trustee programmes



International Voluntary  
Service (IVS)  
Young trustee  
programme



Get on board...  
Napier programme  
for young trustees