

# Tackling abuse and mismanagement

Annex 3: Statistical analysis

2014-15



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## 1. Performance headlines and impacts for our Investigations and Enforcement work 2014-15

Performance headlines	2015-Apr-Sep	2014-15	2013-14	2012-13	2011-12	2010-11
Number of new assessment cases opened	33	<b>92</b>	115	87	1,252	1,845
Number of assessment cases closed	32	<b>119</b>	119	84	1,374	1,912
Number of statutory inquiries opened	14	<b>103</b>	64	15	12	3
Number of statutory inquiries closed	19	<b>51</b>	23	5	9	9
Average duration of closed investigations (days)	408	<b>209</b>	259	261	715	519
Average duration of closed statutory inquiries involving other regulators (days)	N/A	<b>208</b>	N/A	353	N/A	N/A
Number of statutory inquiry reports published	21	<b>25</b>	16	6	43	13
Percentage of investigation reports published within 3 month target	81%	<b>73%</b>	75%	29%	95%	81%
Number of regulatory case reports published	0	<b>0</b>	2	1	12	8
Number of operational case reports (OCRs) published	2	<b>29</b>	14	N/A	N/A	N/A
Number of operational compliance cases opened	605	<b>1,024</b>	1,865	1,513	N/A	N/A
Number of operational compliance cases closed	571	<b>1,125</b>	1,972	1,232	N/A	N/A
Number of active investigations at year end	133 <sup>1</sup>	<b>155</b>	97	61	64	119
Number of new IME monitoring cases opened	196	<b>429</b>	96	42	72	276
Number of IME monitoring cases closed	201	<b>375</b>	54	71	215	297
Number of IME compliance or inspection visits	43	<b>116</b>	68	25	12	21
Number of IME regulatory visits	17	<b>38</b>	N/A	N/A	N/A	N/A
Number of accounts scrutinies	439	<b>1,097</b>	1,664	2,770	203	277

<sup>1</sup> Including those at report writing stage and on stop the clock.

Performance impacts <sup>2</sup>	2015- Apr-Sep	2014-15	2013-14	2012-13	2011-12	2010-11
Amount of charitable funds directly protected by regulatory action (IME)	£2.8m	<b>£44.6m</b>	£31m	£800k	£5m	£8m
Total income of charities directly regulated by compliance supervision (IME)	£4.6m	<b>£1,426m</b>	£1,150m	£12m	£255m	£900m
		Apr-Sep 14	2013-14	2012-13	2011-12	2010-11
Number of cases where commission action protected vulnerable beneficiaries	N/A	<b>4</b>	4	2	6	49
Number of cases protecting the reputation of individual charities	N/A	<b>17</b>	17	5	20	71
Number of cases protecting the reputation of the sector	N/A	<b>38</b>	38	9	27	49
Number of cases dealing with issues arising from conflicts of interest	N/A	<b>5</b>	5	6	6	20
Number of cases where advice and guidance provided to ensure the charity's governance improved	N/A	<b>4</b>	4	7	26	59
Number of cases involving concerns about fundraisers	N/A	<b>5</b>	5	5	5	11
Number of cases where an internal dispute was resolved and the charity is properly functioning again	N/A	<b>1</b>	1	1	7	10
Charity no longer operating or applying funds outside its trusts	N/A	<b>4</b>	4	7	17	8
Useful and effective regulatory advice and guidance given	N/A	<b>4</b>	4	11	49	91
Charity is now complying with the legal requirements	N/A	<b>5</b>	5	0	1	2
Greater transparency in the charity's operations and published reports and accounts	N/A	<b>19</b>	19	0	1	3
Moribund charity is now functioning	N/A	<b>0</b>	0	0	0	0
Charity's relationships with third parties is now properly managed in the best interests of the charity	N/A	<b>3</b>	3	1	1	1
Direct charitable expenditure has increased or targets are in place to increase this expenditure	N/A	<b>0</b>	0	0	0	0

2 The performance impact measures, excluding the first 2 measures, for 2014-15 cover the period April to September 2014 only. This is because we revised the performance measures in September 2014. The following table shows the performance impacts from October 2014 to March 2015.

Performance impacts <sup>3</sup>	2015- Apr-Sep	Oct 14- Mar 15
Protected assets	34	29
Protected vulnerable beneficiaries	2	5
Protected charity's reputation	43	49
Protected sector - public trust and confidence	58	82
Charity can support beneficiaries more effectively	11	9
Charitable funds can be used more effectively	18	13
Significant and necessary improvements in governance	40	35
Conflict of interest removed/managed	13	21
Greater transparency in charity's operations and published reports and accounts	30	34
Accounting procedures more efficient	21	28
Internal dispute overcome and charity functioning	0	2
Public no longer exposed to unregulated/unlawful/unauthorised fundraising	14	13
Trustees are complying with charity law by obtaining necessary consent	6	3
Trustees acting on regulatory advice	31	32
Improved accuracy of register of charities	59	48
Reassurance that issues are being handled/resolved	72	56
Charities independence maintained	1	4
Charity on notice to improve	17	13
Ensuring charities comply with safeguarding issues	6	3
Clearer guidance available/issue brought to the attention of sector	12	17
Contribution or support given to other agency/regulator	15	17
New guidance requirement reported to Policy	0	0
Required amendment to existing guidance reported to Policy	0	0

<sup>3</sup> This table shows performance impacts from October 2014 - March 2015.

## Performance measures

We report on the performance of our investigations and related regulatory work with performance measures divided into 3 areas:

- detection
- investigation, sanction and redress
- prevention and deterrence

### Detection

	Target	Achievement
Average duration of pre-investigation assessments - (target: average of 30 working days)	30 working days	17 working days
Carry out a minimum number of compliance visits annually, to charities which are subject to monitoring and identified following a risk assessment	78 visits	95 visits
Report on the number of exchanges of information with other regulators and agencies, made via the commission's statutory gateway	No target	2,128 exchanges
Respond to requests for information via the statutory gateway within 15 working days, or 8 working days for issues relating to strategic priorities	90%	80%

### Investigation, sanction and redress

	Target	Achievement
Report on the number of powers used within Investigations and Enforcement case work	No target	753 powers
Ensure 90% of all investigations result in at least one of the specified beneficial impacts (see 'Detection' table) which protect charities from mismanagement, misconduct or abuse	90%	96%

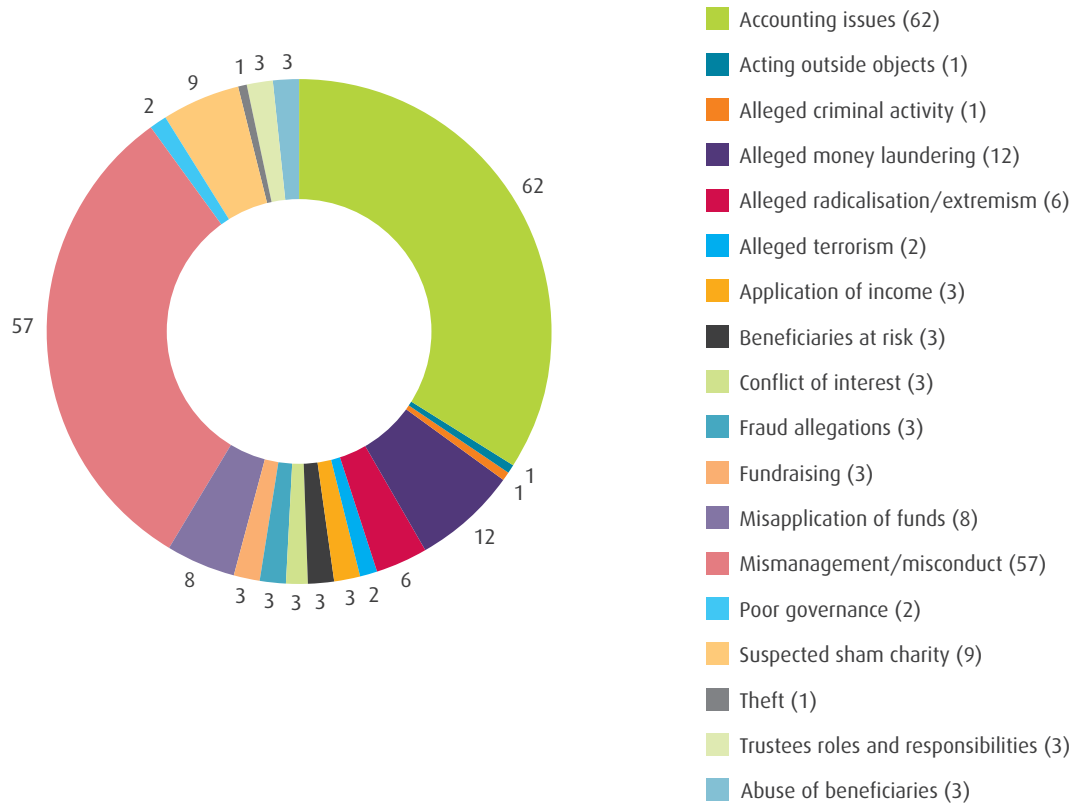
### Prevention and deterrence

	Target	Achievement
Publish 90% of reports on the results of investigations within 3 months of the end of the substantive investigation process	90%	73%
Publish an annual report on the 'Themes and Lessons from the Charity Commission's Compliance Work' which includes the duration of each statutory inquiry, the impact of investigations, the use of sanctions (including legal powers of remedy and protection), and the operation of our investigatory work	Publish report before end of third quarter of financial year	Published 18 December 2014

## 2. Investigations opened and investigations completed 2014-15 - the type and frequency of issues of concern

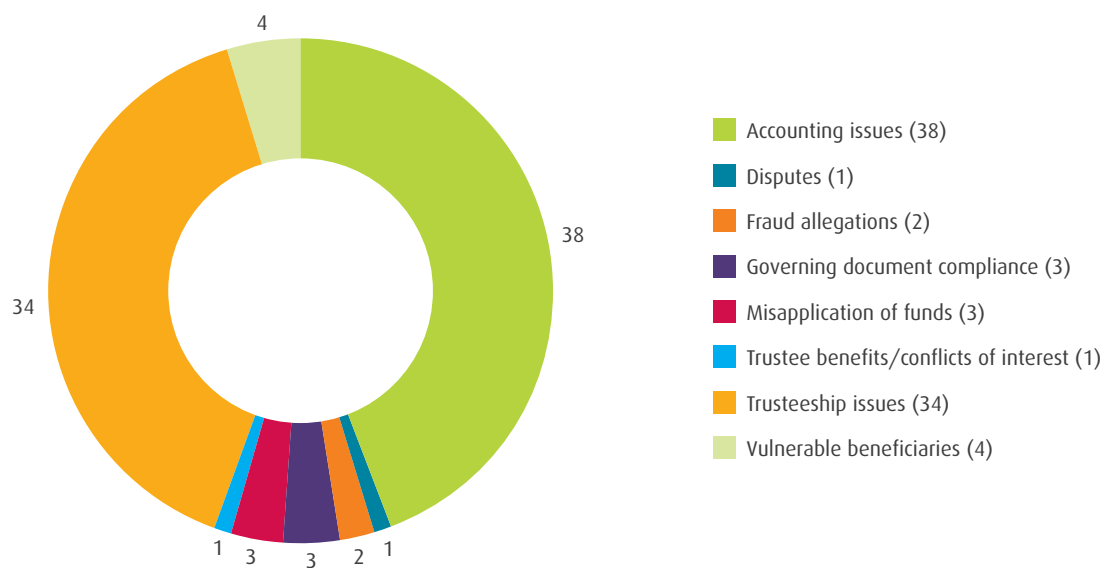
### Causes of concern in opened investigations

Note that most cases involve more than one issue.



Baseline: 103 investigations

Causes of concern in completed investigations



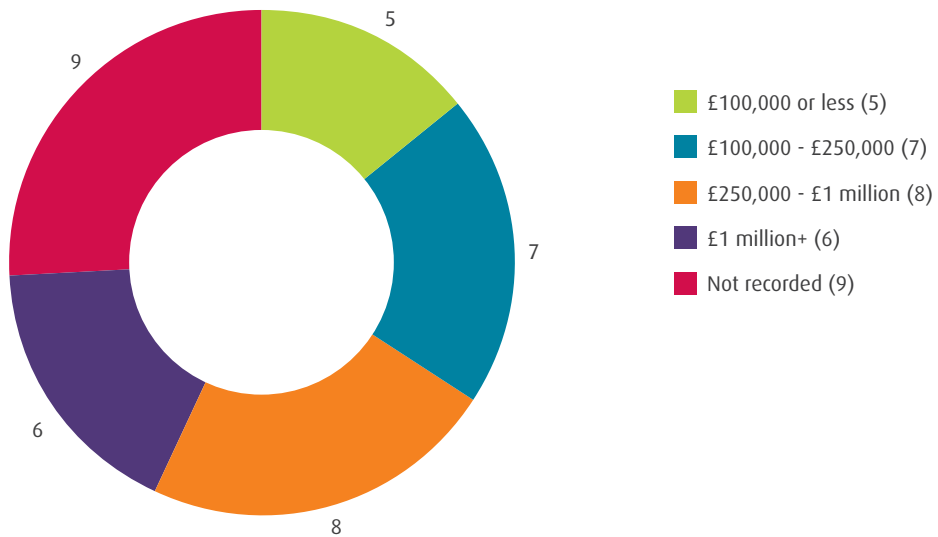
Baseline: 53 investigations<sup>4</sup>

<sup>4</sup> 51 inquiries and 2 historical regulatory compliance case investigations.

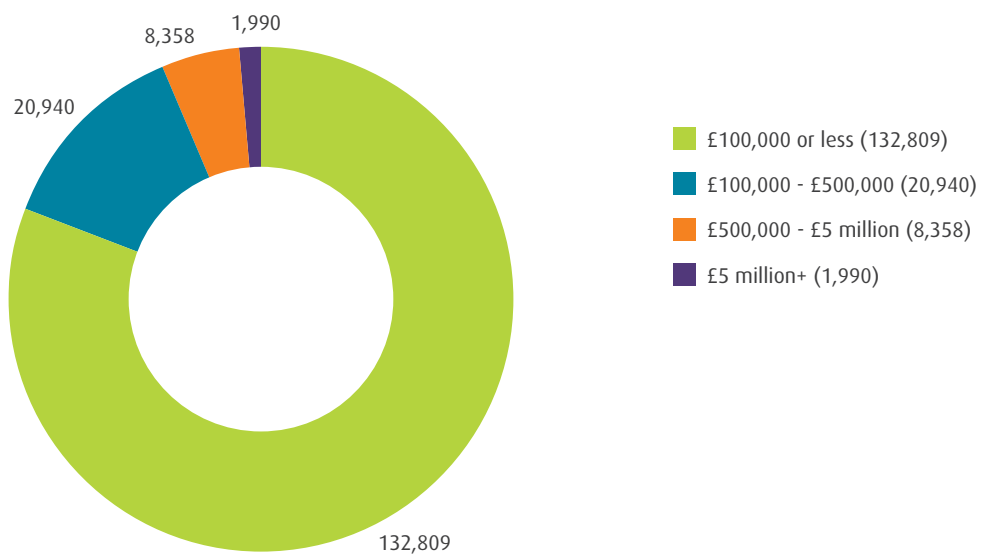


### 3. Investigations completed 2014-15 - the number of charities by income band

Income of charities that featured in closed investigations 2014-15



Sector wide



#### 4. Use of commission's compliance powers in all cases 2014-15

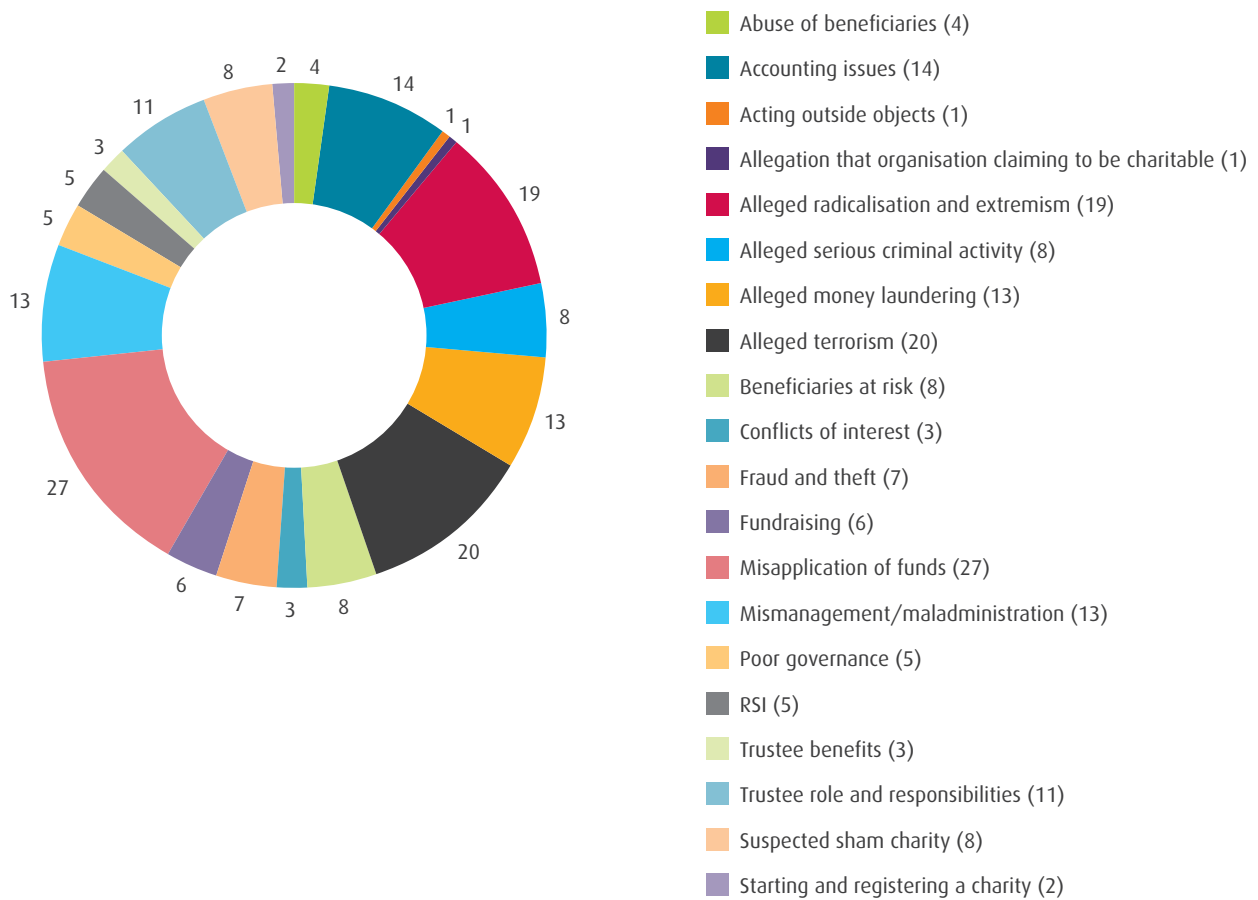
Statutory inquiry and (regulatory) compliance cases - breakdown of the number of INDIVIDUAL orders or directions under the Charities Act 2011 (or equivalent in 2003 Act)	2015-16 as of 30/09/15	2014-15 as of 31/03/15	2013-14	2012-13	2011-12	2010-11
S47 (2) - (a) Furnish information/answers	53	<b>94</b>	68	2	2	0
S47 (2) - (b) Furnish copies/documents	63	<b>97</b>	57	3	0	2
S47 (2) - (c) Attend and give evidence	8	<b>25</b>	11	0	0	0
S47(3) - Provide information under declaration of truth	0	<b>4</b>	N/A	N/A	N/A	N/A
S52 (1) - (a) Furnish information	17	<b>94</b>	145	195	23	18
S52 (1) - (b) Furnish copies/documents	150	<b>328</b>	371	N/A	82	140
S69(1)(c) - Scheme	24	<b>1</b>	N/A	N/A	N/A	N/A
S76(3) - (a) Suspend trustee, officer, etc	0	<b>4</b>	4	0	1	1
S76(3) - (b) Appoint additional trustee	0	<b>0</b>	1	0	0	0
S76(3) - (c) Vest property in the Official Custodian for Charities	0	<b>1</b>	0	0	1	0
S76(3) - (d) Not to part with property	2	<b>24</b>	28	3	2	4
S76(3) - (e) Not to make payment	0	<b>0</b>	1	0	0	1
S76(3) - (f) Restrict transactions	8	<b>1</b>	15	0	2	5
S76(3) - (g) Appoint Interim Managers	3	<b>4</b>	6	0	0	1
S79(2) - (a) Remove trustee, officer, etc	6	<b>4</b>	1	0	0	0
S79(2) - (b) Establish a scheme	0	<b>0</b>	0	0	0	0
S80 Appoint trustee(s)	0	<b>0</b>	0	0	11	3
S84 Specific direction to protect charity	36	<b>154</b>	38	0	8	4
S85 Direction application of funds	1	<b>2</b>	1	N/A	N/A	N/A
S89(5) notice of intention to remove a trustee, officer etc issued	0	<b>4</b>	4	N/A	N/A	N/A
S105 Regulatory consent	1	<b>0</b>	N/A	6	24	8
Others (including discharge orders)	223	<b>359</b>	39	7	42	21
<b>TOTAL Orders/directions issued in period</b>	595	<b>1,200</b>	790	216	188	208
<b>Other measures</b>						
Witness statements made for other agency action	2	<b>30</b>	32	N/A	N/A	N/A
Action plans made	85	<b>119</b>	84	N/A	N/A	N/A

## 5. Analysis of all completed assessment cases 2014-15

### 5.1 Causes of serious concern in completed pre-investigation assessment cases during 2014-15

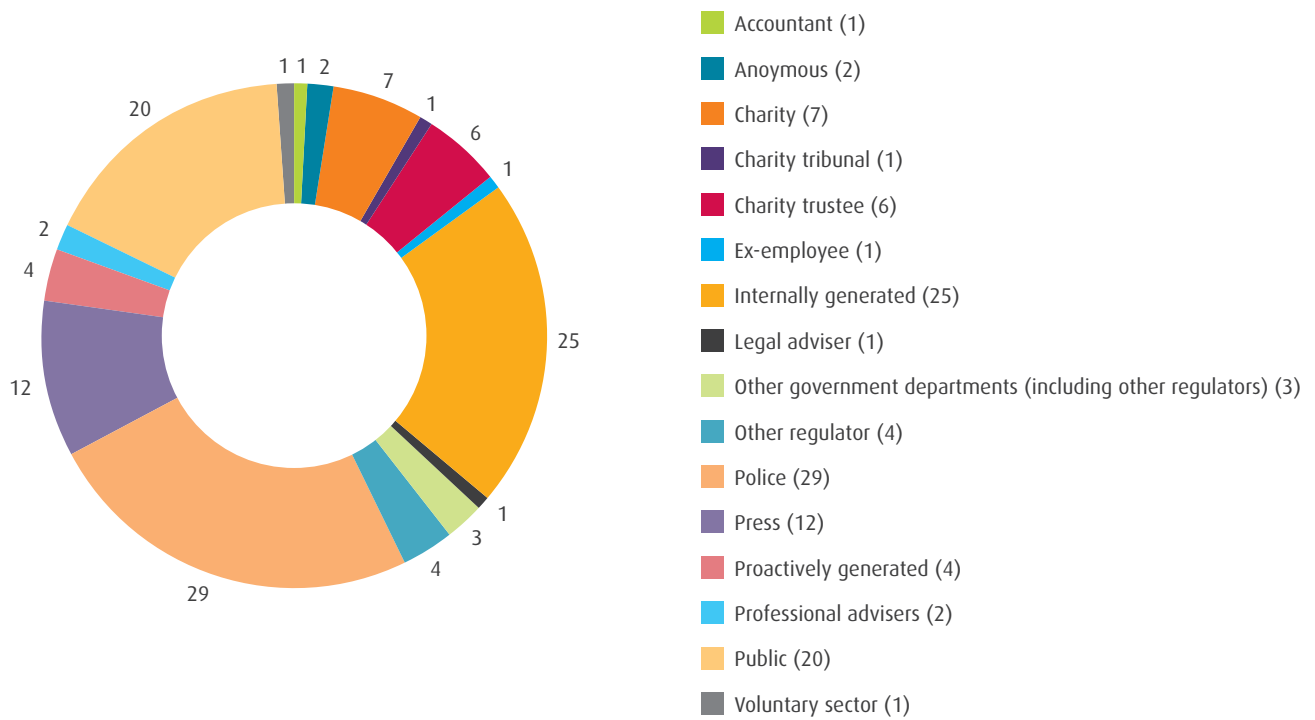
#### Issues involved in all pre-investigation assessment cases closed in 2014-15

Note that most cases involve more than one issue.



Baseline: 119 closed pre-investigation assessment cases

## 5.2 Sources of serious concern in completed pre-investigation assessment cases 2014-15

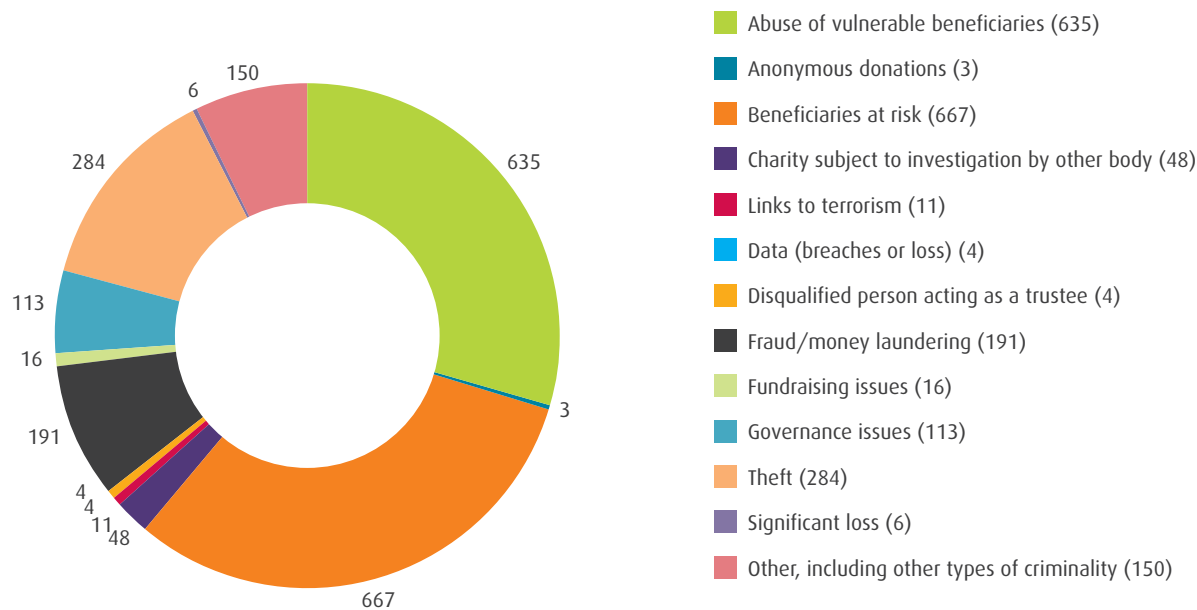


## 6. Reported concerns about charities 2014-15

### 6.1 Reports of serious incidents

There were 2,132 incidents reported to the commission in 2014-15. The key issues in these reports were as follows, showing the principal issue only.

Serious incidents reported by category 2014-15



## 6.2 Whistleblowing reports

There were 114 whistleblowing reports received by the commission in the year. The key issues in these reports were as follows, showing the principal issue only.

### Whistleblowing incidents by category 2014-15

