Review Project

Charity Review Brief and Report

Project theme:	Strategy development, implementation and review
Name of charity:	
Date of review meeting:	
Name of those present at the review:	
Date of report:	
Name of reviewer:	

Main topics explored

(1) Strategic Development

(2) Implementation

(3) Review

Charity's income band (£):

- ❑ 0 – 250k
- ❑ 250k – 500k
- ❑ 500k – 1m
- ❑ 1m – 5m

Sector

- ❑ Prevention of poverty
- ❑ Religion
- ❑ Health
- ❑ Community

- ❑ Arts
- ❑ Amateur sport
- ❑ Human Rights, racial harmony and equality
- ❑ Environmental
- ❑ Relief in need through health, disability, other disadvantage
- ❑ Animal welfare
- ❑ Efficiency of police, fire, armed forces
- ❑ Any other charitable purposes

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A. Background and Reviewer's brief

This brief & plan provides the following:

- Fundamental principles of charity law in relation to trustees
- Overview of the ethos behind the strategic planning project
- Charity review selection rationale
- Review Plan questions for reviewers to ask at the reviews

Charity trustees are the people who serve on the governing body of a charity. They may be known as trustees, directors, board members, governors or committee members. Charity trustees are responsible for the general control and management of the administration of a charity.

The great majority of trustees serve as volunteers and receive no payment for their work.

Charity trustees come from all walks of life and are united by their wish to create positive change in society. Most people are eligible to serve as trustees. The work of a trustee should be rewarding and enjoyable and an opportunity to serve the community while learning new skills.

Trustees have and must accept ultimate responsibility for directing the affairs of the charity and ensuring that it is solvent, well-run and delivering the charitable outcomes for the benefit of its beneficiaries and the public for which it has been set up.

In carrying out the review it is vitally important for reviewers to distinguish between the trustees legal duties (as above) in relation to strategic decisions and the role of CEOs/managers (as employees) to inform those decisions rather than take them. Where the role and legal responsibilities of trustees is not clear within a charity this can be problematic and places the trustees in a vulnerable position. In view of this it important for reviewers to speak separately to trustees and CEO/managers, as far as possible.

Project ethos

The project is being run in partnership between ICAEW and the Charity Commission. It will give a useful insight into trustee attitudes to strategy development, implementation and review. All charity trustee bodies should carry out regular strategic planning as an integral part of the charity's governance arrangements not just as a reaction to economic downturn. It is generally accepted that there is scope for charities to work together more, especially where charities have the same or similar objects. This could include collaborative working or even merger if the trustees of each respective charity feel it would be in the best interests of the charity to do so. The Commission publication 'The Big Board Talk' (available on the Commission website) helps trustees consider their strategy and whether there is more they could be doing to further the charity's purposes.

The reviews will provide a 'snap shot' of charities approach to the area of strategy We will publish the results of the review in Q1 2014 and hope that the results will be useful to individual charities and the sector as a whole.

Selecting charities for review

25 charities will be selected at random from an income band of 0K - £5Million. Those charities above £5Million are more likely to have strategic planning mechanisms in place.

Suggested research prior to review

Key areas of research should include the following documents which can be provided by the charity;

- Governing Document (this may be a Trust Deed, Memorandum & Articles of Association, rules, a Will or Royal Charter)
- Accounts
- Website
- Vision/Mission statement
- Strategic documents such as Business Plan

Reviewers can of course ask the charity for any other supporting information as they feel necessary (See page 5 C 2 of the charity information sheet).

Timescale and practical points

It is important to make sure that all the trustees are privy to the review and are happy for it to take place.

You will need to ensure that you leave yourself adequate time to carry out the review. Typically and depending on the size of the charity the review will, most likely, take you 2 to 3 days over a period of approximately 3 to 4 months (as per reviewers' guidance).

For information, the overall timescale for the project is as follows;

- Launch: May 2013
- Volunteer & Charity selection process: June – July 2013
- Reviews carried out (including discussion with trustees and getting 'buy in': August – November 2013
- Compiling results (includes meeting with all reviewers' prior to ICAEW writing up final report): December 2013 – January 2014
- Meeting to publicise report findings – probably early February 2014

When completing the narrative boxes below (C to E) you should try to stick to 3 key observations and 3 recommendations. These should then by carried forward to the summary at the end of the review.

There may be issues or points of interest that arise during the review that do not fit within the project remit. If so, you may wish to make a record of these in the box provided at Annex B.

Links to sources of information

Charity Commission website

Commission publications applicable to strategy;

- CC3 The Essential Trustee
- The Big Board Talk
- Making mergers work
- Choosing to Collaborate

B. Reviewer's findings – Summary

This section contains a summary of the Reviewer's discussion with the charity in relation to key challenges and opportunities facing the charity and the guidance that is already available to the charity. Key issues will be summarised covering the main review topics strategic development, implementation and review. The summary will draw on the observations, charity response and any recommendations made by the reviewer.

Observations:

Charity responses to observations

Key points or recommendations (if applicable)

C. Reviewer's findings – Strategy Development

This section should cover;

- **Analysis of the context in which the charity is operating**
- **How the charity identifies strategic options?**
- **How the charity identifies and evaluates the best strategic options?**

Observations:

Charity response to observations:

Key points or recommendations (if applicable):

Please include details as to how this section approached e.g. what areas were focussed on and who this was discussed with:

D. Reviewer's findings – Strategy Implementation

This section should cover;

- **Who in the charity identifies strategic options?**
- **What measures are put in place to achieve the strategy?**

Observations:

Charity response to observations

Key points or recommendations (if applicable)

Please include details as to how this section approached e.g. what areas were focussed on and who this was discussed with:

E. Reviewer's findings – Strategic Review

This section should cover;

- **How is reporting and measurement of the strategy reported on and by whom?**
- **How is the process of reviewing and updating strategy dealt with?**

Observations:

Charity response to observations:

Key points or recommendations (if applicable):

Please include details as to how this section approached e.g. what areas were focussed on and who this was discussed with: