



Stronger Charities.
Stronger Communities.

2024

MEMBERS' REGULATION SURVEY



Foreword

Organisations in the community, voluntary, charity and social enterprise sector play an essential role in fostering social cohesion, addressing inequalities, and supporting communities through a wide range of services and initiatives. Their contributions are indispensable, reaching into all parts of society including health, education, environmental protection, the arts and many others. Given this broad reach, and the fact that many users of frontline services provided by the sector come from marginalised or other vulnerable groups, it is imperative that these sector organisations operate with transparency, accountability, and integrity.

The regulatory framework governing the sector is complex, involving multiple regulatory bodies. However, it is also the basis upon which trust is built, and maintained, between the sector and the public. Effective regulation ensures that organisations adhere to legal standards, ethical practices, and the highest levels of governance. This not only protects the interests of funders, donors and beneficiaries, but also enhances the credibility and effectiveness of the sector as a whole.

This report, based on responses from 321 members of The Wheel, looks at the experience of members of The Wheel when navigating the regulatory landscape. It examines the different experiences based on organisation size or type of funder, and delves into issues of trust and support between regulators and sector organisations.

As we move forward, it is our hope that the findings and recommendations contained in this report will serve to inform changes to the regulatory framework. By strengthening the regulatory framework, we can enhance public trust in charitable organisations, encourage greater philanthropic giving, and ultimately, enable charities to make an even greater impact.

Thank you for engaging with this important work. Together, we can build a more robust, transparent, and effective sector that continues to serve and uplift communities for generations to come.

Sincerely,



Ivan Cooper
CEO, The Wheel

Executive Summary

INTRODUCTION

Community, voluntary, charity and social enterprise organisations are crucial in addressing societal needs and fostering community wellbeing. However, to maintain public trust and ensure effective operations, robust regulatory frameworks are essential. This report examines the current regulatory landscape, identifies challenges, and offers recommendations for enhancing regulatory practices.

KEY FINDINGS

Complexity and Compliance Burden

The impact of regulation varies depending on the size of the organisation and the type of funding it receives. Organisations with State funding have a higher compliance burden than the general cohort. Large organisations have a higher compliance burden than small organisations, however small organisations are more likely to rely on volunteers to carry out this work. Overly complex regulatory requirements can place a significant administrative burden on organisations, particularly smaller organisations. This can potentially divert resources away from their core missions.

Public Trust

Effective regulation is essential for maintaining and enhancing public trust in the sector. By ensuring transparency, enhancing accountability, and protecting funders, donors and beneficiaries, regulation helps build a trustworthy and charitable sector. Many respondent organisations identified a range of potential influences that they felt negatively impacted trust in the sector in the 12 months preceeding the survey, including lack of public awareness of the governance structures that currently exist.

Relationships with Regulators

The quality of relationship between regulatory bodies and sector organisations is generally good, but varies depending on the regulator concerned. Respondents indicated high levels of trust in the Companies Registration Office and Charities Regulatory Authority. Lower levels of trust were indicated in statutory funders and the Standards in Public Office Commission, where lack of pro-active engagement and dedicated contact may be an issue.

Recommendations

- **Proportionate Regulation**

Sector organisations understand the importance of transparency in their work and worked for years to encourage the establishment of Ireland's Charities Regulator. The sector welcomes regulation and is working to attain the highest standards of governance, but there

is a risk now that the compliance and reporting demands associated with statutory funding and regulation are becoming increasingly onerous for charities. There is also a risk that the interplay of the many separate, but related, regulatory and reporting requirements is beginning to impede the work and advocacy of charities. These requirements often far exceed those placed on private-sector service providers who operate in the same fields.

Government should review and streamline compliance and regulatory requirements to ensure that regulation in all its forms helps, and doesn't over-burden, sector organisations. The cost of compliance should be built into all new funding contracts.

- **Enhancing Public Awareness**

Enhancing public awareness of the value of the sector is essential for fostering a supportive and engaged community. By leveraging storytelling, media, public events, and educational initiatives, sector organisations can effectively communicate their impact and contributions. Transparent practices, strategic partnerships, and innovative outreach techniques further bolster these efforts, ensuring that the public understands and appreciates the vital role the sector plays in society.

An example of such an initiative is the We Act campaign, a collaborative campaign in partnership with The Wheel, Disability Federation of Ireland, Boardmatch, Volunteer Ireland, and Dóchas. We Act¹ raises awareness and builds the capacity of organisations to demonstrate their value to society. The continued development of this campaign, and the development of a grants programme for sector organisations to undertake communications projects that help connect the public with their services, would greatly enhance public awareness.

- **Strengthening Trust in Regulatory Bodies**

In 2022, the Department of Rural and Community Development launched the *Values and Principles for Collaboration and Partnership Working with the Community and Voluntary Sector*,² which copper-fastened the relationship and partnership between Government and the community and voluntary sector, highlighting its centrality in addressing the crises of recent times. Developed by the sector, in partnership with Government, the aim is to support values such as social justice and active participation along with principles like respect, collaboration, and value for money. The *Values and Principles* are used by central and local government, as well as state bodies, as a basis for their interactions with the community and voluntary sector in pursuit of the best outcomes for all. This includes regulatory bodies. The *Values and Principles* provide a basis for respectful, inclusive engagement to reach our common goals. It is important that funding bodies fully commit to inclusive dialogue with sector organisations to meet their shared objectives.

1 <https://www.weact.ie/>

2 [gov - Values and Principles for Collaboration and Partnership \(www.gov.ie\)](http://www.gov.ie)

Conclusion

Effective regulation is crucial for maintaining public trust and ensuring that sector organisations can operate efficiently and ethically. By enhancing transparency, balancing regulatory demands with flexibility, and strengthening regulatory bodies, we can create a more robust and supportive environment.

Acknowledgements

This report is the result of contributions from 321 of our members. We thank them for their time, insight, and expertise in providing their inputs.

Contents

Foreword	1
Executive Summary	2
Conclusion	4
Acknowledgements	4
Tables	6
Figures	7
Introduction	8
Methodology	8
Section 1: Survey Respondents	9
Section 2: Funding	12
Section 3: Regulation Requirements	15
Section 4: Issues Facing Organisations	19
Section 5: Overall Perception Of Regulation	22
Section 6: Recommendations	25

Tables

Table 1: Is your organisation a registered charity / community and voluntary organisation (non-charity) / social enterprise?	9
Table 2: What is the main purpose of your organisation?	9
Table 3: What is your organisation's (approximate) total annual income for the last calendar year or set of accounts?	10
Table 4: Where is your organisation located?	10
Table 5: What (approximate) percentage of your overall income is represented by the funding sources below?	13
Table 6: Please name your main statutory funders.	14
Table 7: Which, if any, of the following are you required to comply with?	15
Table 8: How much time does your organisation spend on compliance activities (training, compiling reports, responding to information requests etc) each month?	16
Table 9: How much time does your organisation spend on compliance activities (training, compiling reports, responding to information requests etc) each month?	17
Table 10: By whom are funding-compliance and regulation-related processes undertaken in your organisation	17
Table 11: By whom are funding-compliance and regulation-related processes undertaken in your organisation?	18
Table 12: Please focus on the issues your organisation has faced in the last 12 months. In the list below, please rank each challenge from 1 to 5. 1 being a serious issue for your organisation, 5 being an issue of least concern for your organisation.	19
Table 13: Compliance Issues - General v Statutory Funding.	20
Table 14: Please focus on the issues your organisation has faced in the last 12 months. In the list below, please rank each challenge from 1 to 5.1 being a serious issue for your organisation, 5 being an issue of least concern for your organisation.	20
Table 15: In the last 12 months do you think public trust and confidence in the sector has increased / decreased?	21
Table 16: What do you think is the main cause of a decrease in public trust and confidence?	21
Table 17: What do you think is the main cause of a increase in public trust and confidence?	22
Table 18: Do you agree with this statement: Increased regulation, including the introduction of the Charities (Amendment) Bill 2023 is improving trust and confidence in the sector?	22
Table 19: For each of the following statements please select the response which most accurately reflects your opinion according to the governing body.	24

Figures

Fig.1: In which county are you located?	11
Fig 2: What (approximate) percentage of your overall income is represented by the funding sources below?	13
Fig. 3: By whom are funding-compliance and regulation-related processes undertaken in your organisation?	18
Fig. 4: Do you agree with this statement: Increased regulation, including the introduction of the Charities (Amendment) Bill 2023 is improving trust and confidence in the sector, (n=230)	23

Introduction

The community, voluntary, charity, and social enterprise sector (the sector) consists of a diverse array of organisations across the country providing everything from health and social care supports, advocacy and participation initiatives, arts and dance clubs, literacy programmes, and much more. Due to their nature, sector organisations often come into contact with vulnerable and marginalised groups of people. As not-for-profit organisations, the vast majority receive their funding from the public purse, as well as fundraising activities, donations and gifts from members of the public. Public trust and good governance is, therefore, critically important. Underpinning that trust and governance is robust regulation.

Effective regulation is essential to ensure that organisations are accountable, transparent, and successful in their missions. It protects donors, beneficiaries, and the public, maintains trust and confidence in the sector, and promotes ethical and legal compliance.

The Wheel has, for some time, advocated for proportionate regulation to safeguard the public's trust while ensuring that organisations, particularly smaller organisations, are not overburdened with compliance administration. Sector organisations understand the importance of transparency in their work and have worked for years to encourage the establishment of Ireland's Charities Regulator. The sector welcomes regulation and is working to attain the highest standards of governance, but there is a risk now that the compliance and reporting demands associated with statutory funding and regulation are becoming increasingly onerous.

There is also a risk that the interplay of the many separate, but related, regulatory and reporting requirements is beginning to impede the work and the advocacy role of organisations. These requirements often far exceed those placed on private-sector service providers who operate in the same fields.

This report, involving 321 respondent member organisations of The Wheel, outlines the experiences of regulation and makes recommendations for improvement and clarification.

Methodology

The methodology for this respondent survey was designed to ensure the collection of reliable and valid data. Initially, we defined clear objectives to guide the survey, focusing on understanding the regulatory landscape in which our members operate. Our target population included all members of The Wheel irrespective of size.

The questionnaire was developed using a mix of closed-ended questions for quantitative analysis and open-ended questions to capture detailed feedback. The survey was administered online using SurveyMonkey. Respondents were invited via email, with reminders sent to increase the response rate. Data collected from the survey were then cleaned and analysed using statistical software.

Section 1: Survey Respondents

More than 2,400 organisations are members of The Wheel. The respondents to this survey (n=321) represent over 13% of that membership.

ORGANISATIONAL PROFILE

Type of Organisation

The vast majority of organisations who responded to this survey (86%, n=276) identified as charities, with more than 1 in 10 (10.6%, n=34) identifying as a community or voluntary group, and 3.4% (n=11) as a social enterprise (Table 1).

Sub-Sector	No.	%
Charity	276	86.0
Community and voluntary organisation (non-charity)	34	10.6
Social enterprise	11	3.4

Table 1: Is your organisation a registered charity / community and voluntary organisation (non-charity) / social enterprise? (n=321)

Purpose

Charities are categorised into charitable purposes, that is, the reason they are established. Using the same categorisation as the Charities Regulator, we asked our members to select the charitable or main (where they were not registered charities) purpose of their organisation. As can be seen in Table 2 below, more than 1 in 5 were involved in the health sector, 15% in education, almost 1 in 8 in community development, and more than 1 in 10 in community welfare.

Purpose	No.	%
Health	72	22.4%
Education	48	15.0%
Community development	38	11.8%
Community welfare	33	10.3%
Arts, culture, heritage, or science	28	8.7%
Integration of disadvantaged	25	7.8%
Poverty or economic hardship	22	6.9%
Civic responsibility or voluntary work	13	4.0%
Religion	13	4.0%
Environment	12	3.7%
Community relations	5	1.6%
Property	5	1.6%
Conflict resolution and reconciliation	4	1.2%
Animal welfare	3	0.9%

Table 2: What is the main purpose of your organisation? (n=321)

INCOME

1 in 8 respondent organisations (12.5%) had an income of €5 million or more, while one in 7 had an income of less than €25,000 (Table 3).

These data skew towards high income organisations compared to data available from the Charities Regulator which showed just 5.1% of charities that filed annual reports for 2021 had an income of €5 million or more.

Income Range	No.	%
Up to €25,000	48	15.0%
€25,000–€75,000	21	6.5%
€75,000–€250,000	53	16.5%
€250,000–€1,000,000	82	25.5%
€1,000,000–€5,000,000	77	24.0%
€5,000,000 upwards	40	12.5%

Table 3: What is your organisation's (approximate) total annual income for the last calendar year or set of accounts? (n=321)

LOCATION

Urban / Rural

The number of respondent organisations decreased with proximity to urban centres.

Almost 3 in 5 (n=185, 58.9%) were located in cities, more than 1 in 5 were located in towns (n=67, 21.3%), more than 1 in 10 were located in villages (n=32, 10.2%), and less than 1 in 10 in rural areas (n=30, 9.6%) (Table 4).

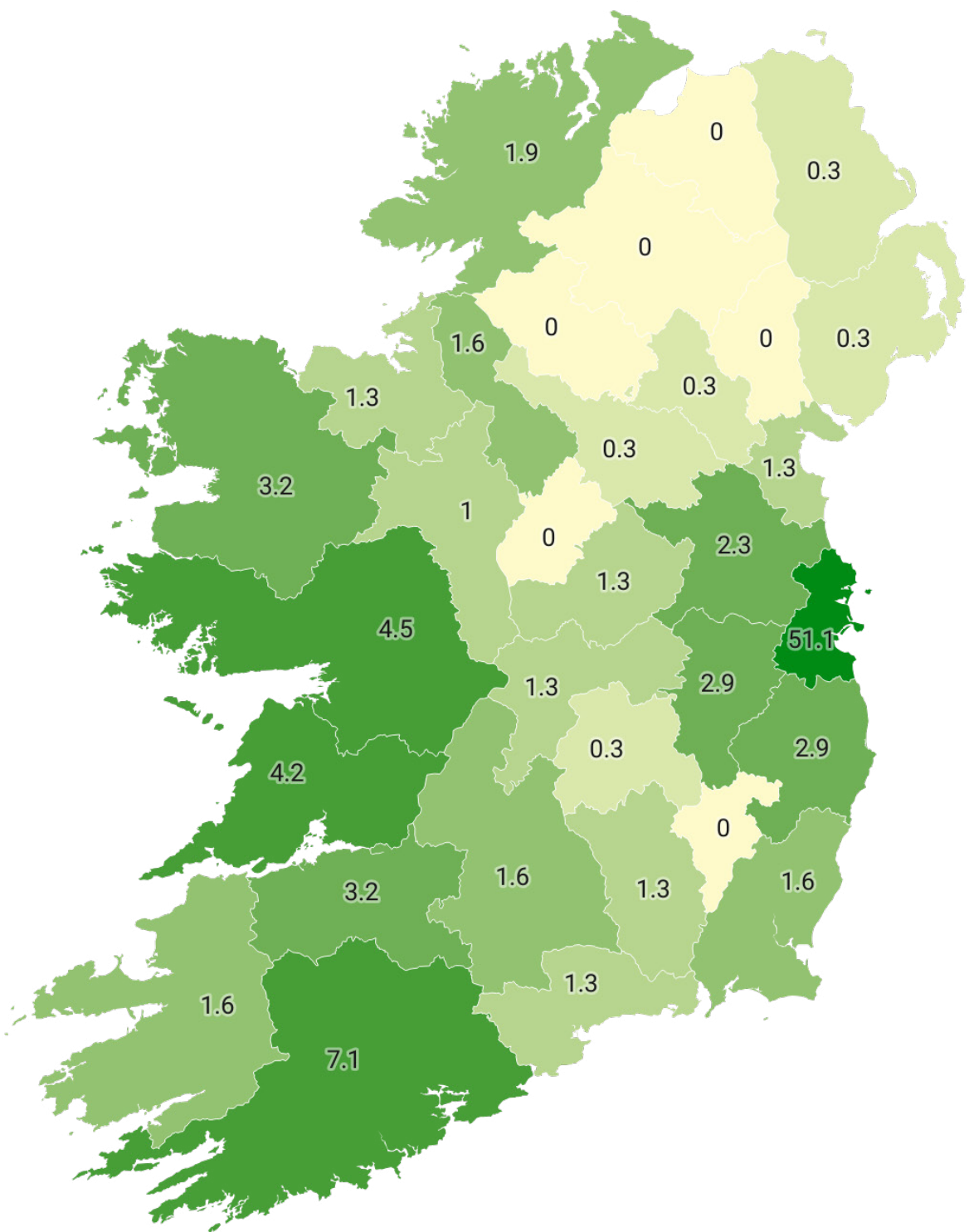
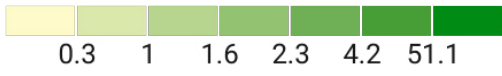
Location (Population)	No.	%
City (over 50,000 inhabitants)	185	58.9%
Town (between 10,000 and 50,000 inhabitants)	67	21.3%
Village (between 1,000 and 10,000 inhabitants)	32	10.2%
Rural (fewer than 1,000 inhabitants)	30	9.6%

Table 4: Where is your organisation located? (n=314)

County Breakdown

More than half of respondents were based in Dublin (Fig. 1).

Percentage of Respondents



Created with Datawrapper

Fig.1: In which county are you located? (n=311)

Section 2: Funding

SOURCES OF FUNDING

Table 5 sets out the type of funding accessed by respondent organisations, and the proportion of their total funding attributed to each funding type.

The State was the most prevalent funder among respondent organisations, with more than three-quarters of respondents to the question of funding source reporting being in receipt of statutory funding (n=214, 75.9%). Of these organisations, almost half (n=102, 47.7%) received between 75-100% of their funding from the State, and almost 1 in 5 (n=40, 18.7%) received 50-75% of all funding from this source.

This is followed by donations, with two-thirds of respondents (n=190, 67.4%) indicating that they were in receipt of donations. However, donations aren't nearly as reliable a funding source as State funding, with just 15.3% (n=29) of respondents indicating that they receive 75-100% of their funding through donations, and 3 in 10 (n=60, 31.6%) indicating that it accounts for less than 5%.

Over half (n=150, 53.2%) of respondents had earned income. More than a quarter of these (n=39, 26%) indicated that this income accounted for less than 5% of their overall income, a fifth (n=32, 21.3%) indicated that it accounted for between 5-10%, and 16.7% (n=25) indicated that it accounted for 10-25% of their total income. Earned income accounted for 75-100% of income in a just 10.7% of cases (n=16).

Just 2 in 5 respondents indicated that they received any philanthropic funding (n=121, 42.9%), with just 2.6% (n=3) of those indicating that it accounted for between 75-100% of total funding, and more than one third (n=42, 36.2%) indicating that it accounted for less than 5%.

Finally, membership income was reported by less than 3 in 10 respondents (n=84, 29.8%), however 46.4% of those (n=39) indicated that it accounted for less than 5% of total income.

Proportion	Statutory Funding		Donations		Earned Income		Philanthropy		Memberships	
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than 5%	12	5.6%	60	31.6%	39	26.0%	42	36.2%	39	46.4%
5-10%	11	5.1%	35	18.4%	32	21.3%	36	31.0%	11	13.1%
10-25%	18	8.4%	30	15.8%	25	16.7%	24	20.7%	17	20.2%
25-50%	31	14.5%	18	9.5%	23	15.3%	7	6.0%	6	7.1%
50-75%	40	18.7%	18	9.5%	15	10.0%	4	3.4%	7	8.3%
75-100%	102	47.7%	29	15.3%	16	10.7%	3	2.6%	4	4.8%
Not relevant/applicable	42		32		48		56		87	
In receipt (total answered per type less n/a)	214		190		150		121		84	
Total answered per type	256		222		198		172		171	
% Total question respondents	75.9%		67.4%		53.2%		42.9%		29.8%	

Table 5: What (approximate) percentage of your overall income is represented by the funding sources below? Please ensure you have chosen a percentage for each of the funding sources listed below and that your answers equate to a total of 100%. (n=282). Note: Respondents could choose more than one option when answering

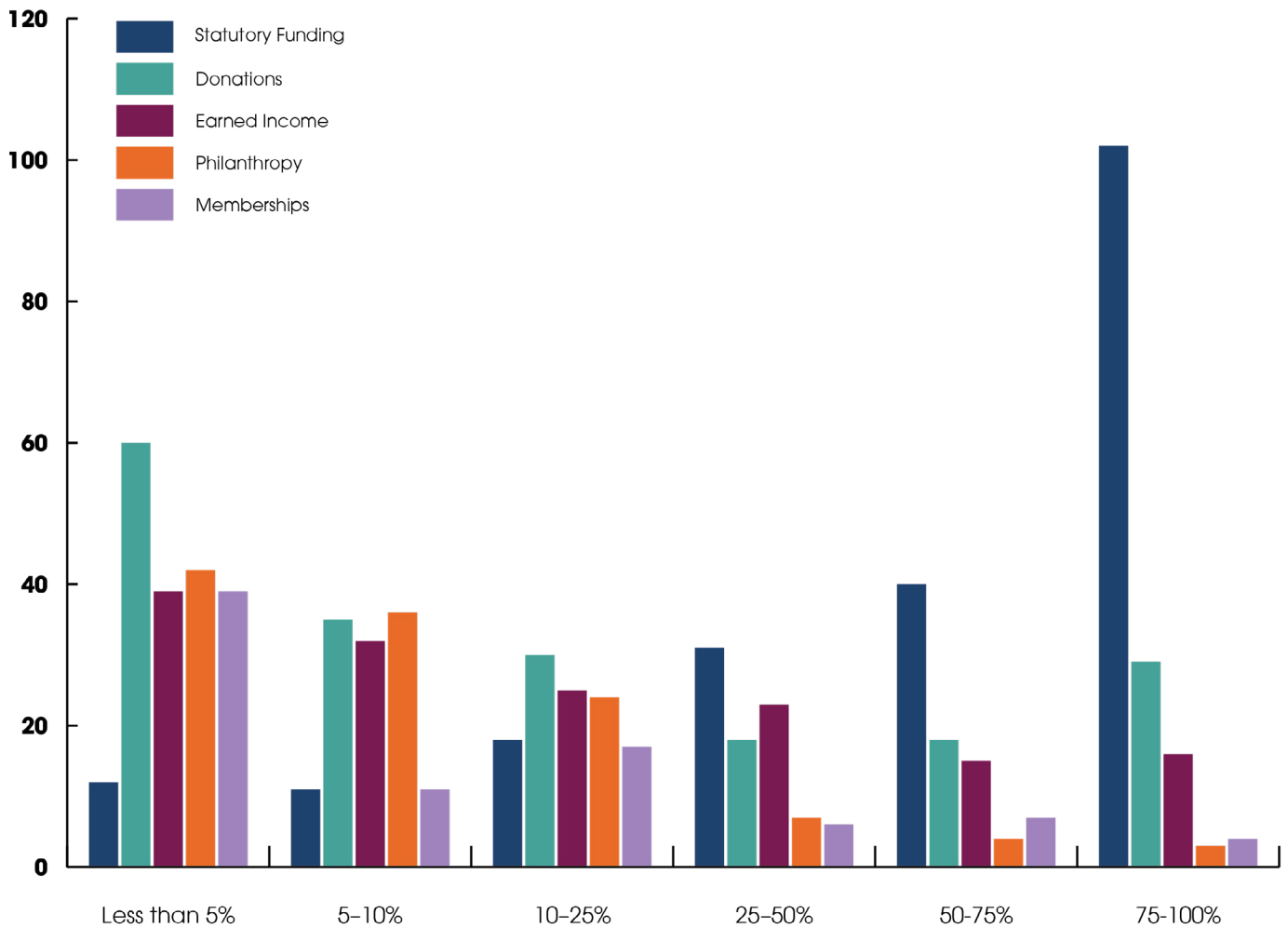


Fig 2: What (approximate) percentage of your overall income is represented by the funding sources below? Please ensure you have chosen a percentage for each of the funding sources listed below and that your answers equate to a total of 100%. (n=282). Note: Respondents could choose more than one option when answering

SOURCES OF STATUTORY FUNDING

Respondents were then asked to select their main funders from a list provided. Table 6 sets out the results, with over one third (n=78, 39%) indicating that they were in receipt of HSE funding, more than 1 in 5 (n=46, 23%) indicating that they were in receipt of funding from Pobal, and almost 1 in 5 (n=41, 20.5%) in receipt of funding from Tusla.

Funder Name	No.	%
Hse	78	39.0%
Pobal	46	23.0%
Tusla	41	20.5%
County Council	36	18.0%
Department of Rural and Community Development	31	15.5%
Department of Social Protection	19	9.5%
Department of Education	17	8.5%
Department of Housing, Local government and Heritage	13	6.5%
Other	72	36.0%

Table 6: Please name your main statutory funders (n=200) Note: "Other" includes the Department of Foreign Affairs, Department of Justice, Department of Further and Higher Education and Skills, Department of Children, Equality, Disability, Integration, and Youth, the Arts Council, and Sports Ireland. Note: Respondents could choose more than one option when answering

Of the 321 respondents to the survey, just 60.7% (n=195) responded to the question of whether they were in receipt of multiannual funding. Of these, 44.1% (n=86) indicated that they were.

More than three quarters (75.6%, n=149) of respondents who indicated that they were in receipt of statutory funding indicated that this funding was provided under a formal Service Level Agreement/Arrangement.

Section 3: Regulation Requirements

We saw from Section 2 that organisations can, and in fact need to, have a variety of funding sources. Each source of funding brings with it a compliance requirement, in addition to regulations governing the status of organisations—e.g. charities are subject to the Charities Act, 2009; companies are subject to the Companies Acts etc.

Table 8 sets out the various requirements organisations must comply with in order to satisfy their governance responsibilities. Given the high proportion of charities in the respondent cohort (see Section 1), it is unsurprising that a high proportion are required to comply with the Charities Regulator register updates and annual returns, and the Charities Governance Code (87.9% and 86.1% respectively).

A high proportion (n=232, 84.9%) are also required to comply with the Companies Registration Office (CRO) register returns and annual returns. Depending on the nature of the funding received, various funding reports will also be required (Table 7).

Requirement	No.	% Total	No. Statutory Funding	% Statutory Funding
Charities regulator register updates and annual returns	240	87.9%	177	90.8%
Charities governance code	235	86.1%	176	89.7%
Companies Registration Office (CRO) register returns and annual returns	232	84.9%	174	89.2%
Lobbying register returns	98	35.9%	80	41.0%
Funder report - Health Services Executive (HSE)	79	28.9%	76	38.9%
Funding report - Tusla	46	16.9%	44	22.6%
Funder report - Education and Training board (ETB)	35	12.8%	30	15.4%
Funder report - Community Services Programme (CSP)	21	7.7%	20	10.3%
Funder report - Housing agency / Housing finance agency / Department of Housing	21	7.7%	18	9.2%
Funder report - Community Employment Scheme	20	7.3%	20	10.3%
Funder report - Scheme for Support of National Organisations (SSNO)	19	6.9%	19	9.7%
Funder report - European project funding (Interreg, Peace IV, Peace+, Horizon, Erasmus etc.)	17	6.2%	15	7.7%
Funder report - LEADER	14	5.1%	13	6.7%
Health Information and Quality Authority (HIQO) requirements	14	5.1%	13	6.7%
None of the above	8	2.9%	4	2.0%
Other	70	25.6%	61	31.3%

Table 7: Which, if any, of the following are you required to comply with? (Total n=273, Statutory Funding n=195)

Note: Respondents could choose more than one option when answering

As can be seen in Table 7, the proportion of respondent organisations who must comply with the various categories of requirement is higher for those with statutory funding, than the general cohort.

COMPLIANCE BURDEN

Respondents were also asked if they were required to provide the same or similar information to multiple channels. Of the 273 overall respondents who answered this question, more than two thirds (n=184, 67.4%) reported that they were. Of these, 97.2% (n=176) received multiple requests for financial information, 88.9% (n=161) for details of trustees and directors, 74% (n=134) for compliance with standards, and 69.6% (n=126) received multiple requests for activity reports.

When respondents in receipt of statutory funding were taken in isolation, the proportion who indicated the requirement to report the same or similar information to multiple channels increases to 76.4% (n=149).

It is unsurprising, therefore, that compliance activity can take a considerable amount of time. More than 2 in 5 (n=107, 43.3%) of the general cohort reported spending 2-5 working days per month on compliance activity, while 31.5% (n=78) reported spending at least 1 working week per month on this work. This also increases in respect of organisations in receipt of statutory funding, with 47.3% (n=36) reporting taking 2-5 working days and 34.3% spending at least 5 working days (Table 8).

Length of Time	Total No.	Total %	Statutory Funding No.	Statutory Funding %
1 working Day	62	25.1%	34	18.5%
2-5 working Days	107	43.3%	87	47.3%
5-10 working Days	46	18.6%	36	19.6%
More than 10 working Days	32	12.9%	27	14.7%

Table 8: How much time does your organisation spend on compliance activities (training, compiling reports, responding to information requests etc) each month? (Total n=247, Statutory Funding n=191)

When we take compliance burden by size of organisation, we see that more than one third of small respondent organisations (37.7%, n=32) spend 1 working day on compliance tasks, compared to 21.1% of medium organisations, and 16.5% of large organisations.

At the other end of the scale, large organisations were more than twice as likely as small organisations to spend more than 10 working days on compliance activities, and more than four times as likely as medium organisations (23.1% compared to 8.2% of small organisations and 5.6% of medium organisations) (Table 9).

Length of Time	Small (Income up to €250,000)		Medium (Income €250,000<€1M)		Large (Income €1M+)	
	No.	%	No.	%	No.	%
1 working day	32	37.7%	15	21.1%	15	16.5%
2-5 working days	38	44.7%	37	52.1%	32	35.2%
5-10 working days	8	9.4%	15	21.1%	23	25.3%
More than 10 working days	7	8.2%	4	5.6%	21	23.1%

Table 9: How much time does your organisation spend on compliance activities (training, compiling reports, responding to information requests etc) each month? By organisation size. (n=247)

COMPLIANCE RESPONSIBILITY

The Wheel has, for a long time, advocated for compliance costs to be included in funding agreements. This would support organisations to hire a dedicated resource to conduct this important work. As Table 10 indicates, compliance activities are subsumed into existing roles in more than half of general respondent organisations (n=150, 55.4%), and 3 in 5 of those in receipt of statutory funding (61%, n=119). This is not sustainable long-term. Volunteers are used more in the general cohort than in organisations with statutory funding (17.7% and 10.8% respectively).

	Total No.	Total %	Statutory Funding No.	Statutory Funding %
A volunteer	48	17.7%	21	10.8%
Dedicated full-time staff member	55	20.3%	40	20.5%
Dedicated part-time staff member	17	6.3%	11	5.6%
Incorporated into existing roles of one person or multiple people	150	55.4%	119	61%

Table 10: By whom are funding-compliance and regulation-related processes undertaken in your organisation? (n=271)

Breaking these data down by size of organisation, we see that small organisations are most likely to engage volunteers to carry out compliance processes (45.1%, n=46), approximately 1 in 4 medium and large organisations have a dedicated full-time staff member to resource (25.7% and 23.7% respectively).

All organisations have subsumed compliance activity into existing roles, with larger organisations most likely to do this (70.1%, compared to 59.5% of medium organisations and 33.3% of small organisations) (Table 11).

THE WHEEL - MEMBERS' REGULATION SURVEY - 2024

Length of Time	Small (Income up to €250,000)		Medium (Income €250,000<€1M)		Large (Income €1M+)	
	No.	%	No.	%	No.	%
A volunteer	46	45.1%	2	2.7%	0	0
Dedicated full-time staff member	13	12.8%	19	25.7%	23	23.7%
Dedicated part-time staff member	7	6.9%	4	5.4%	6	6.2%
Incorporated into existing roles of one person or multiple people	34	33.3%	44	59.5%	68	70.1%
Other	2	1.9%	5	6.8%	0	0

Table 11: By whom are funding-compliance and regulation-related processes undertaken in your organisation?
By organisation size. (n=247)

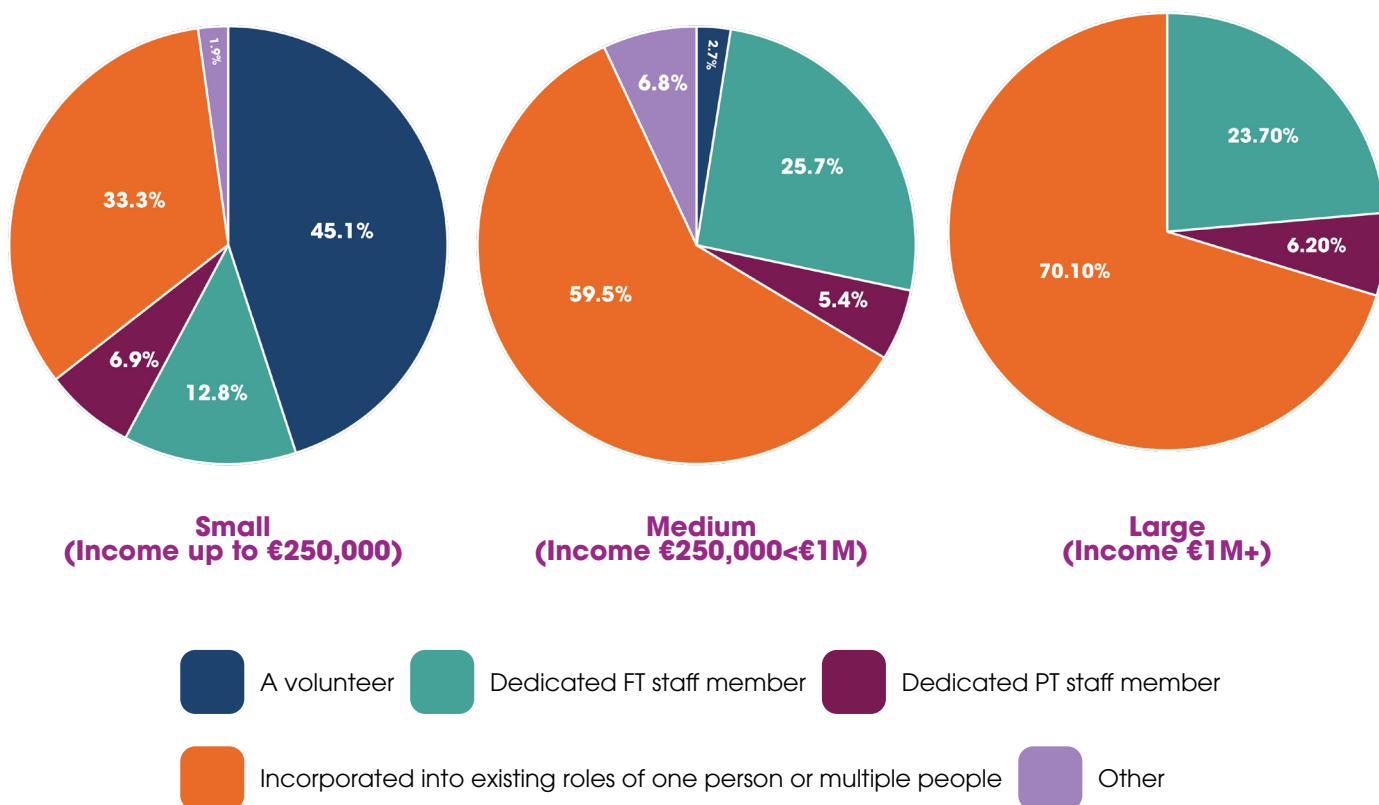


Fig. 3: By whom are funding-compliance and regulation-related processes undertaken in your organisation?
By organisation size.

Section 4: Issues Facing Organisations

Respondents were then asked to consider a list of issues that they had experienced in the 12 months preceding their completion of the survey, and to rank them from 1 to 5, with 1 being a serious issue and 5 being of least concern. Table 12 sets out the list of issues by prevalence among the respondent cohort who ranked each one either a 1 or a 2, indicating that this was a serious or somewhat serious issue.

In order to contextualise the impact of the regulatory issues, other issues facing the sector were included in the options available.

Issues (Scored 1 or 2, being a serious or somewhat serious issue)	No.	%
Increased operating costs (e.G. Rent, light, heat)	158	64.5%
Staff recruitment/retention	148	60.4%
Complexity of compliance with legislation and regulation (incl. Funding reports)	146	59.6%
Time spent on compliance with legislation and regulation (incl. Funding reports)	146	59.6%
Succession planning	144	58.8%
Increases in staff salaries and/or related costs	143	58.4%
Volunteer recruitment/retention (incl. Trustees)	122	49.8%
Reduction in statutory funding	104	42.4%
Lack of public awareness	98	40.0%
Difficulties in obtaining insurance / high insurance premiums	93	38.0%
Reduction in fundraising	90	36.7%
Negative publicity / sector generally	64	26.1%
Reduction in membership subscriptions and donations	63	25.7%
Curtailed / restricted campaigning / advocacy work	54	22.0%
Negative publicity / own organisation	48	19.6%

Table 12: Please focus on the issues your organisation has faced in the last 12 months. In the list below, please rank each challenge from 1 to 5. 1 being a serious issue for your organisation, 5 being an issue of least concern for your organisation. (n=245) Note: Respondents could choose more than one option when answering

Increased costs and issues with staff recruitment and retention were seen as the most serious issues. However, as can be seen in Table 12, complexity of compliance with legislation and regulation, and time spent on this compliance, were joint third, each with 59.6% (n=146) of respondents identifying these as serious or somewhat serious issues.

It is also notable that the least prevalent issues in the list, curtailed/restricted campaigning/advocacy work and negative publicity/own organisation, are still seen as serious or somewhat serious by 1 in 5 of respondents (22% and 19.6% respectively).

Isolating the three areas most closely related to regulation—time, complexity, and impact on campaigning and advocacy work (Table 13)—we see that a higher proportion of organisations with statutory funding indicated that complexity and time were an issue, compared to the general respondent cohort.

	Total No.	Total %	Statutory Funding No.	Statutory Funding %
Complexity of compliance with legislation and regulation (incl. funding reports)	146	59.6%	113	63.5%
Time spent on compliance with legislation and regulation (incl. funding reports)	146	59.6%	115	64.6%
Curtailed / restricted campaigning / advocacy work	54	22.0%	38	21.3%

Table 13: Compliance Issues - General v Statutory Funding. Note: Respondents could choose more than one option when answering

When considered in terms of size the organisation (Table 14), we note that medium organisations were most likely to have faced issues with all three areas.

Length of Time	Small (Income up to €250,000)		Medium (Income €250,000<€1M)		Large (Income €1M+)	
	No.	%	No.	%	No.	%
Complexity of compliance with legislation and regulation (incl. funding reports)	50	57.5%	45	62.5%	51	59.3%
Time spent on compliance with legislation and regulation (incl. funding reports)	50	57.5%	45	62.5%	51	59.3%
Curtailed / restricted campaigning / advocacy work	14	16.1%	19	26.4%	21	24.4%

Table 14: Please focus on the issues your organisation has faced in the last 12 months. In the list below, please rank each challenge from 1 to 5.1 being a serious issue for your organisation, 5 being an issue of least concern for your organisation. (n=245)

TRUST AND CONFIDENCE

The issues experienced by sector organisations can have serious negative impact on their ability to provide the services and supports that are crucial to their operation. This, in turn, can impact on public trust and confidence in the sector.

When asked if, in the 12 months preceding the survey, respondents felt that trust and confidence in the sector had increased or decreased, just 16.5% (n=40) respondents indicated that it had increased, while 32.5% (n=79) said it had decreased. Just over half (51%, n=124) indicated that it had not changed (Table 15).

	No.	%
Increased a lot	5	2.1%
Increased a little	35	14.4%
Not changed	124	51.0%
Decreased a little	65	26.8%
Decreased a lot	14	5.8%

Table 15: In the last 12 months do you think public trust and confidence in the sector has increased / decreased, (n=243)

PERCEIVED CAUSES OF DECREASED PUBLIC TRUST

When asked about the main perceived cause of a decrease in public trust and confidence, 36.7% of respondents (n=29) indicated negative media coverage of the sector; 27.8% (n=22) pointed to perception of issues with the sector, such as CEO salaries; and 17.7% (n=14) indicated perception of lack of governance (Table 16).

	No.	%
Negative media coverage of the sector	29	36.7%
Perception of issues with the sector (CEO salaries, inappropriate activities etc)	22	27.8%
Perception of lack of governance	14	17.7%
Lack of public awareness about the structures and governance of the sector	9	11.4%
Other (please specify)	5	6.3%

Table 16: What do you think is the main cause of a decrease in public trust and confidence? (n=79)

Asked what impact this lack of trust and confidence may have, 39.2% of respondents (n=31) said less support generally; 30.4% (n=24) anticipated each of fewer volunteers and increased public scrutiny.

PERCEIVED CAUSES OF INCREASED PUBLIC TRUST

When asked about the main perceived cause of increased public trust and confidence, again public awareness and media attention dominated, with fewer negative stories about the sector cited by 42.5% as the cause, and improvement in public awareness by 25% (Table 17).

	No.	%
Fewer negative stories about the sector	17	42.5%
Improvement in public awareness about the breadth, structure and governance of organisations in the sector	10	25.0%
Increased oversight of sector organisations	5	12.5%
Positive media coverage about the sector generally	3	7.5%
Greater public awareness of how the sector organisations are regulated	2	5.0%
Other (please specify)	5	6.3%

Table 17: What do you think is the main cause of a increase in public trust and confidence? (n=40)

Section 5: Overall Perception of Regulation

Notwithstanding the issues that organisations may have in supporting regulation and the impact on resourcing that compliance with regulation can have, more than two in five survey respondents (44.4%, n=102) agreed that increased regulation is improving trust and confidence in the sector (Table 18).

	No.	%
Strongly agree	14	6.1%
Agree	88	38.3%
Neither agree or disagree	67	29.1%
Disagree	27	11.7%
Strongly disagree	14	6.1%
Don't know	20	8.7%

Table 18: Do you agree with this statement: Increased regulation, including the introduction of the Charities (Amendment) Bill 2023 is improving trust and confidence in the sector, (n=230)

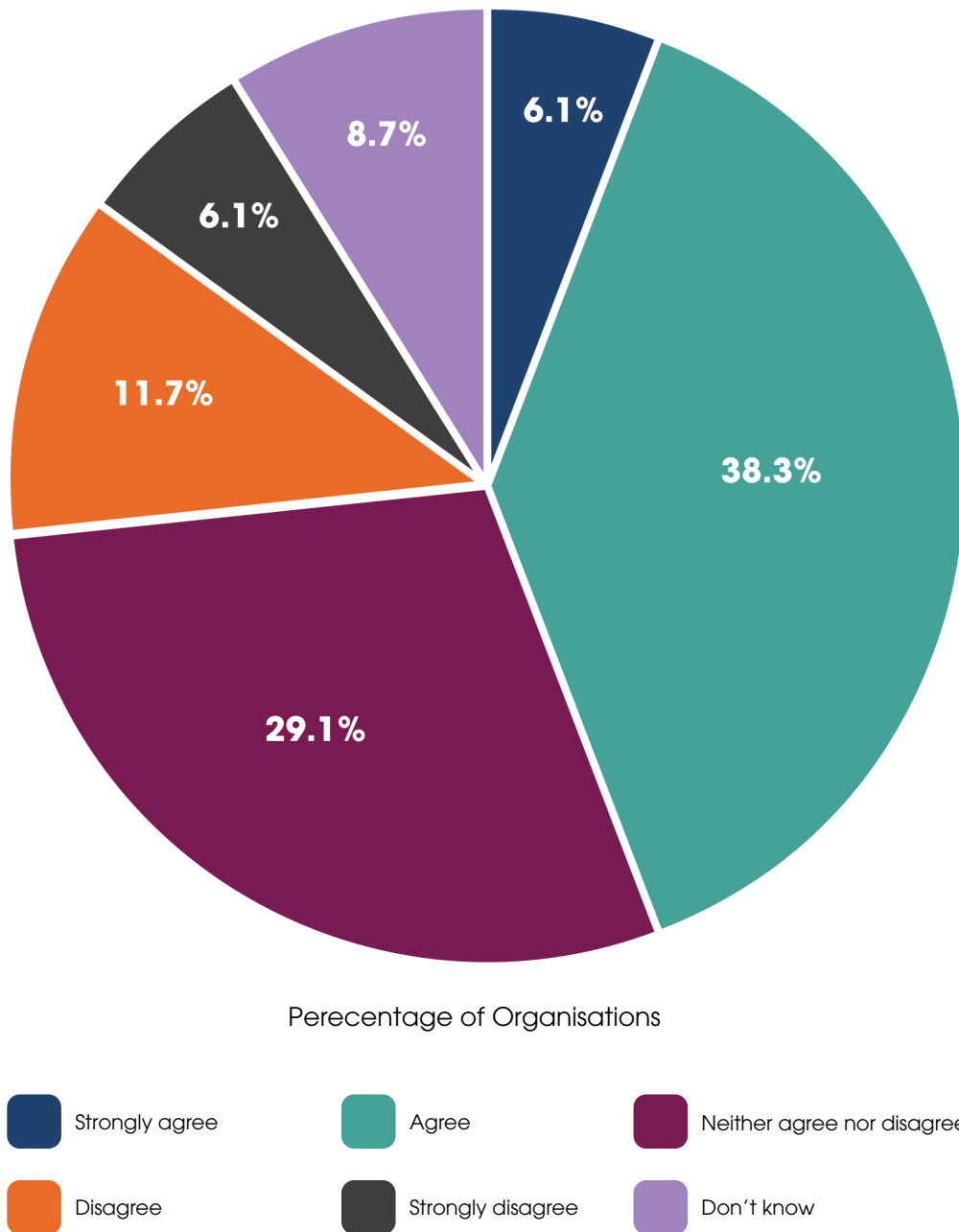


Fig. 4: Do you agree with this statement: Increased regulation, including the introduction of the Charities (Amendment) Bill 2023 is improving trust and confidence in the sector, (n=230)

The quality of relationship between regulatory bodies and sector organisations is generally good, but varies depending on the regulator concerned. Respondents indicated high levels of trust in the Companies Registration Office and Charities Regulatory Authority. Lower levels of trust were indicated in statutory funders and the Standards in Public Office Commission, where lack of pro-active engagement and dedicated contact may be an issue (Table 19).

THE WHEEL - MEMBERS' REGULATION SURVEY - 2024

	Funding Body (HSE / Túsla / Dept of Housing / Pobal etc)		Standards in Public Office Commission (Lobbying Register)		Companies Registration Office		Charities Regulator	
	No.	%	No.	%	No.	%	No.	%
I trust this governing body to treat my organisation fairly and proportionately	110	52.1%	87	41.2%	176	83.4%	163	77.3%
I trust this governing body to make effective decisions when determining applications for registration	99	49.3%	83	41.3%	167	83.1%	158	78.6%
I trust this governing body to act in the public interest when deciding whether to investigate or take further action	97	49.2%	86	43.7%	150	76.1%	155	78.7%
Completing the annual report for this governing body is very straightforward	59	35.1%	60	35.7%	127	75.6%	111	66.1%
Increased regulation from this governing body has improved the way my organisation operates	41	31.3%	27	20.6%	60	45.8%	109	83.2%
This governing body proactively engages with my organisation and is supportive and innovative	71	58.2%	22	18.0%	31	25.4%	60	49.2%
This governing body does its best to keep regulatory and administrative burden to a minimum	32	30.5%	27	25.7%	59	56.2%	61	58.1%
This governing body has a dedicated point of contact(s) to support engagement	79	64.8%	26	21.3%	30	24.6%	62	50.8%

Table 19: For each of the following statements please select the response which most accurately reflects your opinion according to the governing body.(n=217)

Section 6: Key Findings and Recommendations

Key Findings

- **Complexity and Compliance Burden**

The impact of regulation varies depending on the size of the organisation and the type of funding it receives. Organisations with State funding have a higher compliance burden than the general cohort. Large organisations have a higher compliance burden than small organisations, however small organisations are more likely to rely on volunteers to carry out this work. Overly complex regulatory requirements can place a significant administrative burden on organisations, particularly smaller organisations. This can potentially divert resources away from their core missions.

- **Public Trust**

Effective regulation is essential for maintaining and enhancing public trust in the sector. By ensuring transparency, enhancing accountability, and protecting funders, donors and beneficiaries, regulation helps build a trustworthy and charitable sector. Many respondent organisations identified a range of potential influences that they felt negatively impacted trust in the sector in the 12 months preceding the survey, including lack of public awareness of the governance structures that currently exist.

- **Relationships with Regulators**

The quality of relationship between regulatory bodies and sector organisations is generally good, but varies depending on the regulator concerned. Respondents indicated high levels of trust in the Companies Registration Office and Charities Regulatory Authority. Lower levels of trust were indicated in statutory funders and the Standards in Public Office Commission, where lack of pro-active engagement and dedicated contact may be an issue.

Recommendations

- **Proportionate Regulation**

Sector organisations understand the importance of transparency in their work and worked for years to encourage the establishment of Ireland's Charities Regulator. The sector welcomes regulation and is working to attain the highest standards of governance, but there is a risk now that the compliance and reporting demands associated with statutory funding and regulation are becoming increasingly onerous for charities.

There is also a risk that the interplay of the many separate, but related, regulatory and reporting requirements is beginning to impede the work and advocacy of charities. These requirements often far exceed those placed on private-sector service providers who operate in the same fields.

Government should review and streamline compliance and regulatory requirements to ensure that regulation in all its forms helps, and doesn't over-burden, sector organisations. The cost of compliance should be built into all new funding contracts.

- **Enhancing Public Awareness**

Enhancing public awareness of the value of the sector is essential for fostering a supportive and engaged community. By leveraging storytelling, media, public events, and educational initiatives, sector organisations can effectively communicate their impact and contributions. Transparent practices, strategic partnerships, and innovative outreach techniques further bolster these efforts, ensuring that the public understands and appreciates the vital role the sector plays in society.

An example of such an initiative is the We Act campaign, a collaborative campaign in partnership with The Wheel, Disability Federation of Ireland, Boardmatch, Volunteer Ireland, and Dóchas. We Act raises awareness and builds the capacity of organisations to demonstrate their value to society. The continued development of this campaign, and the development of a grants programme for sector organisations to undertake communications projects that help connect the public with their services, would greatly enhance public awareness.

- **Strengthening Trust in Regulatory Bodies**

In 2022, the Department of Rural and Community Development launched the *Values and Principles for Collaboration and Partnership Working with the Community and Voluntary Sector*, which copper-fastened the relationship and partnership between Government and the community and voluntary sector, highlighting its centrality in addressing the crises of recent times. Developed by the sector, in partnership with Government, the aim is to support values such as social justice and active participation along with principles like respect, collaboration, and value for money.

The *Values and Principles* are used by central and local government, as well as state bodies, as a basis for their interactions with the community and voluntary sector in pursuit of the best outcomes for all. This includes regulatory bodies. The *Values and Principles* provide a basis for respectful, inclusive engagement to reach our common goals. It is important that funding bodies fully commit to inclusive dialogue with sector organisations to meet their shared objectives.



The Wheel is Ireland's national association of charities, community groups, and social enterprises.

As a representative voice, we provide leadership to the sector and advocate on behalf of our growing community of members.

As a supportive resource, we offer advice, training, and other opportunities to people working or volunteering in the sector.

Find out more at www.wheel.ie

Contact us at info@wheel.ie

Call us on **+353 (0) 1 454 8727** (Mon - Fri, 10 am - 1 pm & 2 pm - 4 pm)

48 Fleet Street, Dublin 2, Ireland
Tel: +353 (0) 1 454 8727
Email: info@wheel.ie
RCN: 20040963
CHY: 13288
Company No: 302282