

GENERAL SPEAKING POINTS ON CHARITIES

DPER – General Role/Responsibility

- Exchequer support for charities and voluntary bodies is provided through the Votes of a number of Government Departments, including Health, Environment and Children and Youth Affairs.
- Therefore, all such expenditure falls under the established delegated sanction arrangements for current expenditure and is subject to the financial controls and reporting arrangements for Voted expenditure, as required under public financial procedures.
- It is a matter for the Accounting Officers of each Vote to ensure compliance with this established public financial management framework.
- The Department of Public Expenditure and Reform’s role is the same as for all Voted public expenditure:
 - To set and agree expenditure allocations in the context of the annual Budget process and the Estimates;
 - To set the terms of delegated sanction for Government Departments under which they spend Voted expenditure
 - To provide the framework of rules for Departments and bodies in managing and controlling public expenditure.

DPER – Response to Recent Developments on Charities

- The Department has a central role in the development of public financial procedures, including the issuance of circulars related to public expenditure.
- Of particular relevance to the issue at hand is the Circular governing Grants and Grants-in-Aid, which sets the rules by which all Exchequer funds, regardless of the method of distribution, are accounted for and properly managed.
- We are in the process of revising that Circular. The new Circular will require, amongst other things, that public bodies who are issuing grants must get further detailed information from grant recipients (including charities), including

- Confirmation as to the purpose for which the funding was provided – pay, administration, service provision, charitable activity or other things, such as public information campaigns or consultancy; and
 - The pay of senior management.
- The Circular will also highlight the responsibilities of grantees in terms of the principles of clarity, governance, value for money and fairness.