



# **BUSINESS PLAN 2026-27**

# Mission statement

We regulate Scottish charities in a proportionate and targeted way that promotes **trust** and **confidence**, ensures **accountability**, and strengthens the sector's ability to deliver **public benefit**.



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# Introduction

# Welcome to OSCR's Business Plan for 2026–27

This 2026–27 Business Plan sets out the main actions we will take over the period 1 April 2026 and 31 March 2027 to deliver the outcomes identified in our Corporate Strategy 2026–29.

The charity sector in Scotland is large and diverse and as Scotland's charity regulator, we will continue to work in a way which is agile and flexible, informed by our data and experiences and aligned with the Public



**Quentin Fisher**  
OSCR Interim Chief Executive

Service Reform Agenda principles promoted by the Scottish Government.

From early in the year, our new duty to increase the information we publish about charities will commence, and the provision of trustee information on our Register will increase public transparency around charities, and trust in the sector.

This trustee data will add another layer to the unique data on the charity sector which we collect annually. In 2026–27 we will continue to use this data to inform and refine our regulatory priorities and activities, whilst recognising the value which our knowledge and data has to others, including those involved with wider policy making and with funding decisions in respect of charities.

Our regulatory priorities have been incorporated into this Business Plan, to make it clear how our work to address regulatory concerns is intrinsically linked to both our Corporate Strategy and the day-to-day business of OSCR. Our 2026–29 priorities continue the strategic direction established for 2023–26 and build on the progress already made.

Maintaining this direction – and strengthening the foundations laid over the previous cycle – is essential because these priorities address long-term, systemic issues that cannot be conclusively resolved within a single planning period. Challenges such as persistent non-engagement from defaulting charities and gaps in trustees’ understanding of their duties continue to require significant regulatory attention and

are unlikely to disappear entirely. The new priorities therefore reflect that these issues are enduring features of the charity landscape, requiring ongoing, adaptive oversight.

This integrated Business Plan represents the next step in our regulatory journey and builds on our previous activities. The plan

has been developed with input from our dedicated staff team and Board, and whilst it is ambitious and challenging, I am confident that we have the skills, knowledge and experience within OSCR to deliver. I look forward to reporting on our progress at the end of the year.

# Strategic themes

## Strategic themes 2026-29

Our Corporate Strategy 2026-29 identifies these 4 key themes as a focus for delivery over the plan period.

Driving compliance  
through proportionate and  
effective regulation

Supporting the  
development of a  
resilient, effective and  
trusted charity sector

Continuing to drive  
efficiency as a public  
body

Supporting our people

Our strategic themes and the key outcomes we will work to deliver over the next three years are detailed in our Corporate Strategy and are summarised in Table 1 below.

Table 1	
Strategic Theme	Key Outcomes
<div style="background-color: #4db6ac; padding: 10px; display: flex; align-items: center; justify-content: center; width: 40px; height: 100px; margin-bottom: 10px;">1</div> <p>Driving compliance through proportionate and effective regulation</p>	<ul style="list-style-type: none"> <li>• Use research, data, and intelligence to inform risk, allow proactive inquiries and enable early, targeted regulatory intervention.</li> <li>• Provide clear, accessible guidance informed by our regulatory insight, strengthening public understanding and making it easier for charities to understand and meet their obligations.</li> <li>• Make our stakeholder engagement more digitally focused – using data to deliver accessible, timely and targeted communications that better support charities in meeting their obligations.</li> <li>• Strengthen collaboration with intermediary bodies such as Third Sector Interfaces (TSIs) and umbrella organisations to extend our reach and build their capacity to support a more resilient and informed sector.</li> </ul>

<p>2</p>	<p>Supporting the development of a resilient, effective and trusted charity sector through regulation</p>	<ul style="list-style-type: none"> <li>• Support charities to contribute positively to society by promoting strong governance and responsible use of charitable assets. We will highlight risks and encourage effective practice across the sector.</li> <li>• Inform public policy by working with the Scottish Government and others, providing evidence and insight from our regulatory perspective and oversight of the charity sector.</li> <li>• Promote evidence based public trust by improving the accuracy and transparency of the charity register.</li> <li>• Enhance our online presence and digital communication to ensure that both the public and charities can easily access the information they need.</li> </ul>
<p>3</p>	<p>Continuing to drive efficiency as a public body</p>	<ul style="list-style-type: none"> <li>• Remain proactive in our engagement with the Scottish Government about the development of charity regulation to ensure the regulatory framework continues to meet the needs of a changing society.</li> <li>• Maximise opportunities to align with the Scottish Government’s Digital Strategy and explore opportunities for our digital systems</li> </ul>

		<p>to support system-wide reform and collaboration with other public sector bodies.</p> <ul style="list-style-type: none"><li>• Make our stakeholder engagement more digitally focused balancing accessibility with efficiency.</li><li>• Use digital tools where appropriate to respond effectively to public and sector needs.</li><li>• Automate our processes where appropriate to improve efficiencies.</li></ul>
4	Supporting our people	<ul style="list-style-type: none"><li>• Create a supportive and engaging working environment that encourages collaboration and recognises the contribution people make.</li><li>• Make the most of the experience and expertise in the organisation, strengthening the capabilities of our people, aligning individual development with organisational priorities to meet evolving needs.</li><li>• Consult and involve colleagues meaningfully in decisions that affect them.</li></ul>

# Activities

## Activities 2026–27

Our Business Plan – and the activities set out in Table 2 below – bring together OSCR’s Corporate Strategy, Regulatory Priorities, and core statutory functions into a single, coherent framework. To monitor our progress against the Corporate Strategy’s Strategic Themes, these activities will be considered and prioritised annually to ensure that we remain focused and accountable.

This plan captures and makes visible OSCR’s core ‘business as usual’ functions as Scotland’s charity regulator. Our ongoing commitment to delivering our statutory duties to a high standard remains central to our day-to-day work and is essential to achieving the outcomes set out in our Corporate Strategy.

As outlined, OSCR’s regulatory priorities guide our regulatory decision-making and help clarify where we will focus our efforts to deliver the greatest public value. The 2026–27 priorities stem directly from, and are fully aligned with, the Corporate Strategy. They are:

1. Ensure charities are submitting legally required documentation and engaging with OSCR as appropriate.
2. Preventing and tackling misuse of Scottish charitable assets for private gain.
3. Helping improve charities and the wider public’s understanding of core governance matters in areas such as:
  - a. Financial health of charities

- b. Trustee and senior management disqualification
  - c. Governing documents
  - d. Narrative reporting and accounts
  - e. Charities' employment of staff
4. Support the sector to reduce conflict within charities and with their communities, while maintaining a proportionate regulatory role.

From a regulatory perspective, we anticipate a number of potential benefits from identifying and taking action on these priorities, in addition to OSCR's 'business as usual'. These include:

- More robust, but still proportionate regulation, in which we make more effective use of our regulatory powers and help improve trustees' understanding of their duties.

- Greater transparency and accountability in the form of more visible enforcement activity and clearer reporting by charities.
- Higher public confidence that charities use funds appropriately, and better public understanding of legitimate charity operations.
- Enhanced sector resilience and effectiveness. Specifically, we anticipate contributing to stronger organisational capacity, healthier charity relationships, and improved ability for charities to deliver meaningful benefit to their communities.

The rationale and evidence for each of these priorities can be found in Appendix 1, and the activities listed in Table 2 below are

anticipated to progress OSCR in our efforts to address these priorities.

In 2026–7 the activities we will prioritise are detailed in Table 2 below.

Table 2		
Strategic Theme 1 - Driving compliance through proportionate and effective regulation		
Outcomes	2026-27 activity	Measures and indicators
<p>Increased use of our data and insights to inform and shape regulation and drive compliance by charities.</p> <p>More regular and targeted partnership working.</p>	<p>Strengthen proactive, data-driven regulation to identify and address risk early. This includes using data to guide proactive inquiries and target charities showing emerging governance, financial, or compliance risks.</p> <p>Enhance targeted communication and early intervention based on data to prevent issues escalating into regulatory non-compliance.</p> <p>Provide clear, accessible guidance that supports compliance and remains informed by evidence from inquiries, data, and engagement. This includes maintaining a commitment to information events (including</p>	<ul style="list-style-type: none"> <li>• An increasing percentage of charities meet their legal reporting duties.</li> <li>• An increase in targeted support around key regulatory issues through thematic webinars; direct communication with trustees and sharing lessons from our work.</li> <li>• Improved collaborative working with key partners e.g. TSI's, SCVO.</li> <li>• Increased collaboration with other regulators both in Scotland and the rest of the UK.</li> </ul>

	<p>online events) to encourage understanding and compliance, available to trustees and the wider public.</p> <p>Utilise legislative powers proportionately to protect charitable assets and drive compliance. Reduce involvement in issues where there is limited regulatory value, to ensure effective targeting of resources.</p> <p>Strengthen regulatory impact through collaborative working with TSIs, umbrella bodies, funders and other sector support organisations or regulators to share intelligence, build governance capability, and enhance the support available to charities.</p>	
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Strategic Theme 2 – Supporting the development of a resilient, effective and trusted charity sector through regulation		
Outcomes	2026-27 activity	Measures and indicators
<p>We will use our knowledge and tools to support charities to deliver public benefit; promote evidence-based trust in the sector and share insights.</p> <p>Through implementation of our Communications Strategy we will ensure the value of the sector is better understood, supporting public trust and sector improvement.</p>	<p>Promote strong governance and responsible use of charitable assets by highlighting risk.</p> <p>Provide evidence and insight from our regulatory perspective to inform public policy.</p> <p>Ensure the way we regulate continues to evolve to meet the needs of a changing society.</p> <p>Act robustly where misuse of charitable assets is identified, to help safeguard charitable resources and reinforce trust in the sector. This includes taking early and decisive action to protect charitable assets and beneficiaries, using positive powers under 2023 Act.</p>	<ul style="list-style-type: none"> <li>• We share our data and knowledge of the charity sector so that it can be used by stakeholders including policy makers and funders.</li> <li>• Public trust in charities increases.</li> <li>• We use our powers to positively direct charities to take action to protect charitable assets where we believe they are at risk</li> </ul>

	<p>Promote public trust through transparent, evidence-based communication, including enhancing the accuracy and visibility of the Scottish Charity Register.</p> <p>Through the use of digital communication and our online presence ensure that the public and charities can access the information they need.</p> <p>Explore greater sharing of intelligence and regulatory insight to strengthen sector capability and resilience.</p>	
<p><b>Strategic Theme 3 – Continuing to drive efficiency as a public body</b></p>		
<p><b>Outcomes</b></p>	<p><b>2026-27 activity</b></p>	<p><b>Measures and indicators</b></p>
<p>Our work will deliver best value and align with delivery of the Scottish Government’s public service reform agenda.</p>	<p>Collect and use our data to support and promote a better understanding of a modern regulatory environment.</p>	<ul style="list-style-type: none"> <li>• Increased streamlining of customer journeys.</li> </ul>

<p>Through development and implementation of our Digital Strategy we will maximise opportunities to collaborate with Scottish government and other public bodies; whilst supporting customer service improvement.</p>	<p>Through proactive engagement with the Scottish Government, we will explore charity reporting thresholds and future funding models.</p> <p>Our stakeholder engagement will be more digitally focussed, balancing accessibility with efficiency.</p> <p>Through process automation and exploring the use of AI we will introduce operational efficiencies.</p> <p>We will use technology as a tool to maximise resource efficiency, including improvements to proactive casework targeting, accounts monitoring, and communications.</p>	<ul style="list-style-type: none"><li>• Reduction in duplication for applicants.</li><li>• Case handling efficiencies are identified, assessed and implemented.</li><li>• We investigate apparent misconduct in charities.</li><li>• We assess applications for charitable status.</li><li>• We grant consent to charities.</li></ul>
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	<p>We continue to meet our regulatory duties through delivering our statutory functions.</p>	
<p><b>Strategic Theme 4 – Supporting our people</b></p>		
<p><b>Outcome</b></p>	<p><b>2026-27 activity</b></p>	<p><b>Measures and indicators</b></p>
<p>We will achieve high levels of staff engagement and performance.</p>	<p>Through creation of a supportive and engaging work environment we will encourage collaboration.</p> <p>We will improve how we recognise the contribution our people make to delivering priorities.</p> <p>We will strengthen the capabilities of our people and maximise experience and expertise in OSCR.</p> <p>Our people will be consulted and involved in discussion and decisions which affect them and their work.</p>	<ul style="list-style-type: none"> <li>• Our staff engagement and wellbeing levels as detailed in our annual People Survey, will increase.</li> <li>• Work related staff absences will reduce.</li> <li>• Our People Survey score for learning increases.</li> </ul>

## Measuring and reporting on success

We will monitor our progress in delivering the proposed actions throughout the year, with delivery being monitored by our Board and subject to Audit scrutiny as part of the Annual Report and Accounts process.

## Appendix 1

### Rationale and evidence underpinning OSCR’s regulatory priorities

Priority 1: Ensure charities are submitting legally required documentation and engaging with OSCR as appropriate	
Why is this a priority?	When charities do not meet their legal duty to submit annual accounts or otherwise engage appropriately with OSCR, they withhold essential updated information about their activities, governance, and use of charitable funds. This limits OSCR’s ability to regulate effectively and reduces the transparency that the public relies on to trust that charities are operating responsibly and delivering public benefit.
What evidence supports this priority?	<ul style="list-style-type: none"> <li>• From internally held data, OSCR is aware that at the start of the 2026 calendar year 8.47% of charities on the Register are defaulting on their accounts.</li> <li>• Data from our Defaulting Charities and Revitalising Trusts projects indicates that defaulting charities and non-engaging charities are often those which are undertaking little or no activity, and therefore not delivering public benefit.</li> <li>• Experience from our casework indicates that charities which default or fail to engage are more likely than compliant charities to have additional governance problems that warrant an OSCR inquiry.</li> <li>• Public engagement with charities, and queries and exemption applications already received by OSCR, suggest some trustees and some charities may be resistant to trustee database registration</li> </ul>

<b>Priority 2: Preventing and tackling misuse of Scottish charitable assets for private gain</b>	
Why is this a priority?	Preventing the misuse of charitable assets for private gain is essential to maintaining public trust in the charity sector. Confidence in charities relies on transparency and assurance that funds and resources are being used solely for charitable purposes. Misuse of assets directly undermines the public’s confidence in the sector. Acting robustly where misuse of charitable assets is identified helps safeguard charitable resources and reinforce trust that charities operate in the public interest.
What evidence supports this priority?	<ul style="list-style-type: none"> <li>• Referrals from other agencies, regulators and funders indicate misuse of assets is a key concern for them</li> <li>• OSCR’s inquiry casework shows there are instances where people have inappropriately used charity assets</li> <li>• A recent survey about charities in England and Wales indicates that that key drivers of public trust in charities include ‘the purpose of the charity being achieved’ and ‘donations reaching the end cause’.<sup>1</sup></li> </ul>

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<sup>1</sup> Charity Commission of England and Wales (2025). Public trust in charities 2025. Available from: [Research into public trust in charities and research with charity trustees 2025 - GOV.UK](#)

**Priority 3: Helping to improve charities’ and the wider public’s understanding of core governance matters in areas such as:**

- Financial health of charities
- Trustee and senior management disqualification
- Governing documents
- Narrative reporting and accounts
- Charities’ employment of staff

Why is this a priority?

Improving charity trustees’ understanding of core governance matters is essential to assist charity trustees’ compliance with their charity trustee duties. It is also important for ensuring OSCR fulfils its statutory function to encourage, facilitate and monitor compliance by charities with the provisions of the 2005 Act. Many charity trustees take on their role with limited understanding of the legal requirements , which can increase the risk of non-compliance and mismanagement. Providing guidance for charity trustees and working with sector stakeholders to build confidence in key areas such as financial oversight, decision-making, risk management and the legitimacy of charities having paid employees helps prevent governance issues and strengthens accountability and trust in the charity sector in Scotland.

What evidence supports

- Engagement with sector stakeholders and some instances of OSCR casework highlights significant financial pressure experienced by charities
- Responses to annual return questions from charities indicate that there is a lack of understanding of governance matters amongst some trustees

<p>this priority?</p>	<ul style="list-style-type: none"><li>• Findings from OSCR casework, including queries received and inquiries undertaken, suggest:<ul style="list-style-type: none"><li>○ there is sometimes a lack of understanding of the charity trustee duties or the charity's governing documents</li><li>○ some charities are working with governing documents that are not fit for purpose (e.g. for their legal form or the activities they undertake).</li><li>○ There is a lack of understanding about the legitimacy of having paid staff where necessary for the performance of their charitable activities</li></ul></li><li>• Randomised monitoring of charity accounts indicates that there are still a number of charities who prepare an incomplete Trustees' Annual Report and therefore do not explain important aspects of charity governance and activities, including their policy on reserves</li><li>• Reports from independent examiners and auditors indicate an increase in concerns around going concern</li></ul>
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<b>Priority 4: Support the sector to reduce conflict within charities and with their communities, while maintaining a proportionate regulatory role</b>	
<p>Why is this a priority?</p>	<p>Poor relationships and unmanaged conflict within charities or between charities and their communities can seriously undermine effective governance, decision-making, and the delivery of public benefit. When disputes escalate, they can damage a charity’s reputation, erode public trust, and divert resources away from its charitable purposes. OSCR cannot deal with concerns about charities which are about disputes or disagreements within charities or between charities and the communities they work with. However, by working with TSI’s, umbrella bodies, funders and other organisations, OSCR can help support the identification and improvement of these issues, helping the sector maintain constructive relationships, strengthen resilience, and reduce the regulatory risks that arise when conflict impacts how a charity is run.</p>
<p>What evidence supports this priority?</p>	<ul style="list-style-type: none"> <li>• A substantial proportion of concerns about charities submitted to OSCR from the public relate to disagreement with decisions made by charity trustees or a breakdown of trust between the charity and their community. This includes concerns received from stakeholders such as funders, MSPs and charity beneficiaries.</li> <li>• Concerns about charities also often come from members, staff, trustees, or beneficiaries, reflecting disagreement or breakdown of trust within charities</li> <li>• Local and national media reports</li> </ul>



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