

2into3 Quarterly Newsletter: Issue No.4, December 2016



2into3: Ireland's Not-For-Profit Specialists

Welcome to the latest edition of 2into3's Quarterly Newsletter.

This newsletter is intended to inform, educate and promote thought and discussion. We hope you find the content interesting and useful, and we welcome your feedback.

Every quarter we offer insights into the not-for-profit sector, fundraising, management consulting, philanthropic trends and developments within 2into3.

2into3 Team

2into3 assists not-for-profits develop and deliver on their missions. We work with not-for-profit sector leaders and collaborate with partners to help scale impact, develop sustainability, build leadership and innovate.

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2into3 has launched *The Irish Not-for-Profit Sector: Fundraising Performance Report 2016*, sponsored by Mazars.

Mazars are proud sponsors of 2into3's *The Irish Not-for-Profit Sector: Fundraising Performance Report 2016*. The report examines the accounts of nearly 1,000 Irish not-for-profits in order to establish the total fundraised income from philanthropic sources in 2014, the fundraising performance of the sector, the fundraising mix in 2014 and the cost of fundraising by method.

The report was launched in November in Dublin, Galway, Limerick and Cork with over 100 sector representatives attending panel discussion and roundtable events held across the country.

Key discussion points emerging from the events include:

Fundraised Income:

- The increase in fundraised income in light of the scandals in 2013/2014 was viewed as positive but caution was noted regarding future growth due to economic uncertainties around Brexit which may impact on disposable income and overall giving levels.
- There was an assumption that fundraised income reduced in 2014 but the data was described as powerful information which shows that experience fluctuated across the sector.
- The response by one organisation to the scandals in 2014 was a review of fundraising, the development of a fundraising strategy and the hiring of a paid fundraiser. This resulted in a change in the culture of the organisation, implementation of the Governance Code and an overall increase in fundraised income.

Tax Incentive to Give:

- Tax innovation was described as being one explanation for the differential giving levels and efficiency between Ireland and the U.K.
- A call to improve personal and corporate tax incentives to give, in line with the U.K., was made and to get philanthropic giving on the political agenda.
- A lack of an enabling environment to increase fundraised income to match U.K. levels was noted. In order to begin to address this gap, there was call for a common coherent view and communication across the sector.
- Ireland was described as generous in giving small donations however the gap needs to be filled at the top end of giving. High net worth individuals need to be incentivised to set up donor advised funds and trusts.
- The lack of foundations, trusts and donor advised funds was noted when compared to the U.K. which impacts on the overall return on investment. The lack of incentivisation in philanthropic giving was seen as a big issue in promoting a giving culture.

Transparency:

- The lack of sectoral compliance with SORP was noted. Voluntary best practice guidelines and principles were described as positive but that full SORP compliance by the sector was needed. Transparency in reporting is also needed to instil donor confidence.
- It was recommended that variance in the size of organisations in the sector should be taken into consideration when discussing compliance and incorporation as just over 50% of organisations have an income of less than €100,000.
- Organisations raising a large amount of fundraised income were described as being transparent, it was stated that organisations who want to raise funds need to move into this direction. Transparency was described as improving donor assurance and giving levels.

The Need for Data:

- While providing analysis of annual accounts was described as being valuable, timely and regular data on fundraising was said to be needed. 2into3's Quarterly Fundraising Monitor service was noted by the panel as a means to obtain frequent and up-to-date data. The request for more organisations to participate was made.
- The use of quarterly market data in other sectors was noted and that the sector needs to aspire to this through the 2into3 Quarterly Fundraising Monitor.

- The use of data was described as highly valuable to share with Trustees and Board members to communicate the need for investment in the sector. Investment was described as being cut because Boards are afraid to spend money.
- With the availability and use of more data, the nuances regarding investment, fundraising methods and the gap to the U.K and how this could be closed would be better understood.

Communication:

- There are public perceptions that state funding is sufficient so there is a need to educate the public on the impact of services and the need for additional income through fundraising.
- Communication is needed on the impact of fundraised income. It was recommended that this message is coherent and visible.
- Internal awareness within each fundraising organisation was described as necessary, with all members of the organisation having a role to play in communicating a common message.
- The full report can be found [here](#)

About Mazars

Mazars is recognised as a leading provider of audit, consultancy and taxation services both in Ireland and internationally. They provide audit, assurance and other professional services to many organisations in the charitable and not for profit sector. Mazars' team of professionals has provided guidance to charity clients on best practice financial reporting, the transition to Charities SORP and the adoption of the Governance Code. They also run regular training courses, seminars and public lectures on Charities SORP and the Governance Code. www.mazars.ie



2into3 has recently featured on TodayFM's The Last Word and RTÉ Radio 1 News at One.

2into3's research on the Irish Not-for-Profit sectors' fundraising performance has recently made national headlines and news programmes. Dennis O'Connor, Director of 2into3 and Catrina Sheridan, Sightsavers Ireland CEO were guests on TodayFM's The Last Word with Matt Cooper on Tuesday the 22nd of November. The discussion touched on Irish charitable philanthropic giving in comparison to the U.K. and U.S. giving landscape and how the findings of 2into3's *The Irish Not-for-Profit Sector: Fundraising Performance Report 2016*, sponsored by Mazars, demonstrates that there is a gap between Ireland's giving and the U.S. and U.K. for a number of reasons. The discussion also focused on charity scandals and regulation of fundraising activities in the sector.

On Radio 1's News at One Dennis featured in a report by Eleanor Blackhill which

examined charitable giving over the Christmas period. The report noted how 2into3's Quarterly Fundraising Monitor Service highlighted that one third of fundraised income is raised during the Christmas period. The Charities Regulator CEO John Farrelly also featured in the report, discussing how donors should research the charities which they are thinking of giving to.

You can listen back to the TodayFM excerpt [here](#) and the News at One [here](#).



Sharon Cosgrove took up her role as the CEO of Oaklee Housing in June 2016 after being recruited by 2into3. Prior to this Sharon was the CEO of the Asthma Society of Ireland and the Sonas Housing Association. In this interview with Adrian McCarthy from 2into3 Sharon offers an insight into her work at Oaklee and what the Not-for-Profit sector requires going into the future.

1. What can you tell me about Oaklee Housing? What services does Oaklee provide?

Oaklee Housing is an approved housing body. Our objective is to provide social housing to those who need it. We have different types of housing available, however the majority is general needs housing which is for people who generally don't need specific supports in their homes. We have housing in about 18 different Local Authority areas around the country. Oaklee was formed by Oaklee Home Groups in Northern Ireland which is now called the Choice Housing Group, so the initial developments for Oaklee Housing in the Republic were around the border counties and the Eastern corridor down to Dublin - in Louth, Monaghan and Meath. These counties were the focus initially but over time Oaklee has grown and expanded into many other counties.

In our current corporate plan we plan have national coverage. We have just been allocated a site in Munster so we'll be growing and obviously there's significant housing need, so our plan is to play a significant part and in delivering on the targets in the Rebuilding Ireland Action Plan for Housing and Homelessness. We have a number of sheltered housing schemes for people over the age of 55 who

live in self-contained, independent accommodation within a scheme and have a scheme coordinator on site who assists residents with practical things and organises activities and events, building a sense of community. Another type of accommodation we provide is when we partner with a care provider, where we provide the accommodation and the support and the care provider enters into a service level agreement or a joint management agreement with us. In that scenario we do what we're good at, which is the housing development, management and property services end and the care provider does what they're good at. It's a nice match, we have four existing partnerships with care providers and we're exploring a number of others.

For the tenants in our housing we provide the usual housing management services, such as making sure the estates are properly managed and that properties are well maintained. We also deal with any tenancy matters such as antisocial behaviour. Our tenants engage with our housing officers about what's going on in their area and some participate in our tenants forum. If someone has a leaky roof or the boiler has stopped working we have service centre they call and a property services teams who respond to repair needs.

2. Describe your role as the CEO of Oaklee Housing. What is your day-to-day schedule like?

I have overall responsibility for the organisation. That means I'm responsible for the overall management of finances, services, people and growth of the company. We have a corporate plan which has targets for service provision in terms of rent arrears, voids, and response times for maintenance. We have ambitious growth targets for development as well. My objective and aim would be to make sure that we reach our targets, to drive the delivery of our corporate plan development targets.

On a day to day basis my work is very varied. Yesterday I had a meeting with the Head of Finance, where we were looking at the end of quarter 2 accounts and our revised budget for the end of year. The day before that I had a meeting with the HR Director on a new reward structure for the team to see how that was developing and how it will work. We also looked at the new staff handbook. Some aspects of the role might be very HR focused, some are finance related and others very much relating to the development programme. I also work closely with the board and committees and make sure that all of it runs well from a governance and oversight point of view.

Externally, I have meetings with funders such as the Housing Finance Agency and with policy makers like the Housing Agency or the Department of Housing and Planning. I deal with local authorities and developers to ensure that we can deliver our development programme and that we get the funding to support what we're trying to do. Some of the role is internally focused and some of it is external but overall it's about the overall management of the organisation and delivery of our corporate plan.

3. Prior to your role at Oaklee you were the CEO of the Asthma Society of Ireland. How does your current role differ from your last role and what insights and experience have you brought from it into your current role at Oaklee?

There's quite a difference between the housing and development sector compared to the Asthma Society. In the Asthma Society there was a big focus on advocacy and acting in a representative capacity for the organisation and its members. There was also quite a bit of campaigning work, whether it was in communications or public affairs. We did a pre-budget submission and engaged with the Minister for Health, policy makers, senior civil servants and representatives from different political parties. It was quite different. Within the organisation we had services that were delivered to people with asthma such as an advice line and health promotion

programmes, as well as services to health care professionals. It was very health focused. That's quite different from housing, where there isn't so much campaigning and there's no fundraising from the general public at all.

In Oaklee it's about housing - bricks and mortar, developing and delivering on units, property maintenance and good services to tenants. Some of my work in the Asthma Society on communications, PR and the media, I feel I can bring that to this role and raise the profile of Oaklee Housing.

4. With the current shortage of accommodation throughout the country, how do you envisage your clients needs will be met over the coming years in terms of housing?

The main direction we are going in nationally is set out in 'Rebuilding Ireland - Action Plan for Housing and Homelessness' the government's main policy document. When you look at it, there's a significant role for approved housing bodies like Oaklee Housing. We hope that it will deliver significant housing to meet the needs of people. I think Local Authorities, if they get the finances, will also start to deliver and develop more housing. Obviously that's the challenge nationally, being able to access capital funding for housing with the restrictions in off-balance sheet funding.

I think the building of social housing and development programmes are going to help increase the output of housing bodies like Oaklee and local authorities significantly. New initiatives like Public Private Partnerships and other joint ventures are starting to emerge between the public and private sectors so local authorities/ housing bodies and developers are starting to look at how to improve land supply to create sustainable mixed tenure communities.

The other big area which is set out in Rebuilding Ireland Action Plan relates to the private rental and an affordable rented sector.

5. Not-for-profit organisations play a significant role in delivering services across a range of sectors in Ireland today. What do you think the sector needs in order to grow and develop further in terms of funding and attracting talent?

I think the not-for-profit sector faces on going challenges. Obviously with recent scandals it's a difficult place to be when you have an issue with trust and confidence in the 'charity sector'. I think the other problem is funding. The lack of certainty about funding makes it difficult for many charities to plan long-term and to grow. I think it does affect people's attitudes on whether to join the sector for employment reasons because you have the issue about trust and confidence so the sectors reputation is a bit uncertain or sullied. Because it's an uncertain future, it makes people question whether to go into it a career in the sector, unless they have a "vocation". But I do think as a place to work it has a lot to offer and it could probably promote itself an awful lot better and attract in real talent.

Having worked in different organisations and sectors, bringing in people with different experiences from different sectors into the not-for-profit sector is really useful. Even in Oaklee and in the wider group of Choice you have people who have worked in different sectors and have then come in and are very skilled and open minded. They're willing to try things and change. It helps contribute to a culture of continuous improvement.

I think regulation of the sector will help with confidence in the sector. Every time there's a crisis the area of fundraising, it becomes even more difficult for charities. If there was a very visible regulation of the sector addressing any quality issues whether that's at governance level or within the services, I think that would help the sector enormously. It would be difficult for some organisations to meet some of the requirements, but overall for the sector I think it would be a good thing.

6. In our recently published report *The Irish Not-for-Profit Sector: Fundraising Performance Report 2016*, state funding was shown to have increased by 4% and fundraised income was up by 7% despite charity scandals in 2014. What opportunities do you think this presents for the sector?

I'm surprised at the results and that fundraising is up given some of the scandals and the experience of working in a charity that fundraises for a chronic disease, which isn't an emergency situation. It may be because there are certain emergencies going on whether it's in the area of homelessness or Syria for example. If somebody has a few euro and they're going to donate it, I think when there's a crisis that's where they will donate to and other charities will struggle to fundraise.

7. How does the work of Oaklee tie in with Choice Housing and other social bodies?

Oaklee Housing was formed by the Northern Irish Housing Association and we continue to work well with the Choice Group. There are certain services that we deliver directly ourselves and others that are delivered by the Group to Oaklee through a service level agreement. In Oaklee Housing we have housing management teams, property services teams and a development team. But our call centre for tenants if they have a repairs complaint goes to our call centre in the north.

The asset management team and energy team in Choice provide specialist services into Oaklee and finance and treasury management services are also delivered to us from the Group under the service level agreement. Being part of a group means we have access to very specialist services at very affordable prices.

We're also a member of the Irish Council for Social Housing as a tier 3 group, which are Approved Housing Bodies with more than 300 units. We participate in different working groups at that level and then informally there's a peer group of housing associations from the tier 3 group CEO's. We meet for breakfast once a month which is great because you can get the formal support and also the informal support from your peers on things that might be common to other organisations.

8. Having moved from Sonas (a Social Services/ Emergency Housing organisation) to Asthma (a Health/ Health Information) now to Oaklee (Development/ Housing) do you have any advice for those who are interested in crossing between different subsectors?

I would encourage people to move. I think it gets you out of your comfort zone, so you learn more and expand your horizons. You're also going into somewhere else with a different pair of eyes and you see things differently, you can add value in ways that you probably don't realise you're going to do until you do it. I'd encourage people to move because there are so many skills that are transferable as well. You're not going from a point of zero knowledge or skills. For me it was a great decision to move out of housing for 4 years and then back. Now I've come into this role with a different set of skills and I've added to my skillset from elsewhere. For people who like change and a challenge it's a great thing to do and I would highly recommend it to those who are thinking about a change!

Using evidence to understand the fundraising landscape and inform planning and decision-making is becoming increasingly necessary; timely and regular data on fundraising is needed in the Irish not-for-profit sector.

2into3's Quarterly Fundraising Monitor Service is appreciated as a means to obtain frequent and up-to-date data. The use of data is highly valuable to share with trustees and board members to communicate the need for investment in the sector.

The Service is a recognised tool for fundraisers providing current benchmarking data on fundraising activities and experiences, enabling fundraisers to compare fundraised income, methods and costs with other organisations, both within and across subsectors.

<p>Benefits</p> <p>The 2into3 Quarterly Fundraising Monitor provides frequent and comprehensive information on Ireland's fundraising landscape.</p> <p>Each report provides extensive benchmarking data, allowing you to compare your fundraising experience with that of your peers both within and across subsectors.</p> <p>Every quarter, the following will be reported for the Not-for-Profit sector as a whole and by subsector:</p>	<ul style="list-style-type: none">• Total fundraised income<ul style="list-style-type: none">• By quarter• Year to date• Compared with previous quarter• Moving average of fundraised income• Fundraised income by method• Cost of fundraising by method• Cost of recruitment channel used, for specific methods.
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Each participating organisation will be asked to capture the relevant data. Data will be confidential and presented in aggregate.

The report will only be distributed to participating organisations and each report will have a unique identification number.

Participating organisations will receive four reports over a 12 month period.

Subscription to the 2into3 Quarterly Fundraising Monitor is based on an affordable annual fee, but a free Service option is now also available.

To find out more and to subscribe, click [here](#).

Group Consulting Model

2into3 are pleased to announce the launch of a new and unique service for the Not-for-Profit sector.

A **Group Consulting** service has been developed to support the needs of smaller clients in the area of fundraising strategy development. The model utilises 2into3's experience in conjunction with Prospect 23, Diaspora Matters and invited experts.

Service Offering:

- A 16 week group workshop model, using a proven approach to preparing a fundraising strategy.
- Participants will develop a tailored fundraising strategy using tools and templates which build organisational capacity as well as readiness to engage in fundraising implementation.
- 2into3 will work with up to 5 organisations in a high quality collaborative process in order to develop capacity and customised fundraising strategies.
- The organisations work through the stages of the process simultaneously with advice and instruction.

Workshop Topics:



Outcomes:

- An organisation specific fundraising strategy according to best practice standards
- Increased capacity on how to build donor networks
- A coherent understanding and approach to fundraising at organisational level

Cost:

- €5,000 per organisation (excl. VAT)
- Cost also includes a yearly subscription to 2into3's Quarterly Fundraising Monitor Service.

When & Where:

- January – May 2017 at Emmaus Centre, Lissenhall, Swords, Co. Dublin

For more information please click [here](#).

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