

The logo for Benefacts, featuring the word "Benefacts" in white sans-serif font on a blue rectangular background with a white border. A vertical orange bar is positioned to the right of the text.

Benefacts |

Tom Boland, Chairman
Patricia Quinn, Managing Director

**The Joint Committee on Finance, Public Expenditure and Reform
and Taoiseach**
Tuesday 13th February 2018

Tom Boland, Chairman

Chairman, Members,

We are very pleased to be here to tell you about the work of Benefacts and thank you for the opportunity to do so.

Benefacts is a not-for-profit organisation which was established in 2014 to transform the transparency of Ireland's nonprofit sector. I am the Chairman of the Board, which has five other nonexecutive directors. We all serve in a voluntary capacity, and the Board includes people with high levels of expertise in the work of nonprofit organisations, in public communications, financial reporting, law and philanthropy.

Benefacts has a professional staff of 16 reporting to Managing Director Patricia Quinn, who is here with me today and who will talk to you about our work in a moment.

Benefacts came into being thanks to the vision of Patricia as founder, but also thanks to a funding partnership between the Department of Public Expenditure and Reform, the Atlantic Philanthropies and the Ireland Funds. Like the Economic and Social Research Institute, whose foundation fifty years ago was co-funded by the Irish Government and private philanthropy, Benefacts is a unique solution to a previously unmet need – in our case for a dynamic, independent public database with a listing for every nonprofit organisation in Ireland.

I will ask Patricia to tell you more about our work and of course we will both be very pleased to answer any questions you might have.

Patricia Quinn, Managing Director

Chairman, Members,

Benefacts is best known to the general public for its free, searchable website with a listing for every nonprofit organisation that is registered with a national authority – be it the Companies Registration Office (CRO), Revenue, the Department of Education, the Registrar of Friendly, Industrial and Provident Societies, the Charities Regulatory Authority or others.

We follow international precedents in defining nonprofits as those organisations that are part neither of Government nor of the private sector. This includes charities of course, but also tens of thousands of other nonprofits as well.

Like any other member of the public, we access the data on these entities from the datasets made available by regulators or registrars. We are able to do this thanks to the Open Data regulations which have been energetically promoted in Ireland in recent years, and which means that – so long as there is no particular reason for data held by public authorities to be kept private – it should be made public and in a highly accessible way.

How Benefacts works

We clean the data and add value in a number of ways:

1. We normalise it – with multiple numbers, trading names and regulatory features of each nonprofit all merged into a single file
2. We “socialise” it – meaning we make it much more readily accessible than would otherwise be the case – for example, a member of the public has to pay the CRO an administrative fee each time s/he wants to access company records
3. We digitise it, extracting governance and financial data from paper files and making it accessible through a variety of web services
4. We augment it with address data where we can find it – the Eircode and website URL of each entity
5. We classify it – applying a classification standard with 54 sub-categories, derived from the definition of Non-Profit Institutions Serving Households (NPISH) used by Eurostat and the CSO
6. We assign a Unique Identifier – a number for each nonprofit keyed against all of its other identifiers which means for the first time that stakeholders – funders and donors, service users, researchers – are able to validate an organisation’s identity
7. We publish it in a variety of formats and platforms

The basic dataset for 20,000 nonprofits appears on the Government’s Open Data portal Data.Gov.ie and is provided by us in a machine-readable form, updated daily. We provide a lot more information about each nonprofit on our free public website

www.benefacts.ie, where it is accessed by thousands of people every month for a variety of purposes.

Other users of Benefacts data, information and web services

Last year, we built the online register of charities for the Charities Regulatory Authority which you can view on their website, and we have facilitated the Regulator in making the accounts of incorporated charities available to the public. We provide a quarterly data feed to the Central Statistics Office (CSO), which they draw on in making Ireland's statutory returns to Eurostat. We provided a large body of data to support a research project by the Irish Government Economic and Evaluation Service, as well as extensive data files to the Office of the Comptroller and Auditor General and the Charities Regulatory Authority to assist them in their statutory functions.

Already this year we have provided various data files on request to a major charity, an employee giving scheme, a charities representative organisation and to the Housing Agency, and we have commenced work on data research projects with the Departments of Justice & Equality, and of Employment Affairs and Social Protection respectively.

Benefacts nonprofit sector analysis

Our first annual sector analysis report was launched in Spring 2017 by the Minister for Public Expenditure and Reform and we are very pleased that he has agreed to launch our second report in April. This is a kind of annual "statement of account" for the entire sector, and gives the Irish public an idea of the form and structure of civil society organisations in this country, and the scope of their contribution to our society. It describes the scale of turnover (almost €11bn) and employment in the sector (150,000 people), the extent of Government funding (€5.3bn or about 8% of current Exchequer spending), the pattern of higher remuneration (very significantly lower than that enjoyed by people working in other sectors), and the profile of philanthropic support.

The power of full population data

By using data from all currently available records, we are able to provide opportunities for information and insights that are more comprehensive and reliable than anything derived from surveys, which by their nature are necessarily partial. By gathering data year on year, promoting better disclosure habits on the part of nonprofits and public bodies alike, and continuously seeking new sources of public data, we are building an unprecedented knowledge infrastructure to support research and policy making.

In 2017, with the active cooperation of a range of partners including more than 70 participants in the Health Services Executive (HSE) alone, we piloted a new service for decision-makers called *Benefacts Analytics*.

This prototype service provides detailed governance, compliance and risk analysis information structured in bespoke portfolios and derived from the audited financial statements of ~10,000 nonprofits. It allows registered users to see a body of sensitive information – which they can already access as paper files – presented in a digital format that allows non-specialists to interpret comparative and historical trend data, and helps them to identify lead indicators of certain kinds of financial or governance risk.

Future plans

We plan to roll out Benefacts Analytics in partnership with public and philanthropic partners, where it has the potential not just to reduce uncertainty and risk, but ultimately to help streamline nonprofits' engagement with their government funders. Our contention is that the cost of doing business with the government – in terms of duplication of administrative effort alone – is one of the biggest avoidable overheads for our sector.

We are excited about the prospect for local data derived from the published registers of public participation networks to augment the Database of Irish Nonprofits – potentially more than doubling it in size by the addition of tens of thousands of local community societies, clubs and associations. We intend to incorporate the financial records of unincorporated charities including many religious bodies, as soon as legal obstacles have been resolved by the Charities Regulator. And we are planning to add a much smaller group of civil society organisations – political parties – to the dataset, with the cooperation of the Clerk of the Oireachtas and the Standards in Public Office Commission which last year made this set of financial statements publicly available for the first time.

We plan to release a new version of the website in the summer, responding to user feedback and helping many more people to exploit the benefits of an evidence base to support decisions about, and understanding of Ireland's civil society organisations.

Thank you for your attention, we welcome any questions you may have.