

Chair's speech to the Charity Commission Annual Public Meeting 2020

Good morning and thank you for taking part in our Annual Public Meeting.

The decision to hold this meeting online was born of necessity. As with much of how we have all gone about our work over the past six months.

I would have preferred for us to come face-to-face, somewhere out in the real world in England or Wales, as we have been doing since I became Chair – with our last two public meetings held in Manchester and Bristol.

It matters to me that the Commission is visible and accountable to the public we serve – like the people we saw on that short video as we opened this meeting. And it matters to me that we are accessible to the charities we regulate because we rely on each other to serve the public interest.

But while the circumstances are not as we would have hoped, I'm pleased that they have one happy side effect: more people are taking part than has ever been the case, with over 5,000 people registering an interest in joining our broadcast today.

I therefore would like to extend an especially warm welcome to all those who are new to a Commission public meeting. I hope you find it valuable.

Where else to start, then, but with the upheaval brought on by Covid.

Few of us alive today will have experienced a collective crisis of this scale.

Many charities have played a crucial part in the national response to the crisis – from the Red Cross delivering food and medicine to the most vulnerable, to specialist care homes, whether for the disabled or the elderly – working flat out to support their beneficiaries' needs despite the challenges of lockdown whilst keeping them safe from the threat of the virus.

And it's not just established charities that have risen to the challenge. The whole nation has.

Since March, we have seen just how deep charitable instinct runs in Britain. We have seen evidence of huge generosity, volunteering spirit, of courage and determination to do good for others, for our communities.

We've seen Captain Tom, a war veteran who epitomised dignity and decency when walking laps of his garden with tireless, cheerful determination, become a powerful beacon of charitable endeavour, inspiring millions more of us to support his appeal for NHS Charities Together.

But while the pandemic has given rise to much hope about the role of charity in society, it has also left many charities in financial difficulty.

The restrictions imposed on our daily lives exposed just how reliant charities are on a daily drum beat of support and generosity.

Support that comes from a wide spectrum of the public, and takes myriad forms – coffee mornings, school fairs, fun runs and other sporting challenges, donations to and purchases from charity shops, collections at religious congregations, and so on.

Charitable giving in this country is not a grand gesture we make once a year, or a preserve of the very wealthy. It's how we live. It's expressed in daily acts of kindness and generosity.

During normal times the pervasiveness of people's charitable impulse is so effective, it's easy not to realise just how widespread it is.

So during lockdown, when the drumbeat of our daily lives fell suddenly silent, and many people expressed their charitable instincts in more direct ways within their communities, even seemingly unassailable charitable institutions began to suffer, and quickly.

Indeed, many of the largest and best-known charities have seen their incomes seriously hit by the closure of their high street shops – temporary or otherwise – and the cancellation of mass fund-raising events.

The continuing announcements of charity job losses and reductions in or delays to important research programmes and other charitable services is demonstrating the worrying real-life effect of all this.

I know that charities – particularly those hardest hit – have been and are facing some tough decisions. These are challenging times and I want to take this opportunity to pay a particular tribute to the hundreds of thousands of volunteer trustees who work so hard to make sure their charities remain viable. You are the Commission's first line of defence. Thank you for all that you do.

But even though Covid has caused huge strains within the charitable sector, and each charity will be facing their own dilemmas and difficulties, Covid has not changed the main challenge that the sector faces. Covid has exposed that challenge much more clearly.

And it's this: Everybody makes Charity happen. But the public support that charities rely on to survive and thrive cannot be taken for granted.

To rebuild and maintain the resilience of charitable institutions as the vehicles of social and public good in a post-pandemic world – we must learn from this experience and convert those lessons into opportunities to build back better.

Success depends now as it did in the past, on charities meeting public expectations of what charity means in the way that they go about their work – whatever a charity's cause, type, or size.

So, let me outline three ways in which we – charities and the Commission –

can make the sector stronger.

First, and this is fairly simple and I believe all the more powerful for it – charities need to tell people that they understand and respect that they have expectations in return for their support. And they need to signal now that they haven't always done this as well as they might in the past and that this is going to change.

Whether they are launching new fundraising appeals, calling for government support, or more favourable tax regimes post Covid: charities should commit to greater transparency and accountability in return for the financial support they receive; recognising the importance that they explain, as indeed the best charities do, the practical difference people's donations will make and the care that will be taken in spending every penny.

People will be more supportive of charities which recognise that they don't have a right to public or taxpayer support, but rather a responsibility to uphold the special status charity holds in the public mind.

I should add that the new online Register of Charities – which we launched last month – now has more information on each charity than ever before, including salaries and monies received from government and we will keep developing that so people are able to find the information they want to know which will inform their choices. Helen will say more about this in a moment.

So, more humility and accountability. Take people's expectations seriously. That's the first lesson.

The second lesson Covid has reinforced is that Charity is more about standards and less about structures. And when standards are taken seriously, we can be less hung-up about structures.

The Charity Commission must ensure our register of charities better reflects the reality of charity in our society and public expectations of registered charities.

Charity belongs to everyone. We are all capable of it, and we all admire charity when we see others show it.

We saw under lockdown how much charitable instinct is expressed outside of formal charity: motivated by goodwill, enabled by technology, people across Britain connected and found ways of supporting vulnerable people, strengthening their community, doing good.

Informal mutual aid networks sprung up – sometimes supported by existing groupings or organisations, but often presenting simply as coordinated individual acts of kindness.

I want to make sure that the Register is open to this wider charitable instinct – to encourage more people who are perhaps not the 'usual' suspects to consider channelling their charitable endeavours into existing and new registered charities.

The safest way to maintain charitable standards is to ensure charitable structures remain modern and fit for purpose. The worst thing we can do at registration is miss the point and make it so that nobody bothers to apply.

Last week Danny Kruger MP published a range of proposals to strengthen what he describes as the social covenant as part of the government's levelling-up agenda. He suggested a form of probationary registration period for new entrants on to the register. That is an idea worth serious consideration if the Register is to be truly plural and more easily accessible to new people who are great standard-bearers for what Charity means.

Up and down the country, in all our communities, as we look to bounce back from current challenges and respond to more longstanding ones, we need people with different ideas and outlooks to challenge each other in finding the best and most effective way of delivering a charity's purpose while meeting public expectations of what it means to be a charity.

We need people who may not naturally agree, people who think differently, perhaps look differently to come together, to get on board together, perhaps literally.

Ensuring that people with a diversity of outlooks, and a diversity of backgrounds are involved in charities is the right way of meeting the challenge of ensuring that charities are truly welcoming for all people. And always ensuring the purpose they were set up to serve sits at the heart of their work.

Any other approach puts in peril the unique potential of charity to bring people together.

And that's why I want more people, with more diverse backgrounds and world views, to get involved in formal charity.

Which brings me to the final lesson we've seen reinforced lately – and it's this: standards matter because motives matter.

For people to get behind and support a charity – whether it's a pop-up charity or an established well-known name – they need to believe the motives of those involved are truly what they say they are.

And the only way they can judge is by what they see. Just think about Captain Tom and all that he represented in the way that he championed his cause. No-one doubted him. And the support kept on growing.

That is why being clear about the standards people expect of charity – humility, decency, dignity, commitment, accountability – and ensuring they are met is so important to the future of the sector.

Making the Register more open is not the same thing as lowering our guard or creating a wild west out there.

What it does mean, is that the Charity Commission needs to be better able than we are now to remove from the register organisations where this is

warranted.

We know that the public associates registered status with something more than meeting legal requirements. They expect that supporting a registered charity offers a level of reassurance about an organisation's behaviour, its efficiency and its effectiveness.

So, if we don't want to make registration so difficult that nobody bothers – at the same time we need to be able to act decisively when a charity seriously lets the side down and risks the reputation of what it means to be Registered.

Back in 2018, when we set out the Commission's new purpose and strategic direction, we made a promise.

We said that the benefit of charity to people and society is a precious asset that we can't afford to risk – and that has the potential to do and be even more.

And we said that we would see to it that charities show they take seriously public expectations of high standards.

We are making progress.

But the impact the pandemic has had on our society only makes it even more important that, together, we all work harder.

Now, more than ever, we have a collective responsibility to ensure the impact charity has amounts to even more than the sum of its parts.

These are tough times for charities.

We as regulator have a crucial part to play in weathering the storm and we need to be equipped to ensure charitable status remains relevant for today's world, and into the future.

But more important still is the change that is required within charities themselves to ensure they retain, and in some cases regain, broad, diverse public support.

That means keeping front of mind the lessons of the lockdown – at the same time inspiring and harsh – that charity is founded on public support which should never be taken for granted.

Thank you.