

# Charity can and should lead the way in taking people's expectations seriously

Good evening,

I am delighted to be here with you, and to be among such a distinguished group of women Chairs and CEOs.

The breadth of expertise and interest represented here today is so impressive.

We have women involved in education, health, the environment, tackling homelessness, supporting the natural environment, providing life-changing opportunities for girls and young women – and much more.

It's heartening simply to see such a diverse range of organisations – mostly charitable – led by women.

And when I was looking at the delegate list over the weekend, the potential of the people collected in this room to lead an important, positive change in our society was striking.

I don't just mean in the organisations you represent, or indeed for the people your organisations exist to help or promote.

I mean the potential to nurture renewed public confidence in the concept, the idea of leadership itself. If you chose to, that is – if you made it a deliberate mission. Let me explain.

We know that charities are not the only organisations feeling the effect of a wider decline in public trust.

In the eyes of the public, leaders generally – whether in politics, business, public life, charity – no longer have assumed legitimacy.

Leaders may once have been trusted simply for being in charge of significant institutions.

Having hard power used to mean wielding soft authority, too. That's not the case anymore.

We could have a long debate about why that's happened. Without doubt the cause of this decline is complex. And certainly the behaviours of some leaders across all sectors, including in charities, are a factor.

They have in some cases contributed to a sense that those in authority have been motivated, at least in part, by self-interest.

But we would be wrong to only focus on a few bad apples. We should all be concerned.

The glue that binds us as a society is weakened when those who have very little power do not feel they are heard, understood or that their legitimate expectations are being taken seriously by those of us who have a lot.

There's a social contract between those who have authority, and those who are subject to it, and that contract is based on legitimacy, and consent, and on mutual respect.

When that breaks down, the consequences for democratic systems, and for the health of communities can be serious.

But instead of getting depressed, I see this as an opportunity.

Seizing this opportunity, and meeting the challenges associated with it, is why I wanted the job of Charity Commission Chair.

And it's why I'm asking for your assistance this evening.

Because I believe that charity, and charity leaders, have the potential and to some extent the responsibility to lead the way in showing how leaders of all kinds should respond to the challenge of demonstrating respect for those who do not have the authority and the power that we enjoy.

We know that people have clear expectations that charity should be distinct from, different to, other types of endeavour.

They expect charity leaders to be motivated by the right things, and that they are well intentioned.

People do need and expect leaders of charity to offer them, to show them, that they are motivated by a greater good.

So how do we test motivations, how are all of us ultimately judged? By our actions, and also by the attitudes we reveal through the things we do and the decisions we make.

This time of year brings this question into particular focus.

The run-up to Christmas, and the approach of the ending of the year, shine a bright light on charity: on the work of individual charities, but also the role of charity more generally, in our lives and our society.

Newspapers run charity appeals, many big name charities rev up their fundraising campaigns, local communities and workplaces around the country come alive with Christmas fairs, charity raffles, and Christmas jumper days.

And on a more private level, the thoughts of many of us turn—perhaps belatedly – to those we know who are in need of help or of comfort, and for whom Christmas can be difficult.

In other words, Christmas is a time when we lift our heads above our own individual hopes, worries, ambitions, interests, and think about others.

That respect, care and compassion for others is a fundamental part of being human, and a pre-condition for a civilised society.

And it's what charity is all about.

Ultimately charities are vehicles, the bodies. Charity is the spirit that should guide them and emanate from them, whatever their individual purposes and activities.

It's that spirit that the public expect to recognise when they look at charities and those leading charities.

People want to see that what goes on in a charity is motivated by the same spirit of charity that prompts them to volunteer at a shelter on Christmas day, or sacrifice a luxury for themselves in order to make a larger Christmas donation.

For example in the way they make decisions about how to fundraise, about how much to pay their senior leaders – and crucially why. In the way they treat their own staff.

In the way they treat their neighbours in the physical sense and in terms of the other charities that share a similar mission.

I know that many charities get this right instinctively – and that includes those of you in this room tonight.

I spend as much time as I can talking to charity leaders and visiting charities around the UK to see the work that you do, to understand the challenges you face and to explain the Commission's agenda.

A few weeks ago, I met the team behind Everton in the Community, a charity linked to Everton FC which serves a community that is in many ways disadvantaged and challenged with vital services.

I was impressed by them, and I truly believe that in recognising the responsibility they carry, the people at Everton in the Community are maximising the impact of their charity's work beyond those in direct receipt of the service.

Everton in the Community is not the only charity that understands its place in the community, and what hinges on it.

I saw the same at the Marie Curie Hospice I visited in Hampstead recently, and at the National Star College in Cheltenham only last week.

And when people come in to contact with charities, this is what they are looking and checking for: leaders demonstrating through their actions that they share with them a common understanding of what charity means.

People want charity leaders to be more conscious in showing they understand what is expected of them.

That is what we at the Commission are calling on charity bosses to help us with. Because that is what will assist in maximising the benefit of charity to society.

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About a year ago, the Charity Commission articulated our own purpose – what we stand for – and published a strategic plan to help us deliver on it.

Our purpose is to ensure charity can thrive and inspire trust so that people can improve lives and strengthen society.

We recognise that we need to regulate in a way that helps maximise the positive difference that charity makes to all of our lives. We need to help charities deliver even more benefit by helping them understand public expectations and ensure that, together, we meet them.

At the Commission everything we do is in pursuit of serving the public better. Our work is serving the public interest in charity.

An important part is effectively preventing, investigating and tackling wrongdoing and harm in charities. Getting the bad guys and bringing them to justice is essential, and we are working harder than ever before to that end.

But that alone won't help maximise the positive difference charity makes.

We need to fulfil all of our functions in a way that helps charity thrive and inspire trust. That helps the good guys who share that common understanding of what charity means and are committed to upholding its good name, not just their own.

At the Commission we know we need trustees to help us succeed. And we want to support trustees working hard and trying to do the right thing.

All our work must amount to more than the sum total of our regulatory functions.

That's a big promise for a small regulator to have made.

That requires a lot of change on our part, and some of it hard. But we've all got to up our game.

We've achieved much in the past year. The circumstances have been challenging.

We saw a significant rise in our case work following the safeguarding scandal in February 2018. Overall, incoming reports – from charities themselves, whistleblowers, auditors, the public, increased by 50% year on year to March this year.

All in all, last year was our busiest ever.

But we've planted the seeds of change nonetheless.

For example, we have been focusing resources on bringing older investigations to a robust conclusion, freeing our expert investigators up to apply their intellect and energy on dealing quickly and effectively with more current risks.

Since the beginning of April, we have brought 95 statutory inquiries to a conclusion, including some that were complex, and long-running. This is a far higher rate of closure than we've seen in previous years.

We're also articulating more clearly and precisely why the public are disappointed when things go wrong in a charity. To put our finger on the problem more precisely.

So that people – in charity and in the wider public – feel understood and heard. You can see that for example in the way we reported on our findings in the Oxfam inquiry – and we will do more of this, however uncomfortable it makes some in the charity sector feel.

But the changes we are making are not just about where things have gone wrong, or about the tougher end of our regulatory work.

I'm particularly pleased at the changes we've made to support the majority of charities that want to get it right.

For example, we've continued to extend the opening hours of our main contact centre, allowing trustees to seek advice or information from one of our expert contact centre team members. In doing that, we've also reduced call waiting times significantly.

We want to make it quicker, and easier for people to reach us and seek what they need from us – because we need more people to help us deliver better.

We've also strengthened the way in which we communicate with whistleblowers about charity.

For example, we have introduced a confidential advice line specifically for charity whistleblowers, operated by the specialist whistleblowing charity Protect.

In making these changes, we're acknowledging that people involved charity want them to be well-run, and want their leaders to do the right thing.

And we're sending a signal that we want people in charities who have concerns about a charity they are involved in to come to us, to tell us about it.

We are opening ourselves up more, because we need trustees, volunteers and members of the general public to help us in pursuit of our common cause.

We're improving our web services, and web guidance.

We have re-designed our guidance on Safeguarding and Protecting People. For example, reducing it in length from nearly 4,700 words to under 1,850 words, making it significantly easier for busy trustees to use.

So, overall, we're working hard to become more efficient, and to provide a better service to the majority of charities.

But of course we need to do more over the next few years. For example, to target smaller charities with guidance and advice that helps them get it right before things go wrong.

And we have a big task in ensuring that our register data is a useful tool that helps people make informed choices about how to give to charity, and get involved in charity.

My role as Chair in the months and years ahead is to keep beating the drum of the Commission's purpose.

To ensure the Commission's staff know what they're doing, why they're doing it and are making the best impact possible.

And to ensure that we never lose sight of the people we serve – the public.

Which brings me back to your potential to lead important change.

Many leaders of charity – perhaps in particular many women leaders of charity – understand that charity is not just about what you do, but how you do it. In fact I know some of you in this room live by that principle, and do so to great effect.

And in the private conversations I have had with people from across the sector, many agree that alongside showing this constantly and continuously in to the future (please don't think for one minute that this going to change), it is necessary for charities to give some serious thought to whether they need to make some changes to how they operate.

But if we are to meet the challenge of a decline in public trust charities must show the people they rely on for support that they are taking them seriously.

When charities change and make improvements to how they operate – whether to fund-raising methods, how they collaborate with other charities, or the way in which a charity responds when a serious error or failing occurs – they need to say they are changing to meet legitimate public expectations.

You need to recognise people are right to expect what they do of you and show them respect.

What I'm asking is that you come forward and start acknowledging in public how you are changing and why.

I know that can be a scary thing to do, "putting yourself out there".

My slightly brusque response would be: you did that already in taking on a leadership position – as Chair or as CEO – of a charity.

I should say one final thing. It doesn't matter if your charity is not one

that is readily associated in the public mind with charitable status.

Because as soon as you carry that registration number, you are associated with the expectations the public have of charities. There is no hiding place.

So, as Chairs and CEOs, please help me in achieve what I'm sure is a shared objective: to maximise the benefit of charity.

Demonstrate that you understand why the public are longing for a new kind of leadership, and why charity is proud to lead the way in responding to that call.

If you do, the Commission and I will support you in that – because the end result will create what we all want:

More benefit for society and all charity leaders upholding that common understanding of what charity means to us all.

Thank you.