

Speech: William Shawcross's speech at the Charity Commission's Annual Public Meeting

Good morning.

Thank you all for making the time to come to our public meeting.

This is a very special event for the Commission.

First, of course, because of His Royal Highness the Duke of Cambridge.

His Royal Highness follows in a noble, important tradition in the monarchy in his regard and support for charity.

Since the reign of George III, royal patronage has been vital to British philanthropy.

Charities should heed the [Duke's reflections](#).

I agree with him that it is crucial that charities work together to secure the best outcomes.

Charities should be judged, ultimately, by the difference they make. By their impact.

And so must we, the Charity Commission.

I am confident that we are now better equipped to achieve this than we were in 2012, when I started as Chairman.

Helen has set out the many ways in which we have improved.

Forgive me if I say a bit more. When I arrived it was clear that we were still reeling under the impact of the 50% real-terms cut in our budget since 2010. My predecessor Susie Leather and her chief executive Sam Younger had valiantly struggled to limit the impact of that cut, but times were very hard.

Soon after I arrived in 2012 it was revealed that we had registered in good faith a new charity which was later considered to be operating an elaborate Gift Aid Scam. Margaret Hodge hauled me before the Public Accounts Committee, where I did not give a very good account of myself. Understandably enough she unleashed the National Audit Office on us.

A few months later the NAO published an appalling report saying we were not fit for purpose and Mrs Hodge muttered darkly about putting this little quango on the bonfire.

By then I had assembled a strong new board, all of whom agreed that given our reduced circumstances we must first of all carry out our statutory duty to protect and enhance the reputation of the charitable world. And to do that we had to be seen to regulate firmly. We agreed three priorities – to stop fraud in charities, to protect vulnerable beneficiaries such as children and old people in charitable care, and to protect all charities from abuse by extremists.

I hope we have carried out all three tasks effectively. That could not have been done without our staff – our two excellent new chief executives, Paula Sussex, and now Helen Stephenson and their executive teams – and above the staff in our four offices – London, Taunton, Liverpool and Newport. Because, don't forget – we are the Charity Commission for England and Wales.

Our staff have demonstrated a commitment that goes way beyond duty. Indeed, it is quite remarkable. Many of them have said often to me they enjoy the job because of the essence of charity which they are trying to protect and because of its extraordinary variety.

So I take this opportunity to say publicly what I say to many staff members privately: thank you.

I am delighted that their work, and that of our Chief Executives and Board has now been recognised by the National Audit Office in their most recent report, last autumn. They said we had made 'significant progress' – that is a gold medal in NAO language.

More than one government has also been helpful. In 2014, the Chancellor George Osborne gave us a one-off grant of £8 million to modernise and (dread word) digitise our systems.

And in 2016 Parliament, with government backing, passed a new Charities Act to give us more powers to act against those few dishonest or recalcitrant trustees whose misbehaviour threaten the reputation of all others. We have used those new powers sparingly but, I hope, effectively.

I am delighted that the government has also recognised that our resources must be bolstered. Yesterday, we were awarded an additional £5 million per year to help us respond to significant increases in demand on our core functions, including registration and compliance. That's an increase of almost 25% on our present budget.

We have also been granted permission to consult on charging charities so that we can provide more of the enabling work that charities tell us they need. I think this is absolutely vital to securing the future of the charitable sector.

I would also like to thank the many wonderful charities I have had the privilege of encountering.

They have made my time with the Commission among the most fulfilling, and rewarding of my professional life.

Some charities have made a truly lasting impression.

I was very impressed with volunteers I met at the charity Mosaic. A charity incidentally, with its own links to Royalty – it is supported by the Prince's Trust.

The charity runs a mentoring programme for young people, supporting them through education and into work. Meaningful philanthropy does not always need to involve giving vast amounts of money away. Sometimes, the most precious thing we can give of is our time.

I was also deeply moved by my visit to the offices of the charity Afghan Connection, founded by the inspiring Dr Sarah Fane. The charity focuses on educating children in Afghanistan, especially girls. I think education of girls and liberation of women is one of the most important issues in many parts of the world today.

In 2001, when the US led invasion overthrew the brutal Taliban there were 1 million children in school, almost all of them boys. Now there are almost 8 million children in school, about 40% of them girls.

Afghan Connection has built 46 schools for 75,000 children, about half of them girls. That is a huge change – and a hugely important one.

They have also taught children cricket – which has become a national craze in Afghanistan!

Some charities improve the lives of individuals, others enrich communities. Last year I met the Cornwall Community Foundation, which raises funds to support charities across the county. Often tiny, "kitchen table" charities and projects. Such as, recently, refurbishing a play area in St Keverne, whose equipment had become unsafe. The play area now sports a zip wire. I know the joy of zip wires. They can make a big impact in young lives – and older ones too.

I have also enjoyed our public meetings enormously, as they bring me and Commission staff into contact with local charities across the country.

Those in Wales have always been especially fun, thanks to the sheer energy and enthusiasm of attendees.

Last year we held a public meeting in Cardiff, and one of the trustees attending arrived three hours early, as he didn't have a ticket and wanted to make sure he would be admitted.

Another time we had an annual meeting in a pub in Carmarthen. We were so overwhelmed with attendees that our staff had to drag in sofas from elsewhere. There was still standing room only and a very lively debate ensued.

These experiences speak of the vibrancy of charity and also how much trustees value the Commission's advice and guidance.

The sheer idiosyncrasy of charity has never ceased to delight me.

A Commission staff member told me only last week about one of her cases, involving a small village charity in Herefordshire. It was set up in the late 18th century to provide gifts for the poor at Christmas. The charity's governing document until this day has been in the form of a stone tablet. It hangs in the local parish church for villagers to inspect.

It is a reminder of the long, deep, Christian history of charity within communities across the country. But a reminder also that charities should not rest on their past, however glorious or eccentric: the Commission is helping the trustees modernise the charity's purposes, so that it can make a more meaningful impact in the community today.

These are just a few examples of the diversity and wonder of the modern charity world.

I see charities as being among the greatest of our national assets. They are part of what makes us distinct as a nation, and what brings us together as citizens.

I would like to end with a quote from William Beveridge in the pivotal year, 1948 when the NHS was created.

Beveridge was the philosopher behind the creation of the welfare state by the 1945 Labour Government, in which my father was a proud Cabinet member.

Some members on the left of that government thought that the welfare state would replace philanthropy and charity. Beveridge never thought that, nor wished it. He wrote:

"The making of a good society depends not on the State but on the citizens, acting individually or in free association with one another, acting on motives of various kinds—some selfish, others unselfish, some narrow and material, others inspired by love of man and love of God. The happiness or unhappiness of the society in which we live depends upon ourselves as citizens, not only the instruments of political power which we call the State."

That is why charities which live their values, and demonstrate the greatest possible impact for their beneficiaries, and respect for their donors and for the public are so vital.

And why, I believe, the work of a strong Commission that regulates with purpose and intelligence, is so necessary too.

Thank you.