

Baroness Tina Stowell speech at annual public meeting

Good morning and thank you for taking part in the Commission's Annual Public Meeting. And before I say anything else – I want to say this.

Thank you to everyone involved in charities working hard and dedicated to supporting their causes and beneficiaries.

How you go about making a difference is so important. And at the Charity Commission we want charities to deliver as much benefit as possible in a way that people recognise as charitable because that is such a positive force for society.

Yesterday I saw a great example when I visited The Rice Institute, the dementia research and treatment centre in Bath.

And today I am delighted to be with you in Bristol, a city with such a vibrant civil society, and such a rich history of responsible citizenship and community action.

Bristol is also a progressive, innovative place, often ahead of the curve in adopting new approaches, finding new solutions to entrenched problems.

Recently, as Bristolians among you may be aware, two charities based here helped launch a new contactless donation system to raise money to prevent homelessness.

Donors can now use pay-points around the city centre to tap and donate small sums securely.

This example points to a wider truth about charity: its methods may change over time, as we adapt to available technologies and as our habits evolve.

But the spirit of charitable endeavour that motivates us does not change: it is fundamentally about the impulse to help people, to provide a public good from which others benefit and which strengthens communities.

That spirit is pervasive. It marks us out as a nation – and we need it now more than we have in recent memory.

We live in a country, and in a time, marked by division and tension. The debate about our future relationship with the European Union has laid bare fundamental divides that transcend old left-right differences.

People who live alongside one another in geographical terms may today be poles apart in every other respect: in their worldview, and also in the sense they have of their place in society.

During previous times of uncertainty, we might have looked to our national

institutions, an established church, or a belief in economic progress to bind us together.

For now at least, none of these seem capable of spanning the spaces between us.

There is, however, a force in our society that I believe does create bonds.

And that force is charity. Charity's potential here is not just about the difference individual charities can make to the lives of those they serve.

It lies also, crucially, in the respect we feel when we see others engaged in effort and activity that we recognise as charitable.

When we see people dedicating themselves to the welfare of others, making sacrifices to serve their communities or causes, demonstrating tenacity and dedication, passion and creativity in supporting causes they care about.

Charity in this sense has the potential to foster respect and admiration between people who look, sound, and think very differently from one another, and who feel little natural sympathy or solidarity.

But if charity is to meet this potential, we need to understand a fundamental point: that in the eyes of all of us, as the public, charity is not just measured in the worthiness of a cause.

It is measured also in the way in which that cause is furthered. By the behaviours and attitudes displayed along the way.

To put it slightly glibly – charity is about the means, not just the end.

This is what makes it special. This is what makes it different. And this is not just my view.

Research demonstrates that most of us, regardless of our wider world view, expect charity to be demonstrated in the way people behave. In the way that charities deliver their purposes and pursue their cause.

Now, many people involved in charity understand this instinctively. But that's not enough.

Charity leaders need to show more conscious recognition of this.

For example, like when the CEO of a large charity explains that changing her charity's approach to fundraising, is to afford its donors more care and respect.

Not because doing so will increase donations – in fact the charity is taking a hit, at least in the short term. But because it is the right thing for a charity to do.

That example, and others like it, demonstrate a conscious understanding that charities should be distinct from other types of organisations in their

attitude and behaviour, in their motivations and methods.

And that is so important. Because people need to see charities working hard to maintain what is special about charity.

That is how charities can deliver even more benefit to society. You deliver a lot already. But charities collectively are not delivering their full potential as sources of belonging and cohesion.

We know this because charities no longer have the public's benefit of the doubt.

People no longer automatically assume that charitable organisations reflect or share their understanding of charitable endeavour and behaviour.

I believe we can and must change that.

The Commission itself of course shares a large part of the responsibility for ensuring charity meets that full potential.

A year ago today we set out what we stand for and whose interest we represent. We committed to regulating with a clear purpose in the public interest and set a new strategic direction for the Commission's work.

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

And one of the most important ways in which we will deliver on that purpose is by helping charities and others understand what the public expect of charity and what they value about it – beyond the specific causes which individual charities promote.

Helen Stephenson, our chief executive will explain in a moment the considerable improvements we have made over the past year to ensure we have the systems, structures and processes in place to manage demand on our core functions, while delivering the customer service that charities have a right to expect.

There is even more we want and need to do over the next five years. We are already taking a more purposeful approach to our work.

One of the things our strategy highlights is that, in the past, the outcomes of our investigative work sometimes felt to the public like we were missing the point. Like we were skirting around, rather than fully addressing what went wrong, or why.

That's changing, and a recent example of that change has local relevance here in Bristol.

Last week, we published the results of an investigation into a housing charity in the city, which until recently provided supported accommodation at a facility known as Wick House.

We have sanctioned and criticised the trustees for serious failures, which include payments of tens of thousands of pounds made improperly to former trustees.

But as our investigation unfolded, we became aware of a much wider problem in the supported housing sector that our action against this single charity does not resolve, and indeed might have skirted past.

Namely that there is no shared understanding – between providers and beneficiaries – of what ‘supported’ accommodation means and how much individual support people residing in such settings can expect.

And there is no framework of oversight, ensuring that support provided to individuals is sufficient.

This means that residents of places like Wick House, and their families, do not know what they can legitimately expect should be provided to them apart from a roof over their head.

Charities are expected to be places where people are looked after, where vulnerable people are supported and nurtured.

So when a charity providing supported accommodation is unable to demonstrate that it meets an agreed basic standard, that’s not just a problem for that facility.

It also risks undermining public trust in what it means to be a charity.

Conversely, a charity that goes above and beyond the minimum to ensure it is providing appropriate support to its residents, has no real way of making that known to prospective beneficiaries or their families.

We’re concerned about this, and so we’re talking to Parliamentarians and government. We say there needs to be more clarity on what a charity needs to be able to offer if it wants to call itself a provider of ‘supported accommodation’.

We want to make sure that, in future, people reliant on charities that provide supported accommodation such as Wick House know what should be provided, what they can reasonably expect.

And where charities on our register are providing supported accommodation, I want to ensure they can be held fully to account for the way in which they do so.

Now I share this example of course partly because it was sparked by a Bristol charity.

But also because it illustrates that delivering on our purpose is not about new projects or ideas. It is about undertaking work we’ve always done – such as investigations – in a more meaningful way.

We are aiming to maximise the benefit of charity by upholding what charity

means in the eyes of the public. And we are doing things differently to make sure that happens.

We have always sought to share wider lessons arising from our serious case work.

But now, driven by our new purpose, we are taking a more focussed approach to this principle.

For example: we promised last year that 'no complaint about a charity will be ignored'.

A complaint may not always prompt an investigation. Perhaps there is not enough evidence of the claims made. Perhaps the issue itself means it would not be proportionate for us to intervene, or is simply not something for us as the regulator to be involved in.

But what we will always do is listen.

We are committed to understanding why people feel moved to complain.

To understanding what these complaints tell us about public expectations of charity.

And to identifying themes and examples to share with charities to improve their understanding and changes in behaviour.

In our current analysis of these low level complaints, one theme is already emerging quite clearly – and that is the crucial importance of openness.

Our records suggest that one reason people come to us to complain about a charity is that they feel that they are being shut out or dismissed.

Perhaps a charity is not answering their questions about changes to services it provides.

Perhaps it's not held an AGM when one was expected.

Perhaps its accounts have not been filed – and people are suspicious about what this means.

It may be that the issue that prompts a complaint seems relatively trivial.

But what our data suggests is when people feel a charity has brought the shutters down, doubts and questions – and doubts about the motives of those running the charity – can begin to fester.

Conversely, where charities respond openly and genuinely to complaints they receive, they can often reassure the complainant about the charity's probity, even if they can't provide the specific remedy the complainant had been hoping for.

Through their behaviour and attitude they show that they share the same understanding of what charity means.

As I said – this is an early insight from this work, and we intend to publish a first report soon.

That report, and the others that will follow, will help charities understand why ‘small things’ matter.

And show the public that we understand what matters to them.

Again, this is about us all collectively upholding the reputation of charity as something special and distinctive which serves the public.

Of course, case work and complaints are not the only source of data about charities which we’re now mining and analysing in a meaningful way.

We also hold a great deal of valuable information about the way charities are run, including through the annual reporting cycle.

The information we require and receive back from charities should help us evaluate whether charities are delivering maximum benefit in a way that is compatible with what charity means.

For example – since last year, 2018, we have been requiring charities to tell us exactly how much their highest paid staff member receives.

We are now using that data to make a study of pay in charities. When that work is complete, we will publish our findings.

We are not a pay regulator. But we do understand why the public care about how charities pay their staff.

Again – it’s the same reason they care about the way they fundraise, or the amount they spend on advertising.

Because, in many ways, these issues serve as windows into a charity’s soul.

They help the public see whether or not a charity is behaving and thinking in an authentically charitable way, distinct from the attitudes that might prevail in a commercial organisation that is focused on growth and expansion.

I hope our work in this area will increase transparency and inform and influence charities in responding to public expectations.

Each piece of work I have mentioned so far today touches in some way on the question of what charity means to people, and what it is we at the Charity Commission are protecting.

And so finally, I would like to talk about the need I see for the Commission to address that issue directly.

You may have read, as I did, about a plumber from Bolton, called James Anderson, who has generated a wave of admiration for his kindness and generosity in refusing to charge vulnerable elderly customers for vital works in their homes.

Mr Anderson has been revealed as a serial philanthropist, whose actions are motivated by concern for the number of elderly people who are left cold and exposed because of high plumbing costs.

This is the sort of behaviour that people associate with charity, whether or not it is delivered through, or involves an organisation on our register.

And I commend Mr Anderson, and others who give of their time and money to help others.

It confirms to us what we already know – that charities as organisations are not the only vehicles through which charity is delivered. What charities are, however, is the shop-window to, and therefore should be living embodiments of, what makes charity distinct and special in the eyes of the public.

That's why the responsibility of all charities to uphold the reputation of charity is so important.

Being a registered charity carries with it the weight of certain public expectations.

And any gap between these expectations and reality risks damaging the standing of charity in the eyes of the public.

That is why the Charity Commission is now doing more to understand what it is that makes charity special, and distinct, in the public's mind.

And we are doing all we can to ensure that charities embody and reflect those expectations more closely.

Charities need to understand that their status is not a badge that once gained grants legitimacy in perpetuity.

It is instead a promise. A promise that must be kept, every day, in the work you do and how you go about doing that work.

A promise that binds all charities – regardless of the causes they pursue, in a collective responsibility.

By the way, I believe we need a change in attitude not just from those currently involved in charity.

Earlier this week, Frontier Economics, an organisation headed by the former Cabinet Secretary Gus O'Donnell, published a paper compiled jointly with the Commission. That paper argued for a better understanding, notably in government, of where the value of charity lies.

It is crucially important for decision makers to recognise that the value and benefit of charity is not measured only – or indeed primarily in its contribution to GDP. In the income it distributes or the people it employs.

But crucially also in the capacity and potential charity has to set a positive example and to foster hope and well-being.

Governments of course understand the hold that charity exercises on the public imagination and its potential for solving intractable problems. And they therefore often turn to charity.

But we say they must always do so for the right reasons, and use charity in the right way, mindful of the qualities that lie at its heart.

Because charity is not a bottomless well of goodwill.

It has to be lived and demonstrated.

Not misused for political expediency.

So I am determined to ensure the Commission protects the boundaries of charity.

I hope I have painted a picture of how the Commission is delivering on our purpose, and more importantly why.

Our fundamental aim is to maximise the value that charity brings to society, the benefit it generates for the public.

To dial up the good in charity, so that it can serve as a source of belonging, cohesion and hope.

We are only at the beginning of that journey, and we are changing too.

But, as I said at the start – this would be an important and worthy mission at any time.

Right now – when we see our country riven with seemingly unresolvable tensions and divisions, we need people to be able to look at least to charity and know: here is a good thing for us all, here is something to make us proud.

I hope you will work with me and the rest of the Commission to make that happen.

And I want to say finally, thank you, to you for doing so.

Thank you