

Culture, Media and Sport Committee

Oral evidence: Pre-appointment hearing, HC 1340

Tuesday 25 November 2025

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[Watch the meeting](#)

Members present: Dame Caroline Dinenage (Chair); Mr Bayo Alaba; Vicky Foxcroft; Dr Rupa Huq; Natasha Irons; Liz Jarvis; Jeff Smith.

Questions 1-41

Witnesses

[I](#): Dame Julia Unwin.

Examination of witness

Witness: Dame Julia Unwin.

- Q1 **Chair:** Welcome to this morning's meeting of the Culture, Media and Sport Committee. Today we are holding a pre-appointment hearing for the Government's preferred candidate for the chair of the Charity Commission, Dame Julia Unwin. I remind members to declare any interests before they ask their questions.

Welcome, Dame Julia; thank you for joining us this morning. Before we start, I would love to get your assessment of the Commission at the moment. Where do you see it being? What are the opportunities and the things you are concerned about? Where is there a need for change?

Dame Julia Unwin: That is a big one to start with. The Commission is as highly regarded as it has been in my time working in and around this sector. I find that very appealing in terms of joining an organisation that has managed to make a number of changes. I was a charity commissioner in the '90s—I think that is three Charities Acts ago, so I have a lot of catching up to do. In those days we were moving away from being an organisation entirely dominated by lawyer; we needed to be advised, supported and run by lawyers, but we were over-dominated.

I now see a Commission that is better connected, more current and uses its powers more sensitively and in a more engaged way, and that has the support and buy-in of a large part of the sector it seeks to regulate. It needs to be better known by other regulators. Its independence from the sector, as well as from Government, needs to be protected at all times. When I thought hard about applying, I felt that I was joining an organisation that was never more needed, but beginning to be in a better place to do the task it has ahead.

- Q2 **Chair:** It is interesting that you should say that the Commission is in the strongest place it has ever been, because we have heard from a few organisations within the sector that, in some cases, the Commission is losing trust from the sector and that it is often distant and sometimes cavalier in its approach. That does not entirely tally with your summary that it seems to be in the best place it has ever been.

Dame Julia Unwin: No, it does not. I may be looking back over far too long a period, and I may not be as well connected with current thinking. "Cavalier" is really problematic. "Losing trust" is not what I have heard, and I have done a bit of asking around. I cannot pretend to have done comprehensive research. But I will say that all institutions are losing trust, and the sector is at the most fragile and challenged that I have ever seen it, so I am not surprised that there is some challenge and attack back on the regulator.

I do not want to sound complacent about my view of the organisation; I take those challenges really seriously and there is always room for

regulators to improve and work better. “Distant from the sector” is a very interesting challenge, because the regulator has to keep some distance, but the Charity Commission, unlike some of the economic regulators, has a very large pool of organisations—170,000 does not allow for a huge amount of individual attention. Maintaining some distance is probably important, but the Commission needs to be open, communicate really clearly and make its decisions in a way that can be interrogated and understood, even if not agreed with.

Chair: As a Committee, we have had a busy 24 hours—

Dame Julia Unwin: You certainly have.

Q3 **Chair:** You may have noticed in the press that we had the chair of the BBC in front of us yesterday. That demonstrated to the Committee how important the role of a chair is when things start to go wrong within an organisation, and the need to have someone who has grip at the helm in circumstances like that. In your view, what makes the best person to be chair of the Charity Commission, and why do you think it is you?

Dame Julia Unwin: All organisations led by a board need a chair who can both convene—bring people together—and represent. My career shows that I have the ability to do that; I have done a great deal of work on how organisations are governed and believe strongly that a strong, very diverse board is the best check against things going wrong. I have a clear eye on the metrics of any organisation. For example, on your point about trust, Dame Caroline, I know that is one of the metrics of the Charity Commission, and I would want to interrogate that now that you have drawn it to my attention.

The Charity Commission needs a chair who holds the executive to account, in partnership and collaboration with the rest of the board, who leads and convenes a board of very different perspectives—I have not been able to meet the board yet, so I cannot promise you that that is what I will inherit, but that is what I wish to build—and who gets respect internally in the Charity Commission, within the sector and, critically, in Parliament, which is where our accountability should be.

Q4 **Chair:** Why do you think you are the best person to do all that?

Dame Julia Unwin: I thought long and hard about whether I was the best person to do it, and almost did not apply. In the end, I decided that I have not only had a long lifetime of experience in this sector, but I have done many other things: I have worked in regulation and in the corporate sector. If I had only had charity sector experience, I would not think that I was the most suitable person.

However, I have experience in and around the sector—getting on for 50 years, I am embarrassed to say—as a volunteer, a trustee, a chief executive and a staff member in very different organisations. I led the 2017 inquiry into the future of civil society and have strong regulatory experience in the Housing Corporation, which no longer exists, the Financial Reporting Council, where I chaired the codes and standards



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committee, and the Charity Commission itself, so I thought that I had something to offer. If the Committee concludes that I have, I will do my best to bear that out. Applying was a hard decision, because this is a very tricky time for Government Departments, civil society as a whole and the charity sector, but after a lot of thought, I thought I would give it a go.

Q5 **Chair:** Did you speak to any Ministers or special advisers about your application?

Dame Julia Unwin: No, I did not. I did speak to the Secretary of State after I had been told that the Department was keen to recommend me. I had a conversation with her then, but nothing before—I would not do that.

Q6 **Chair:** We have a track record of occasionally getting nasty surprises when people come and sit in front of us. Just to be 100% certain, is there anything not included in the papers that you supplied to DCMS or the questionnaire that you completed for us that you think we should be aware of?

Dame Julia Unwin: I don't think so.

Q7 **Chair:** You did not give thousands of pounds as a donation to any political party?

Dame Julia Unwin: I never have thousands of pounds, I am afraid, so no. I do not think I would have done that if I had, but I did not.

Chair: You would be surprised how that sometimes comes up in conversation when people come to give evidence to the Committee. Thank you.

Q8 **Dr Huq:** Following on from what Caroline was asking, this role seems to be a difficult one to stick. The Committee did not endorse two of the three previous chairs. We did not endorse Orlando Fraser, for example. It was the same with Tina Stowell, who was completely rejected, so there was always a bit of a vacuum, and Martin Thomas, the guy in between, resigned, so this post has a bit of a chequered history. How would you rebuild trust between our cross-party House of Commons Select Committee and the role of Charity Commission chair?

Dame Julia Unwin: I think that this accountability is critical. I very much hope that you do endorse me, because if you do not, I shall do something else with my time. I think that the chair of the Charity Commission needs the endorsement of this Committee; this is the primary accountability. I said, in everything I was asked in my interview, that this role needs to be independent of the charitable sector, but it also needs to be independent of Government. It obviously needs a place for accountability, and that is here.

It has had a chequered history. It has also had some very strong leadership before that, so I hope that I can emulate that. I hope that what I bring is knowledge about governance, non-ministerial Government Departments and the sector, as well as a willingness to be as open and communicative as possible. I start from a position that secrecy is nearly



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always problematic; sometimes you absolutely have to keep confidences, but when you do not have to, you should be as open as you can be.

I would expect to have a line of sight here, so that you were always aware of what was going on, and that we would operate—as much as you can in a difficult, fast-changing world—with a no-surprises mechanism. I would expect to draw that to your attention. I cannot guarantee an easy ride; I think we might well have differences, but that is very different from not having accountability.

Q9 **Dr Huq:** So you would report back to us on everything.

Dame Julia Unwin: Absolutely. I do not know what the normal approach is, but I would expect that to be factored in.

Q10 **Dr Huq:** The Chair spoke about some of the other appointments that we have had. We found out that the last chap who was in that chair had donated money; Tina Stowell was seen as being political, and we had Samir Shah yesterday—I think that there are a lot of question marks over the strength of that individual this morning.

One thing one always gets asked on an interview board—we do not have the power to reject you, but we can recommend you or not—is, if we were to endorse your appointment, would you take up the role?

Dame Julia Unwin: I would. I have taken a long time to think about it since applying, and I would take it up.

Q11 **Chair:** If we were not to formally endorse you, would you still take up the post?

Dame Julia Unwin: I think that if the Committee as a whole did not wish me to do it, I would not wish to do it. I have other things to do in my life; I would not do it. Does that answer it? I did not mean to dodge it. If the Committee did not endorse me, I would not do it.

Dr Huq: You would not. Okay.

Q12 **Jeff Smith:** I have a couple of questions about your approach to the job. There is obviously a balance to strike between independence, accountability and support for the sector. What sort of principles will guide you in striking that balance?

Dame Julia Unwin: From all my regulatory experience—I will start there and come to the sector—I think that good regulators are connected, know what is going on, are current and have some credibility in the sector that they regulate. That means that they have visibility and are as open as they can be, within the constraints; of course, you do not want to share individual casework.

I think that the phrasing that is used in the strategy for the Commission about being a “fair, balanced and independent” expert gives you a strong sense of the stance that the Commission takes, but I think that there is a question of style as well. I think that in such a broad sector, with 170,000 charities—going from 30% of them that have an income of under £5,000,



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and yet are absolutely critical in their communities, all the way through to organisations finding the cure for cancer—you need some certainty about your engagement. You have to make it really clear in the sector that you belong to no part of it, but that you are championing the existence and the notion of the importance of charity and charitable organisations. I hope that I could do that in a way that made the Commission comprehensible and understandable. Charity law is not always completely straightforward, but I hope that I am a good enough communicator to explain it where I can.

I hope that we can be open about our decisions, as I have observed the Commission being, but protecting the privacy and integrity of individual charities must be important at the same time, so there is a balance to be struck. I would expect not to be associated with individual charities particularly, but to have a profile in the places where charities come together. I would expect to have contact with groupings of organisations, but to respect the civil service, which has the skills and abilities to make those connections and deal with casework appropriately. I do not think that the chair or the board should intervene in casework; I think that we should be able to question, challenge, comment and scrutinise. I think that we should have oversight of the whole operation and be as open as we can be with this Committee, and anywhere else, about what we have found and how we are operating.

Charities act in the public interest, and the public have an interest in how they act. Charities command considerable public trust and confidence, and stewarding that and making sure it is maintained are important processes for our democracy and the health of our society. I will try to do my best.

Q13 Jeff Smith: Thank you. I should have referred to my interest as a trustee of a charity.

To follow on from that, this is a three-year term. What do you hope to have achieved at the end of the three years, and what will you want to get out of your first six months in the job?

Dame Julia Unwin: Can I answer that the other way round? Of the first six months, I would like to spend at least the first three months getting to understand what is happening. I do not come with any preconception that, because I was a charity commissioner 30 years ago, I understand it; I recognise that things are different.

I want to listen acutely, take as much advice as possible, and—in the first few months—probably speak a bit less and understand a bit more. I want to understand and know the different offices of the Charity Commission, the issues that face staff there—we have a stewardship responsibility for the wellbeing of the staff—and their experience of how it is. I would also expect to make contact with the leadership of some of the bigger sectoral organisations. We have to be careful not to look captured by them, but I am pretty clear that I can do it in as measured a way as possible. That is six months—maybe three; after three, I hope I will be able to do a bit more than that.



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After three years, I would like the Charity Commission to be respected—you said, Dame Caroline, that it was not in some cases. I would work really hard for that, because although regulators are often not liked, and certainly not loved, they need to be recognised and respected for what they do. I hope that our communications will be as clear as they can be. The feedback I have had in my life is that I am reasonably strong communicator, and I hope that I can bring that there. I would hope that the board was reaching a level of stability such that it was behaving like a proper board. I think it probably is already, but I would want to steer the organisation, keep a very close eye on performance and make sure there is no lag there.

Also, I feel very strongly about being current and looking forward. The charity sector may have legislation that goes back to the Elizabethan era, but it cannot have practices that do. There will be changes and developments as we go forward, and I would like the Charity Commission not to be leading those—it is not the regulator's responsibility to lead those changes—but to be responsive and alert to developments in the sector that may require regulatory or even long-term legislative change.

Q14 Chair: Sorry, Jeff—that was a question I was going to ask. Obviously you do not have your feet under the table yet, but is your sense, from the outside, that the Commission has all the powers it needs to deal with wrongdoing in charities, in all the different forms it takes?

Dame Julia Unwin: I do not think any regulator ever has all the power it needs. You have to make the best use of the powers you have and then make the case for further powers. For example, there are discussions going on with your colleagues about issues of extremism. My guess is that further powers will be needed, because the world is moving at an astonishing pace, and in every sector I work in there is a requirement to keep pace with that.

I also think there is a good use of existing powers, as well as a recognition that the framework of precedent and charity law allows for flexibility within a framework and a recognition that there may well be new approaches. One of the issues that is very high in my mind is the challenge people are finding in recruiting trustees. The Commission may be able to do things that do not require legislation but may require an understanding of new approaches to, for example, encourage trusteeship. I think we would wish to discuss those with you, bring them here and think them through.

I suspect that it does not have all the powers it needs. I also suspect that it does not use all the powers it has, because no regulator is as good as it should be on that.

Q15 Chair: Interesting. You alluded to the potential extension, which has been trailed in the newspapers, of the legislation in relation to promoting violence and hatred. Beyond that, is there anything that springs to mind that you think the Commission should, could or would need to enable it to work more effectively?



Dame Julia Unwin: I do not think I know enough to know just yet. One of the things that all regulators need to do now—the Charity Commission perhaps more than most—is work closely and collaboratively with other regulators. Many of the issues and concerns that I see in the press—in the six months I have been considering this role, I have probably looked at the press more carefully than I had in the several years before—are to do with the gaps or overlaps between regulators. The Charity Commission is a very different regulator from many others but does need to work really closely with health regulators, police, special forces and all sorts of other organisations.

I understand that is happening. I would want an assurance that it is happening well and effectively, and where I could contribute I would want to make sure that it happens more. I know, for example, from my time at the Financial Reporting Council, which is now some time ago, that the issue of public interest entities and the accounting of larger charities was an area of overlap with the Charity Commission. I would like to be sure that we were doing that as effectively as we could.

Q16 Mr Alaba: I refer the Committee to the fact that I am also a trustee of two charities. Welcome, Dame Julia. I want to ask about your voluntary and regulatory experience, and how you interpret that in terms of the Commission's role and responsibilities. How do you see that playing out?

Dame Julia Unwin: I wonder whether you would allow me to turn the question on its head.

Mr Alaba: Absolutely.

Dame Julia Unwin: I am trying not to be evasive—I am absolutely not being evasive. The charitable sector is an absolutely central pillar of our free society, our democracy. I think it stands alongside the free press and Parliament, and yet it is enormously complex and goes from, as I said, the 30% of charities that are central in their communities but have less than £5,000 a year all the way through to internationally renowned organisations. To talk about the charity sector as one, which we have to do because it is the same legal framework, is always complex.

However, I think in our current crisis—I use the word advisedly—where there is a lack of trust, deep divisions in communities and the playing out of global conflict within the UK, charities have never been more needed. To go back to your question, what really matters is that the sector is enabled to develop and grow, and is not held back from innovation but supported to take part in the really complex debates that we are all facing. I think civil society's power to connect across boundaries, to devise new and different ways of operating, and to be creative in what it brings to long-standing social problems, as well as responsive to new ones, is a real prize for this country. A good and enabling regulator will be very firm and very quick on things that go wrong, but very open to discussions about new developments and new ways of working.



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I will stake my reputation on saying that I think we will see more alliances between organisations, and more forms of joint working. None of this is before time: it needs to happen. The Commission needs to be fleet of foot enough to be able to respond positively where it can, explain clearly where it cannot allow changes, and enable the sector to play its part in what is a really critical time in our nation's life. I see—I do not want to say a fast-moving Charity Commission, because that would make everybody laugh and it should not move fast; it should be serious and diligent in the way in which it understands and analyses what is going on, but it should be deeply connected and listening very carefully to the challenges that are facing this sector. I have to say, I have never seen the charitable sector so brittle, so challenged, and in such difficulty, and I think that calls for the Charity Commission to be very on the front foot on those issues.

Q17 Mr Alaba: That is good. In terms of the challenges and the priorities for the Charity Commission over the next five years, you have this 2024-29 strategy. What do you foresee as the key challenges within that, and how do you see you being able to deliver in that timeframe?

Dame Julia Unwin: The key challenges facing the sector are to do with public trust, which is remarkably robust but needs to be nurtured and cared for at all times. We are seeing trust deserting so many institutions that we should never be complacent. It surprises me that we have maintained it; we need to work really hard to maintain that at a time of a lack of trust. The challenges are also financial, because the real hardship being faced in charities, with really difficult decisions being made, is damaging both the services that they provide and their ability to recruit and retain staff and good trustees, and to be reliable partners in the towns and cities in which they are required.

The Charity Commission cannot fix that, but it can make sure that philanthropic organisations are enabled to focus as well as they can, draw attention to what is happening, and enable charities to change their organisational forms. There will be more federations, I suspect, and there may be more mergers—more of those are probably needed. The Charity Commission should not be mandating them, but it should be enabling them, because I think the prize of a healthy, vibrant, creative charitable sector is too great for the regulator just to be a bystander.

Although I do not think the Commission is the leader of the sector—the charitable sector needs its own strong leadership—it needs to be supportive, enabling, and clearly and firmly interventionist when things go wrong. It is a very different regulator from many of the others, but that ability to act firmly when things go wrong will, I think, give confidence that will be shared within the wider sector. But that is all in the context—as if I haven't overlaboured the point—of a currently very fragile sector, which I think is deeply worrying for our democracy, if I can be as grand as that.

Q18 Mr Alaba: I understand and appreciate that. In terms of the principles you have outlined, what types of actions would be needed for intervention? How do you see intervention taking place with regard to supporting charities?



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Dame Julia Unwin: A lot of the intervention has to be responsive. We have to be able to recognise that there are organisations today discussing the sharing of costs, or discussing new approaches to different forms of philanthropy; there are new approaches to fundraising. It is a creative, resilient sector, which has always come up with those things. Some of those will be acceptable, and the regulator should just allow them to happen, but some may need more guidance, more support and more intervention. But we are facing a cost of living crisis, so donations from the public are not as resilient as they were, and a cost crisis for organisations that are providing vital services, so we know there is stuff that needs to be done there.

Additionally, I believe that, in this climate, the Charity Commission can be an interlocutor with other parts of Government, in making sure that other parts of Government are aware of what is happening. But the principal role of the Charity Commission is to enable charities to do what they do and to do that well, to look forward into the future, and to intervene when things go wrong. My own feeling is that regulators that stretch too far beyond their remit quite often get into difficulties, and the mandate of the Charity Commission is a clear one.

Q19 **Mr Alaba:** You said earlier that good regulators are current, connected and forward-looking. What should determine the conduct of investigations, especially those into charities that attract public and political attention?

Dame Julia Unwin: I was very struck, looking at the Commission—as I have recently had to do much more—by what a small percentage of the casework is actually interventionist, but how important it is to get it right. There is a very clear legal framework and there are very skilled caseworkers, but there have been problems with the time that some investigations take. Justice delayed can often be a problem, but equally, moving too fast can mean missing things. From the board and the chair's point of view, I would be looking for the right pace: for things to come to a conclusion; for charitable assets to be protected in the long run; and when an investigation has discovered wrongdoing, for the action to be as swift as it can be within the bounds of doing it properly, which is not the same as always doing everything fast because I do not think you can. I do think it matters, and needs to be recognised, that there are things that go wrong, and those do attract public attention. They do not seem to damage the name of charity, but they could in the long run, so we need to be really careful about how we deal with them.

Q20 **Chair:** What do you think about the levels of parliamentary scrutiny and parliamentary accountability of the Commission? Do you have viewpoints on how all that operates and whether any changes need to be brought about there?

Dame Julia Unwin: I would like to come back to you on it when I understand it better. I believe that we should be accountable to Parliament; that is a really important matter, and our independence from Government and from the sector can only be protected by accountability to Parliament. I do not know how we do it, or whether we do it well

enough, at the moment. My intention is that we should do it well, but I would need to come back to you on that. Forgive me.

- Q21 Liz Jarvis:** One of the things I hear a lot in my constituency from charities is the challenges they face with rising energy costs and employer national insurance contributions. The Prime Minister was asked in July at the Liaison Committee whether he would exempt charities from the increase to employer NICs, and he said no—it was not the time. Do you have any thoughts on that, as we look ahead to the Budget tomorrow?

Dame Julia Unwin: It was a crushing blow for many charities that employ people. It is a minority of charities that employ people, but it was a crushing blow to them, and I did note what the Prime Minister said. I also do understand, as it happens, how difficult it would be to exempt charities in general, because they are such a wide range of organisations, but I recognise that it has been said, and we are very much hoping—with my charity hat on—that there will be no more surprises of that sort. It has been incredibly damaging.

The management of costs for all sorts of charities, or anyone employing people, has been huge, and at the same time donations have not kept pace. However, charities are part of our economy, part of the engine of growth and part of a network of service provision, and I understand that to have exempted charities and not to have exempted their private sector equivalents would have been politically very difficult.

- Q22 Liz Jarvis:** What role do you see for the Commission in helping charities to address the challenges they are facing?

Dame Julia Unwin: Good, stable and predictable regulation is a blessing for any sector, and I hope the Charity Commission is providing that; a very comprehensive and open approach to what we are doing; making connections between charities, where possible, enabling charities to find new and imaginative ways of managing their funds. I know in many sectors there is now talk about shared services and shared costs. That is fiendishly difficult to do—it is much easier to say than to do in practice, but I hope the Commission will be enabling that.

I know there is a board member with a particular interest in and knowledge of philanthropy and encouraging philanthropy, but I have to say that I don't think private philanthropy will step in for the earned income that charities have traditionally enjoyed. The section of the charity sector that earns its income through contracts with local and central Government has been particularly hard hit, because local government has been so hard hit. Certainly, in the region where I live, I know it is a really live issue how commissioners can try to meet some of the costs of charities when they are under so much pressure themselves.

- Q23 Liz Jarvis:** Looking ahead over the next few years, if the trends of declining donations, rising costs and increased demand continue, what impact do you foresee on charities?



Dame Julia Unwin: Well, there is a risk that it is followed by falling trust and a departure of contract income, which is what the sorts of charities you are talking about rely on so much. I am optimistic enough to think that there is always opportunity and that this sector is remarkably resilient; it has been very good in the past at reorganising and reshaping for different circumstances. I see some evidence that that is beginning to happen, but it is tenuous and difficult, and it requires a regulator that is open to new ways of thinking, even if it cannot necessarily endorse them, but is willing to try to make things work better.

There are issues about joint purchasing and joint services that are beginning to be explored in some places, but I do not hold out false hope on that—we are heading for very difficult times. We know we are in a moment of deep economic crisis, and there is not a magic answer there. Personally, I believe—this is the reason I am sitting before you—that a stable, steady regulator that is not chasing headlines or trying to get quick results can enable the sector to work together. I hope the current Charity Commission is strong enough to be able to do that, because I think it will be required.

Q24 Liz Jarvis: How do you think the Commission can support smaller charities that are struggling to attract funding?

Dame Julia Unwin: I think a lot of that needs to be done regionally and locally. I am troubled by the decline in the co-ordinating bodies in many towns, and the difficulties that councils for voluntary service and the equivalent are having—that is where I grew up learning about this—in being able to support them. There may need to be some coming together.

Actually, the very smallest charities are often the ones that fly below the radar and have never had much funding. They are doing remarkably important work, so there must be an ability to celebrate them and recognise the impact that they have on their community. That is why I have referred, perhaps too often, to the 30% that are really very small. We must make sure that regulation is absolutely proportionate for them and is not creating greater costs.

We have the category that are under £5,000, which matter—you as MPs will all know in your constituencies that those groupings matter—and then another section that can often face real difficulties when they are beginning to grow beyond that. At the moment, we are not in a period of huge growth in individual organisations. We are probably in a period of consolidation, sharing and collaboration. That requires a different tone and style of regulation. But growth and confidence will come again, because the role of the charity sector in this country is too great for it to just decline in this way. It will continue; it will just look different.

Q25 Vicky Foxcroft: I will start by declaring an interest: I am chair of Deptford First, a local charity. I found what you were saying about enabling really interesting. Often, a lot of small to medium charities have a negative perception of the Charity Commission and think that it is just there to monitor and not do some of that enabling work. In the spirit of



how the Charity Commission might do that enabling work, how do you see it happening? In particular, how can we get charities to collaborate better so they are not always bidding for the same pots of money and wasting their resources by doing that? How can the whole bidding process be simplified so they can get on with that good, important work that you were talking about?

Dame Julia Unwin: I am going to sound negative—I hope I don’t, because I am not a negative person—but I think good regulators have absolute clarity about their mandate and are really clear about the tools that they have. There is always a risk of regulatory creep, moving a bit further and a bit further, so the Charity Commission needs to be focused on what it can do and what tools it has been given by Parliament. All that being said, I think the current Charity Commission strategy is as clear as it can be that within that remit, it will enable and be responsive and understand what is going on; that when approached, it will make things possible if it can; and that it will always have an eye—these are my words, not the strategy’s, but it is how I read it—on the importance of charity in communities and places.

There are issues like bidding and, in my past, I have made speeches about how we should perhaps hold back from bidding. I am told that that is anti-competitive behaviour, so I shall be very careful in this job not to get in trouble for that. I think more of that is happening within the charity sector and on a voluntary basis; I do not actually believe that it is anti-competitive on a very small scale, but I recognise the challenge. I think the Charity Commission needs to be as well connected with what is happening as it can and needs to listen as carefully as it can. Although I am sorry to hear your constituents saying that they see it as simply monitoring, I would say that monitoring—

Q26 **Vicky Foxcroft:** Just to be clear, I was not saying that about my constituents. I did a lot of work on the Youth Violence Commission, so that is what I was referring to.

Dame Julia Unwin: So you did; I did know that. All I am saying is that you will hear that all the time—I think people will always say that, but I think that monitoring, watching closely and keeping a careful eye on what is happening is an important part of regulation, because anecdote is always the enemy of making social change happen.

Forgive me, I did hear that wrong; it was about charities that you have worked with. In the charities that I have worked with, I have had people saying, “Surely you don’t want to go there.” Monitoring and understanding, and making sure that the data is really clear, the story is really compelling, and we understand the change as it is happening and not in the rear-view mirror 10 years on, gives the Charity Commission the ability to draw attention to things that are happening, to make sure that the umbrella organisations are alert to them, and to work through the organisations of the charitable sector, of which we have a number. We have some strong and well-endowed organisations, and they too need to step up to show the sort of leadership that you are describing.



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I fully support the notion of a responsive, enabling Charity Commission. I am encouraged by the changes I have seen in the few months I have been looking at it since I applied—again, I cannot say I was paying huge attention before—but it requires other organisations to do it. I come back to my point that being the interlocutor, perhaps within Government but certainly between regulators, is an important role for the Charity Commission, and one that I hope I could help with.

- Q27 Chair:** I understand your point about mission creep, and the Charity Commission has got a job to do, but the charity sector is facing so many challenges at the moment, as my colleagues have said—dwindling donations, increased demand for services and a huge increase in overhead costs. To what extent do you see it as the role of the Charity Commission and your role as chair to support the sector with those issues, or lobby on their behalf to ensure that there is a mechanism in place to support them with those issues? Where do you see your role in that?

Dame Julia Unwin: I think there is a real tension about it, because when a regulator speaks, regulated organisations can feel instructed. Real clarity and communication matters if you are going to do some of that. I also believe that the Charity Commission is in a really special place because of its place in Government—being a non-ministerial Government Department gives it the ability to talk to Government Departments and convene on issues. I understand that in the last few months there has been a very interesting meeting between some of the larger overseas aid charities and the Foreign, Commonwealth and Development Office and other institutions of Government, to talk about global conflict and the way it is playing out here. That convening role is really important for the Charity Commission to do.

I think the Charity Commission can make contacts with its colleagues across Government and try to mobilise support that way, but it needs to be clear that it is not a campaigning organisation; it is not a leading organisation within the sector, because it is not of the sector. The independence of the charitable sector needs to be protected—it is not just an agent of Government. I also think that doing that in a credible and open way will give the charitable sector some of the confidence it needs. It needs that now, because we have never needed a strong and capable charitable sector so much. There are issues of economic growth that require the charitable sector to be strong, as well as medical research and what is happening in local communities. Using its enabling powers to bring people together and get them to think about things differently and make connections, but at the same time being clear about what its mandate is, is quite a tricky balance, but it is one I think it has to take at the moment.

- Q28 Chair:** That all sounds very nice, collaborative, empowering and so on, but do you think the Charity Commission will have teeth under your leadership? Where is the grit underneath all that collaboration, bringing people together, empowering and so on? Where is the steel behind that?

Dame Julia Unwin: I was so worried that I would sound too fierce, and now I have done it the wrong way round, so forgive me for that. I have



teeth, and I think the Charity Commission needs to have teeth. It needs to be able to make decisions clearly, firmly and with confidence. I also think that we must not—no organisation must—muddle that up with putting more heat into difficult situations.

I am interested in leading a decisive Charity Commission that can make tough decisions—one that cannot take status away, but can stop people becoming trustees, stop charities doing what they are doing and be very clear about it. I do not think that should be done in a way that draws too much attention to it, although it needs to be publicly available, because that applies to a small percentage of the sector. Everything the Charity Commission does will be judged by how it deals with bad behaviour, and it needs to deal with bad behaviour decisively and clearly.

Q29 **Chair:** And incentivising good behaviour, right?

Dame Julia Unwin: Yes.

Q30 **Chair:** You mentioned that one of your prospective board has some expertise in philanthropy, for example. When I spoke to the Prime Minister at the Liaison Committee in the summer I was challenging him, as Liz said, on some of the challenges that the charitable sector faces at the moment. One of the issues I raised with him is that charitable giving is going down, and on a large scale. I actually told him—he did not know—that his constituency, Holborn and St Pancras, is the second lowest in terms of the proportion of money that is given to charities by its residents. I asked him what more the Government can do.

We know that people are living in very difficult times in terms of the cost of living. To what extent is it the role of the Charity Commission to make points like that to the relevant Government Departments—to make suggestions that might encourage philanthropy and charitable giving and to support, particularly, small charities when times are tough?

Dame Julia Unwin: I think you are asking two things there. I think there are things that the Charity Commission can do to enable philanthropy, to encourage it, to make it better known and to make it more effective. Then there is talking about it, and I think they are slightly different things. Personally, I would be happy to do both, but I think it is the formal side of making philanthropy work well—incentivising philanthropy to focus on particular areas. Again, the risk of interfering with the independence of organisations is one that I will always have at the top of my mind, because that is part of the reason they are charitable. However, the point that you raised at the Liaison Committee was a really well-made one, because we know from BBC Children in Need that it is the poorest parts of this country that are proportionately giving more. I think it is still true that Northern Ireland is the biggest donor individually, which I know is outside the remit of the Charity Commission.

I think celebrating it, making it straightforward, but mostly giving the public confidence that giving money to charity is a good thing to do is at the heart of the Charity Commission's purpose. You do that by giving confidence that the vast majority of charities are well run and are doing



the best that they can, which is not a cosy, warm bath; it is because you are having high standards for charities and how they can operate. I have been out of contact for a bit, but I think the Civil Society Covenant makes some of those relationships really clear. I am hoping that that will really get teeth and get moving, because I know the Charity Commission was instrumental in getting that going. That is a way of making it clear that we do have this interrelationship between Government and the charitable sector.

Q31 Natasha Irons: We have touched already on the issue of trust, and how it manages to stay with the charitable sector. You have been in this sector for quite a while and have a lot of experience. Have you seen any changes to the public's attitude to the charitable sector in that time?

Dame Julia Unwin: Well, there have been huge changes within the charitable sector. I do not know how much the public have observed that, but they will have had different contact. There have been real challenges with some well-known charities where things have gone badly wrong. Mostly I think the Charity Commission has over that time—and certainly over the last 10 years—intervened effectively, but there is no doubt that it has caused trouble for the whole sector and led to concerns about public trust.

Actually, if you look at the data, except for when the Oxfam crisis happened, trust in charities is enviable and stays high. It surprises me, given so much that has gone on. That makes it the most precious asset that we hold. Like any asset, you have to steward it, and it is always at risk. Given the lack of trust in other institutions of all sorts, I would not be surprised if we saw it go down. It is about maintaining that trust, but you only maintain trust by giving reasons for trust. I think a good regulator, operating openly, dealing with the bad stuff when it happens but also talking about what has changed and what is going on, can do that.

What has changed in the time I have been around is a great deal. I would bring out the introduction of commissioning and the ways in which local authorities, regional bodies and Government itself have commissioned charities, which has at times blurred the distinctiveness of charities but has allowed charities to grow. The hospice movement, for example, which I hold dear to my heart, are largely funded by private money but hugely dependent on commissioning money. That has undoubtedly had an impact on their ability to plough their own furrow. Equally, it has been right that it should be paid for by the health service, to the extent that it is.

Commissioning has changed the charitable sector and made it vulnerable to local changes, but on the other hand, it has enabled it to grow. Different forms of giving have enabled it. Many of the large grant-making foundations in the UK now talk much more about paying for core and continuing costs, not just projects. That is a development over the last decade that has been enabled partly by the Charity Commission making it possible for that to happen, but it is another change.



Public giving is not as high as we would like it to be, but it is the envy of very many advanced democracies—because it is not as high in many other countries—and it is important. One of the things we have managed to resist in the UK is what I would describe as the Americanisation of philanthropy, where philanthropists are given a huge amount of power and influence over the sectors that they fund. There has been a price to pay for that: there is less philanthropy, but that has enabled the entire sector to stay more independent. Are those the sorts of areas that you were looking at? Forgive me, that was a bit of a list.

Q32 Natasha Irons: Yes, but it was more about the public's perception—how they feel about charities, including when things have gone wrong. With the investigation into the Captain Tom Foundation by the Charity Commission, even though things did go wrong, the Commission picked up that as you said, trust in charities remained stable throughout that period. What do you think that the Commission did well to achieve that outcome? It is quite an extraordinary thing to be able to come out of the other side of something like that.

Dame Julia Unwin: The individual, really big scandals—and that was one—are all different from each other. I have to say that, sitting in lockdown, watching Captain Tom and not working at the Charity Commission, I thought, "That's a scam on the make," and I think most of us did. I think there was a general concern about it. You have to be careful how you say it.

When it was investigated, I think that the experience from those observing it was that the investigation was done well: it moved at some pace, the police were involved appropriately, and the concept of charity was not dented. I do not think that we know enough yet to know whether the concept of big, individual fundraising drives was dented—that is different from confidence in charity. We do not know that yet, but there have been some since that seem to have still attracted funding. There is a difference between charity and the ways in which individuals raise funds, despite the fact that they may use the same vehicle. Public trust may change on that.

Q33 Natasha Irons: Do you think that there are any areas in which the Commission can improve its public standing? Even though it has managed to stay quite stable, do you think that even greater work could improve it?

Dame Julia Unwin: There is always a regulator's dilemma, isn't there? If you draw a lot of attention to the bad things that have happened, some people think that you are a really tough regulator and they really like it, but it may dent confidence in the sector that you are regulating. If you keep it quiet and do it privately, people will think that you are a toothless regulator. All the regulators I have ever worked with have that dilemma. The Charity Commission manages that relatively well; it probably could do that better, but there is always that dilemma about how you do it.

Describing the charity sector in its breadth and its impact, and recognising the enormity of the sector as an asset to the UK, is part of what the Charity Commission can do to explain that when there are grievous,



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sometimes criminal errors, they can be dealt with. Otherwise, the Commission runs the risk of contaminating the brand. As you say, to date it does not seem to, although there have been blips. We are in a period of losing trust in all institutions, and charities themselves need to attend to the public trust in themselves as organisations. No regulator in the world can give them that trust; they need to focus on it.

- Q34 **Chair:** I think, though, that what charities—but also people who volunteer for charities and people who give money to charities—want to see is a regulator that is a convening power, an independent monitor and so on, but is going to sweep in and has claws that it will use when it is necessary, and that will be fierce in order to defend what is right and defend the efforts, hard work and hard-earned cash of people who care about charities and want to see them do the right thing. What I want to know from you is whether you have the steel to lead an organisation that can show its claws on the rare occasions that that is required. Give me an example of when, in your previous career, you have shown yourself to be fierce.

Dame Julia Unwin: I ran a large foundation and housing association for 10 years. Difficult decisions had to be made a lot of the time, and they were—certainly locally and regionally, but sometimes nationally—unpopular. I do not think that anyone I worked with would have said then that I was a shrinking violet; I was prepared to stand up for what was right and to do things that offended some people, and I took the heat for doing that. I think I have done that throughout my career.

You are going to ask me for a specific example, and that is hard to do, so just let me talk for a minute. I'm sorry—I have gone completely blank. All I can say to you is that, as you can see from my CV, I have taken part in organisations that had to make difficult decisions. I have had to close organisations down and to defend very difficult things publicly. I believe that I have the teeth to do it, I think I have shown that I have steel and I have survived well in a very complex environment where being unpopular is sometimes the price you pay. I think that that is the right and proper thing to do.

- Q35 **Jeff Smith:** We have talked about the challenges of the difficult times that we are working in. We have an increasingly polarised society, with some difficult debates. What risks does that pose for the Charity Commission, and how do you mitigate them?

Dame Julia Unwin: To go back in time, many charities that were formed were doing unpopular and difficult things when they started. There are household names that I suspect were once controversial; I know from my history that Dr Barnardo's was seen as a hugely controversial operation. The university where I have been the chair, which taught women to be teachers in the 19th century, was unpopular. We will always have charities that command immediate public trust and confidence, and ones where there is more suspicion.



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The role for the Charity Commission is to be resolute about the rights of charities to be formed, with a recognition that some will survive and go the course, and some will come and go. If you look at the register, there is a certain amount of movement. That is what you get in a healthy, functioning charitable sector: there is some churn, and some charities go.

The fact that we are now so deeply divided means that charitable organisations, which I suspect in the long run are the best way of building bridges, are also frequently divided. There will be charities today pursuing objects that I do not particularly share or have not shared in the past.

To answer your question, Dame Caroline, I was involved in building housing in an area where the local environmental charities were up in arms about it; in the end, I decided it was the right thing to do and stuck with it. I am well aware of the bitterness of those fights, in that case between charities. Forgive me for just coming back on that one.

Chair: Thank you.

Dame Julia Unwin: The divisions in society are often reflected in charities. Charities are not necessarily doing things that each of us individually would support. That is what a healthy civil society does. Charities are formed to preserve things and to change things, and both of those can involve tension and difficulty. The Charity Commission has to be ruthless in recognising that charities that have a right to exist and have passed the threshold of charitability will be within the family of charities, but that there are things they can do that put them outside that. Some of the extremism that we have seen—I know that there is legislation being considered for it—needs to be part of that.

We trust charities to bring people together and build bridges across difference, but that does not involve dissolving the difference. There will still be some differences, as in my throwaway example. I do not think the Charity Commission can fix that. What the Charity Commission can do is make sure that behaviour is proper, appropriate and respectful; that organisations manage their disagreements and differences appropriately; and that the public confidence in them is protected by clarity about the purpose of the charity, whether or not it commands majority public support.

Q36 Jeff Smith: How do you do that? If a charity gets involved in a controversial debate—I am thinking particularly of charities that have been criticised for getting involved in either “woke” agendas or “anti-woke” agendas—how does the Commission respond to that without getting drawn into it and accused of bias?

Dame Julia Unwin: I think we need a recognition that the formation of charities has often come out of wanting something to change and wanting some difference. Charities are not necessarily created in cosy consensus: they are often caused because people want to make a difference about something. Therefore, they will often—and have always historically—be in places of conflict. What the Charity Commission needs to police is that

organisations are operating within their remit, pursuing their agenda appropriately, doing so in a civil way and not misusing charitable or public funds. I do not think that is the same as saying that charities pursuing causes that some of us in this room might find unattractive do not have a right to exist if they can demonstrate their charity and public purpose.

There will always be conflicts within the charitable sector and organisations that have differences. That is why we call it a civil society—because there are differences there. There will always be tensions about where the money goes and what the priorities are. There will also always be moments in public discourse—I am thinking currently about the assisted dying Bill—where there are very strong and passionately held differences between charities, yet they seem to manage to continue to pursue their cause and do their work. Committee Members will be the subjects of their lobbying—I am not. They recognise their differences. I have not heard that they are doing it inappropriately or illegally.

Q37 Jeff Smith: With those charities you referred to that have aims which you do not share, how do you personally ensure your neutrality in your job?

Dame Julia Unwin: In this role, I am absolutely crystal clear: if they pass the charity test then they are charitable organisations, and I have responsibility for them to be cared for just as appropriately. With some of them, it would be a question of interest and enthusiasm as much as dislike. We all have our own personal views. For me, this is a professional role which has a quasi-judicial function of treating every organisation on its own merits. It is not my place to have a view about which organisation I would personally donate to or not—that is private.

Q38 Vicky Foxcroft: What impact do declining volunteer numbers have on the sector?

Dame Julia Unwin: It is one of the most worrying things we are facing. There are several things about volunteering. Numbers are declining, and we have an ageing volunteer and trustee force. The latter is equally an issue for me and those trustees are also volunteers. As a society we need to do far more about the esteem with which volunteers are treated—I do not believe that the Charity Commission alone can do that. There needs to be recognition of the value that they bring. We may need to devise more and different ways of volunteering. I am very conscious that in the city I live in quite a lot of voluntary work—which I do not think would ever be described by the participants as voluntary—is just done by those people. There is fixing, planting things out around the pavements and community engagement of that sort—an enormous amount of activity is going on. Much more broadly than regarding the Charity Commission, we need to be much more respectful of the role of volunteers.

I remain concerned about the benefit sanctions on volunteers, as I do on trustees. It is difficult for people who are unable to work, for one reason or another, to justify their volunteering. As a society, that is something that we need to attend to. Although volunteering organisations, particularly the



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NCVO, have done a lot on this, I am not sure that we understand enough about changing motives for volunteering and whether our more atomised, screen-based approach is changing volunteering and whether different things are happening. I would like to understand that more. The tradition of volunteering, through traditional routes, is certainly declining and that is deeply worrying for the organisations that depend upon those volunteers.

The only other thing I would add is that the extent to which some of the professional organisations and associations have been more encouraging of volunteers and the learning power of volunteering is very gratifying. I think that there is another way in there—but it is new and pretty embryonic.

Q39 Vicky Foxcroft: I guess likewise that it also applies to trustees—as you were saying—and the vacancies there. What impact is that having? Moving on to the final question as well, under your leadership what could the Charity Commission do about trustees and volunteers? You touched on issues around benefit sanctions.

Dame Julia Unwin: That has been a particular issue. I know of several housing associations with tenant board members who have had their availability to work questioned. Those issues remain a concern, and I think the Charity Commission needs to take them seriously.

I am very concerned about what is happening with trusteeship. I think the model of charitable operation in this country is that we have unpaid trustees who give their time and take responsibility. The burdens and responsibility of trusteeship have got greater. I think your question was about what has changed in my many years; one thing that has definitely changed is the extent to which trustees are held accountable. It is making it much less attractive, and it is making it much more problematic for people to do it, particularly those with other roles. The ready supply of—brutally—the early retired or people with otherwise private incomes is declining because people are not retiring early and doing that. The responsibilities of trusteeship, which were always great, are also becoming much clearer.

I think that we face a crisis in trusteeship, but the Charity Commission has done some things. I was very struck by Trustees Week last week, which I believe we have done jointly with NCVO and the Commission, celebrating trustees and recognising the huge benefits to trusteeship. When I was last a charity commissioner, I was told very firmly by somebody, “Nobody should ever benefit from being a trustee.” Well, I always have; I have learned a huge amount from what I have done in my life. All trustees benefit, but you do not benefit financially. In recognising that, we may need to go further in making it clear that there are real advantages for people in being trustees.

However, we are placing increasingly heavy burdens on trustees, who are having to do a great deal without compensation. That is the law, that is the settled view of the sector, and that is how it should be. There are



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some bits of the charitable sector that are changing on that, but I do not think anyone will get rich doing so. Attracting trustees is very high on the list of things that I will want to take to the Charity Commission and say, "What will we do about it?"

On attracting and retaining, I saw some figures recently about the very high turn rate of trustees, who start with enthusiasm but find it very difficult—I do not blame them for that, because it is very difficult—and they then start to understand the responsibilities they have taken on. That is one of the real risks facing the sector at the moment.

Q40 Chair: That concludes your time with us today, Dame Julia. Thank you so much for appearing in front of us and answering all our questions so fully. Before we let you leave, is there anything you wish we had asked that you had prepared and were desperate to get off your chest, but could not share because we did not ask the right questions?

Dame Julia Unwin: I do not think so. I feel I have spoken quite a lot, and I hope that I have satisfied you. I particularly hope I have satisfied you that I have the steel. I think I may have said a lot about enabling because one of the things that struck me in looking at the Charity Commission as it is now, compared with the way it was, was how much emphasis there is on working in partnership and enabling—maybe I have absorbed that.

I can assure you that when I sat as a charity commissioner and we told the Church of Scientology that it could not be a charity and got personal threats, I was as steely as anybody. I did that in my last role, and that has stayed with me. I may have been slightly overcorrecting for enabling this time, but I do know how to do that.

Q41 Chair: That is very good reassurance, thank you. I do not want to put words in the mouths of Committee members, but as a Committee we want to see the Charity Commission have a toolbox with all the different ways needed to make sure that, at a very difficult time—when charitable giving and volunteers are down but the demand is up—it is firing on all its cylinders, to mix my metaphors terribly, and doing the very best it can to represent the sector effectively. We are grateful for your reassurance on that.

Dame Julia Unwin: Thank you. If I may, if you decide to appoint me, I would be very happy to come back and tell you what I think about the toolbox once I have had a good look at it.

Chair: Thank you very much—get your overalls on. Thanks for your time.