



Digital, Culture, Media and Sport Committee

Oral evidence: Pre-Appointment Hearing for the Chair of the Charity Commission, HC 261

Thursday 9 December 2021

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Members present: Julian Knight (Chair); Kevin Brennan; Clive Efford; Damian Green; John Nicolson; Jane Stevenson.

Public Administration and Constitutional Affairs Committee Member present: Mr William Wragg.

Questions 1 - 64

Witness

I: Martin Thomas, the Government's preferred candidate for Chair of the Charity Commission



Examination of witness

Witness: Martin Thomas.

Q1 **Chair:** This is the Digital, Culture, Media and Sport Select Committee's pre-appointment hearing for the chair of the Charity Commission. We are joined today by the Government's preferred candidate for the role of chair, Martin Thomas. Thank you very much for coming to this meeting today. We have also, as a matter of form, invited William Wragg, chair of PACAC, to join the Committee today in order to put his questions.

Before we move on to our first question, I am going to go around the Committee to see if there are any interests to declare.

Damian Green: I am a trustee of the Godinton House Charitable Trust in my constituency.

Clive Efford: I am chair of the trustees of the Samuel Montagu Youth Centre in my constituency.

John Nicolson: I am a trustee of the Alexander "Greek" Thomson Egyptian Halls Restoration Trust in Glasgow. I am also a trustee of the Dennis Severs' House in London and the Spitalfields Trust.

Chair: Martin, thank you for joining us today. Could you please outline to the Committee what you think are the main challenges of the Charity Commission for a new chair and what your first 100 days as chair would look like?

Martin Thomas: I was asked the same question in the interview process and I will give the same answer. I identified then three main challenges. The first one relates to the charity sector recovering from the covid pandemic, which of course is not over. There is going to be a healthy tension—it is already exhibiting itself in the sector—between charities having a desire to contribute to the full in building back better and the levelling-up agenda in recovering from the pandemic versus the fact that a great many of them have dipped into their financial reserves due to problems in fundraising in the normal course during the pandemic.

One of the control elements that the regulatory regime has on charities is that they should have financial reserves for such instances as a pandemic. At the moment, the rules operate in such a way that charities are obliged in their annual accounts to report on what their reserves policy is. What I think might sensibly be considered is an additional rule that, as well as saying what their policy is, they should report on how they are executing that policy. That was the first challenge.

The second challenge I identified relates to digital and to new ways of working and communicating. The best way to talk about that is by referring to one of the classic, very good Charity Commission publications, which for enthusiasts is called "CC3". This is a document that charities are encouraged to provide to all new trustees so that they can read up on what are the duties and requirements of trustees. To



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state the obvious, one particular feature of the charity sector is that trustees generally—there are nearly 1 million people who are trustees; some of us, as has been mentioned, are here today—span the entire range of people and of interests across society.

My sense is that nowadays there are a great many people wholly meritorious as trustees of charities for whom a 40-page document is not the best way to enter into a regulatory relationship with them. I think a great many people are used to sidestepping or trying not to read very long documents because increasingly we just do not operate that way any longer. We operate in bite-sized pieces of information very frequently delivered to us on screen, especially now with the exigencies of the pandemic.

What I would have the Charity Commission move towards—if I can persuade its board to do this—is to expand the ways in which it has a regulatory relationship with trustees, to move away from the formal 40-page document-type relationship to something more like a regulatory conversation where the information is delivered in a more bite-sized type of way and much more on screen.

I have to add in this context that the commission has already started that. They have on their website what they call five-minute alerts, which try to do exactly what I have said. The point I am making is that there should be more of that, particularly because if there were to be more than that then some cultural or societal barriers to entry to trusteeship, which the more old-fashioned way might raise, would be removed and you would get a wider range of people stepping up to trusteeship.

The third and final challenge I identified relates to what I would call the general desire in society to do good. What we are witnessing in a great many spheres, but you see it very particularly in relation to matters green—matters related to the environment—is that more and more people are keen to achieve charitable or ethically good aims in their life outside the scope of the formally regulated charitable sector. For example, in my private life we have adult children, and they have started their life as investors. It seems to me that it is obvious for them that they only want to make investments that have an ESG—environmental, social and governance—high quality of investment.

There are a great many more things happening in the country that are intended to be good or even philanthropic than occur only in the regulated charity sector. The challenge here for the Charity Commission is that it needs to be aware of this. It needs to be apprised of this. It needs to find a way to promote the regulated charity sector while bringing what you might call these many cognate or associated activities with it, not being their enemy, but also preserving the particular role that regulated charities have within the sector.

That particular role that regulated charities have in the sector is that they are regulated. It is important that being regulated—in the vocabulary of



charities it tends to appear as being registered; you say it is a registered charity—should continue to be a badge of quality. It means that you can be assured if you donate to, volunteer for, become a trustee of, get a job for, accept this is a beneficiary or something from a registered charity regulated by the Charity Commission, then everything that is being done is being done properly.

Q2 Chair: There were some quite profound soundings coming from members of the organisation during your predecessor's tenure that there had been a breakdown in the relationship between the chair and many people working at the Charity Commission. I know that you would probably not wish to comment precisely on that but what I would like you to comment on is whether or not you have come across any of that so far and whether or not you will find ways in how you will approach it, trying to ensure that there is a good working relationship between the chair and the Charity Commissioner.

Martin Thomas: I did not know that. I had not heard that. I have spoken to the chief executive of the Charity Commission. That did not crop up in the several conversations we have had, all in the last week or so.

It is important that the chair's relationship should go beyond only the chief executive. I say "only the chief executive" because it is only the chief executive, in formal terms, reports to the chair and that the chair manages.

What works best in any organisation is where the board, led by the chair, is open to, transparent to, and has individual relationships with not only the senior executive team but the entire staff body. The Charity Commission has 400 or 500 staff, so you cannot have an individual relationship with everyone, but you can communicate to them and you can explain what the board is doing with them.

I would go further and say that organisations across all sectors—and I have experience of the public, the private and the charity sectors—always work best if everybody is pulling in the same direction. In order to make that happen you have to first decide what the direction is. That is the strategy of the organisation. Setting that strategy is the board's responsibility and then together with the executive you have to make sure everybody understands it and everybody has a chance to agree with it or disagree with it, as the case may be.

Q3 Chair: There was quite a lot of discussion in many of the charity sector's publications, which is third sector civil society, and also I suppose a guardian, almost by osmosis, and probably one of the major discussion arenas for the charitable sector, about some of the difficulties that have been arising at the Commission over time. But we will park that for the moment because you have answered the question on how you will be approaching the future relationship, and the future is the important thing.



The Committee has been sent some details by Healthwatch to do with its concerns regarding the continuing oversight of charitable status for what it refers to as 70 alternative medicine charities that are making what it says are misleading health claims—mumbo-jumbo, if you like. What do you think about this and, particularly in the health space, at a time of quite severe challenges of disinformation and misinformation, do you think the Charity Commission should be doing better to ensure that this status is not given and not retained by those that are propagating misleading health claims?

Martin Thomas: I am not convinced that it is doing badly. The issue that you have raised there is very slightly different from the role of the Charity Commission, in the sense that the commission's role is not to decide whether what any particular organisation is advocating or wants to achieve is good or bad, or right or wrong. The Charity Commission's job is to decide whether or not its charity—

Chair: Like an anti-vaccine charity, for example, that would be perfectly acceptable, would it?

Martin Thomas: I am not sure whether that would be perfectly acceptable. What I am saying is that it would be assessed in relation to the things that are listed in the Charities Act as being charitable activities. The promotion of health is one of them. Whether a particular charity dealing with vaccines in the example you gave or alternative medicines in the case that you cited; and whether that is charitable or not is different from whether it is objectionable to some people or not. It is very important that the Charity Commission, as part of its independence, stays stable and fixed as debates—

Q4 **Chair:** You mean does not get involved. Healthwatch is saying to us that over nine years it has submitted complaints and not one of them has been subject to any substantive regulatory action or inquiry. That sounds to me—what you say about staying out of it—like stasis. It seems to be almost like staying away from something with a lack of involvement. Is that really the role that the Charity Commission should be taking?

Martin Thomas: The Charity Commission involves itself in any particular charity only definitely once in its life, which is when it is formed. The Charity Commission assesses what it is against the list of charitable objectives. If it falls within it, it adds it to the register. Regulatory action arises when there is cause for concern. Whether there is cause for concern does not normally arise out of the basic charitable objectives that an organisation has because they are static. They passed that test when they were registered. Regulatory action arises when there is some new matter normally brought to the Charity Commission's attention, occasionally but it is much less often—

Chair: What you are saying it is about it being retrospective, effectively when Healthwatch, when it is complaining—I do not have the details of every complaint. I would be interested in Healthwatch sending me those



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details. But what you are saying is that because it is complaining about the reason for the charity existing, that is all you have dealt with because that is the moment of registration.

Martin Thomas: Yes, that is what I am saying. I would like to soften the absolute nature of that by commenting that the charity law, viewed over quite a long period of time, does move with the times. It does flex with the times. You could have a circumstance—I do not have one in mind—where something that was registered as a charity in the past has morphed into something that is now doing something that people would not consider to be charitable.

Q5 **Kevin Brennan:** It has been quite a lengthy process of the appointment of the new Charity Commission chair, and a lot of public appointments seem to be taking rather a long time these days. Did you get any explanation for why the appointment process took so long?

Martin Thomas: Only in part. There was a change to the identity of the Secretary of State in the same week as the interview took place and at the end of the interview the chair of the interview panel said, “We have just had a change of Secretary of State, and therefore this is probably going to increase the length of time in which matters proceed.”

Q6 **Kevin Brennan:** When did you apply for the role?

Martin Thomas: I have it in my papers but, without looking at the papers, I think it was the end of April or early May.

Q7 **Kevin Brennan:** When did the interview take place?

Martin Thomas: In the same week in September as the switch of Secretary of State, after the Cabinet reshuffle—24 September, I think.

Kevin Brennan: Application in April or May, and interview September and then appointment.

Martin Thomas: Between those two there was a date when I was informed that I was being called for interview. That was in, if memory serves, August.

Q8 **Kevin Brennan:** What is your understanding of this process that we are doing today as part of the appointment?

Martin Thomas: This is parliamentary scrutiny of the Secretary of State’s preferred candidate. This is, in a particular way, one of the most important parts of the process. If I may expand on that, the regulation of charities in this country is independent, and being independent is incredibly important because it is very difficult to operate a regulatory regime unless it is stable and consistent and reliable, which means it needs to be able to sway when the wind blows but not snap. It has to be independent. It has to operate in a way that supports the sector across the years.



Therefore the Charity Commission is established by Parliament. It is independent from the Government Department that gives it money, which is the Treasury. It is independent from the Government Department that appoints its board, which is DCMS. It is accountable for that independence to Parliament and the accountability relationship takes place here and in the Public Accounts Committee. In a way, the relationship that takes place in this Committee is the most important part of the regime of all.

The Committee has a very slightly separate role in assessing the candidate but it is none the less an incredibly important role for the independence of the Charity Commission, because the Committee needs to be confident that you are looking at someone you think you can work with. That is what it comes down to.

Q9 Kevin Brennan: On that point, if at the end of today's proceedings the Committee were to reach a conclusion that they did not feel that you were a suitable candidate to be the chair of the Charity Commission, and we do not have the power to veto your appointment, as you probably know, but if that were the conclusion of the Committee—as it was, as you are probably aware for your predecessor—would you still accept the role?

Martin Thomas: First, I would be disappointed, because I do think that I have satisfied the interview panel and the Secretary of State that I have the professional competence and the personal independence necessary for the role. My actual response would depend on the Committee's reasons. I would have to look very carefully at the reasoning set out by the Committee and then decide.

If I may make one further point, I have already made the point that this is because the future relationship between the Charity Commission, very often as represented by the chair of its board, versus Parliament is fundamental to the independence of the operation of regulation and therefore fundamental to the quality of charity in this country.

There is one additional factor, which is that the Charity Commission has five statutory objectives. One of them is to increase public trust and confidence in charities. Maybe that will crop up later on in this session, because it is a very complex area. But, in general, if the Committee were to reason against my appointment, one of the ways I would look at that reasoning is to see whether or not, if I were to accept the appointment despite what the Committee said, it would be realistically possible to lead the board of the Charity Commission in an enterprise to foster public trust and confidence.

Q10 Kevin Brennan: When we put the same question to the newly appointed Information Commissioner quite recently, without hesitation he was able to say that he would not accept the appointment if the Committee took that view—which the Committee did not, incidentally—because he would feel that he could not carry out his role credibly without that support from the Committee responsible for scrutinising him in his role.



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On reflection, and given the history of this position from previously, would you not think—I would certainly think if I was in your position I would not accept the role, if that were the case. You may not know this, but I used to be Charities Minister, in 2008 and 2009, when it was located in the Cabinet Office—it has moved around a bit in Government—so I am familiar with it. I do not think I would feel that I could accept the role under those circumstances. On reflection, are you sure that you would not want to say to the Committee that you would not want to accept the role if the Committee’s finding was that it did not feel you were suitable for it?

Martin Thomas: I would look at the Committee’s reasoning. I would look carefully—

Chair: We would not just do it on a whim. We do not throw it up in the air. The reason why your predecessor did not pass muster is because basically she gave probably the worst interview I have seen in 30 years of professional life. To date, until this point, you have not fallen over any of those particular hurdles. But the Committee is asking a very simple question: given the fact that you stated that you think the relationship between the Charity Commission and Parliament is crucial and we are, in effect, Parliament as far as the Charity Commission is concerned, does it not seem perhaps appropriate that you would say that without our confidence you would not take the role? It is a yes or no.

Martin Thomas: It depends on the reasoning.

Q11 **Kevin Brennan:** Do you think the fact that your predecessor fell into that position from the outset affected her work as chair of Charity Commission?

Martin Thomas: it is hard to tell. I certainly think that it was a feature of the previous chair’s tenure that, in terms of the general conversation, it never went away. It was a problem. It was an issue. However, against that I would say two things.

First, in principle I do not think it is necessarily wrong to appoint, as chair of the Charity Commission, somebody who is a newcomer or a fresh mind to the sector. That is not what I believe the previous chair’s job specification was looking for. It is certainly not what the current job specification is looking for. I am saying that philosophically I do not think it is necessarily wrong.

Secondly, I think one of the reasons why that charge against the previous chair never quite went away is because the previous chair led the board in a line of rhetoric coming out of the Charity Commission that was found by some to be controversial. I would love to talk about that for a second, if you would let me.

As mentioned, one of the Charity Commission’s objectives is to promote trust and confidence in the sector. That came in about 15 years ago in 2006, and in the first 10 years or so of the commission’s life, under



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various regimes, it was treated as a guiding principle for the other objectives—that is, do your regulatory job and make sure when you do it you have an eye to increasing public trust and confidence.

The previous chair, who we are talking about here, took a different stance. The stance that the Charity Commission took when she led the board was to increasingly treat increasing public trust and confidence as a freestanding activity. Even there, the previous chair went further. Obviously, if you are going to increase public trust and confidence there are, in essence, two extremes on the range of ways of doing it. One is to say to the public, “Please trust charities more,” and one is to say to charities, “Please be more trustworthy.” The previous chair’s regime took that latter stance. Her dialogue was primarily at the charity sector, urging them to behave in ways that the public would find more trustworthy. Some people found that controversial.

However—and this is my final point—in fact the Charity Commission measures public trust and confidence. It is not an exact science, as all of you can imagine. For the first 10 years or so of that being one of its objectives, the score out of 10 was around 6.4 or 6.5. We do not need to go into the boundaries of exactly what that means. It then had a slump for a few years around a great deal of upset in public debate and in the country at large—2016 and so on. There were a couple of very high-profile charity matters that you will be aware of—I do not need to name them. In the last two or three years, it has come back up to where it was before. Although the previous chair’s stance has been criticised as philosophically telling charities to be more trustworthy, it actually worked in terms of—

Kevin Brennan: Do you think she was a big success as chair of the Charity Commission?

Martin Thomas: It is not for me to judge whether she was a success or not. I am saying that it is a complex area and I am identifying that the strategy taken there was of a particular kind.

Q12 **Kevin Brennan:** Just less on process and more on what you said in your opening remarks, when you said that you saw the levelling-up agenda as part of what you put as your pitch at the outset, and we were just talking about rhetoric and reality. What does the levelling-up agenda mean in your mind?

Martin Thomas: I can only answer that question at the broadest level. It is part of the current Government’s policy to ensure that the distribution of wealth, privilege and advantage across the country is even.

Q13 **Kevin Brennan:** How would you measure whether your role in playing a part in that would be a success at the end of your term of office?

Martin Thomas: I do not think that would be easy. I think that the Charity Commission can be measured against the extent to which it achieves its overall strategic aims. It is unlikely in the extreme that it



would ever adopt a strategy of directly supporting a Government policy of that nature. Certainly it has not to date, and I was not proposing that I would try to lead its board to do so.

Q14 Clive Efford: Thank you for coming to give evidence. Before I ask the question I was going to start with, can I just go back to your opening remarks? I would like to know about what your experience is across the charitable sector. You talked about reserves for charities and that they needed to hold bigger reserves. That rings alarm bells for me at my end of the Charity Commission, because we do live hand to mouth. We generate income from renting out spaces within our buildings and our football pitches and other facilities, so we do live very much hand to mouth. How realistic is that comment that you made in your opening remarks for charities like mine?

Martin Thomas: I do not know specifically about your charity, but let me respond to the question. Charities are not obliged to have reserves. Having reserves is great if you can do it. My own experience is that I have been a trustee of 14 charities, nine times as chair, and I have seen a good range of positions about charities that have money, charities that have not, charities that have reserves of money—

Q15 Clive Efford: Sorry to interrupt you, but what would be the lowest turnover in a year of the charity that you were part of?

Martin Thomas: £100 or so would be the lowest of any of those charities. That charity has no reserves and, perhaps self-evidently, no prospect of having any reserves.

With charities that employ people, however, unlike the one I have referred to, there is a societal need for them to try to have reserves so that if something happens—the pandemic is a great example, obviously—they have enough money to carry on paying their people for a period of time while they sort out, whether sorting out means finding alternative money, reducing their workforce or coming to some other arrangement.

There is no obligation on charities to have reserves. The obligation is to have a policy about having reserves, and the suggestion I was making is that it might be healthy for the sector to go one notch further and not only say what your policy is but say how you are doing on executing that policy. A great many charities, wholly legitimately, say in their accounts, “Our policy is to build up enough money to cover our expenses for three months, but we have not got it yet.” It would be sensible to make them all say whether they have it rather than only some of them.

Q16 Clive Efford: If they have that policy, and it is just a set of words, what if they are not achieving it? Where does this take us? There is a whole load of bureaucracy for small charities that are short of that sort of administrative resource, for what purpose? What are they achieving by having the extra burden of saying what they are doing about having reserves? We would all like to build up our reserves but, for example,



over the last year ours have been eaten up by having to repair our roof and then having to replace our boiler, all not entirely anticipated. That is the real world for charities at the lower end. Do they suffer some sanction if they do not fulfil these tasks?

Martin Thomas: They are exposed to some sanctions. The task is that you must have a policy; that is all it is. You describe it as bureaucracy—I will not comment on that—but the regime works on the basis that there is quite a range of things that the trustees of every charity, however small, are required to turn their mind to. For example, whether or not what the charity is doing is contributing to its charitable purposes or not, which is part of that swirl that went around in September.

One of the things is that once a year, when they add the narrative report that goes with the financial accounts, they have to turn their mind to what is their reserves policy and they have to say what it is. That obligation has been in place for years. It is bureaucratic only in the sense that it is one of a great many formalities that trustees need to go through in order to make sure that charities are properly governed and that the sector is relatively transparent.

Q17 **Clive Efford:** I just wondered what the purpose of going one stage further was. What was your take on the former Secretary of State's comment that the commission should seek to rebalance charities and focus away from "woke agendas"?

Martin Thomas: I did not think that it was necessary. I read that piece the day it was released—it was on the Sunday of the week in which I knew I was to have my interview. The core point made—if you take all the rhetoric away—is that the Charity Commission should, in the opinion of that piece, be led by a board, chaired by someone who thinks that charities should stay aligned to their charitable purposes. That is true but it is also trite. It is of course the case that charities must stay aligned to their charitable purposes. To overlay that truth with dialogue about woke or anti-woke is extremely complicated, because these are clearly loose terms used in the debate about society and they have no place in a regulatory dialogue or conversation.

I would add as a social comment that it is indeed the case that if any one charity were to do something that was not in furtherance of its own charitable purposes, then regardless of the motive—it could be a woke motive or an anti-woke motive or a motive nothing to do with that debate—that charity has stepped out of line. Charities can only do what is within their charitable purpose.

One feature of that discussion, which was alive till then and is still true today, is there have not yet been any high profile cases—that I know about or have seen—where a charity was found to have stepped out of line for such a reason. The National Trust is one charity that has been highly publicised in that context. The Charity Commission did a regulatory



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compliance case, which is their basic way of looking into something, and found that they had not done anything wrong.

I thought that article bolstered what was already the case. I thought that the particular quality that it referred to in the search for the next chair was already within the job specification that had been released in April, which specifically says something like “a commitment to ensuring charities stay aligned to their core purposes.” It was already in there. That is my opinion.

Q18 Clive Efford: Were you asked questions about “woke” or anything similar in your interview?

Martin Thomas: I do not think that word was used. I was asked questions about the alignment of charities to their core purposes or not and I gave a similar answer to what I said to you just now.

Q19 Clive Efford: You said earlier that you had the personal independence to be independent-minded and not unduly influenced by Ministers or Government. Can you give us any examples where you have done that in your previous life, either in your charity sector or in areas where you have been responsible in the past, where you have stood up to authority and been independent-minded?

Martin Thomas: May I have a second to frame my answer, please?

Chair: Would you like to take a break?

Martin Thomas: No. I am going to give a general response and then tell you an anecdote from my life, if I may?

Clive Efford: The reason I ask the question is because clearly the Government have made it quite clear, in comments from the previous Secretary of State and the current one, that they made an attempt to influence you quite considerably. The issue of being independent-minded is an important one.

Martin Thomas: First, as you have seen from my response to the previous Secretary of State’s article in your question, I was not swayed by it. I already thought what it says at heart. I do not think the Charity Commission’s role is to be a participant in a contemporary debate; I think its role is to take part in the issues of the day but not get involved in issues where you may say, “The pendulum is swinging and as a society we need to wait to see where we land.”

I am already a chair of a different sort of arm’s length public agency, which is called NHS Resolution. In that role I report to the Secretary of State for Health and Social Care but the institution and the board I chair there is independent. It is subject to ministerial direction, so it has a slightly different sort of independence from the Charity Commission’s, but the role is one of independence and in the year that I have done it so far—although I have not needed to assert independence in a binary way



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from the Secretary of State—I think I have exhibited the right independent spirit in the way I have carried out that job.

Much earlier in my career I have been an official of two separate central banks, both not only independent but keenly aware of their independence in a way that was imbued in all the staff, including me. One was the Bank of England, where I joined in about 2002. It was made independent only four years earlier, in 1998. It was a massive part of working there that the institution was independent, and to a very small extent we were taught to behave in that way.

I have been involved as chair in nine charities. Charities are independent, almost by definition. On many occasions we have had to exert or exhibit that independence, normally from donors who want to—you can imagine. That has been overall an exercise more in diplomacy than mere strength of character, although both come in.

Q20 **Damian Green:** Good morning. Do you think parts of the charitable sector have become too political?

Martin Thomas: No, I don't.

Q21 **Damian Green:** No charity has ever strayed over the line and become more of a campaigning organisation than it should?

Martin Thomas: That is a very slightly different question. I am not saying that no charity has ever strayed over the line, and there may well be examples, although I do not have them at my fingertips.

Overall there is guidance from the Charity Commission—that is the name of a formal pronouncement backed up by law—about the exact extent to which charities can take part in political or campaigning actions. I am sure you already know that the basic dividing line is that charities cannot support or be part of any political party, but they can engage in the political debate of the day to the extent that it furthers their purposes. The Charity Commission is as rigorous in policing that area of its remit as any other. Therefore, while I would not want to be accused on its behalf of being complacent, I think the regime that we have is the right regime.

I would like to add a wider point. Obviously, for all of us, we are in a state of flux. Changes are happening at great pace across a huge number of aspects of society that directly come into the regime of what is and what is not charitable and, through technology and other means, everybody is trying to work out whether and how to find their voice. There is a great deal of change going on and experimentation in that space. Structurally we ought to expect that there will be outliers who do cross the line and enter into political or campaigning activities that are not within the rules of the Charity Commission and are therefore illegitimate.

Q22 **Damian Green:** That is quite interesting. You make the point, rightly, that this is a practical topical issue, and I am struck by something you



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said in answer to a previous question about how, in the end, a charity has to fulfil its charitable function.

I suspect the Commission is going to have to be a bit more granular than that because a charity could have an educational function and some trustees of that charity could well interpret that as meaning, "Okay, we have some old objects here, or statues or whatever, and education involves explaining that they came from the British Empire, and the British Empire was a deeply evil endeavour or something like that and you should be ashamed of the history of your own country." Whereas, perfectly reasonably, you could take the opposite attitude of saying, "Let us set these in context, let us do something different."

As I say, just having educational purposes you could adopt either of those positions and argue that you are fulfilling the charitable purposes, but that would be controversial and it may well be that the commission would be called into question. Do you feel that you are going to have to address those kinds of issues where individual charities do things that are, in effect, politically controversial, and you say, "You think you are fulfilling your charitable purpose but you are not"?

Martin Thomas: Yes, I do think that, but please can I give a more detailed response to what you have said?

The Charity Commission's role is not, on the whole, to second-guess, inspect or police how charities do their job. The philosophy underlying that is that the trustees are best placed to decide how to fulfil the mission. What the Charity Commission's role focuses on—and this is in the Charities Act, so it is laid down by Parliament—is whether the trustees are making the right decisions. The relationship is very focused on the trustee board and not on staff or the operations of the charity at large.

Ultimately, although it is a slightly glib way that I am about to put it, if one educational charity is providing a good education and another educational charity is providing a less good education, both are valid; it is just that one is better than the other, but both are valid. They must only do things that are part of their purpose. A lot of trustees make bad decisions. I have made bad decisions. But if the decision is made with a view to furthering the purpose, even if a smarter person would come up with a better decision, the decision is wholly valid.

Q23 **Damian Green:** That is interesting. Would you see it as a role of the commission to say to a board of trustees, "Okay, you are fulfilling your purpose but you are fulfilling it pretty badly"? Would that be within your remit?

Martin Thomas: Not directly. However, if I may again expand on that slightly, the first point to make is that the Charity Commission is, on purpose, reactive. It responds to matters that are raised with it; it does not inspect or have a programmatic way of reviewing the charitable



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community. As I am sure you know, there are 180,000 charities and the commission has a staff of 450 people. I have experience, for example, from my own career in the insurance sector. Every insurance company—big or small; good or bad—has to compile a massive mathematical calculation of how much money it needs to be an insurance company and that calculation in full, line by line, is then reviewed, scrutinised and vetted by the regulatory authorities. You have tons of staff for that function.

The Charity Commission regime is properly different, in that it reacts to the matters raised with it. In this sort of example of an educational charity it would not in the normal course look at whether such and such an educational charity's output is of good or bad quality, until that has been raised with it by a beneficiary, by a donor, by a board member—increasingly nowadays by staff members—and then it would look and it has a risk-based approach to working out whether to open a file.

Q24 **Damian Green:** Members of the public?

Martin Thomas: Often members of the public via Parliament.

Q25 **Damian Green:** That is fine. As a trustee of a small charity, I say please do not move to an insurance model of regulation.

Martin Thomas: We could not possibly afford it.

Damian Green: We would go mad. You could not afford that and nor could many small charities.

On one other aspect of your evidence so far, you made the interesting point in your opening answer that there are now a lot of quasi-chargeable operations outside the remit of the Commission—you talked about investment, ESG, and all that kind of thing. I was not quite clear. Do you have ambitions for the Commission to move into wider regulation of or commenting on that kind of corporate activity that is seeking to do social good?

Martin Thomas: Move into, no; comment on, yes. If I revert to the statutory objective I mentioned before, which is to increase public trust and confidence in charities. Obviously, one extremely bad, foolish and unwise way to do that would be to say, "Other ways of trying to do good are rubbish; what you need is to be a registered charity." That would be foolish; that would be silly. What I am saying is that the other ways of trying to do good, other than through registered charities, is now so wide and so varied—a very laudable social phenomenon—that the Charity Commission, in order to do its job properly, needs to properly take cognisance of that wider phenomenon and make sure the two move us hand in hand together into a better world.

Q26 **Damian Green:** Do you not fear that that will be biting off more than the commission can chew?



Martin Thomas: If it were to become a mainstream strand of staff activity, yes, it would be biting off more than it can chew. What I was intending to identify is a flavour, a posture, a stance, to make sure the commission does some things so that it is seen as being outward-looking and aware of the societal context in which it operates.

Q27 **Damian Green:** I am just trying to think of the practical consequences of that, because I can easily imagine circumstances in which it would expose the commission to controversy whichever way it went on the issue. If a tobacco company did, as they do, good charitable work for obvious reasons, the commission would then have to take a stance on whether the charitable work overcame what people would see as the basic problem of the basic operations. It just feels to me like you would be entering into debates that are pre-existing and quite controversial and I worry that, from the commission's point of view, you would end up spending all your time doing things that are, in the end, peripheral to the central activity.

Martin Thomas: Overall, yes, that danger exists. I am talking about something that in one sense is peripheral to the central activity, but I am also saying that charity itself does not exist in a vacuum; it moves forward as society moves forward. Equally, therefore, the Charity Commission cannot exist in a vacuum; it too needs to move forward as society moves forward. The point I was making in my initial remarks is simply that the amount of activity we have now, compared with the mid-19th century, when the Charity Commission was invented, for example, is so varied and so wide that there is a challenge to the Charity Commission in making sure it stays across that.

Q28 **John Nicolson:** Can I just pick up on the Chair's initial questions on who can be a charity? We have talked quite a lot about what happens if you behave badly as a charity. I am interested to know how you become a charity. I am a trustee of several, as I said. Do you think it is too easy to become a charity?

Martin Thomas: No, I don't. Let me say immediately, to get it out of the way, that one aspect of your question is to do with types of legal vehicle—whether a charity can be a trust or a company or a community interest company. I do not think that is what your question is primarily aimed at, so I will leave that to one side.

Big or small, the rules on becoming a charity are laid down in statute by Parliament, not by the Charity Commission. There is a list of 13 heads of activity—relief of poverty, education and so on. If your purpose is one of those—and, crucially, if you intend to do it in a way that operates for the public benefit—then you are entitled to be registered as a charity.

Again, to make another point of no consequence to the meat of your question, below a certain financial threshold these things can exist without being registered, but that is not quite the point you are getting at either.



What your question also invokes is a well-known debate: are there too many charities? That, in turn, invokes what is better: small or big charities? That is not, for me, a question that the Charity Commission should get into. The Charity Commission's right and safest course is simply to apply the law as it has been told to. If an institution falls within the charitable purposes listed in law, it is entitled to be registered as a charity.

As to the small versus big charity debate, I really do see both sides of the coin. In my own personal life, all 14 charities I have been involved in have been smallish, I have not had any dealings with very large household name charities.

Q29 **John Nicolson:** Let us find out then whether or not certain types of behaviour should result in a lobbying organisation, for instance, being denied charitable status. I raise this because I myself have been at the receiving end of abuse from a lobbying organisation that aspired to charitable status. The abuse was so bad that the Speaker of the House of Commons referred this organisation to the Commons security services. Can you imagine circumstances in which such a lobbying organisation would then be granted charitable status?

Martin Thomas: I actually do not know the answer. The question, as I understand it, is this: if an organisation that has done something for which, had it been regulated, it would be sanctioned, then applies to be a charity, is that previous behaviour taken into account in the registration process? I cannot pretend to know the answer.

Q30 **John Nicolson:** Let me give you the examples so that we are not just talking in the abstract. I am talking about an organisation called the LGB Alliance. They were angry at me because of my support for reform of the Gender Recognition Act. They encouraged donations in my name and rewarded those who posted abuse with re-tweets.

Let me give you some examples. "Thank you for the donation, in part because of the woman-hating, rape-enabling politician John Nicolson". Here is another one—because they also impersonated me, they encouraged the people to impersonate me—and the LGB Alliance would then post tweets purporting to be from me. "Thanks very much again to the generous donor, John Nicolson, who writes, 'I am very sorry I am such a misogynist, I didn't realise how utterly homophobic I was being'". Here is another one, "My name is John Nicolson MP. I am sorry for being such a d***". I would like you to see this one, which I will pass to you now—I will not read it out because it is obscene. I will let you see this one as well. This organisation was then given charitable status. Does that seem right?

Martin Thomas: I am aware of this organisation's name. I have read the Charity Commission's analysis of why it was granted charitable status.

Q31 **John Nicolson:** Which is why?



Martin Thomas: Because the view was taken by the Commission that its purposes fall within the list that I have mentioned previously.

Q32 **John Nicolson:** All right. You can pretend to be an MP, which is a contempt of Parliament, impersonate an MP, tweet obscene abuse about an MP—or about anybody else; it is just that I have personal experience of this—and you can then apply for a charitable status and be granted it. Most people would think that is quite bizarre.

Martin Thomas: Can I say one thing just to get it out of the way, because it is not part of this discussion? The commission does not give things charitable status; it recognises that they have charitable status and puts them on the register. It is a distinction of no import for today.

Secondly, I would say, because of some of the controversy surrounding the decision about that particular charity—as it is currently recognised as being—the commission took the decision, not uniquely but unusually, to publish its reasoning as mentioned. As I understand it, that decision is under further legal review and has gone to the next appeal level.

John Nicolson: They have continued to behave as they did before and not honour the various promises that they gave to you, as I understand it.

Martin Thomas: That may be but, as prospective chair of the Charity commission, I cannot comment on a case that is going through a legal process.

John Nicolson: Okay, I take that point.

Martin Thomas: I would love to make a wider point, if I may, just for one second? As I have mentioned already in a slightly different context of question, there are a number of instances nowadays where people's feelings about fresh matters of concern in society take them beyond the boundaries of what is decent and what is right behaviour, and if any one person is on the wrong end of that—you may well be one in this instance—then something is happening to them which should not be happening. You have my sympathies for that. It is horrible. The Charity Commission has to be, in some sense, distant or removed from that.

Q33 **John Nicolson:** Does the law need to be reformed, because if an organisation can behave like that and still meet the requirements to become a charity, is there something wrong with the law that Parliament needs to fix?

Martin Thomas: The great escape that one has in this situation is that that is a matter for your side of the table.

Q34 **John Nicolson:** What is your view?

Martin Thomas: I would have to look into it. I genuinely do not know whether or not past behaviour, as mentioned, is taken into account in subsequent Charity Commission decisions.



Q35 John Nicolson: I am not asking you to comment on the rights or wrongs of particular charities, because obviously we all have very different views on myriad different issues, so I am not asking you to say what you think about this issue or any other issue. What am I asking is whether there should be a minimum standard of behaviour that aspiring charities and their trustees must meet before they become charities. If you can post this kind of grotesque abuse and then be rewarded with charitable status, there is something wrong with the system regardless of what your view is on the merits of the particular case that this or any other charity is trying to address.

Martin Thomas: What you say has some weight. However, I must not allow this exchange to become a proxy for commenting on a specific case, which I really cannot do.

John Nicolson: I am not asking you to do that.

Martin Thomas: I understand that. I think the issue is not exactly whether the rules about charities and the Charity Commission need to be reformed in this point. It is a more general matter. There is a great deal of law and guidance around how people should behave in the public space—law about safeguarding; law about defamation. I am just plucking things from the air here, if you get my point. There are all sorts of laws that do dictate people's behaviour, and whether they need to sound more than they already do in the rules specific to charities as deployed by the Charity Commission would need some more thought.

Q36 Clive Efford: Can I ask you about the panel that interviewed you? There was concern expressed by Ministers about the lack of diversity in the people who had applied for the post. The panel were content that the shortlist that they had drawn up included a number of individuals with a broad range of relevant experience and expertise. Do you have any concerns about the broad range of experience and expertise of the people on that panel?

Martin Thomas: No, I don't think I do. There were some aspects in which the panel was homogenous and there were some aspects where they were not.

Q37 Clive Efford: When you look at the individuals who were on the panel, there were four, because the chair position was being shared on the advisory panel. When you look at it, they look like people like you; they do not look representative of a broad range of individuals. Do you think that is an issue that we need to address going forward?

Martin Thomas: I think it is an issue that we need to address in the charity space at large and in the regulation of the charity space at large. I am not sure I would agree it is an issue for that specific panel.

Q38 Clive Efford: Why do you think that the numbers applying for the position of chair of the Charity Commission—from women, from people with disabilities, from people of ethnic minority backgrounds—were so



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low in terms of diversity? Just for the record, 25% of applicants were female, roughly one sixth were BAME and one-twelfth—one candidate—declared as having a disability.

Martin Thomas: I don't know.

Q39 **Clive Efford:** Do you think there is anything from your position as chair of the Charity Commission that you can do to change that situation?

Martin Thomas: Definitely.

Q40 **Clive Efford:** Do you care to elaborate?

Martin Thomas: Yes, so let me divide that into talking about the Charity Commission board itself and then talking about the trustees at large. The Charity Commission board is chosen by the Secretary of State and not by itself. It is not a board that selects its own members, but I would imagine, based on the experience I have seen in the way the Department of Health operates, that the chair of the Charity Commission plays a role in working with the Secretary of State to renew and refresh the Charity Commission board.

I have a modest track record in having a keen eye to diversity in boards where I have had some influence over who is on the boards. The reason for that, just to spell it out, is not only absolute morals, although it is absolutely morally right that there should be diversity on boards; but the reason also is that for any business or charity or public sector body, including a regulator, there needs to be a certain empathy between the board and the community it is addressing. If a business has a board completely at odds with its customer base, it will eventually fall foul of that. If a charity has a board completely at odds with its donor base or beneficiary base or both, it will fall foul of that.

The range of charities currently afoot in this country is incredibly diverse. Therefore, in principle, the board of the regulator should also be. By the way, it more or less is. I have no criticism about the diversity of the Charity Commission board at the moment. The point I am making is simply about areas where I would be able to have some influence.

Turning to the trustee body as a whole, I think 700,000 people are trustees. It seems to me that it is very important that it should not be an extra feather that you put in your cap as a result of being part of the establishment or middle-class life; it should be something that is for everyone. The enthusiasm, passion and commitment that drives charities necessarily means you have to draw that from across the whole of society.

I said at the beginning, it was a technocratic point but it is a very important point that the Charity Commission should, in my opinion—and I hope I can persuade its board to do this—open up and widen the way it communicates with people, so that they do not feel there are cultural or similar barriers to them taking on the role as trustee. If it does that, then



more and more people from across the whole of society will take on the role as trustee, and the result will be a better charity sector.

- Q41 **Clive Efford:** When I look at the members of the Charity Commission here, they all look the same to me. They all look like they come from very similar backgrounds. I suspect a very high proportion are probably privately educated. They do not look like the people who run many of the charities in our communities. As we appoint people to the Charity Commission board going forward, do you expect to change that?

Martin Thomas: I expect to achieve the same target as we have both identified in our comments, but I neither confirm nor deny—

Clive Efford: I am sure you would not but—

Martin Thomas: —your comment on those individual people. Just to explain the situation, I have not looked at them in detail. Perhaps I should have done. I have not met any of them. I do not know any of them and since I would hope that I might become the chair of that board, this is not the place where I should comment on them.

- Q42 **Clive Efford:** Let me put it another way. In three years' time, when you are looking back on your three-year tenure as chair of the Commission, would you consider it a failure if you had not made changes to see a Charity Commission board that more reflects wider society?

Martin Thomas: I have very nearly endorsed that. I would say it would be to influence changes, not make them, because it is for the Secretary of State to make the changes, and that I would like to move in that direction rather than necessarily have a wholesale change.

- Q43 **Jane Stevenson:** To follow up on what Clive said, I was going to ask whether you are content with the range of expertise and background and skills of the current board, but I think probably you will say you are not informed enough about that. What do you think the most important qualities are for members of that board in terms of their experience and their skillset?

Martin Thomas: As a collective, as a whole, the most important quality is diversity of view. It is a commonplace saying that if two board members agree with each other, you do not need both of them. You want all the views you can get around the table.

I have to say, by way of background—you may well know this—that the statute lays down some specifications about who must be included on that board. In particular, it says there must be at least two lawyers and various things of this nature. I think the most important quality I would look at is the same sort of allegiance, the same sort of anchoring, to the rigour of the rules of regulation as a buttress towards independence, as I hope I have communicated today. I think the Charity Commission does its job best if it is robust, stable, consistent, unwavering. I would look for that.



Otherwise, I hope I would look for people who have a wide-angled lens in trying to view what is happening in society as a whole. It is really difficult. Changes happen fast and on all fronts, but the concept of charity as well as the sector of charity moves with that, and the board of the Charity Commission should try to support that flexing towards the society we have so that it does not get left high, dry and irrelevant.

Q44 Jane Stevenson: Moving back to the commission's relationship with MPs, we have heard reports that some correspondence from MPs has gone unacknowledged or unanswered. Do you think you could ensure that will not happen if you take up the position? How will you ensure it does not happen?

Martin Thomas: I am speaking as a Charity Commission outsider from the operations at the moment. I know that the Charity Commission measures itself against how many communications it answers and the speed with which it answers them. I have no idea whether or not it affords special status to communications from MPs. I can see arguments either way on that. Certainly, I will look into it. As I indicated earlier on in today's session, I think that the relationship that takes place at these tables between the commission and Parliament is the most important relationship that the commission has, and I would hope that would feed through to any influence I might have in how it operates.

Q45 Jane Stevenson: Thank you. Just moving to a slightly different point, on trust and confidence in charities, one of the grumbles I sometimes hear is about high salaries in certain charities for the people they employ. Do you think that is an urban myth or is it something that the Charity Commission should be taking account of? Do you think there is an issue there?

Martin Thomas: It is taking account of it but let me talk about the point you have made. I agree that big pay can be ugly. There is a problem with small pay, which I will explain. The Charity Commission requires charities to identify how many people are paid above a certain level. I think it might be £60,000 a year and, informally across the sector, there is a certain sensitivity around five-figure versus six-figure pay. I have been on several charities where one issue about whether to pay somebody above £99,000 has been, well, how that would look even though it is not a formal trigger point for reporting in the regulatory regime.

On small pay, one feature that I have not quite reached a landing on in my own head in this country about working for a charity—taking a job where your employer is a charity—is that I think as a society we tend to treat that as of itself an act of charity. What do you do for a living? I work for such-and-such a charity. We say, "Oh, good for you," because I think that culturally we think the job holder has given something up charitably by taking a job with a charity.

I am aware that as we move, as we have done over the last few years, increasingly into an era where we require the highest possible standards



of behaviour in the workplace, which is an increasingly fruitful source of complaints and alerts to the Charity Commission—and indeed across all of life, which is a good thing—one does not want charities to underpay staff if that would inadvertently foster a culture of people expecting a sort of leniency where, “Oh, I do not need to perform as well in my job as the person doing the same job in the commercial sector because I am paid less.” I see it cutting both ways. My instinct is to say that one should simply let the market decide about high pay.

Q46 Jane Stevenson: In my constituency, which is very working class, when people give to charities, do you think their confidence is enhanced by the charity having several people on a six-figure salary?

Martin Thomas: I think it depends. The entry point for you or for your constituents as for me is you think, “Wow, what is going on there? That is a lot,” but there can be reasons. I think one has to look at each one on its facts. As I say, the Charity Commission has gone so far as to require reporting about salaries. I would not see it as being sensible to go so far as regulating the amount of the salaries.

Q47 Jane Stevenson: Should a charity have to show value for projects it undertakes as well? How far should the Commission go in ensuring that?

Martin Thomas: Yes, it should have to show value. As you know, this is a massive and very complicated debate because it is very hard to work out what are the good and what are the bad ways of assessing the impact that a charity has until we as a culture, as a society, reach a landing on how to describe the impact you have, we are still a long way off being able to require people to say what impact they have.

However, I mentioned very early on in today’s session a mechanism where you might increase the quality of the regulatory sector by requiring trustees to turn their minds to certain aspects. I would see it would be worth exploring, reminding trustees when they make their decisions, not only as we heard half an hour ago, but to focus their minds on whether the thing in question takes them nearer to their charitable purposes and also whether it will have an impact—whether it takes them to something that will have an impact. Trustees turning their minds to that can only be healthy.

Q48 Mr Wragg: Thank you very much indeed, Mr Chairman, for indulging my appearance this morning, and it is good to meet Mr Thomas. You will have received correspondence as to my guesting on this morning’s Committee sitting being triggered by a particular constituency case, the details of which you have been furnished with. I will not mention too many other specifics in these questions but, overall, from your experience and what you have noticed about the Charity Commission, where is there room for improvement in how the commission regulates charities who have overseas activities who fundraise in this country?

Martin Thomas: Good morning. As well as being a guest of this Committee you are representative in some way of the Public



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Administration Committee, which is an equally important pillar of the parliamentary relationship with the Charity Commission, and it is worth emphasising that.

About 10% of the charities there are operate overseas—there are about 180,000 charities and about 20,000 of them operate overseas. Quite a lot of those operate in this country and overseas, and some of them operate only overseas. Those 10% of charities get almost half of all the charitable income, but a great deal of that is spent in this country, so it is in one sense a false statistic. I am just emphasising that the point that is being raised is of tremendous importance.

The essence of the regime is to be, let us say, understanding but not tolerant. I would put it that way. I have had a great deal of experience in my own career in charities of the tremendous difficulties that arise. You will have all seen it in hundreds of walks of life where one is trying to impose this country's standards on things that are happening in other countries. The commission is understanding that it is extremely tough to operate in other countries, but it is not tolerant of trustees accepting lower standards than they should. How it could—

Q49 **Mr Wragg:** What are those standards?

Martin Thomas: You would have to break it down by sector, but in principle what a charity does in another country is required to be every single bit the same or as good as what it does in this country. The challenge for trustees is mostly one of monitoring. The vast majority of regulatorily actionable trustee errors arise from people being blinded by their sense of virtue rather than bad actors or malignant. It is extremely difficult and there is no bright line for what you do where there are behaviours in other countries that, if it happened here, would not be allowed. The commission is not tolerant of that but it does understand that it is very difficult to police.

Q50 **Mr Wragg:** You mentioned upwards of 20,000 and they account for half the money raised in this country for charitable purposes, so it is probably pretty impossible, is it not, for the Charity Commission to monitor what is going on in different countries?

Martin Thomas: It does not monitor it; it requires trustees to monitor it.

Q51 **Mr Wragg:** How do you monitor those trustees?

Martin Thomas: As I said, you have two basic philosophical approaches to regulation. One, which does not happen, is you inspect them. One, which does happen and is among other things cheaper to operate, is you wait for troubles to be raised with you and then as a commission you weigh in.

Mr Wragg: Whistleblowers?



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Martin Thomas: Whistleblowers and similar—complaints, grievances, whistleblowing; the whole category of people raising things.

Q52 **Mr Wragg:** To your knowledge, are whistleblowing reports subject to the same investigative processes as other complaints raised within the commission, for example by concerned members of the public?

Martin Thomas: Yes, I am pretty sure they are, but I would make one additional remark that does not quite answer the question. One particular feature of whistleblowing reports, which is because they come from inside a charity, is that they tend to be more focused than reports from outsiders on what you might call misbehaviour in the workplace, which can cover a huge range of sins but there is a particular increase at foot in our society of people calling out workplace problems. This, I think, is wholly laudable.

I was speaking last week to the chief executive of a very large charity who said that in their view the amount of misbehaviour in the workplace is going down in society, but the amount of what is left being called out is going massively up.

Q53 **Mr Wragg:** A very famous example would be with Oxfam, would it not?

Martin Thomas: Sorry, would be?

Mr Wragg: With Oxfam, and some of those working for it overseas. But I am talking particularly in terms of any financial improprieties quite opposed to any others.

Martin Thomas: Financial improprieties are right at the heart of what the commission cares about.

Q54 **Mr Wragg:** Is the commission's RIGA team—Records, Information Governance and Assurance—independent enough from the rest of the organisation to conduct robust secondary reviews of such complaints?

Martin Thomas: That question requires a specialism beyond what I have at the moment to answer. I do not know.

Q55 **Mr Wragg:** Would you be able to furnish this Committee with that answer once you have established it, or indeed could you provide it to me in correspondence?

Martin Thomas: Yes, but that is on two assumptions. One would be that I would be appointed, and the second thing is I am quite reluctant to do anything until we have had our first board meeting. That is because one of the ways in which the debate goes very slightly off beam is that the chair of the Charity Commission—or the chair of anything, really—has to take the board with them and speak as a board. So I would be reluctant to commit to any external communications until after the next board meeting in February. It is simply a matter of propriety of governance.

Q56 **Mr Wragg:** Would you be able to furnish me or this Committee with an answer after the board meeting in February?



Martin Thomas: Yes.

Q57 **Chair:** I want to go back on one final point. You said there were arguments against dealing with MPs' queries in a particularly special way. You are aware, of course, that the likes of the DVLA, DWP and other Government Departments have hotlines for MPs because many of our constituents are often incredibly vulnerable? I think about the Foreign Office, for instance, and orders. We all have access in order to help our constituents. What arguments against that would you make to this Committee?

Martin Thomas: First of all, I am ashamed to say I did not know that. I had no idea.

Q58 **Chair:** How long have you been in public life?

Martin Thomas: How long have I?

Chair: Been in public life. How many charities, did you say? Is it 20 years you have been involved in charities?

Martin Thomas: In charities?

Chair: Yes.

Martin Thomas: Yes, 25 years.

Q59 **Chair:** I find it very strange that you do not have a scope of that, of dealing with Members of Parliament. I deal with my charities on an almost weekly basis and they know that they can come to me for help, and they know as well that I can short-circuit as a Member of Parliament quite often when it comes to dealing with the state. Have you never had that relationship with any of the Members of Parliament at any time?

Martin Thomas: I have to say I haven't, but the only thing I can say in my defence, paltry though it is, is that in all the charities I have dealt with it has just never cropped up.

Q60 **Chair:** Returning to my actual question, what are the arguments that you would make against the idea of taking correspondence from Members of Parliament? It obviously goes through the filter for a Member of Parliament—we see that for this individual the matter is serious so we wish to take it forwards. Why would you not wish to give that not just proper consideration but make sure it is expedited in a timely fashion?

Martin Thomas: I have no arguments against that. When I spoke earlier, I was speaking merely out of caution because I knew by logic that the Charity Commission must have a position on how to deal with MPs complaints but I do not know what it is.

Q61 **Chair:** I will just put it to you right now, and Jane was very polite—perhaps I will be a little less so. The Charity Commission is pretty poor when it comes to dealing with Members of Parliament and the complaints that we come to it with. I know you have the surprised look that you



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have deployed on several occasions during this hearing. However, the truth of the matter is, Mr Thomas—and I want you to take this away and report to this Committee exactly what you have done about it over the next, say, six months—that in terms of service we find the standards very poor when it comes to the Members of Parliament generally. We often get either very, very short and terse responses or we get no response at all. Do you think that is satisfactory?

Martin Thomas: No.

Q62 **Chair:** Will you do something about it?

Martin Thomas: Yes. Just to add the context there. I don't know whether the Charity Commission prioritises between categories of informant but it certainly should not.

Q63 **Chair:** You have a whistleblowing hotline, so I would hope you would, for example, prioritise complaints that come in from that. I would imagine there is some form of prioritisation that goes on.

Martin Thomas: The point I was making is much less useful and much more general. I was simply saying that regulatory actions spring equally from information that has come from beneficiaries, staff, trustees themselves, members of the public, or representatives of members of the public.

Q64 **Chair:** I will take this forum now just to say to you that you should take it away from this particular meeting, please, if you are approved by this Committee—the realities are that I have many Members of Parliament that come to me in my surgeries—I run surgeries for the Members of Parliament here, in relation to DMCM matters. It is a regular complaint about how the Charity Commission deals with their issues and their constituents' issues, so I would expect that you will manage some change over the next six months and that you will report back to this Committee on what you have done as chair to ensure that this matter is improved. Is that fair enough?

Martin Thomas: I think that is a reasonable expectation.

Chair: Thank you. Any other questions? That concludes this session. Mr Thomas, thank you very much for attending today. It has been most interesting.