



CHARITY COMMISSION
FOR ENGLAND AND WALES

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Dear Mr Knight,

Update from the Charity Commission

I am writing to you to respond to a number of the issues raised by the Committee in the pre-appointment hearing for the Charity Commission Chair held on 9 December 2021.

I am proud of what the Commission has achieved in recent years. We have got on with the important work of helping trustees to get it right and supporting the sector of 168,000 registered charities in England and Wales. We have kept our contact centre fully operational during the pandemic, answering over 70,000 calls in 2021, from both trustees and members of the public. You may also be aware that the Commission has been introducing new accessible '5-minute guides' to help trustees know their duties and be certain in uncertain times, with the latest addition being updated guidance on safeguarding people who come into contact with charities.

Whilst we have been working hard to give trustees the tools they need to succeed, we have also acted swiftly and robustly when things have gone wrong at a charity. In 2020-2021, for example, we used our regulatory powers 2,209 times, which included issuing 25 Official Warnings, and disqualifying 16 people from being a trustee. When the Commission sees wrongdoing, it will make full use of its powers to protect the public's trust and confidence in the sector, and ensure charities remain special in the public's eye.

We are developing ambitious plans for the future, and look forward to the appointment of a new Chair, once approved by the DCMS Select Committee, to help the Commission advance further, delivering on the statutory objectives we have been set by parliament.

In the absence of a new Chair to respond, I wanted to take this opportunity to address some of the specific concerns raised by Committee members at the pre-appointment hearing in December.

Registering charities

Members of the Committee asked about the Commission's registration process, and more generally, whether certain types of organisations should receive charitable status at all.

The Commission's role in relation to the registration of charities is to decide whether an organisation's purposes fall within the legal definition of charity, set out in statute, which includes being established for the public benefit. It is not the Commission's position to make value judgements about the aims or ideas put forward by any organisation, indeed it would be very dangerous territory if it did. If an organisation meets the legal test, it has to be entered on the charity register. Our public benefit [guidance](#), based on the legal framework, makes clear that to deny an organisation entry onto the Register of Charities, it must be clear that any detriment or harm caused by its purpose outweighs the public benefit of those purposes.

Our registration process is robust in making these assessments, in part because it is the Commission's responsibility to uphold public trust in the sector. As you would expect, we take our responsibility here very seriously, with a dedicated team responsible for scrutinising the representations made by prospective trustees and evaluating each case closely. In 2020-21, we received 8,354 applications to register a charity. On average, only 60% of applications resulted in the successful registration of a new charity, demonstrating that our processes involve robust scrutiny.

Anyone, whether a member of the public, a trustee, or a parliamentarian can raise a concern about a charity with the Commission. We examine all concerns about charities seriously and treat with respect all those who raise them, but we do so impartially, with no pre-judgments as to what we will find. Where we find cause for concern, we will take steps to remedy the problem, including by making use of our legal powers such as opening a statutory inquiry to further investigate the issue. We can also disqualify unfit individuals from trusteeship, freeze a charity's bank accounts, compel others, including banks, to provide us with information, and we can appoint interim managers to take control of a charity where necessary. However, when we find no grounds for regulatory action, no wrongdoing or governance failure, we will say so.

Responding to parliamentarians

I was concerned that there was some criticism from the Committee regarding the way in which the Commission responds to members of the House of Commons. In 2021 the Commission responded to 92% of parliamentarians' queries within the 20-day working target set by Cabinet Office. Whilst 2021 Cabinet Office data on departmental response times to parliamentarians has not yet been published, you will see that in [2020](#), the Commission had a very impressive response rate of 94%, which compares very well against other Government Departments.

I am aware an inactive Commission email address was incorrectly published on the 'List of Ministerial Responsibilities' website and that this may have resulted in some communications being misdirected, something I was very concerned to learn about. The inactive address is now being monitored and I am assured by DCMS that the incorrect email address will be removed in future editions of the departmental contact page.

There are undoubtedly further improvements we can make to ensure that the Commission articulates its role in the clearest way possible when corresponding with parliamentarians. My team and I are also keen to meet parliamentarians where a case of concern is particularly complicated or best discussed face to face, so we can listen to concerns and explain our regulatory position. Over the past 12 months we have met 30 parliamentarians on a range of different issues.

Please be assured that I take very seriously our responses to parliamentarians and would welcome members contacting me directly if they feel concerned by the Commission's response to their correspondence.

Records Information Governance Assurance Team (RIGA)

During the session, a question was asked about the Commission's RIGA team, and whether it is sufficiently independent from the rest of the organisation to allow it to conduct robust secondary reviews of complaints we receive about our handling of cases.

The RIGA team sits under the leadership of the Chief Operating Officer, separate from our Regulatory Services Directorate. This is a deliberate structural decision to ensure that there is a clear delineation from the case-working teams. The RIGA team only becomes involved in a case, when a stage 2 review is requested under our [complaints handling process](#). As part of a stage 2 review, RIGA will look specifically at how the stage 1 review of a complaint was handled. They do not look at the decision arrived at in a case – just at how the Commission has handled the case.

Staff in the RIGA team come to stage 2 reviews afresh, having had no involvement in the case. They review the handling of the matter independently with consideration to the following: whether the issues within the complaint have been addressed, whether any shortfalls in service have been fixed, whether the outcomes had been clearly conveyed and that the matter was handled thoroughly and fairly. This is in line with our published complaints process.

Conclusion

I hope the information provided above is helpful in addressing some of the matters raised during the 9 December 2021 Committee session. May I conclude by saying that as an organisation we continue to plan for the future with confidence, continuing to regulate the charity sector fairly, focusing on reviewing and improving the data we collect about charities and doing more to support individual trustees to run their charities effectively. If you, or Committee members, have any further questions then please do contact me via parliamentaryenquiries@charitycommission.gov.uk.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Helen Stephenson', written in a cursive style.

Helen Stephenson CBE
Chief Executive, Charity Commission for England and Wales