Good morning. Welcome to Cardiff, and to the Commission’s Annual Public Meeting.

To those who have joined us in person, here at Cardiff’s City Stadium – thank you for coming. It is wonderful to have you here with us. It’s been great to meet and speak with delegates in the margins this morning, and I look forward to meeting many more over lunch.

I’m delighted also that so many people across England and Wales are taking part online. Over 900 people have signed up in total.

It is important to me that we are holding the first annual meeting of my chairmanship in the Welsh capital. We are a two-nation, bilingual regulator, serving the people of Wales and England, and it is vital that we see, and are seen by, the charities and people of both countries.

In my first few months as Chair, I have already made several visits to Welsh charities, overseen the strengthening of our Welsh office, and helped select Pippa Britton as our new Welsh Board member.

Now, there is no doubt that we come together today at a time of change and challenge for our two nations.

The collective sense of sadness, brought on by the death of our long serving Head of State, Her Majesty, the late Queen Elizabeth, continues to reverberate, whilst grim financial conditions engulf us.

As many in this room and beyond will know, the world of charity owes the late Queen a particular debt. During her long reign, Her Majesty served as Royal Patron or President of over 600 organisations. And her example inspired immeasurable charitable activity here and around the world.

Her loss will be felt by many charities, for a long time.

Indeed, in considering the remarkable outpouring of love for Her Majesty during the national mourning period, I was struck by just how much some of her own unifying qualities reflected those of a good charity. I am thinking in particular here of her extraordinary, steadfast commitment to the service of others, of her kindness of conduct in carrying out that service, and of her resilience through many decades of ups and downs.

It is said in the Book of Proverbs that “the Path of the Just is as a shining light”, as they act as a beacon for all of us by their conduct – and I think that we can safely say that about our late Queen.

And, as our charities face the many challenges that lie ahead this winter and beyond, her commitment to service, kindness, and resilience will be required in abundance to help the worst-off weather the coming storms.

And storms there will be - the rising cost of living poses profound challenges for individual households, for society as a whole, and of course, for the charitable sector.

However, it is during times of difficulty and tension that charities come into their own. Offering not just practical support and succour, but a sense of hope and belonging. You often are the only bright element in a miserable situation.

Indeed, since joining the Charity Commission as Chair earlier this year, I have had the privilege of witnessing this work at first hand. This has included seeing Emmaus helping the homeless in Leeds, the Nightingale Hospice providing palliative care in Wrexham, Martineau Gardens providing Therapeutic Gardening in Birmingham, and yesterday seeing ValePlus helping adults with additional learning needs in Barry.

All of the trustees, volunteers and staff involved in this remarkable work across Wales and England showed those qualities of service, kindness and resilience which was adored in the late Queen, and which had such an ability to unify us all.

Indeed, armed with these values, charities have risen to other immense challenges many times over in recent years. I refer not just to the awful pandemic, of course, but also more recently in response to the war in Ukraine and the devastating floods in Pakistan.

I have every optimism that charities will again meet the needs of the age, buoyed by the huge generosity of the British public, and the dedication and commitment of volunteers and those working in charities.

Although we could give more by some international standards, the British public still gave almost £11bn to charity last year, and around 5.5 million people regularly volunteer.

We should all be proud of this culture of giving, and of serving.

But the sector’s proven ability to face adversity with courage should not lead us to underestimate the problems many charities now face.

Like households, and business, charities will be hit by surging costs, just as many charities, especially those providing services to people in need, see demand for their services rocket.

And while charities’ outgoings rise, it seems inevitable that donations will be squeezed, as families are forced to cut non-essential spending.

These simultaneous pressures, coming so soon after the pandemic, may, I fear, bring some charities close to the brink.

The Commission cannot relieve charities facing such difficult choices directly.

But we must acknowledge the challenges facing the sector we regulate, and we must respond in the priorities we set as regulator.

Not least in the guidance we offer to charities.

And my most urgent advice for trustees in the months ahead is this: to demonstrate prudence, and sound financial stewardship.

The duty of prudence has been set in law for decades. It is not new. But getting this right is of particular importance during these straitened times.

Expect increased scrutiny, and be prepared to show that you understand the sacrifices your donors and volunteers are making in their continued support.

Show your beneficiaries that you are using every penny wisely, and for their benefit.

Never forget that the funds you raise as trustees and senior leaders belong to the cause, or the people, your charity was set up to serve.

I firmly believe that the Commission’s wider role as regulator in this context is vital for charities, as well as the public.

An expert Commission that is fair, balanced and independent helps give the public confidence to keep giving, and supporting charities. Safe in the knowledge that if things go wrong, there is an organisation able and willing to investigate.

Let me explain what I mean when I say we must be an expert Commission that is fair, balanced, and independent.

By expert, I mean we must be best in class – in terms of the people we attract and retain, and our use of technology. Given the pressures on our own resources, the Commission must punch above its weight. Helen Stephenson, our chief executive, will talk a little later about how we are using data and technology to become a more effective regulator. In particular, she will explain our aim over the period of my Chairship to introduce a trustee portal account for all 700,000 trustees in Wales and England that should revolutionise the trustee experience, especially in tailoring regulatory guidance on all matters to the individual – think of it over time as the trustee’s personalised online Bible.

Fair, is a concept most people relate to instinctively. It is enshrined in all good legal and regulatory systems around the world. I want people who come into contact with us to feel they have been treated with respect, dignity, and without bias, even when they don’t get the outcome they hoped for. All people should receive fair treatment from us.

Balance in our compliance case work is especially important during these difficult times for trustees. It means first that we will be proportionate, and wise in our regulatory response to problems and concerns in charities. We will not come down hard on trustees who make honest, reasonable mistakes. We will remain mindful that we are regulating a voluntary sector, run by people, overall, with good intentions, who are doing their best in often difficult circumstances. We expect trustees to respond appropriately when problems occur. And even honest mistakes can have dire consequences. But we do not expect charities to be problem-free or error-free zones.

We are of course a regulator, though, and there are times when we must fulfil our function as enforcer. I will ensure that, where needed, we will deal firmly with intentional wrongdoers and those who are grossly negligent, using our powers effectively and robustly to ensure the wrongdoing stops, and the charity is returned to sound management. This is vital. We know that abuse or misconduct in one charity can undermine trust in all, and a regulator that is afraid of using the powers Parliament has granted it, is not fulfilling its promise to the public.

Finally, under my leadership, the Commission will be independent – of party politicians, of government, interest groups, of the media and of the sector itself. We, and I, will report to Parliament, to which we are directly accountable for our overall performance. But in enforcing charity law, we will be beholden to no-one, and nothing, but the law itself.

And it is important to realise that these are not just aspirations for us, but we are also taking active steps to embed these values into the Commission, with internal workshops over the winter devising ways and means to work them in to the future strategic framework of the Commission.

And we are doing all this, because I firmly believe that by fulfilling our functions with expertise, and in a way that is fair, balanced, and independent, we can best command the respect of our many varied stakeholders, and thus better fulfil our statutory objectives as regulator.

Finally, I want to introduce you to our [new 5 minute guide for charities on Political Activity,](https://www.gov.uk/guidance/political-activity-and-campaigning-by-charities) which is another way we are trying to help charities navigate more easily around difficult contemporary issues.

Because the dilemmas that arise for charities during precarious economic times are not just financial.

We live in times of significant challenge, and indeed turmoil, and we can expect that political debates will come into all of our lives in the months and years ahead.

We should expect vigorous exchanges about what is needed from government at this time.

I fully expect charities to be part of this conversation.

Charities give voice to those who go unheard, whose stories might otherwise never be told.

And the sector has a long, proud history of pushing for meaningful change that improves the lives of their beneficiaries, and makes society fairer, and kinder.

There are countless examples of this.

I had the pleasure of attending the Civil Society charity awards earlier this year. Among the many charities to be honoured that evening was Tommy’s, which received an award for its outstanding campaign to improve the care received by families experiencing miscarriage.

The campaign laid bare many injustices, including that black women are much more likely to suffer miscarriages than white women.

And it worked: a few months after Tommy’s campaign launched, the government announced a programme of change. Miscarriages will now be officially counted and recorded, and women will no longer have to endure three miscarriages in a row before being offered help and support.

The campaign was well received from across the political spectrum – including from the then health minister, Nadine Dorries.

So, the law is clear that charities are free to campaign and engage in political activity in this way, shining a light on uncomfortable truths, engaging with those in power in the interests of the people and causes they serve.

And when done well, campaigns of this nature can have immense impact. So, no, the law does not agree with those who say that charities should simply not dabble in politics at all.

However, the law, rightly, also sets limits on what charities can do, and how, in relation to political activity.

Charities must never stray into party politics – must never promote, or be seen to promote, a political party or candidate.

A charity’s campaigning and political activity must always be in furtherance of its purposes – and even when they have determined that the activity aligns with the charity’s purposes, trustees must be clear that political activity is also the prudent thing to do, especially in difficult economic circumstances.

Charity leaders should also remember that it is not their voice, or their opinion that matters, but the interests of causes they are entrusted with.

And there is a final, important point I would like to make in this area, which takes us back to the quality of charitable kindness I was commending earlier.

Most issues in society are complex. Rights and interests of individuals and groups are often in competition with one another. There is usually right, and value, to both sides of an argument.

Sadly, that nuance is rarely reflected in the tone of public discourse, which is often coarse, and it threatens to become coarser still.

Debates on many issues are polarised, and personal, and serve to further entrench existing standpoints.

This trend towards constant aggression presents a risk to our democratic culture.

In his inaugural speech as US President last January, Joe Biden made a plea to the American people.

These were his words: “Let us listen to one another. Hear one another. See one another.

Show respect to one another. Politics need not be a raging fire destroying everything in its path. Every disagreement doesn’t have to be a cause for total war. And, we must reject a culture in which facts themselves are manipulated and even manufactured. My fellow Americans, we have to be different than this.”

I wholeheartedly agree with this rallying cry. And I would like to echo it.

I think English and Welsh charities engaging in political activity can, and should, be different too. Charities can model a better kind of public discourse than the aggression we sometimes sadly see from the party political debate. They can help teach others how to inspire and inform, rather than stifle and poison, reasoned debate.

They should campaign with vigour and energy yes, but I believe they should do so also with tolerance and kindness.

Charities should seek to win people over. Draw people to their cause, work to persuade those whose starting perspectives and allegiances may be different, and indeed initially hostile to their cause or the people they serve.

Tommy’s example demonstrates that this approach is not just right in principle, it works in practice. And it accords with a charity’s duty to protect their public reputation.

We want to help charities get it right. To avoid pitfalls where possible, and ensure any campaigning or political activity they undertake aligns with their duties and responsibilities.

So that is why, today, we are launching the new short guide on political activity and campaigning for charities.

The latest in our series of short guides, the resource helps trustees understand the rules.

To be clear – those rules are not new. The new product is based on our existing long-form guidance in this area, which many will know as “CC9”, and whose principles stand.

The 5-minute guide is, however, shorter, and more accessible. And it also does a good job of showing that much of this is not rocket science, but instead common sense.

Our existing library of short-form guidance has been extremely well received.

And I trust that charities, especially those planning to engage in campaigning or political activity in the weeks, months and years ahead, will pay close attention to this new addition.

I hope that in this way, this guide will help charities play their part in raising the standard of public debate and discussion in this country, and show that a charity’s political activity, when it occurs, can sometimes be seen as a solution, rather than a problem.

Thank you.