

Paula Sussex
CEO, Charity Commission
PO BOX 211
Bootle
L20 7YX

1 June 2016

Dear Ms Sussex

I am writing to you in my capacity as Programme Director and Head of Public Policy at the UK Sustainable Investment and Finance Association (UKSIF) with regard to the Charity Commission's investment guidance.

As you may know, UKSIF is the membership network for sustainable and responsible financial services in the UK. We promote and support sustainable and responsible investment (SRI) and other forms of finance that advance sustainable economic development, enhance quality of life and protect the environment. For more info about UKSIF please visit www.uksif.org.

When I wrote to you in May I highlighted the legal opinion by Christopher McCall which described certain carbon intensive investments (CIIs) as being 'pregnant with material financial risks'. It questioned some charities' approach to CIIs, particularly where they could run counter to the stated mission of the charity. I therefore asked if you would consider revising Charity Commission guidance to provide some level of certainty to trustees on the current state of the law and was informed you were in the process of considering what amendments need to be made to guidance on charity investments.

I noted from the Charity Commission blog that new rules for charities wishing to make social investments will be in force from July and that your investment guidance will be updated to accompany it. Your response to my March letter indicated you would be reaching out to stakeholders regarding an update in guidance relating to CIIs and we look forward to hearing from you, however we are also well placed to support the development of guidance relating to social investments. I would therefore like to offer our support as you develop of guidance relating to social investment and I would be very grateful if you can let me know the current status of your work to amend CC14 more generally.

We would be very grateful for receipt of this letter and if you are able to provide any further information on the status of guidance for charity trustees. If you have any questions please do not hesitate to contact me at fergus.moffatt@uksif.org.

Yours sincerely

Fergus Moffatt
Programme Director and Head of Public Policy
UK Sustainable Investment and Finance Association (UKSIF)