

Parish Investments – Roles, Responsibilities and Recent Developments

This information is intended to assist Parochial Church Councils and other managing trustees in understanding their responsibilities in relation to parish investments and the role of the Diocese.

1. Who is Responsible for Parish Investments?

Many parish investment funds are legally held by the Diocesan Authority as custodian trustee. This means that the Diocese holds the legal title to the investments for safekeeping and administrative purposes only.

The managing trustees (usually the PCC, together with the incumbent and churchwardens) are responsible for:

- deciding how parish funds are invested
- choosing and reviewing investment managers
- deciding whether capital may be spent or realised, subject to the trusts governing each fund
- taking professional advice where appropriate

The Diocese does not select investment managers, monitor investment performance, or provide investment advice.

2. Trustee Duties and Charity Law

Under charity law, managing trustees are required to:

- act within the terms of the trust governing the funds
- act in the best interests of the parish charity
- exercise reasonable care and skill
- manage assets prudently and review arrangements from time to time

Trustees are not expected to be investment experts. Charity Commission guidance recognises that trustees may need to take independent, FCA-authorized investment advice, particularly when reviewing performance or considering changes.

Investment losses alone do not automatically mean that trustees have acted improperly, provided decisions are taken in good faith, on an informed basis, and properly recorded.

3. CCLA and Recent Developments

Many parish funds are invested through CCLA Investment Management Ltd (CCLA), a long-established charity investment manager.

CCLA has reported that some of its funds have underperformed objectives over the last two years and has stated that it is taking steps to address this. Like all investment managers, CCLA is subject to market conditions and performance will vary over time.

CCLA has also announced that it has agreed to be acquired by Jupiter Fund Management plc, subject to regulatory approval, with completion expected in early 2026. CCLA has stated that it will continue to operate under its existing name and retain its charity-focused and faith-consistent investment approach.

4. What Should Parishes Do?

If a parish has concerns about its investments, trustees may wish to:

- review the trusts governing the relevant funds
- consider whether the current investment arrangements remain appropriate
- take independent professional investment advice

The Diocese and its officers cannot advise on investment performance or recommend particular investment managers.

5. Further Guidance

Parishes may find it helpful to refer to Charity Commission guidance on trustee duties and charity investments, and to seek advice from suitably qualified independent advisers.