

The Rt Hon Geoffrey Cox QC MP
Attorney General's Office
5-8 The Sanctuary
London
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28 September 2018

Dear Attorney General,

I am writing to you following the announcement that your office has applied to the High Court to release the assets of the National Fund (Charity Number: 1046814), in order to reduce the country's financial liabilities.

We previously wrote to your predecessor the Rt Jeremy Wright on this issue but given your recent appointment we wanted to make sure that you were aware of our previous correspondence. In his new role Jeremy Wright has also advised that we should write again.

The National Council for Voluntary Organisations (NCVO) is the largest representative body for voluntary organisations in England, with over 13,500 members, ranging from the largest charities to the smallest community organisations.

I understand that both you and your predecessor have been working closely with the Treasury, the trustees of the National Fund and the Charity Commission to find a solution consistent with the donor's original objectives of extinguishing the national debt.

As you are aware, the national debt currently stands at £1.8 trillion – almost 4,000 times the size of the charity. It increases each day by around £400m, a sum nearly equal to the National Fund's entire assets.

We think that it is possible to find a solution that would respect the principles of charity law and the intentions of the donor, and enable HM Government to meet some of the aims it has outlined, namely strengthening communities and support social action in deprived communities. I would like to ask you to meet with NCVO to explore alternative solutions.

We understand the need for the funds to be applied in accordance with the cy-près principle but we are also conscious that this windfall will be of marginal significance to the public finances in the context of the figures noted above,

whereas such a sum could have a very significant impact on public life if used towards increasing the funding of charities in some way. Money is of course fungible and so we ask that you consider, together with the Department for Culture, Media and Sport, the application of a commensurate sum to support the sector from which it has been derived, once the funds have been received and applied in reduction of the national debt.

The repurposed funds could unlock a new funding source for UK charities, perhaps through the creation of an endowment that would benefit communities in perpetuity. I'm sure that colleagues at the Department for Culture, Media and Sport may also have a view on potential solutions which could help to implement many proposals put forward in the Government's new Civil Society Strategy.

The fund has remained untouched for decades. Given there is no immediate urgency, I would ask that you seek consensus about the best way forward for its future.

Yours sincerely,

Sir Stuart Etherington
Chief Executive

CC: Secretary of State for Culture, Media and Sport