

From the Secretary

CHURCH COMMISSIONERS,
1 MILLBANK,
LONDON, SW1P 3JZ.
Telephone : 01-222 7010

Mr Powell CDP 28/10

You may like to see.
[It is sent to the PM because
she is ex officio a Church Commissioner.]

NFA.

RC
28/10

25 October 1985

To: ALL CHURCH COMMISSIONERS

INVESTMENT AND SOUTH AFRICA

The issue of Investment and South Africa is clearly one of great importance to the Commissioners at the present time of crisis in that country. Indeed, some of you will have received a letter from Frank Field MP inviting you to support him in seeking that this subject should be discussed at a General Meeting of Commissioners.

I thought, therefore, that you would like to know that, at the request of the Board of Governors, the Assets Committee, who are primarily responsible in this area, will shortly be reviewing this aspect of our investment policy and will then take the earliest opportunity of reporting to the Board. I will write to let you know the outcome of these discussions.

Meanwhile, I enclose a copy of a briefing note we have prepared elaborating on our policy.

MAIDA VALE

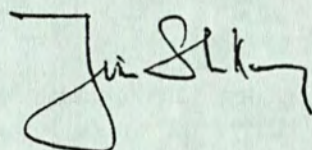
I wrote last month to Commissioners about the multiple occupied houses at Maida Vale. A copy of the press statement is enclosed for ease of reference. Since writing to you, anxiety has been expressed regarding the status of the Wimpole Housing Society. You will, therefore, be glad to know that, on further investigation, we remain wholly convinced that the interests of our tenants will be in good hands following the sale. In particular, we are reassured that the Rules of the Society provide, inter alia, that:

"2. The objects of the Association shall be to carry on for the benefit of the community the business of (a) providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means; (b) providing for aged persons in need thereof housing and any associated amenities specially designed or adapted to meet the disabilities and requirements of such persons.

4. The Association shall not trade for profit.

55. (a) No portion of the income or property of the Association shall be paid or transferred either directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to members of the Association."

I thought you would like to have this additional information.

A handwritten signature in cursive script, appearing to read "J. E. Shelley". The signature is written in dark ink on a light-colored background.

J E Shelley

CHURCH COMMISSIONERS' INVESTMENTS AND SOUTH AFRICA

The Commissioners' responsibilities to their beneficiaries, the serving and retired clergy, require that financial considerations must be the major factor in all investment matters. In the case of investment and South Africa, the Commissioners follow a balanced policy which they believe also takes proper account of the social and ethical issues arising from the presence of foreign investment in that troubled country.

What is our policy? It has two aspects. First, we do not invest, and never have invested, directly in South Africa. In other words, we do not hold shares in South African companies or in other companies whose major activity takes place in South Africa.

It is not, however, practical for us to avoid some indirect involvement in that country. Because of South Africa's close historical links with this country, most of the larger United Kingdom companies, the sort that are bound to make up the bulk of any major institutional portfolio like ours, will have some South African stake, albeit a small one in relation to their total operation.

In these cases we expect British and US companies operating in South Africa to adopt enlightened employment and social policies. We believe that, by their example, they contribute, in however small a way, to the advancement of the black South African and the erosion of the abhorrent apartheid system. This is a powerful argument which we find convincing as do many influential and knowledgeable commentators, both black and white, whose views we respect.

Therefore the second part of our policy means for us the regular and careful monitoring of the activities of companies in our portfolio having any interest in South Africa to ensure that they operate employment and social policies in line with the relevant Codes of Conduct. These are the EEC Code for United Kingdom companies and the Sullivan Principles for United States companies. It was because of its non-compliance with the Sullivan Principles that we sold our shares in Carnation in 1984.

We realise that this is a complex issue on which Christians can sincerely hold differing views according to their differing outlook and responsibilities. Although we accept that there are wide ranging opinions within the Church, we believe that the balanced policy described above is the right and proper one for the Commissioners to follow given their particular financial responsibilities.

J E Shelley
Secretary

1 Millbank
London SW1P 3JZ
25 October 1985

EMBARGOED

CHURCH COMMISSIONERS

1, Millbank, London, SW1P 3JZ Telephone 01-222 7010

EMBARGOED : NOT FOR PUBLICATION UNTIL 00.01 HRS FRIDAY 27 SEPTEMBER 1985

THE COMMISSIONERS RESIDENTIAL SALES PROGRAMME IN MAIDA VALE

Publicity was recently given to the Commissioners' decision to sell 34 multiply-occupied properties as part of the ongoing sales programme on the Maida Vale Estate. We are now able to announce that terms have been agreed, subject to contract, for the sale of 23 of these properties to the Wimpole Housing Society Limited. This leaves 11 properties out of the 34 originally offered for sale. Of these, 3 are being sold to the Paddington Churches Housing Association and one has been withdrawn. The remaining seven are the subject of negotiations with a tenant or number of tenants within the individual houses.

It was always the Commissioners' wish to sell these properties, wherever possible, to a Housing Association/Society. They have worked throughout to this end and are pleased that the objective has been fully achieved. Wimpole Housing Society is a non-profit making organisation registered under the Industrial and Provident Societies Act 1965. It is run by a voluntary Committee and its chief officer, Mr Alan Silverman MBE JP is well-known for his work with various housing associations and in providing sheltered accommodation. The Society's sister organisations already manage a number of other rented properties. Both their past record, and the Commissioners recent discussions with them, give assurance that the properties and the current tenants will be in good hands.

The Society intends to retain Messrs Lewis and Tucker of 16 Hanover Square, London W1, as managing agents and propose to carry out repairs, maintenance and refurbishment, as necessary, dealing sympathetically with the needs of all tenants. The Commissioners' agents, Chestertons have written to all tenants concerned giving them information about the sale and reassuring them that their security of tenure under the 'fair rent' system remains unaffected.

For further information

John Reddington Extn 4290

David Long Extn 4166

26 September 1985

