

Charity Commission to investigate donations to illegal Israeli settlements**Official action by regulator for England and Wales comes after formal complaint made by Labour MP about the funds****5 Aug 2026 – Statement of Facts**

An official investigation has been launched into charities in England and Wales donating funds to illegal Israeli settlements in Palestine.

The Charity Commission will aim to establish the amount of charitable funds going to illegal settlements, whether the spending was in furtherance of their purposes and any regulatory action that may be necessary.

The investigation follows the Guardian’s reporting about the issue. Last year, it revealed that two UK charities had transferred approximately £5.7m to the Bnei Akiva Yeshiva high school in Susya, in the Israeli-occupied territory.

In June, the Guardian published details of a formal complaint made by the Labour MP, Melanie Ward, to the regulator in which she said that 32 charities in England and Wales had donated at least £28m to Israeli settlements that are illegal under international law. The Guardian understands that the inquiry is a direct response to Ward’s complaint.

Announcing the investigation, which will initially focus on eight unnamed charities, Stephen Roake, assistant director, high risk compliance at the commission, said: “Serious allegations have been made about UK charities operating in illegal Israeli settlements in Palestine, so our first step is to establish the facts. Only then can we determine if regulatory action is required, based on our findings and the evidence we see.

“Our fact-finding will also help us develop regulatory guidance for charities, which will to help ensure public trust and confidence in charities.”

In June, the then foreign secretary, Yvette Cooper, said in parliament that she had asked the regulator to investigate the issue, telling MPs that “charity systems are abused to funnel support to illegal settlements” and “some evidence suggests that rules are being broken”. She expressed concern about “UK gift aid [tax relief] being funnelled to illegal settlements”.

Responding to Cooper, Ward said her and 140 Labour colleagues wanted to see a ban rather than an inquiry. She told MPs that the commission appeared to have been made aware of the issue of donations to settlements in July last year – when the Guardian published its first story on the matter – but “has done nothing so far”.

The regulator said the eight charities are among those that have been identified in concerns recently raised with it and that it would look at the location of their respective partners and how recently alleged activity occurred. It said it would consider naming them

when it publishes its findings.

The commission added that it planned to extend the number of charities under investigation over time.

It said it has shared information about the scope of its inquiry with the police and HMRC. The Metropolitan police's war crimes unit has said that it is not currently investigating any charities in relation to donations to illegal settlements.

Last month, the Guardian revealed that a British charity was funding a religious school at the heart of expansion plans for the illegal Israeli settlement in the Palestinian city of Hebron.

Friends of Yeshivat Shavei Hevron, which was approached for comment at the time, sent nearly £200,000 to the school between 2019 and 2024.

Construction of a new dormitory for the school was approved in June, after the far-right finance minister, Bezalel Smotrich, unilaterally broke a decades-old international agreement on control of Hebron to give Israel planning authority.

Abtisam Mohamed, a Labour MP and member of the foreign affairs committee, said that while she and other parliamentarians welcomed news of the investigation, "we know there is evidence of at least 32 charities engaging in this abhorrent practice. The Charity Commission must investigate them as well and move quickly to stamp out this behaviour altogether.

"Funding illegal Israeli settlements is extremist activity linked to the violence and dispossession of Palestinians and bears no relation to charitable activity."
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