UK Community Foundations is the national network for all accredited Community Foundations across the country. We are the experts in measuring the needs of communities and in making grants and giving advice to community-based organisations to address those needs. We have an unparalleled reach into local communities, able to serve every one of the UK’s postcodes.

Our vision is a society where communities will be able to support all those in need.

UK Community Foundations believes that communities are the key to a cohesive and prosperous civil society in the UK. By empowering communities, we believe we can give individuals a greater sense of involvement and ultimately control over their own lives. It is by developing communities that our society as a whole will prosper.

At the heart of strong communities are the thousands of community groups and local charities that work to support people in their local areas. Whether it is exercise classes for the elderly or support for young people to get into employment, these small charities largely go unrecognised for their vital work in helping those that need it.

Collectively, Community Foundations are one of the largest grant makers in the UK. Over the past decade we have distributed over £900million and we see first-hand the huge impact that these local charities have. **We call on the next government to recognise the importance of small, local charities and the impact they have on local communities.**

We believe that one of the best ways to strengthen and support communities is by encouraging giving. In particular, giving to your local community via a Community Foundation. As community leaders and convenors we help people and businesses invest into local
communities where it is most needed and will have the most impact. Our close connections with philanthropists means we are able to leverage match funds for important national programmes. We work with government and other organisations to respond to key social issues and we have a strong track record of delivery. In the last year alone, our work impacted 4.7 million people across the UK.

But the level of need in the UK is growing whilst the level of giving has remained static. The time has come to look at solutions to boost the level of local giving.

**We call on the next government to:**

**Strengthen local communities now and in the future by investing funds from dormant assets into Community Foundations**

**Commit to growing the level of local giving especially in areas of most need**

**Recognise that small, local charities rely on grants rather than social investment**

**Strengthen local communities now and in the future by investing funds from dormant assets into Community Foundations**

The recent *Commission on Dormant Assets* set up by the Government concluded that there is approximately £1-2 billion of financial assets that can be transferred and spent on good causes to benefit society.

Dormant assets are those accounts which are unclaimed over time. Once all avenues have been exhausted to find the owners of these accounts it is right that this money should be spent helping communities.

This money has originated from accounts from all over the UK. It is crucial that they are distributed in a way that benefits all communities across the UK. Community Foundations offer the perfect vehicle to distribute this money so that it benefits all local communities.
By investing this money into endowment funds managed by local Community Foundations, the money will be used for good causes in perpetuity, meaning local communities will continue to benefit for many years to come.

**Commit to growing the level of local giving especially in areas of most need**

Britain has a wonderfully rich history of giving. In fact Britain today is defined by the generosity of our predecessors with hospitals, universities and museums that wouldn’t exist if it wasn’t for philanthropists who cared about their communities.

More than ever, philanthropy needs to be a strong force in our society if we are to preserve our existing social infrastructure and build it for future generations.

But at the moment not enough individuals who are capable of giving are doing so. Particularly in the areas that need it the most.

There are some areas in the UK with a high level of deprivation and need that have always depended on the public sector, in particular local authority services. However, in times of austerity these services are being drastically cut back. These cuts have weakened the voluntary sector infrastructure and have a direct impact on the poorest in society.

The nature of giving means that it doesn’t always reach some areas that are desperately in need. Donors naturally tend to focus on their local areas or particular causes they are passionate about.

We call on the government to investigate incentives to get more money into areas of need. We believe that special giving zones with favourable tax treatment and match funding programmes are two options that should be seriously considered.

**Commit to support for local charities through grants**

Social investment has been seen as the solution in recent years for the voluntary sector. However, it doesn’t work for a significant number of small, local charities. This is because they’re not set up to take out loans, scale up and then be able to repay.

Grants are vital for small charities to exist. The combination of funds diverted to social investment and public sector cuts means that small, local charities are struggling the most.
Charities and community groups that are the lifeblood of communities will cease to exist if the trend towards social investment continues.

We call on the next government to redirect a proportion of the money that is set aside for social investment to be available for small, local charities via grants.

In conclusion...

Our local communities deserve and need to be invested in and strengthened. UK Community Foundations believes that if the next government takes forward these three proposals then together we can build resilient communities which can thrive and strengthen our society as a whole.