

UKCF Philanthropy 2023



**UKCOMMUNITY
FOUNDATIONS**
GIVING FOR LOCAL GOOD





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Measuring tomorrow's impact by today's actions

“Welcome to Philanthropy 2023. Recent times have been demanding for all charities. Covid, followed by the financial crisis, has seen the necessity for charities continue to rise while local charity provisions have been forced to shrink. The predicted impact of charity closures will no doubt affect our underrepresented and minoritised communities the hardest – something we cannot let happen. As a sector, we must ensure these vital services continue to be there for everyone who needs them.

Our network of community foundations played a significant role in supporting local charities during 2023, distributing £170 million around the UK. That we have retained so many of our local charities is a testament to their resilience and agility in being able to adapt quickly. They continue to support communities despite the polycrisis we're all experiencing.

Our first priority in 2023 was to make a short-term but meaningful impact on frontline services to help them weather the financial storm. Community foundations launched local appeals and pooled their funds, utilising local expertise and distributing money where it was vitally needed. We at UKCF launched our national Communities in Crisis Appeal to compliment the local fundraising done by community foundations, adding an additional £1.35 million to their efforts. Our thanks go to the generous donors who made that possible and trusted us to get money out quickly.

Our second priority has been to put in place plans for longer-term resilience for our diverse communities. We have been working with the National Emergencies Trust to scenario plan future disaster preparedness and we remain an active part of the Voluntary and Community

Sector Emergencies Partnership (VCSEP). We have also been working closely with local authorities, developing strong partnerships across the UK.

Network training has also been an important factor for us. Our 2022 conference, 'Foundations for the Future', brought in leading experts from across the world to inspire and challenge our thinking. We held an online conference in 2023, 'Philanthropy Forwards', to encourage future thinking in today's challenging fundraising environment. The future will continue to be a key focus as we plan our next strategy to help build resilience for the communities we serve.

We have worked with a range of donors delivering grant programmes on their behalf, and I would like to thank all of our partners for their support. A component that has formed some of our partnerships has been one of our new strategic changes, to co-design programmes with a strong learning element. This is key to providing additional value over and above regranting, enabling us to evaluate and learn about what works and what doesn't. The insights we gain will be used to inform future programmes and improve their effectiveness.

Measuring impact is always a challenge. One of the ways we have started to address this is by launching a network digital transformation programme which will help us to understand our grant data from across our 47 foundations. Our aspiration is to use our data to deliver insights which will be of value to the wider sector, to understand what the needs are at a grassroots level and where funding is being distributed as a result.



Philanthropy 23 will demonstrate the scale, variety and value of work delivered by community foundations around the UK. Community foundations play a vital role in communities, each responding to the needs of their places, making life better for thousands of people each year. I would like to thank each and every UKCF member for their dedication and ambition for their communities.

"We cannot achieve it all on our own, but together we can make life better, day by day."

Rosemary Macdonald,
CEO, UK Community Foundations



Changing times

In these changing times, philanthropy has proven to be a vital resource and asset in tackling immense levels of inequity. In this report, we shall explore how place-based giving concentrated on long-term ambition is helping communities to tackle the root causes of inequity and improve the national picture.

The national picture

The coronavirus pandemic in 2020 and 2021 was like nothing UK communities had ever experienced before in living history. It changed the way we communicate about mental health and loneliness, it brought to light the social and geographical inequalities people experience and it raised awareness to the significant role charities and voluntary organisations play in society.

The rise in cost of living has pushed nearly seven million UK households into fuel poverty with energy bills still double the cost they were in 2021.

We are witnessing soaring levels of depression, financial debt and alcohol consumption. The Office for National Statistics (ONS) stated that in 2021 alone, there were more alcohol-related deaths than ever recorded, with a 27% increase

compared to figures in 2019ⁱ. In 2022, the Opinions and Lifestyle Survey (OPN) from the ONS revealed that 89% of adults in Great Britain reported their cost of living had risen in the last month.

However, financial hardship has impacted some more than others. Citizens Advice has found that people with disabilities, single parents, households on a lower income, older people living on a state pension, as well as Black and ethnic minoritised communities are being disproportionately affected.

Local challenges

Communities – whether rural, coastal or urban – have experienced significant challenges in their regions, with poverty and the cost of living being the biggest threats to public healthⁱⁱ.

Difficult decisions are not only having to be made by individuals and local businesses, but also by local charities and voluntary organisations. According to a survey conducted by the National Council for Voluntary Organisations (NCVO)ⁱⁱⁱ, one in five charities are having to reconsider keeping their vital services open due to the financial crisis.



Newquay has a large homeless population. DISC (Drop In and Share Centre) has received continued support from Cornwall Community Foundation throughout the past few years. Volunteers have seen increasing demand for essentials in the region.



‘Volunteers at DISC prepare healthy meals and clothing for Newquay’s homeless community.’

In the winter of 2022, community foundations shared the challenges that local charities and voluntary groups in their areas were experiencing in a network survey:



“Fuel demand is significantly higher than previous years. There is also a high demand from food projects.”



“We are receiving more applications than we can fund.”



“We have seen a steep demand for our responsive grants.”



“Groups are very worried about how they will keep the lights on. We've had over 60 applications just for utility costs.”



“Vital services will have to stop.”



“We are seeing a rise in demand from organisations for their cost-of-living increases, such as staff costs, utilities, rent, etc.”



“Need is extremely high in this region. Current circumstances are exacerbating issues that have existed for a long time, with resilience already low due to the impacts of the pandemic.”



“The demand is unprecedented.”



The root causes of inequity

More and more individuals and households are finding themselves in need of support from charities and funders – some for the first time in their lives. We have identified a complex culmination of events leading to this increase:

Financial inequalities

The pandemic, (following a decade of austerity) along with changes to benefits, imposed considerable financial strain on households, deepening inequalities already felt by underrepresented and minoritised communities.^{iv}

Global issues

The invasion of Ukraine and other recent global events have pushed millions of people into forced migration and have impacted the cost of oil and other imported goods.^v

Public services

Public services have been stretched, with higher demands and limited resources. Reports show that services such as social care, education, the NHS and council services ‘went into the pandemic in a weakened and fragile state’, still unable to recover post-Covid.^{iv}

Housing inequalities

Low-income households have been more affected by higher housing/rental prices than any other category, increasing existing deep-rooted systemic and social inequalities.^v

Mental health

The impact of the pandemic affected people’s mental health unequally, ‘with some people more at risk of developing mental health problems due to their social and economic circumstances’. Additionally, issues like social isolation and anxiety have impacted more people since the pandemic.^{vi}

Climate change in the UK

In the 21st Century, the way we see climate change has transformed from being an issue affecting the rest of the world to very real challenges on our doorstep.

According to the UK Government, ‘the chance of the UK seeing 40°C days could be 10 times more likely in the current climate than in the past’, with cases like summer wildfires increasing and sea levels rising (predicted by the Met Office^{vii}).

Severe storms and heavy rainfall have become common news over the past decade, with recent floods taking over large areas in Scotland, Northern England, the West Midlands and East England in the second half of 2023.



‘Floods are becoming more common in the UK, inflicting long-term damage on communities’

Air pollution has been a major issue for urban areas in the UK. The British Heart Foundation reported that around 11,000 deaths a year are caused by heart and circulatory diseases in the UK related to air pollution.^{viii}

It is encouraging that more grassroots organisations and larger charities are getting behind climate action, supporting the work of community activism and conservation. Over £200 million was spent in 2021 by green groups on environmental restoration and protection, political advocacy and species conservation to tackle some of the UK’s biggest climate challenges.^{ix}

We will explore some of the work that community foundations are doing to support climate action later in this report.

A year of action

The work of UK Community Foundations

UK Community Foundations (UKCF) was established in December 1991. Today, UKCF is the membership body for 47 accredited community foundations which collectively cover every postcode of the UK, including in Wales, Scotland and Northern Ireland.

In 2023, we were delighted to welcome Guernsey Community Foundation as our newest international member, joining our existing members Community Foundation Ireland, Jersey Community Foundation and the Bermuda Foundation.

Our membership provides year-round support and learning for over 1,000 staff and trustees within the network and serves as a national voice to advocate the value and impact of place-based philanthropy.

Community foundations are independent champions, inspiring place-based philanthropy by advising individuals and organisations who want to give back to their communities for both now and the long term. An accredited community foundation provides expert philanthropy advice using local insights, connects donors with local grassroots organisations and supports communities in addressing local issues and inequalities with tailored funding.

At UKCF, we support the learning and development of our network members and manage multi-regional and UK-wide funding programmes. These programmes are designed in partnership with companies, government bodies, foundations and other donors that wish to improve social and environmental equity at a local level, on a larger scale.

Our values are integral to everything we do at UKCF:

- We put inclusivity at the forefront of all we do
- We put relationships first
- We are ambitious for our members and the communities they support





About the UKCF network

15-30

UKCF staff and trustees working remotely around the UK

4

overseas community foundations

Over **340**

full-time staff in the network



A reach into every UK postcode

Over **300**

part-time staff in the network

Over **450**

trustees in the network

47

accredited community foundations in the UK



Where our funding came from this year



3,120
Donor advised funds
£93 million



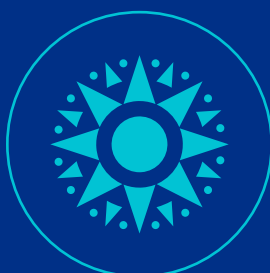
499
Strategic funds
£17 million



Police and Crime
Commissioner funds
£1.6 million



Integrated Care
System funds
£1.9 million



UKCF-managed funds
£6.9 million



1,129
Corporate donations
and partner funds
£49.5 million



Local Authority funds
£27 million



NHS Trust funds
£3.3 million



Fire Service funds
£14,000



A collective effort

Collectively, the UKCF network is one of the UK's largest funders. Since 2011, we have invested over £1.6 billion into local communities to help tackle the biggest issues.

In 2023, our network distributed over 40,000 grants to projects throughout the UK, to a total of £170.6 million. The average sized grant was a little over £4,000 and 18% of all grants were part of multi-year awards. These smaller grants are more accessible and achievable for grassroots organisations that often struggle to apply for and receive larger grants.

Thanks to the generosity of individuals and businesses, the network managed 3,120 donor advised funds (DAFs) and 1,129 corporate donations and partnerships in 2023.

Sometimes, donors will choose to invest their money into pooled funds that collectively tackle similar issues. Likewise, donors may choose to invest their donations into endowment funds. These community-focused investments collect interest over time and mean that funds can increase to deliver sustainable sources of support over many years – apportioning the core sustenance that small charities so desperately need to operate effectively.

Funds can be created in a range of different ways, which we will explore in the rest of the report. Their commonality is that they are all managed and delivered through trusted relationships between donors, community foundations and the communities they help.

UKCF 2023 facts and figures*



Total grants collectively awarded
£170.6 million



Average grant size awarded
£4,000

Total number of grants awarded
40,804



Total network endowment
£811 million



*financial year 2022/2023

Responding to the big issues

Social issues such as mental health, social and geographical isolation, the cost of living, fuel and food poverty, and systemic inequalities were core priorities for community foundations in 2023, as well as supporting grassroots climate action.

Over £28 million was distributed to improve equity, diversity and inclusion (EDI) within communities, with funded groups including Pride Month committees, medical care charities and financial advice services for underrepresented and minoritised communities.



In 2023, Bedfordshire and Luton Community Foundation conducted an online survey with local residents for their Vital Signs report. They found that 51% of people felt that “some members within my community experience unjust disadvantage due to their ethnicity and/or their background.”

The community foundation has therefore committed its work to ‘Strong Communities’, a theme which it is carrying forward “to capture and highlight the qualities that foster a sense of belonging, trust and inclusion between people” to increase community cohesion.



Berkshire Multiple Sclerosis Therapy Centre offers 13 oxygen sessions a week in a chamber that can sit up to six people per session, each of which are run by qualified volunteers.

Funded by Berkshire Community Foundation, the voluntary organisation found that 92% of their service users felt their MS had worsened during Covid closures and 96% felt that returning to oxygen afterwards was a huge help that they wouldn't have had access to otherwise.



Where did UKCF funding go this year?

Disaster Relief
£2.3 million



Improving equity,
diversity and inclusion
£28.5 million

Community Sector Development
£12.8 million



Environmental/Climate Activities
£3.5 million

Health and Wellbeing
£49 million



Social Investments
£1.2 million

Cost of living, winter
and other immediate support
£73.2 million



Being there in times of conflict

In response to the war in Ukraine in 2022 and subsequent resettlement of 174,000 Ukrainians in the UK, UKCF organised a pooled support fund that national donors could contribute towards. We were able to raise £1.14 million thanks to the generous support of Masonic Charitable Foundations and the British Red Cross. Money was distributed via community foundations in England and Wales to local organisations working with people who have been forced to flee conflict.

Among our members that participated in the programme was Kent Community Foundation. One of its funded organisations was Canterbury for Ukraine (C4U), which is a one-stop, go-to information and contact hub for Ukrainians and their host families in the Canterbury district and East Kent. The group used money to facilitate its youth hub, set up to support young Ukrainians to develop their English, get advice and take part in UK cultural activities.



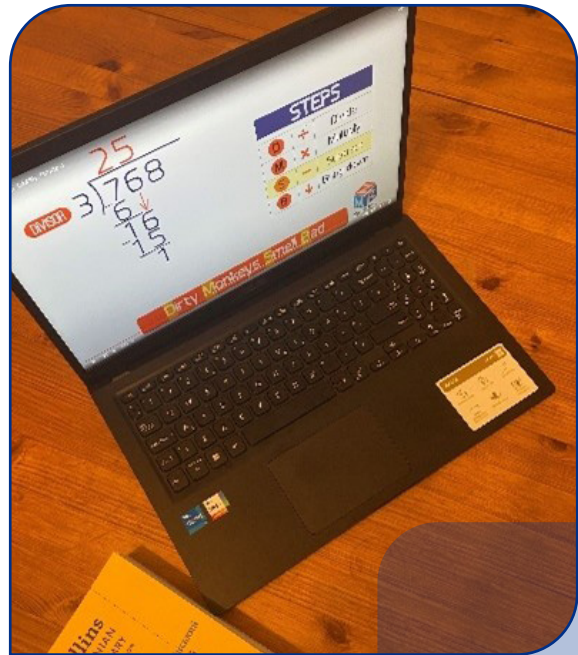
‘UK community groups acted quickly to help Ukrainian people displaced by conflict’

In addition to UKCF’s pooled fund, some community foundations tailored their own support for refugees in their areas.

Lincolnshire Community Foundation launched The Big Lincolnshire Welcome Fund to help Ukrainian refugees with wraparound care and integration within the community. Recognising the positive impact this funding was having, Lincolnshire County Council released £100,000 from the UK Government’s Homes for Ukraine Scheme.

The funding helped people in all sorts of ways, from paying for bicycles, phones and laptops, to

setting up household appliances and bedding. One applicant requested some technical support to help her children study and keep in touch with their father, who is still in Ukraine: “We really appreciate your help and now it is much easier for my children to deal with studying where. I will never forget the kindness of people in the UK.”



‘Practical items like laptops and study books have helped Ukrainian families stay connected.’

Communities in crisis

Community foundations became acutely aware of the emerging financial crisis in early 2022, having already been involved in the emergency and recovery phases of the Covid pandemic.

Many community foundations manage regional winter appeals every year to help those most at risk of fuel and food poverty. However, in 2022 we saw extreme levels of deprivation.



Mary, 69 years old, is one of thousands of older people receiving winter support from community foundations each year.

Having been given a winter grant from Cumbria Community Foundation, Mary said, “If I can’t keep the house warm, or warmish, then I get bad coughing fits and my chest gets tight. To be truthful, sometimes it is warmer outside than it is in.”



Talking to Gloucestershire Community Foundation, Gloucester Food Bank said, “We normally support around 150 to 200 individuals and families each week. The level of need is as high now as it was in the first Covid lockdowns and we are supporting now around 50% more people than we were in 2019.”

The generosity of local people, businesses and other bodies wanting to support the areas they care about came in waves in the winter of 2022. Appeals were launched around the country in the autumn to distribute emergency funding where it was needed, and by January 2023 community foundations had already collectively raised an incredible £12.6 million.

UKCF launched the Communities in Crisis Appeal at the start of 2023 to top up community foundation support with national donations. £1.35 million was raised, thanks to contributions from M&G Investments, the British Red Cross and the Department for Culture, Media and Sport (DCMS), and was distributed all over the UK.



Image – ‘Fuel and food poverty continue to affect people in all kinds of difficult situations, so community foundation support throughout the winter is a lifeline to many’



Community organisations like Money A+E, based in London, have been a lifeline to people who have been hit disproportionately by the financial crisis.

Talking about their funding from The London Community Foundation, Money A+E said, “Research shows Black Londoners were almost two times more likely to be falling into debt than white Londoners in 2022. This grant will enable us to support diverse ethnic communities and those at risk of financial crisis with the ‘Cost-of-Living Community Outreach Project’, an important series of money education workshops.”



‘Money A+E workshops, funded by The London community Foundation, provide financial education and mentoring’

Additionally, through their devotion to local causes, donors of all kinds have enabled funds (a total of over £73 million) to be distributed to vital services, supporting emergency shelters, food banks, women’s refuges, warm hubs, community lunches, winter fuel payments, mental health groups, community transport services, knife crime prevention and much more.

The Community Foundation for Northern Ireland partnered with Mount Eagles and Lagmore Youth and Community Association to provide older people in West Belfast with an outreach service for essential foods, heating, electricity and other household goods.



A grant from the Communities in Crisis Appeal, distributed by Wiltshire Community Foundation, allowed Gorse Hall Baptist Church’s ‘Boxes of Love’ project to open a community fridge, as well as carry on delivering food bags to families referred by schools, social services and other agencies. Since the fridge opened, more than 20,000 people have been fed – preventing 50 tonnes of food going to landfill.



Cambridgeshire Community Foundation and The Cambridge Building Society launched the £100,000 Cost of Living Crisis Fund to help local families with children under ten years old.

Anna Stevenson, Trustee at Cambridge Aid, said, “Many of the people helped have faced substantial difficulties, including being survivors of domestic violence and having to become guardians to young children unexpectedly. Half of recipients so far are disabled.”



Hampshire and Isle of Wight Community Foundation helped Pan Together to set up a community café to establish a reliable source of affordable food, essential items and social inclusion for vulnerable people in the most deprived areas of Isle of Wight.

Coral, a service user, explained how the café was her lifeline during the pandemic: “After both my partner and I were out of work, they provided hot meals every single day for my two children, which took major financial pressure away”



Oxfordshire County Council funded the Community Building Energy Support Scheme through Oxfordshire Community Foundation, helping community groups with their energy bills to ensure venues could stay open last winter.

Councillor Mark Lygo, Oxfordshire County Council’s Cabinet Member for Public Health and Equalities, said the fund would “support the hard work of community groups, who are helping some of the most vulnerable people in the county so that rises in costs to access services are not passed on.”



‘Nottinghamshire Community Foundation awarded funding to the Beacon Project, Bassetlaw Food Bank and Clifton Food Bank in 2023 to support people who are struggling or living in poverty within Nottinghamshire’

Philanthropy in practice

What place-based philanthropy looks like

In regular conversations, the word ‘philanthropy’ rarely comes up. Yet, it is one of the most powerful tools in society and people are more involved in philanthropy nowadays than they would think. Whether volunteering at a local community hub, giving a one-off donation to a good cause or fundraising in memory of a loved one – this is all philanthropy.

Place-based philanthropy focuses the activity of giving towards a specific community or region to create a positive and lasting impact. Using the lens of ‘place’ enables funders to take a detailed and contextual look into what inequality looks like locally. Community foundations work to address inequalities and build thriving communities through place-based philanthropy, connecting donors with causes that matter in their area.

In this section we have highlighted a few of the ways people and organisations are getting involved in place-based philanthropy.

Legacy giving

Setting up a fund in the memory of a loved one enables their legacy to live on while tackling the issues they cared about.

Community foundations make legacy giving easier so that families and friends can focus on the important aspects that matter. They offer a bespoke tailored service and take away the administrative burden of setting up a separate charitable legacy trust/foundation with the Charity Commission.



‘Community foundations offer a wide variety of options for those wanting to give back’



An Essex family was determined to create something positive following the tragic loss of Charlie, who sadly took his life in 2017 at aged 22.

Tim, Charlie’s father, talked about the work his family has been doing to help others with their mental health: “We have always said that if we could help just one person, it was all worth it and I know that we have exceeded that. Working with Essex Community Foundation allows us the time to get involved in fundraising and build a lasting charitable fund, in Charlie’s memory, as they take care of all the administration.”



Match funding

Match funding is a great way for local businesses and organisations to get involved in community philanthropy. It encourages collaborative fundraising to double fund sizes, resulting in a bigger impact.

For example, Milton Keynes Community Foundation provides two match fund opportunities every year, where it will match a local organisation that has raised £500 with an additional £500. The match fund goes even further for groups supporting mental health and people with disabilities, raising the match fund to £1000.

Match funding has also been delivered on a national scale by UKCF, in partnership with the Department for Culture, Media and Sport (DCMS) and the National Lottery Community Fund, by distributing the #iwill Fund.

The multi-year programme, first established in 2015, has focused on supporting young people into youth social action through various activities, from taking part in school councils to volunteering at care homes. By match funding with local donors, participating community foundations in England have so far doubled the original fund of £6 million to over £12 million.



‘Children in County Durham, supported by County Durham Community Foundation as part of the match-funding #iwill Fund, have been able to take part in youth social action activities’



Image – ‘The Monday Night Club has received support from Worcestershire Community Foundation through the #iwill Fund. Its transformative power of inclusivity is building community and confidence for people with additional needs.’



One young person, aged 12, who took part in an #iwill Fund project said, “I gave a voice from the Traveller community and told MPs my experience from school. Hopefully it will help schools and teachers in the future make life at school better for Travellers.”

Donor advised funds

There are over 3,100 donor advised grants (DAFs) currently being managed in the UKCF network. Collectively, they amount to over £93 million. Yet, individually, they are unique to the families and individuals who have set them up with their local community foundation, focusing on specific themes and communities they feel passionate about.

Within community foundations, expert philanthropy advisers will work with an individual,

family or groups of friends either directly or in collaboration with their own financial adviser. They work together to establish the donor's wishes and provide professional, knowledgeable advice on the next steps of their giving journey.

Donors can be as involved as they would like to be, and often share a sense of pride and enthusiasm for the places they live in, knowing they are a valued part of them.



Mike and Wendy set up a DAF with Community Foundation Serving Tyne & Wear and Northumberland upon retiring, which they've been a part of for the past 15 years:

“Our fund manager knows us and understands what our fund is about, so is able bring in applications. Our community foundation links donors to particular projects so we can co-fund a project with other donors. We feel very supported and have gained lots of friends.”



Local artist, Stuart, had initially wanted to start his own charity fund but chose to work with Dorset Community Foundation to set up the Designs For Humanity Fund. The fund helped 364 families during Christmas 2021, going towards hampers, food and toys:

“Being a partner with Dorset Community Foundation made it so easy and we were able to get the fund up and running really quickly.”

Corporate giving

Another way to be involved in place-based philanthropy is to support the core activities of community foundations so they can raise awareness around local issues, celebrate community champions and provide effective support in their regions.

There are plenty of activities to get involved with community engagement, from sponsoring donor events to funding community foundation reports that identify local challenges and highlight the work of charities.



The East of England Cooperative Society has been a long-term supporter of Suffolk Community Foundation, sponsoring events, awards and other important activities:

“Our partnership with the Suffolk Community Foundation is extremely important. It has provided us with the opportunity to support important initiatives and events that are central to addressing need in the county.”



‘Events, like Gloucestershire Community Foundation’s annual event, (photo credit to Charlie Bailey) are a great way of engaging with fellow businesses supporting nearby communities.’

Corporations and businesses are able to give back to local causes through pro bono activities with the backing of community foundations, as well. For example, Quartet Community Foundation offers ‘ProHelp’. This is a pro bono brokerage service that connects charities and voluntary organisations in the West of England with local businesses who are willing to share their skills, professional advice and services in a highly tailored manner.



Pro bono partnerships between Quartet Community Foundation, local charities and businesses enables the sharing of vital skills and a deeper community connection.

Elena, an interior designer from Cabrera Studio, said, “It was great working with Alistair and meeting the amazing people at Youth Moves. I’ve learned about the wonderful work they do, their mission and vision, and I understood what their needs and expectations were to be able to help them visualise and make the most of their new space at The Park [Centre].”

One way of giving back is to become a corporate member a local community foundation. One of Cheshire Community Foundation's activities is to connect businesses in Cheshire and Warrington through its 'Cheshire 100' programme. This is a three-year membership where members pay £1,000 a year to provide sustainable support and opportunities in the county.



One Community, which supports communities across Kirklees, manages a scheme for corporate payroll giving. The scheme enables employees to make monthly tax-free donations, which is a perfect approach for companies of any size. There is no set-up fee and donations are taken after National Insurance but before tax.

Celebrating our communities

Celebrating the wonderful elements of community life is just as vital as supporting the harder challenges. We were delighted to partner with the Arts Council in 2022 to distribute £4.5 million towards the artistry and creativity of local communities in honour of Her Majesty The Queen's Platinum Jubilee. An incredible 701 funded projects took part in the 'Let's Create Jubilee Fund' celebrations, managed by 44 community foundations in England. From street parades to arts workshops, communities from far and wide came together to enjoy Her Majesty's anniversary.

Analysis of the grants awarded showed a wide geographical spread of activities, with projects having benefited a wide range of people across the country in terms of protected characteristics and socioeconomic backgrounds. The programme also showed the huge demand for creative support from local community organisations, receiving four times the required amount of funding applications.



'Cleveland Ironstone Mining Museum's Feast of Fun project showcased its 'Illusions of Wonderland' show to local audiences in County Durham, through our Let's Create Jubilee Fund'



Collaborating for a better tomorrow

Acting on climate change

While the term may seemingly only refer to environmental threats, 'climate change' is the effect of a vast number of negative factors all blending into one very reactive global change. Climate organisations often state the catastrophic changes that will happen when temperatures and water levels rise. Whether we slow it down or not, climate change is already set to impact our agriculture, our seasons, the safety of living in certain geographies and will further burden our economy.



“Climate change is a health issue, an equality issue, an educational issue, an economic issue, a cultural issue, a scientific issue, a security issue and a local community issue, as well as an environmental issue. The scale of the climate threat, and the scale of the solutions needed, means that this is an issue for all parts of civil society, and for all donors.”

The Beacon Collaborative

Climate change affects every one of us, but it doesn't mean we are all affected equally.

Community foundations are key to supporting diverse communities adapt to the inevitable impacts of an increase in global temperature. However, our network is also passionate about supporting the prevention of further climate change.

Along with many grassroots organisations and larger charities, we are aligning our work with the United Nations Sustainable Development Goals (SDGs) and other climate initiatives, to reduce inequalities and improve the environment around us by 2030.

At UKCF we have also become a signatory of the Funder Commitment to Climate Change. The commitment is hosted by Association of Charitable Foundations (ACF) and is based on six pillars of action on climate change.

We commit to:

- Educate and learn about key causes and impacts of climate change
- Commit resources to accelerate our work
- Integrate existing processes and programmes
- Steward our investments for a post-carbon future
- Decarbonise our operations
- Report on progress of the above

The appetite from donors and communities alike to do more about climate change has been clear to community foundations, and nearly £3.5 million was directly awarded towards environmental and climate-related activities in total in 2023. This included a range of activities, from hyper-local litter picking projects to larger county-focused schemes that help to preserve local wildlife.



Leicestershire and Rutland Community Foundation supported The Conservation Volunteers by setting up a Green Gym with a grant from the Mercia Park Community Fund. The Green Gym brings people together to warm up and work out through community conservation activities, wildlife gardening and food growing in a welcoming, social, supportive setting.



With support from Herefordshire Community Foundation, Stories of Change is a project that was set up from the #iwill Fund to get young children involved in understanding the impact of pollution in the River Wye.



'Children from St. Thomas Cantilupe School in Hereford enjoyed sharing their learning about pollution in the River Wye with Countryfile on the BBC'



In 2023, UKCF partnered with Clean Air Fund to co-design a learning-focused programme to support grassroots organisations and charities wanting to campaign and raise awareness around air pollution. The 'Breathe Better Air Community Fund' is being delivered in Manchester, Birmingham and Liverpool, supporting activities such as workshops, community events and video production.

One of the awarded groups, funded by Forever Manchester, has used the support to inform, involve and engage the Jewish community in activities that promote better air quality and healthier living. One of their organisers said, "The positive feedback and active participation from community members underscore the importance of aligning environmental consciousness with our faith."

Community foundations have played a key role in supporting and implementing measures to build community resilience against regional flooding, as well as helping those affected by it.

In October 2023, Storm Babet damaged hundreds of homes and businesses in South Yorkshire and flooding from the River Rother hit communities hard. South Yorkshire's Community Foundation quickly joined forces with Rotherham Council to distribute grants and set up an appeal to build extra support. Talking about the challenges local households faced with local media, the community foundation said:

"It may be [families] don't have the finances to insure their properties, but a lot of it is that they can't gain insurance as they've been flooded before. We know that it makes a huge difference for them to know that the local community is behind them, supporting them."

A focus on prevention

Tackling the root causes of social and systemic inequity is fundamental in guaranteeing an equitable future for society. Our partnerships in 2023 were focused on not only meeting today's needs, but ensuring our legacy of support is long lasting with the power to evolve.

We launched the Know Your Neighbourhood Fund in partnership with Department for Culture, Media and Sport in January 2023, which is focused on increasing volunteering opportunities and tackling loneliness. This £14 million programme is being delivered over three years in Wolverhampton, South Tyneside, Kingston-Upon-Hull, Blackpool, Stoke-On-Trent, Great Yarmouth, Fenland, County Durham and Barrow-in-Furness.

Participating community foundations have been working with their local networks to encourage volunteering through activities such as running research projects, employing outreach officers, opening extra community group activities and providing volunteer training to establish closer community connections and simultaneously reduce loneliness.



Rooted in Hull, funded by Two Ridings Community Foundation, has used Know Your Neighbourhood funding to offer a supportive and friendly space for local people who are marginalised in society to come to. With two new people employed and volunteer sessions three days a week, they hope to offer a more structured project that draws in volunteers to help others.



'Rooted in Hull is one of many community-led groups focused on connecting people through volunteering'

Our work with Primary Health Properties over the past few years has concentrated social prescribing support in different areas of the UK at a time. Having previously been delivered in Scotland, County Durham, Lincolnshire, Lancashire and Merseyside, in 2023 we teamed up with Heart of England Community Foundation to distribute funding in the West Midlands.

Over the course of the programme, social prescribing funding has gone towards dementia support, art therapy, carer support, cancer groups, domestic and sexual abuse groups, friendships groups, community garden workshops and much more. Through various community activities, individuals have been able to open up, gain confidence, improve their health and strengthen their wellbeing.



Harry Hyman, CEO of Primary Health Properties, commented on the impact of our multi-year partnership:

“Heading into the third year of this vital programme, each year has indicated the increasing need for grant funding to support the excellent work undertaken by the many charities and community groups working in the social prescribing arena.”



Foundation Scotland has been working with WEALL Scotland, launching a new fund focused on tackling inequality at its roots and creating space and time for funding applicants to explore more preventative approaches.

Talking about the partnership, Jimmy Paul, Director of WEALL Scotland said, “[Foundation Scotland] has been willing to experiment and has exemplified what true partnership should look like. We need more organisations to be bold and radical like Foundation Scotland.”



Community Foundations for Lancashire and Merseyside have been working with Wapping Bangladesh Association (WBA) to break the poverty cycle through the planning of pro-active activities with Bangladeshi and minoritised communities in Tower Hamlets. WBA is providing support for people’s individual needs, development and resource access.



International collaboration

At the end of 2022, UKCF designed and hosted an in-person conference with a difference. Delegates from around the world were invited to the Kimpton Clocktower in Manchester, where experts from corporate, financial, government and civic fields took to the stage for 'Foundations for the Future: Acting Now to Shape Tomorrow'.

Delivered over three days, the conference shone a spotlight on responsible investment, co-designing future-focused programmes, different models of grant making, EDI (equity, diversity and inclusion), the SDGs (Sustainable Development Goals) and the future of charity governance, among other topics.

International guests from foundations around the world were able to attend, thanks to scholarship support from The CS Mott Foundation. Thank you also to our headline sponsors, CCLA Investment Management.



'Delegates gained a wider depth of knowledge from speakers around the world at our 'Foundations for the Future' conference in Autumn 2022'

To ensure inclusivity at our annual conferences, in Autumn 2023 we provided an online conference, 'Together 23 – Philanthropy Forward: Navigating the Future'.

Over two days, members and trustees from all community foundations in the UKCF network

were joined by 13 organisations from across the sector and from overseas to explore where we are now, where we need to be and how we can navigate the path of philanthropy to collectively tackle systemic inequality.

The event included insights from philanthropists, experts and voices from the UKCF network and the wider field of philanthropy. Over 500 delegates attended.

The UKCF team regularly connects with international networks, embracing the importance of global collaboration to improve practices and explore new approaches. In 2023, our senior leadership team attended the Community Foundations of Canada's conference, 'Reconnect 23', that looked at Canadian philanthropic practice and reimagined the future of philanthropy.

In September 2023, UKCF staff attended 'Climate Action Days' in Berlin, along with community foundation support organisations and European community foundations. We joined other professionals in developing our approach to tackling climate change and creating a narrative on the way we ensure a global impact through local action.

Additionally, the Green Group has been formed by UKCF for members to mainstream communication about climate change and embed it into our strategies, our programmes, our investments and our everyday actions.



'UKCF works closely with its international partners, including European Community Foundation Initiative (ECFI), pictured'

The potential of place-based philanthropy

Invested for the long term

Community foundations across the UK and beyond are united in the goal of reducing systemic inequality and improving quality of life in all communities.

Addressing complex inequalities requires long-term, sustainable sources of funding. It also requires community foundations themselves to be as sustainable as possible, establishing longstanding, trusted relationships to develop an effective resource built by and for local communities.

With a network of 47 community foundations across the UK and more internationally, UKCF recognises that there is no singular model for a

community foundation or the donor it works with. Rather, we celebrate the breadth and variety of community foundations and their goals, priorities and ways of operating.

This takes shape in many ways, from investing in buildings that provide community-focused services, growing endowments to secure a steady flow of income and resources for local charities and voluntary organisations, delivering multi-year partnerships with local authorities and providing long-term membership programmes with corporate partners, to name but a few.



Community Foundation for Staffordshire and Shropshire wanted to increase its social impact with its investments. As part of this mission, it bought a building that had been empty since 2019, with a view to turning it into a property dedicated to the local community.

Renamed Philanthropy House, the building underwent an extensive refit to create two floors of serviced offices and the ground floor, which would be the new home for the community foundation. The building is marketed specifically at charities, community and voluntary groups and social enterprises, offering high quality facilities to smaller organisations that would be unable to afford them in their own right.



'Philanthropy House is a social investment that provides space and facilities for community-focused organisations'



The Derbyshire High Sheriff Fund has been used by Foundation Derbyshire to improve social opportunities for diverse communities. Fairplay, one fund recipient, is an overnight service for young people with learning disabilities to spend time away from home, with their friends, in a safe supportive environment.

Heather Fawbert, CEO at Fairplay, said, “Core funding is always misunderstood and often difficult to achieve, as there isn’t necessarily a project at the end of it for the funder to see. So, core funding, like this grant, is very much appreciated.”



Image – ‘Young people with learning disabilities enjoy time with their friends in a safe setting, with core support from the Derbyshire High Sheriff Fund’



‘In 2023, Sussex Community Foundation and the Lawson Trust created an endowment match challenge for donors in the county to contribute towards. A percentage of the doubled capital will consequently be drawn down each year, contributing to long-term outcomes for people in and around Sussex.’

Currently, the total portion of unrestricted funding we manage throughout our network is 18%. Sector research shows that more unrestricted and experimental funding is needed in order for those at a grassroots level to explore and influence lasting change.

There is an argument to be had for the types of funding being provided and where the power should lie. The strength of community foundations is their ability to share the power between donors and communities alike, to explore new approaches, to learn from local activities and to implement new initiatives that will work on a wider scale.

We are proud that many of our programmes at UKCF are over multiple years with partners that see the benefits of unrestricted funding, and we actively welcome the opportunity to work with ambitious, future-focused networks to drive forward social change in this way.

In 2023, we launched the ‘Anchor Community Connection Fund’ with Anchor at Arla Foods to provide funding in three areas every year. The programme aims to ‘spread good in the neighbourhood’, bringing diverse communities together through food. With a simple concept relevant to communities in all geographies, the programme has served as an umbrella for social inclusion, mental health awareness, access to warm food, bereavement support and volunteering opportunities.

The 2023 round of core funding was distributed across Wiltshire, Buckinghamshire and Leeds, providing unrestricted support to 29 community groups. The groups, embedded in their own communities, had the freedom to decide how best to spend their grants, from improving their service areas and buying in food to purchasing a mobile pizza oven.



Heart of Bucks Community Foundation identified and worked with local groups in Buckinghamshire to distribute the Anchor Community Connection Fund.

Henry Allmand, CEO, said, “The type of flexible funding that Anchor were able to provide is really important and is, perhaps, the most sought after funding in the charity sector. It’s really forward thinking of Anchor to take this approach.”



“Before this group, I felt like a nobody. Now I feel like somebody.” This was the answer eight-year-old Evie gave when asked about the difference the Flourishing Families project – supported by Leeds Community Foundation through the Anchor Community Connection Fund – had made to her every-day life.



Reaching social equity together

Improving social equity is no mean feat. We live in a complex system where underrepresented communities are not always heard or listened to. However, effective and collaborative philanthropy provides a way – as a valued addition to political systems – to ensure equal opportunities are there for everyone to thrive. This is the core purpose of UKCF.



“A more equal UK would have a stronger and more productive economy, working infrastructure nationwide, healthier and longer-lived lives, a better education system, less crime and more control over our lives.”

Cost of Inequality 2023, The Equality Trust

The key to making philanthropy an effective tool in reaching social equity is transparent collaboration and a willingness to learn from best practice.

Our members convene with different bodies of society, bringing together grassroots community groups, local authorities, companies, social enterprises and other decision makers to develop philanthropic opportunities that explore and tackle areas of inequality.

At UKCF, we are grateful for these partnerships at a national level. Our multi-year partnership with Cellnex UK is a perfect example of organisations wanting to utilise the collective knowledge and reach of community foundations for the greater good. Cellnex UK has played a huge role in helping us to support digitally excluded individuals and households throughout England.

The programme has supported people who are rurally isolated, asylum seekers, people with disabilities, older people who are socially isolated and many communities who do not have the financial means to digital access.

Digital inclusion is just one of the many aspects of social inequity that community foundations are addressing. A benefit of working with community foundations is the variety of support they can offer concurrently, to advance equal opportunities for people all over the UK.



Hertfordshire Community Foundation is working with the High Sheriff of Hertfordshire, Liz Green, to manage the High Sheriff's Awards 2023/2024. The themed awards are focusing on celebrating the work of community groups and charities to address reading, writing and rehabilitation.

High Sheriff Liz Green said, “There are over 3,000 charities in Hertfordshire who make a real difference to our communities.”





Taunton Pride is a vibrant annual event that celebrates and protests for the rights of the LGBTQ+ community. With funding from Somerset Community Foundation, Taunton Pride's first ever parade was born in 2022.

Jenny Keogh, CEO of GoCreate Taunton said, "Our local groups are very diverse and their views were all different, but what really came through is that people wanted to create a safe space where they could be themselves. It's so important to have that space and really shout from the rooftops that we're here and proud. It was very moving."



'Taunton's very first Pride parade took place in 2022, with support from Somerset Community Foundation's Somerset Fund'

Working with Local Government Authorities

Collaboration with local authorities and national bodies has also allowed community foundations to be creative in their approaches to tackling inequality.

Community Foundation for Calderdale has been working with West Yorkshire Combined Authority to encourage local action on climate change. The aim of these community grants is to develop neighbourhood-level climate action plans, set up advice hubs, build local skills and capacity and advance climate education throughout the county.

Norfolk Community Foundation convened with local fundraisers, Norfolk County Council and seven district councils, as well as the National Lottery and Feeding Britain to develop 'Nourishing Norfolk'. First piloted in 2020 during the national lockdown, the scheme has since launched 22 'food hubs' which provide affordable food and support across the county. A central warehouse, provided with the support of local businesses, supplies 70% of the food hubs each week which offer wraparound support on budgeting, housing, cooking, benefits, mental health support and anything they might need to thrive within their community.





'Nourishing Norfolk is a scheme that was established with multiple council partnerships to put social equity first through place-based philanthropy'



East End Community Foundation has partnered with the Letta Trust, the London Borough of Tower Hamlets Council, and Poplar HARCA to tackle digital inequality through its Connecting Communities Programme. The programme involves working with schools in Tower Hamlets to identify students and families most in need of support, providing them with a laptop, 12 months' free broadband and delivering a comprehensive digital training programme.



'East End Community Foundation's 'Connecting Communities Programme' focuses on tackling digital exclusion in Tower Hamlets, London'

Improving social equity involves working alongside diverse communities to understand their challenges and imagine solutions together.

The Devon and Cornwall Chinese Association (DCCA) identified that the Chinese community was facing two critical issues; racial harassment and a lack of trust in law enforcement, which led to incidents going unreported.

With funding from Devon Community Foundation, DCCA reported that the “improved connection with community members gave openness and transparency, providing the police with a better understanding of the impact hate crime has on the community.”

According to Northamptonshire Community Foundation’s 2023 Hidden Needs report, the majority of people who are refugees or asylum seekers in Northampton are young unaccompanied asylum-seeking children. Northamptonshire Community Foundation and the Northampton Town Sanctuary worked together to help local youth programmes divert, empower and upskill young asylum seekers and care leavers who live in inner urban areas, to help prevent them from being groomed by gangs and exploited by unscrupulous employers.

Revitalising dormant trusts and assets

UKCF is working with the Charity Commission for England and Wales to revitalise dormant trusts because of our efficient due diligence process and ability to distribute money quickly around the UK.

The purpose of the Revitalising Trusts Programme is to help trustees of trusts that are either dormant or inactive to ‘revitalise’ them into distribution. Over £1.9 million was revitalised in 2023 by our network. These dormant trusts have either been revitalised through their original channels or diverted towards new activities that represent the trusts’ original objectives.

The Welsh Government has been working with Community Foundation Wales to revitalise dormant trusts throughout Wales, leading on from the successful work being done in England.

Over time, they aim to unlock £25 million which will be re-purposed back into Welsh communities.

The potential of new philanthropic opportunities by unlocking dormant trusts and assets is huge.

A report* by Pro Bono Economics found that there is around £3 billion in potential giving that could be capitalised for the voluntary sector, resulting in a near 15% increase in total charitable giving.

Between 2024 and 2028, the Government is expected to release £350 million in England through the Dormant Assets Scheme, directed towards youth, financial inclusion and education, social investment wholesalers and community wealth funds.

We believe that the funding set to be allocated from the Dormant Assets Scheme could be the catalyst to help build a sustainable financial asset base for communities across the nation.

The community foundation network is already a crucial part of the funding eco-system for small charities and community organisations that receive a disproportionately small share of total charitable giving. We know that, rather than gradually spending down pots of money, building community foundation endowments enables local voluntary sector organisations to access a permanent revenue stream.

To learn more about the role UKCF can play in revitalising dormant assets, we invite you to read our report, *A Place for Philanthropy*^{xi}.





Thank you

We are in awe of the work and dedication every one of our community foundation members provides to the areas they serve. They do not simply represent their communities; they are a committed element of them.

Thank you to our Board and staff who work remotely all over the UK. While we are a smaller team than many national organisations, we make up for it with our ambition and passion for thriving communities.

To our fantastic partners CCLA, The CS Mott Foundation, Prospectus and Original Cottages that play a vital role in supporting the work of UKCF's development, core functions and learning. We are immensely proud to have you as our supporters.

Thank you also to the programme partners we have worked with in 2023 that are committed to building thriving communities: Cellnex UK, the Arts Council, VCSEP (Voluntary and Community Sector Emergencies Partnership), Anchor (Arla Foods), Primary Health Properties, DCMS, #iwill Fund, Clean Air Fund, the Sir George Earle Fund, Masonic Charitable Foundation, M&G Investment and the British Red Cross.

To our wonderful event partners over the past year, thank you to our headline sponsor CCLA, our gold sponsors Edentree Investment Management and Rathbones, our bronze sponsor Investec, and event media partners Alliance Magazine and Philanthropy Impact.

There is no thank you big enough for the thousands of charities and voluntary organisations embedded in communities all over the UK. The work being done at a grassroots level is not often seen or recognised on the scale it deserves and we know that right now, these much-needed

services are facing incredible challenges. We endeavour to continue our support and increase place-based philanthropy to ensure that those best equipped to make change happen have the tools to do so.

Lastly, community foundations often share the inspiring stories of local donors with our team. Without the immeasurable generosity of individuals, families, friends and organisations, UK communities would be at a huge loss. Thank you for the time, the care and the trust you put into place-based giving to ensure it goes a long way.

On the horizon

UKCF's 2024 strategy will look to the future, opening up new opportunities for UK communities and leading the way in place-based philanthropy. There is no better time to start your philanthropic journey with community foundations!

In October 2024, we will hold our in-person conference, with a keen focus on climate change. If you are interested in supporting the event, please email

**[Partnerships@
ukcommunityfoundations.org](mailto:Partnerships@ukcommunityfoundations.org)**

To learn more about the community foundation model, find your nearest community foundation or get in touch with the UKCF team, we invite you to visit our website:

www.ukcommunityfoundations.org



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- i Office for National Statistics, alcohol-specific deaths in the UK, 2021
- ii The cost of living: an avoidable public health crisis, The Lancet Public Health, 2022
- iii UK Civil Society Almanac, 2023
- iv Austerity and the pandemic, 2023
- v Rising Cost of Living in the UK, 2023
- vi Rising demand for mental health care, 2022
- vii Effects of Climate Change, Met Office, 2023
- viii British Heart Foundation air pollution research, 2023
- ix Report, What the Green Groups Said, 2021
- x 'Mind the Giving Gap: Unleashing the potential of UK philanthropy', report, 2021
- xi A place for philanthropy, UKCF report, 2022



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