



Danny Kruger MBE MP

Via email: [danny.kruger.mp@parliament.uk](mailto:danny.kruger.mp@parliament.uk)

16 July 2020

Dear Mr Kruger

**Your mandate to report on the opportunities to maximise community activity**

We write as a coalition of civil society organisations who welcome the prime minister's commitment to developing proposals that will maximise the impact of community activity in our collective ambition to 'level up'.

The post Covid19 recovery presents an unprecedented moment for the government to reset the relationship with civil society and work together as partners to Build Back Better. Civil society, like other sectors of the economy, is facing an unparalleled funding crisis. Sector leaders have outlined proposals to help bolster civil society's income in a [Five Point Plan<sup>1</sup>](#) put to the Chancellor ahead of the summer economic update. Civil society is an important economic actor in its own right, currently contributing over £18.2bn to the UK economy and employing 900,000 people, equal to 3% of the total workforce.<sup>2</sup> But Further to this, civil society's unique strength is based on the connections it creates; bringing people together, instigating relationships and networks, inspiring action and connections. Without a thriving civil society, our nations' communities cannot prosper.

We propose that your review considers the following package of recommendations that will enable the UK's strong and valuable civil society to play its full role in achieving the government's post-pandemic objectives. One of the strengths of our civil society is how diverse it is, working at the most local grass-roots level as well as with international partners, which means there must a range of complementary actions and initiatives rather than a one-size-fits-all approach. As such, we recommend the following proposals should be taken together and warmly welcome the opportunity to meet with you to discuss these recommendations in more detail.

**1. Level up through knowledge to build upon existing foundations:** use initiatives that are already in existence and refocus, repurpose and refresh where appropriate to allow programmes to be pivoted and properly resourced to deliver a more rapid and efficient response to the important issues that have emerged during the Covid19 crisis.

**2. Level up through tackling inequality:** civil society is ideally placed to support government and local authority efforts to tackle long-standing structural inequalities and the disproportionate impacts of Covid19 that affect women, BAME people and communities, young people, disabled people and other

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<sup>1</sup> <https://nmn.org.uk/2020/07/07/charities-send-five-point-plan-to-chancellor/>

<sup>2</sup> <https://almanac.fc.production.ncvocloud.net/workforce/>

marginalised groups. We recognise that government has already declared a significant focus on trying to combat these impacts. To do so, we need a strong local infrastructure that includes civil society organisations which represent and serve specific equality groups. This would empower communities, tackle discrimination, and give individuals the resources and agency to address inequalities in their local areas. Organisations which operate locally are best placed to understand and voice the needs and concerns of those they represent and work with, ensuring that local decision-making works for all of us. It is vital that they are supported to feed information and learning from the grassroots into regional and national policymaking.

**3. Level up through funding:** Civil society, both nationally and locally, is facing an unprecedented funding crisis and without addressing financial sustainability, will not be able to play its full part in the recovery. Many organisations operating locally in our communities have long since felt the squeeze on local government finances and the crisis precipitated by Covid19 has meant that income has further drastically reduced through the almost immediate cessation of trading activity, including the closure of charity shops, and of fundraising activity, while demand for services has increased. The £750m emergency funding is welcome but will not be enough to sustain activity and delivery through recovery and beyond. For civil society to play its full role in recovery, we also need to recognise the value of fundraising as an activity that connects people, causes, and communities and how it can be an integral part of enabling communities and people to come together, strengthening social capital and community resilience.

Our [Five Point Plan](#), outlines a range of measures to support charities to rebuild lives and livelihoods including: implementation of a flexible approach and appropriate extension of the Coronavirus Job Retention Scheme, the introduction of the [Gift Aid Emergency Relief Package](#)<sup>3</sup> to temporarily increase the amount of Gift Aid that can be claimed on donations, repurposing of and access to the National Fund to support charity services, ensuring effective and efficient distribution of the Shared Prosperity Fund and crucially, the creation of a Community Wealth Fund using Dormant Assets.

We urge government to release funds already in existence to be invested in local social and physical infrastructure and to ensure that Local Authorities are not left in financial danger and have the adequate resources to more ably support their local communities to maximise its social value.

**4. Level up through influence with a Whitehall shift:** civil society needs a central place in government to be able to play its full role in achieving the government's post pandemic objectives. Responsibility for it should be moved back to the Cabinet Office, reflecting the essential and powerful role the multiple parts of the sector play in achieving social change and encouraging social action. The 2018 Civil Society Strategy made a commitment to establish a cross-government group to work with civil society on policy-making and it is this kind of cross-government initiative that is most needed to tackle some of the most challenging issues we face in the economic and social recovery that would be best served by a move to the Cabinet Office.

**5. Level up through procurement:** use Brexit as a turning point to free civil society's delivery of public services from the competitive procurement arena and set our own financial rules, including VAT and create a new approach to public service delivery that is more personal and person-centred through grant funding rather than competitive bidding. Where service delivery has worked well during the crisis, it is because of flexible commissioning, good open communication, and trust in service providers. Retaining and building more trust-based commissioning partnerships between statutory and voluntary agencies will be essential

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<sup>3</sup> <https://nmn.org.uk/2020/06/24/gift-aid-emergency-relief-package/>

in enabling public services of all types to respond with the speed and flexibility our communities deserve. Trust-based commissioning would prioritise social value, build skills, protect equality, and labour standards and the environment.

**6. Level up through adopting local by default:** view all initiatives through a local lens, championing the local voluntary and community sector working alongside national organisations who operate locally by running local services and campaigns to play a key role in the local ecosystem to regenerate local areas. Devolve wealth and power to local communities through the establishment of a Community Wealth Fund, or a Levelling Up Fund, created by the use of Dormant Assets, to develop a strong and adequately resourced local social infrastructure and

**7. Level up through supporting high quality volunteering experience:** ensure that the power and value of volunteering is fostered and enabled to play a key role in giving local communities agency, connection and resilience. It is crucial to ensure that people taking part in volunteering activity have a positive and rewarding experience and that focus is given to enhancing and improving the experience of people who do give their time generously, removing barriers for those who currently are not able to. The most efficient way of enabling this is through high quality and adequately resourced local and community based volunteer management.

**8. Level up through a green recovery:** The actions taken now by governments to respond to the current health crisis and rebuild our economy must recognise the need for action that will protect the people, place and life that we love from the climate crisis at both a national and community level. We encourage government to invest in initiatives that accelerate the transition to net zero carbon emissions, restoring nature and supporting those most likely to experience harm.

**9. Level up through collaboration:** The impacts of Covid19 will be felt for years to come and any short-term action will need to be reinforced through a long-term cross-governmental strategy. This is an unprecedented moment in which to reinvigorate the relationship between civil society and government and recognise our shared goals for a future that works for everyone, echoing themes from the Civil Society Strategy published in 2018. Charities and civil society organisations are embedded in the social fabric of our communities across the UK, uniting people to causes they care about and connecting people to networks. Recognising the knowledge, expertise and remit of civil society organisations to amplify the voices and represent the needs of our beneficiaries, and for this to be used in shared goal setting with government will represent a great step forward in supporting our communities to not only recover, but level up and Build Back Better for a more resilient future.

We recommend these proposals to you and remain committed to playing our part as civil society organisations to seize the opportunity to Build Back Better for our communities across the country, working in partnership with government. We hope to be able to discuss these recommendations with you in more detail. Please contact [Roberta Fusco](#), Director of Policy and Communications, Charity Finance Group, to arrange a meeting and for any further information.

Yours sincerely

Vicky Browning                      CEO    Association of Chief Executives of Voluntary Organisations

Sir John Low                         CEO    Charities Aid Foundation

Caron Bradshaw	CEO	Charity Finance Group
Robin Osterley	CEO	Charity Retail Association
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Peter Lewis	CEO	Chartered Institute of Fundraising
Kathy Evans	CEO	Children England
Debra Allcock Tyler	CEO	Directory of Social Change
Ali Harris	CEO	Equally Ours
Paul Streets OBE	CEO	Lloyds Bank Foundation
Tony Armstrong	CEO	Locality
Fadi Itani	CEO	Muslim Charities Forum
Jane Ide	CEO	National Association for Voluntary and Community Action
Janet Thorne	CEO	Reach Volunteering
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Contact Roberta Fusco, Director of Policy and Communications at Charity Finance Group  
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