

Consultation on the English portion of dormant assets funding

Response from The Association of Charitable Foundations

5th October 2022

1. Are you responding as an individual or on behalf of an organisation?

Organisation

2. What is the name of your organisation?

Association of Charitable Foundations

3. What type of organisation do you work for?

Civil society (charity etc.)

**4. Is your organisation a current or prospective participant of the Dormant Assets Scheme?
(select only one)**

No

5. In which sector(s) does your organisation operate?

N/A

6. Please select the primary sector in which your organisation operates.

Other: We are a membership organisation for foundations in the UK

7. Does your organisation operate in England?

Yes

8. Where does your organisation operate?

Multiple English regions

9. Where does your organisation operate?

UK-wide and/or internationally

10. Do you live in England?

N/A

11. Where do you live?

N/A

12. Where do you live? (select only one)

N/A

13. Do you want your response to be treated as confidential or do you agree for your answers to be quoted on an anonymised basis?

- I agree for my answers to be quoted on an anonymised basis

Section 1 – Youth

Q.14 To what extent do you agree or disagree with the following statement?

“Youth should continue to remain a cause of the Dormant Assets Scheme in England”.

- **Strongly agree**
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Q. 15. Please explain the reasons for the answer you have given.

Much good work has taken place in this area, especially with the establishment of the Youth Futures Foundation and its accreditation as a What Works Centre in the UK. However in the light of the pandemic and now the cost of living crisis the challenges to young people remain high today and for their future prospects. In this context we strongly agree that Youth should continue to remain a cause of the Dormant Assets Scheme in England.

Section 2 – Financial inclusion

Q. 16. To what extent do you agree or disagree with the following statement?

“Financial inclusion should remain a cause of the Dormant Assets Scheme in England”

- **Strongly agree**
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Q. 17. Please explain the reasons for the answer you have given.

This work is needed more than ever given many people, families and communities are excluded from financial systems. These systems are still working against them in the form of the poverty premium, now exacerbated to breaking point by the current cost of living crisis – which as the consultation document notes, “will push more people into financially vulnerable circumstances”. In this context we strongly agree that Financial Inclusion should continue to remain a cause of the Dormant Assets Scheme in England.

Section 3 – Social investment

Q. 18. To what extent do you agree or disagree with the following statement?

“Social investment wholesalers should remain a cause of the Dormant Assets Scheme in England”.

- **Strongly agree**
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Q.19. Please explain the reasons for the answer you have given.

Over the last decade the Dormant Assets Scheme has made a transformative impact on communities. There is now a chance to build on these strong foundations by targeting support to the communities which need it the most. In social investment terms this means offering a broader range of tools (small unsecured loans, blended finance, non-profit community lending combined with business support, enterprise grants).

A full submission to this response has been submitted by the Community Enterprise Growth Plan Coalition and also the Enterprise Grants taskforce – both of which ACF is supporting. Please refer to these responses, which set out a compelling case why social investment wholesalers should remain a cause of the Dormant Assets Scheme in England, and for offering a broader range of tools in support.

Section 4 – Community wealth funds

Q. 20. To what extent do you agree or disagree with the following statement?

“Community wealth funds should become a cause of the Dormant Assets Scheme in England”.

- **Strongly agree**
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Q. 21. Please explain the reasons for the answer you have given.

Given recent turmoil in the economy and pressure on public spending, those places that have traditionally lacked social infrastructure, as well as being severely ‘deprived’ are not going to have ready access to the funding they need to address the worse socio economic outcomes they currently face.

Evidence suggests ([The Double Dividend, Local Trust, 2021](#)) that investment in social infrastructure (places and spaces to meet, community organisations, and connectivity – transport and digital) at the community level is a foundation for creating stronger, more resilient and prosperous communities in which opportunity is accessible to all.

Community wealth funds will enable people and communities living in our most deprived places in the country to create these strong social foundations, foundations that will help to secure the success of other interventions such areas are seeking to tackle (like employment, training or education).

Dormant assets funding will be vital to supporting people and communities in these areas to think long term and give residents the power to make a difference to their own lives and those of their neighbourhoods.

ACF is a member of the Community Wealth Fund Alliance, which is made up of nearly 600 public, private and voluntary sector organisations as well as members of the APPG for ‘left behind’ neighbourhoods, and we strongly support the inclusion of community wealth funds as a cause of the dormant assets scheme in England.

22. Community wealth funds are defined in the Dormant Assets Act 2022 as funds which give long-term financial support (whether directly or indirectly) for the provision of local amenities or other social infrastructure.

Do you agree with the definition of community wealth funds as being suitable for the Dormant Assets Scheme?

- **Yes**
- No
- Don't know or don't want to comment

Section 5 – Alternative causes

- Q. 24.** Would you like to suggest other cause(s) you think should receive funds from the Dormant Assets Scheme?

- Yes
- **No**

- Q. 25.** Please specify the alternative cause that you consider to be most important.

N/A

- Q. 30.** Do you have any comments on whether secondary legislation should prescribe specific purposes?

If you are to achieve your ambitions of creating meaningful, sustainable high impact change we would encourage that you invest heavily, strategically and systemically on one/small

number of causes – not having any prescribed causes, although possibly more popular, will encourage demand that cannot be met given the funds available.