



Dear colleague,

This is the latest bulletin from the [Members' Policy Forum](#), our last of 2020. The MPF is an initiative that aims to increase opportunities for all our members to engage directly with ACF's policy work, raise issues of interest and concern, and regularly engage with policymakers in government.

We encourage you to share this bulletin with colleagues and prompt those interested in receiving the latest updates, briefings, and events to join the Members' Policy Forum by emailing the ACF policy team at [policy@acf.org.uk](mailto:policy@acf.org.uk)

Earlier this month ACF launched a [self-assessment tool](#) for foundations to measure their own effectiveness, allowing members to choose the thematic area they would like to prioritise and supporting them to take action on the pillars of stronger practice identified through the [Stronger Foundations initiative](#). The tool was accompanied by the publishing of a report on '[Five cross-cutting themes: Mission, Knowledge, Power, Accountability, Connection](#)', which pulls out key themes running through all six thematic areas. ACF hopes this will give foundations and their staff a route into the Stronger Foundations programme.

The [Funders' Collaborative Hub](#) launched in November. Since then, it has offered the foundation and philanthropic sector a range of services that are now having an impact on the way that funders are working together to respond to Covid-19. On the web platform you can browse profiles of [funder collaborations](#), read featured [blogs](#), and re-watch and share [paste Hub events](#). You can view a [detailed update on the Hub's progress here](#).

**MPF EVENT:** Together with the Brexit Funders Group, on **22 January, 12-2pm**, we will explore the ramifications of our departure from the EU for civil society and consider the longer-term implications for the future of the UK. The event will feature a panel of foundation representatives, chaired by Andrew Barnett, Director of [Calouste Gulbenkian Foundation UK Branch](#). We will also hear from Anand Menon, Director of The [UK in a Changing Europe](#), Professor of European politics and foreign affairs at King's College London. [Book your place](#).

Here is a round-up of some recent policy developments since our last update:

- **Charity Commission on perceived barriers to responsible investment** – Gail Cunningham, ACF's Head of Investment Learning Programme, explains: "During 2020, the Charity Commission conducted a listening exercise to understand the barriers that may be preventing some charities from investing their assets in a way that is consistent with their purpose and values. ACF and many foundations responded. In November the Commission [published a blog](#) setting out the perceived technical barriers and practical issues faced by trustees, and committing to consider how the Commission can best support trustees in future. ACF will update members during 2021 on any progress and continue to relay members' views to the Commission."
- **Charity Tax Group highlight increasing VAT burden facing charities** – Charities often can't recover VAT on their purchases because they can't pass this on to customers. Research commissioned by the Charity Tax Group and undertaken by London Economics reveals that irrecoverable VAT now costs charities £1.8bn a year. The reports also quantify the value of existing VAT reliefs on purchases, as well as the impact of VAT on charity sales and service delivery. [Read more here](#).

- **Charity Governance Code refreshed** – The Charity Governance Code sets our seven principles of good governance specifically for charities in England and Wales. Following a sector-wide consultation to review the Code launched in February 2020 which received over 800 responses, the Charity Governance Code Steering Group updated the Code’s [integrity principle](#) and the [principle on equality, diversity and inclusion](#). You can watch a [webinar on the Code update here](#).
- **New research on foundations’ views of charity SORP accounts** – ACF together with Scottish Grantmakers and Philanthropy Ireland have jointly published the findings of their *Survey of Charitable Funders’ views of accounts prepared under the Charities SORP*. The findings highlight the value to funders of the trustees’ annual report, and a preference for simplified SORP accounts in the future. [Read the report here](#).
- **Calls for a politically neutral appointment of Charity Commission chair** – A coalition of charity sector umbrella organisations, including ACF, signed a letter coordinated by ACEVO to the chair of the DCMS Select Committee. The letter request that transparency, accountability and impartiality be prioritised in the recruitment process for the next chair of the Charity Commission. [Read the letter in full](#).
- **UK Climate Change Committee publishes Sixth Carbon Budget** – Last year the UK committed to reaching net zero greenhouse gas emissions by 2050. The Climate Change Committee has published [the Sixth Carbon Budget report](#), required under the Climate Change Act, which details how the UK can reach that target over the next three decades, and how this process can be fair and just. ACF’s Director of External Affairs, Richard Hebditch, addressed [what this means for civil society](#).
- **Funders’ role in organisation endings** – A group of funders are exploring whether there is appetite for funders to collaborate to support charities that – both by design and as a consequence of context – are considering closure. They are keen for feedback from foundations, whether or not they want to be involved in the output of the collaboration. [Please complete this survey to share your thoughts or get involved](#).
- **Homelessness in the asylum system during Covid-19** – Juliana Bell, co-chair of ACF’s Asylum, Refugee and Migration Network, has shared a blog from NACCOM, the UK-wide No Accommodation Network. The blog summarises the risk of homelessness if the government resumes evictions from asylum accommodation while Covid-19 remains a threat. [Read here](#).
- **The legal environment for philanthropy in the EU** – Philanthropy Advocacy, a joint project by the EFC (European Foundation Centre) and Dafne (Donors and Foundations Networks in Europe), has published country profiles detailing the legal and fiscal landscape for the 27 EU member states. A further 13 country profiles are set to follow in 2021. [Find out more](#).
- **Small Charities Data** – Lloyds Bank Foundation for England and Wales launched a digital research hub bringing together quantitative data covering on small charities in the UK, defined as charities with an income of under £1 million. [Browse small charities data here](#).

We are grateful to the Barrow Cadbury Trust for its support of the Members’ Policy Forum this year and in 2021. As we head in to the new year, we encourage you to share your ideas or concerns with the Forum. We are keen to ensure that the Forum reflects the policy issues that matter to you.

Wishing you a relaxing break and a Happy New Year,

**The ACF policy team**