

Oliver Dowden speech to the Law Family Commission on Civil Society

Thanks Gus, and it's a pleasure to be at the launch of the Law Family Commission.

Can I also pay tribute to Andrew Law and the Law Family Charitable Foundation, whose generous support has made this Commission possible.

I was interested to read the report and Gus O'Donnell's article in the FT – and I was particularly struck by what Andrew Law wrote in his foreword, about how we can best coordinate the “millions of individual acts of benevolence that take place every day in our nation”.

That's exactly what we are looking to do in government with our approach to civil society.

And I think this report is a timely and useful intervention. This launch comes at the end of one of the most challenging years in recent history – and I'd like to talk a little bit about that context, and what it has taught us about civil society, before getting into the government's approach in the coming years.

I know how hard hit civil society has been by the crisis – unable to fundraise face to face, unable to open charity shops, cafes and other retail outlets – especially at a time when the public has looked to the sector for frontline support more than ever.

The Commission's report identifies one key challenge, first and foremost – and that is what it calls our collective failure to properly value what civil society delivers.

But I want to be clear up front: that is not this government's attitude.

That's why we made a £750 million investment into the sector when the COVID crisis hit, to help ensure it could keep delivering essential support to those who needed it the most.

That was the first sector-specific financial intervention my department sought, and one of the first the Treasury granted across the entire economy. It was by far the biggest package of its kind in Europe, and a signal of our clear commitment to the sector.

Because in the unique challenges it has posed, and the enormous response required, I think COVID demonstrated beyond doubt that we can't afford not to value civil society.

At the same time, the wider context for civil society has shifted. When this pandemic hit, we witnessed a surge of goodwill in our communities.

The Commission's own research has found that 18 million people in England helped friends or neighbours during the first lockdown, by doing their shopping or walking the dog.

There's a strong appetite for community, and for helping good causes. And as we look back on this extraordinary year, I think it's a good moment to stop, to reflect, and to try and answer two important questions:

How do we capitalise on that surge of goodwill, on the army of volunteers who put their hands up during COVID – and make sure the epidemic of kindness we've witnessed in the last 12 months lasts far beyond this pandemic?

What lessons can we take from the past year, from the way civil society has had to radically adapt – and does COVID offer us and civil society a new way forward?

So let me offer some reflections on the key points from the report you have published today, and give you a taste of what the government is looking to do to unleash the potential of civil society.

And I use the term "unleash" deliberately there. Because I strongly believe, as your report rightly highlights, that there is huge power in civil society, and that it should be the government's job to unlock it – not try to replace it, or end up stymying it.

Not running things from the top-down – but stewarding the sector, unlocking resources and empowering volunteers.

So my first priority is for the government's work to focus on where it can add most value in this space.

The way the sector uses digital and data is a good example of this.

The Commission's report talks about the "digital deficit" – how more than one-in-three charities say they don't have the resources to invest in technology.

But I've been struck by the way charities have innovated and adapted during the pandemic – particularly through their use of digital technology: 92 percent of organisations have moved their services online as a result of COVID.

And the government has played an important role here, with a significant amount of the £200 million we have made available to small and medium sized charities via the Coronavirus Community Support Fund being spent on helping them to digitise their offer.

I know that charities can't deliver everything online, and that some of their most important work is done face-to-face.

But one of COVID's positive legacies could be the way it has helped digitise the sector for the long-term. And of course, going digital means more data, and that means making it easier to both evaluate and boost an organisation's

impact.

In my wider role as Secretary of State, I spend a lot of time thinking about how we can make better use of data in the wider economy. In fact, it's one of the areas where I think we can make a really significant impact now that we have left the EU.

But just as data isn't always well used in the public sector, your report highlights the 'data deficit' in civil society. 87% of charities say a focus on impact measurement is important to delivering their objectives, but fewer than half describe their knowledge and use of such approaches as "good" or "very good".

In truth, I think the government has the same data deficit.

The early stages of the Covid crisis showed that Whitehall didn't know as much about civil society as we thought we did. Where the volunteers were, which charities were best placed to step in and support public services, and what the real picture of its financial health was.

That matters: because without that understanding, we in government can't be as effective in supporting the sector or making the most of what it has to offer.

So I have made it a priority for my department to build up that knowledge – bringing in new skills and tools in order to do so. This was an important part of our settlement for the Office for Civil Society in the recent Spending Review, and I hope to see it bear fruit in the coming months as we take a different approach.

Secondly – and this is another issue that the Commission's report highlights – we want to look at how we can help bring more resources into the sector.

But not all of it needs to come from the same old sources. We need to look at bold new ways to raise funds.

So, for example, the Commission's report highlights what it calls the "philanthropic deficit" in this country. While the UK is undoubtedly a generous nation – and we saw that in abundance throughout the pandemic – we lag behind countries like the U.S., to the equivalent of an estimated £45 billion a year. That's very nearly the entire income of our charity sector income.

I want to know how we can use philanthropy more in this country in the future. Why is it that we don't get philanthropy on the same scale as you see in the U.S.? What role can the government play in stimulating it?

And as part of this, my excellent colleague Baroness Barran, the Minister for Civil Society, is doing some very important work on leveraging finance.

She has led two hugely successful fund-matching partnerships during the pandemic – firstly, the BBC's Big Night In, which saw government funds match public generosity and secondly the £85 million Community Match Challenge,

which doubled government investment by unlocking support from philanthropists, foundations and grant making organisations.

It's also become increasingly clear that a growing number of people are looking to invest their money in companies that align with their values. So we're looking at how we can drive impact investment. So in the same way people can now invest directly in funds focused on green investment, we want to look at how this could be applied to the work being done by civil society, to sit alongside the investment government is making.

We're also looking to expand the UK's Dormant Assets Scheme. This is money that is sitting in unused accounts, begging to be used to tackle some of society's most pressing challenges.

Since 2011, over £745m has been released from that scheme to support work on things like youth unemployment and problem debt. And we made another £150m available in May to help people who have been left particularly vulnerable as a result of COVID. Very shortly, we'll be publishing our response to a consultation on the expansion of that scheme.

And when we talk about making sure that investment has the greatest possible impact, I think we also need to ask some important questions about the National Lottery.

It was established in 1996 – and it has undergone only one real change since then, when a Labour government changed the way funding was distributed.

I'm keen, particularly as we move to a comprehensive spending review, to review where that balance lies.

During this pandemic we've seen how valuable organisations like grassroots sports clubs are in their communities. I want to see how we can best use those kinds of existing organisations to help communities, so that we make the most of our strongest assets on the ground.

And our third priority, something the report again highlights, is how we can unlock another important resource – which is time.

The Report warns that the country's early-pandemic enthusiasm for volunteering and sense of community is beginning to wane.

And yet we hear from so many people, and particularly the young, that they really want to get into volunteering. The will is there – but there are just too many obstacles in the way.

One person might volunteer to help in a care home, for instance, and have to go through a whole process of checks to do so. And then when they try to volunteer in another nearby care home in the same area, they find that they have to go through the exact same process again.

How can the government help simplify this process, and make sure the pandemic spirit of volunteering lives on long beyond this crisis?

Danny Kruger has spoken about a volunteer passport to coordinate the supply and demand of volunteers, which is something we're looking at closely.

We've already strengthened our links with voluntary organisations through the Voluntary and Community Sector Emergencies Partnership, which was given a £4.8 million grant during the coronavirus crisis. That has set us up to work much better together in the future.

These efforts are all part of one of this government's central goals, which is leveling up the country. Leveling up extends to civil society.

One thing we've learnt from COVID is that those areas that already had a strong volunteering infrastructure were able to respond to the crisis much more effectively and much quicker than those without.

So how can we level up the country so that, when the next crisis hits, everyone has access to rapid support?

An important part of this is the Government's new £4 billion Leveling Up Fund.

Danny Kruger's report recommended it, and it's a central piece of the spending review.

But now that we have the funding, we have to make sure the money gets to where it is most needed.

And as we do that, I want to ensure the decisions aren't just made by people sitting in offices in London. It should be driven and directed by the communities on the ground.

As I've touched on throughout my speech, a lot of this comes down to data and analytics, and getting a clear picture of how things stand.

One of the most important things we can do is to try and understand not just the health of the sector, but its value. As Andy Haldane highlighted in a lecture last year, the collective contribution of civil society to our economy and society is hugely underestimated by current economic measures.

And that is why this Commission is so important, and why we'll be wanting to work closely with you throughout this project.

Gus knows better than anyone that my job is to quantify to the Treasury, in terms they understand, what all of us speaking today know: that civil society is not just special but incredibly important.

I look forward to working with all of you in making that case.