

Charity Property Matters 2014

Summary of survey findings

- 45% of charities think property is the greatest risk to their long term survival - up 4% on 2012.
- A third of charities paid for commercial property advice in the last three years.
- A further 40% rely on informal advice from friends and contacts.
- Over 40% experience difficulty in obtaining core funding to cover premises costs.
- 47% would consider sharing space to reduce costs.
- Half the charities surveyed felt their local authority was broadly supportive of the role of the voluntary sector. However over 80% felt there was insufficient opportunity to be involved in strategic planning on provision of premises.

Summary of survey recommendations

The Charity Commission and the Ethical Property Foundation are committed to working together to build awareness about the range of property advice available to charities. The recommendations from this report involve different sectors:

1. To all charities

Poor property management puts your work at high risk. Charity trustees who seek good governance should assess this risk at least annually.

2. To the commercial property sector

The charity sector is worth £105 billion in assets. You would enhance your appeal to the sector by promoting access to property advice and assisting them in dealing with property issues.

3. To funders

Good property management will help ensure that your funds are well used. You would improve use of funds by investing in the property management skills of grant holders.

4. To local government

The £105 billion charity sector is a major contributor to the local economy. Early engagement with your local voluntary sector will strengthen the long term planning and delivery of public services within local communities.

5. To central government

Social Investment is enabled by investor confidence and long term growth; confidence and growth are developed through demonstrating good risk management. You should encourage a better understanding of the connectivity of fiscal and property management in all Social Investment.

Key Issues

The 2014 Property Matters survey has highlighted two key underlying issues that charities are facing in relation to commercial and public sector property.

Many charities do not obtain adequate advice and support on property.

While one third of respondent charities have paid for professional advice, a further 41% relied on advice from informal contacts.

There has been a relatively small increase (6%) since 2012 in charities going to membership or representative organisations seeking property advice

There remains insufficient awareness of advice that is readily available to them from a range of organisations including the Ethical Property Foundation. Only 11% of respondents have accessed free professional advice.

Charities are concerned about funding for property acquisition and management.

Over 40% of respondent charities stated that obtaining finance to manage their property was becoming an increasingly significant constraint. A quarter of respondents struggled to raise finance for acquisition. Over 55% of respondent charities are staying put and continuing as they are.

The Ethical Property Foundation

The Ethical Property Foundation is a registered charity, launched in 2004 with the vision that buildings should be managed for the benefit of people and the environment. Its main work since then has centred on its national charity Property Advice Service offering to charities and community groups high quality property advice as well as access to the property industry. To date we have supported nearly 3,000 organisations. In September 2014 we launched our ethical workplace accreditation the fairplace award (www.fairplaceaward.com). In the 12 months to May 2014:

- We supported 153 charities and community groups.
- An estimated 260,350 people benefited from our work through with charities.
- At least 5 organisations were saved from closure.
- 4 avoided loss of service.
- 8 organisations now provide new services because of our work.
- 89% of respondents reported greater property knowledge and awareness.
- 71% reported that we had improved their confidence in dealing with property issues.
- Our work has saved or generated over £237,500 for charities.

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