

Empowering Sustainable Communities

Three Actions to Empower Communities

Pre-Budget Submission 2025



Introduction

Community Foundation Ireland is using its 25-years of partnership with 5,000 voluntary, community and charitable groups across the country is calling policymakers to deliver three actions which will promote equality and ensure sustainable futures.

The actions are not only underpinned by the Foundations mission of 'Equality For All In Thriving Communities' but are also reflect the actions outlined in the first National Policy on Philanthropy.

The actions are:



- **Establish a National Climate Action Endowment Fund, which will partner public and philanthropic funding to future proof community engagement and aware-ness raising on the need for climate action**



- **Deliver Pilot Local Funds which will partner public and philanthropic funding to address essential needs, including local services, in communities**



- **Incentivise and promote Legacy Giving to generate a potential €160M for communities each year**



The actions proposed are supported and informed by our role as a long-standing philanthropic hub. They draw on the experience of our partners working with communities across Ireland every-day, our partnerships with Ireland's top researchers including the ESRI as well as our high-level research on trends in Irish philanthropy.

Our record shows what can be achieved with more than €130M in grants provided by our donors and supporters since 2000.

We believe that as a country we are now in a position to grow philanthropy further and achieve the levels of larger gift giving seen in the UK, other EU countries, the US, Australia, New Zealand and many others.

The Foundation is encouraging all candidates in the upcoming General Election to carefully examine our proposals and their potential impact. We would welcome the opportunity to discuss them further.

Denise Charlton,
Chief Executive,
Community Foundation Ireland

Community Foundation Ireland

Community Foundation Ireland and its donors are on a shared mission of equality for all in thriving communities. Together with 5,000 voluntary, community and charitable partners we are a philanthropic hub for Ireland which is a source of knowledge, expertise and information to ensure effective and strategic giving.

Through our partnerships and connectivity with communities we have a record of delivering significant positive social change. From protecting our planet to combatting poverty, protecting the rights of minorities and those at risk of discrimination, violence and hate we have been a partner, convenor and catalyst for change.

Yet despite our successes and the more than €130M provided in grants by our supporters and donors since 2000, we know too that the full potential of Irish philanthropy has not been leveraged. The first National Policy on Philanthropy has given us that opportunity and the Foundation is proposing three key actions to advance that.

‘The purpose of Community Foundation Ireland is to drive impactful social change. We are committed to working with frontline partners and with changemakers who want to make a difference.’

Community Foundation Ireland
Organisational Strategy

Action 1: National Climate Action Endowment Fund

This proposal reflects the model used to establish Community Foundation Ireland which has with the support of philanthropists turned €1M in Government seed funding in 2000 into grant making in excess of €130M plus a €54M endowment fund. Resources which drive our equality mission by growing strategic partnerships with communities.

An appointed Investment Manager manages this fund on behalf of the Foundation in line with our Investment Policy and with the Investment Managers Paris-aligned, Climate Active approach. It future proofs our work towards our equality mission.

Now we want to repeat that success. We believe that such is the gravity of the climate challenge and its growing impact on communities across Ireland that there now warrants a similar approach with a specific endowed fund which will deliver benefits for communities well into the future.

We propose:

- **€10 million in Government seed funding**
- **€10 million private co-investment through philanthropy, (50% upfront by Community Foundation Ireland and 50% further private investment).**

Highlights after 5 years

If the targets for the Fund are achieved, at the end of the 5 years, the National Climate Endowed Fund will be valued at around €23m; thereafter the Fund will continue to grow and will support climate action in perpetuity.

When managed in line with our investment policy, these monies would fund grant-making in excess of €4M over the first 5 years and simultaneously provide a solid capital base which will be perpetual and a continued source of funding into the future.

Communities across the country will be empowered to increase awareness, protect local plants and wildlife and undertake projects to end our throw-away society.

The Foundation makes its proposal informed not just by the insights and expertise of 5,000 voluntary, community and charitable partners but also the leading researchers and advocates on climate in the country.

The investment request also reflects the growing interest from donors in climate and nature accounting for 15% of all grant-making by the Foundation this year which is ahead of international trends. We look forward to further discussing our submission.

Action 2: Deliver Pilot Local Funds

The first National Policy on Philanthropy (Dec 2023) commits to a 'programme of pilot projects' including 'placed based giving'.

Community Foundation Ireland supports this commitment. We believe pilot local funds should be established with public and philanthropic funding partnered to deliver better services and supports for communities.

Our experience in this area goes back 20-years with the establishment of Ireland's first county Fund in Monaghan. Others have followed but this form of promoting local philanthropy has yet to enjoy Government partnership, which is also encouraged in the National Policy.

Our public submission [A Sense Of Place](#) sets out the clear case for such pilots.

We propose:

- **A programme of pilot place-based giving initiatives working together with National and Local Government**
- **€10M in funding for five pilot based giving initiatives comprising €5m from the state in a challenge grant and €5M through philanthropic match funding**
- **Building long term endowment funds with use of 55% of total public and private support (€5.5M)¹**

Highlights after 5 years

Placed based giving opens up opportunities for local people of all ages. It has the power to transform lives with the delivery of community services, opens up opportunities in education, access to the arts and so much more.

We believe that a partnership approach with public and private funding working together could deliver even greater impact. The proposals we are making are informed by both our experience as a philanthropic hub delivering supports to communities through a network of 5,000 partner organisations as well as extensive research.

¹ Endowment funds have a significant role to play in providing sustainable sources of funding as well as much needed investment in local communities.

Action 3: Incentivise and Promote Legacy Giving

This action not only reflects the first National Policy on Philanthropy but also offers the opportunity to double the benefit from legacies to communities to €300M a year by achieving the levels of legacy-giving reached in Britain, other EU States and elsewhere.

[Legacies for Good Research](#) by Community Foundation Ireland shows the full potential of legacy giving to deliver for the greater good is not being realised.

The research shows that while the level of legacy giving continues to grow it still has not reached the levels seen in other countries, in particular the UK.

The main findings show inter-Generational Wealth Transfer is an estimated €9 Billion – a rise of more than €3 Billion since 2018. Legacy Giving is increasing by 15-16% each year, though is still at less than half the rate in the UK where 3.6% of inter-generational wealth transferred is donated to charitable causes. Only 30% of people here make a will highlighting the need for awareness raising.

We propose:

- **A national awareness campaign around the need to make a will as well as the benefits of leaving a lasting legacy**
- **A new Capital Acquisitions Tax (CAT) relief when a person receiving a gift of inheritance donates at least €1M to a qualifying philanthropic organisation²**

Highlights after 5 years

Legacies represent one of the most generous forms of giving. Leaving a gift which will benefit people and communities into the future.

The power of these bequests has been used to advance many causes in other countries, however despite our unquestioned generosity it is a form of giving which has never reached the levels seen in other countries.

² CAT is charged at a rate of 33% on gifts and inheritances received which are in excess of prescribed thresholds that depend on the family relationship between the giver and the receiver. It is recommended that relief against CAT should be provided where the person receiving the gift or inheritance donates at least €1m of this to a qualifying philanthropic organisation. This measure is aimed at growing domestic philanthropy and providing an incentive large scale giving of inherited wealth, such that funds are provided for long term strategic projects that benefit the common good.

Conclusion

A moment has arrived when Ireland has the opportunity to grow philanthropy to levels seen in other countries, for the benefit of the wider community.

Community Foundation Ireland is committed to use its 25-years' experience as a philanthropic hub to work in partnership to realise that potential in support of a mission of 'Equality For All in Thriving Communities.'

The three actions proposed in this submission are based on experience, research and evidence. They have been informed by our network of 5,000 voluntary, community and charitable partners, as well as the feedback and research from philanthropists.

The Foundation is ready to work with policymakers to deliver these actions.

We know philanthropy. It is different from public funding or charitable giving. It allows strategic and sustainable funding. It allows us to push boundaries. It is solution driven. It is brave. We want to grow philanthropy and its impact by offering best in class services, research and insights.

Community Foundation Ireland
Organisational Strategy

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