[Date]

Dear [Name],

I am writing to you about the potential to use **£40 million of Dormant Assets funding for community shares** to help grow successful community businesses and level up the UK.

The Department for Digital, Culture, Media and Sport has consulted on how to use around £700m of dormant assets[[1]](#footnote-2). I think we should be using a portion of these funds to help communities take on assets through community shares. I back the call from Co-operatives UK in their response to the Dormant Assets consultation to put £40m into the community shares market[[2]](#footnote-3).

Community shares are a unique form of co-operative crowdfunding and a standout success story in UK social investment. They are a rare form of patient, flexible equity investment and are proven to enhance the resilience, performance and social impact of community businesses.

Since 2012, £210 million has been raised in community shares from 130,000 investors in communities across the UK. Communities have taken ownership of important local assets like community pubs, shops, swimming pools, community hubs and many more. In rural areas, where the community shares model has been widely utilised, the resulting community-owned assets are often the only remaining facility providing services for their community and surrounding areas.

Co-operatives UK has helped to grow this activity through their Booster Fund[[3]](#footnote-4), which provides grants and matched equity investment. This unique form of social investment has helped the community shares model to reach less affluent communities (40% of their investments have gone to the 30% least affluent communities). They have seen £3 raised from individual private investors, for every £1 they invest.

I am asking you to contact Lucy Frazer, the Secretary of State for Digital, Culture, Media and Sport, to back using £40m of Dormant Assets money for community shares and help communities take more assets into community ownership.

The Adebowale Commission report on social investment ‘Reclaiming

the Future Reforming Social Investment for the Next Decade’[[4]](#footnote-5) outlined the potential for reform to use social investment to better target the needs of front-line organisations and improve its reach into more diverse communities. It also cited the need to focus on the ‘enterprise centric frontier’ end of the market, supporting areas like community shares through a social investment wholesaler.

A **£40m wholesale investment into the community shares** market over the next decade would:

* Enable growth of community owned assets, including extending the reach to less affluent areas including levelling up areas
* Unlock and lever in significant private capital, based on current rates this could be double or triple the investment
* Support a resilient and democratic business model for community ownership, where individual investors become equal joint owners regardless of their investment. This contributes towards thriving local economies and a renewed sense of pride in place.

Regards

1. <https://www.gov.uk/government/consultations/consultation-on-the-english-portion-of-dormant-assets-funding> [↑](#footnote-ref-2)
2. <https://www.uk.coop/news/call-ps40m-investment-community-shares> [↑](#footnote-ref-3)
3. <https://www.uk.coop/support-your-co-op/community-shares/support/booster-fund/apply> [↑](#footnote-ref-4)
4. https://www.socialenterprise.org.uk/app/uploads/2022/07/Reclaiming-the-Future-Commission-on-Social-Investment-Report.pdf [↑](#footnote-ref-5)