

Place Based Giving: Literature Review

Introduction

This literature review was undertaken as part of the development of the Resource Hub for Place Based Giving. The Resource Hub is supporting the growth of place based giving, a growing movement across London and beyond, which puts more funding and decision-making into the hands of local people.

There are [active place based giving schemes](#) in more than half of London's boroughs, and since 2012, [London Funders](#) has supported these schemes to get off the ground and grow in strength. In 2024, London Funders launched the Resource Hub to take this work to an exciting next phase, increasing the capacity to support this work across the capital, bringing new focus, energy and voices into the work. This rapid review was undertaken of existing literature about place based giving to inform the ongoing development of this work. We are sharing this document with others interested in this space.

Methodology

The purpose of the review was to understand how place-based giving schemes (PBGS) are defined in recent literature - mainly literature from organisations and people working on the implementation of PBGS in the UK. A total of 48 texts were selected through the following steps:

1. Review of existing literature within London Funders' database
2. Literature recommended by peers and professionals working in the sector
3. Literature recommended by an academic working on the topic.

While we recognise that this process would not lead to a comprehensive database of all literature that exists on place-based giving schemes in the UK, given the limited actors in the sector working on the issue, these documents are still likely to be the most relevant ones.

These 48 texts were then divided into internal texts (texts recommended by London Funders' internal staff) and external texts (texts recommended by other sector professionals and academics).

For the most used defining words analysis, the texts were combined, and a Python script was used to conduct a thorough word-frequency review of the 48 documents. During the process, the script also ensured that commonly used words such as “the”, “is”, “and”, etc. are not represented in this word cloud. Following this clean-up process, the code returned a word cloud based on most used words in PBGS literature.

The texts were then reviewed to conduct a thorough analysis of how they define PBGS and any major learnings and gaps available throughout these 48 texts.

Definitions

Existing literature on place-based giving provides some guidance on defining the place-based giving movement. It is driven by the following core principles:

- **Collaboration:** There's a strong emphasis on bringing together various stakeholders (residents, businesses, charities, public sector) to work collectively.
- **Community-Centric:** Local people are empowered to identify needs and act on issues that matter to them.
- **Resource Mobilisation:** Place-based giving goes beyond just money. It involves mobilising various resources like time, skills, connections, and in-kind donations.
- **Long-Term Commitment:** These initiatives are characterised by a focus on building trust and working together for sustained positive change.

Literature also defines place-based giving as a collaborative approach to philanthropy that devolves power to the people and democratises the resource allocation process.

- **Focus on local needs:** Addressing complex community issues requires collaboration across sectors and a deep understanding of the local context (Documents 1, 2, 3, 7).
- **Shared power and decision-making:** Place-based giving emphasizes empowering local communities and relinquishing control by funders (Documents 4, 7).
- **Connectors and conveners:** Schemes act as platforms for bringing people together and facilitating collaboration (Documents 5, 7).
- **Tackling inequality:** A core aim is to address social injustices and build a more equitable society (Documents 8, 19).

- **Beyond grants:** While grants are a component, place-based giving focuses on mobilising diverse resources and fostering innovative solutions (Documents 3, 6, 13).



The word cloud aligns with the review of place-based giving definitions which focus on community, people, partners based locally and discuss the importance of building trust-based partnerships for place-based giving schemes to thrive. Given that most the reviewed literature is London-based, the high usage of “London” as a term is also not surprising.

Context

The context of place-based giving (PBG) in the UK is deeply influenced by historical, economic, and policy factors. The available literature shows how the evolution and current landscape of PBG reflects the ongoing challenges and responses to socio-economic disparities across the country.

Historical Roots and Development

Historical Background: Place-based giving has long roots dating back to the Middle Ages when charitable donations were targeted at local needs, such as supporting hospitals, schools, and orphanages (Document 23). This tradition of localized charitable activity pre-dates modern forms of local government and has continued through various forms of local philanthropy and community support.

Modern Evolution: The emergence of local government and the establishment of London boroughs and the Greater London Council in the 20th century further shaped place-based philanthropy. This period saw the rise of local charities and funding mechanisms like Community Foundations, which responded to needs that were not fully addressed by the welfare state (Document 23). Despite the development of national funding programmes and large-scale appeals, local charities have remained crucial in addressing specific community needs.

Economic and Policy Context

Impact of Economic Recession and Austerity: The global recession of 2007-2011 and subsequent austerity measures had profound effects on communities across the UK, particularly in deprived areas (Document 43). Economic challenges led to significant cuts in public services, exacerbating inequalities and creating stark contrasts between affluent regions and those struggling with poverty. These conditions highlighted the growing divide between wealthier and more deprived regions, contributing to increased issues such as homelessness, poverty, and mental health problems in "left behind" areas (Document 43).

Decline in Community Cohesion: The austerity period also saw a decline in community spirit and cohesion, influenced by factors like increased migration and political shifts such as Brexit. Despite this, many individuals maintained a strong attachment to their local areas, expressing a desire for greater involvement in community life (Document 43). This context underscored the importance of place-based initiatives in fostering local engagement and addressing community needs.

Policy Shifts and Localism: Recent policy developments have emphasized the role of civil society and localism, with efforts to devolve more control to local authorities. This shift has created opportunities for place-based giving schemes to harness local social capital, improve community cohesion, and address specific local issues through collaboration between public, private, and voluntary sectors (Document 43).

The goal of these initiatives is to empower communities to manage their own development and build resilience.

Current Landscape

Diverse Approaches: Place-based giving encompasses a range of approaches, from historical local charitable efforts to modern schemes tailored to specific community needs. The diversity of these approaches reflects the varying responses to local contexts and challenges (Document 23).

New Models of Giving: The economic downturn and subsequent funding cuts have driven the need for innovative models of local giving. The increased focus on place-based schemes in the 21st century represents a response to rising social isolation and economic polarization, particularly in urban areas like London where disparities are stark (Document 23). These new models aim to address the gaps left by reduced public expenditure and to adapt to changing community dynamics.

Place-based giving schemes (PBGS) have evolved significantly over recent years. For instance, London's Giving initiative saw a dramatic increase in income, with total funds doubling from £5.5 million to £11.1 million between 2019/20 and 2020/21 (London's Giving Phase 3, 2024). This growth underscores a broader trend of increased financial support for local initiatives, reflecting a heightened recognition of the value of localized philanthropic efforts.

The COVID-19 pandemic acted as an accelerator for place-based philanthropy, driving rapid increases in income and grant-making (London's Giving Phase 3, 2024). Despite these gains, the pandemic also introduced challenges, such as reduced volunteer hours and difficulties in strategic planning (London's Giving Phase 3, 2024). This shift highlights the dual impact of crises on both the growth and operational complexities of PBGSs.

Impact

The impact of place-based giving (PBG) is multifaceted, with both short-term successes and long-term limitations. While many PBG initiatives have enhanced community cohesion and improved local environments, their ability to address deeply entrenched socio-economic inequalities remains limited. Evaluations of early programs such as the *Single Regeneration Budget* (SRB) and *New Deal for Communities* (NDC) indicate modest achievements. These initiatives improved perceptions of safety and environmental quality, and some positive shifts in local infrastructure and service delivery were noted. However, they largely fell short in achieving meaningful improvements in areas like unemployment and income distribution (Document 35). This suggests that while PBGs can foster positive communities in the short term, their capacity to drive systemic socio-economic change is constrained.

More recent place-based initiatives, such as *Islington Giving* and *Lewisham Local*, have expanded the traditional scope of PBGs by focusing on hyper-local interventions that leverage community strengths rather than relying solely on external funding (Document 36). These schemes highlight a shift towards more participatory models, which emphasize resident engagement and local ownership of projects. During the COVID-19 pandemic, for example, PBGs played a crucial role in addressing immediate community needs, distributing over £7.9 million in grants and offering in-kind support to underserved groups, including laptops and data packs (London's Giving Phase 3, 2024). However, while these efforts underscore the flexibility and responsiveness of PBGs in times of crisis, there remains a gap in understanding their long-term effects on community resilience and sustainability.

A persistent challenge in assessing the true impact of PBGs is the lack of longitudinal data. Existing literature often captures only short-term outcomes, leaving the long-term trajectories of these initiatives underexplored. Studies that track changes in local socio-economic conditions over extended periods are scarce, making it difficult to ascertain whether early gains are sustained and whether systemic change takes root (London's Giving Phase 3, 2024; Document 35).

Who have they helped?

PBGSs typically fund community-driven initiatives aimed at improving local social, economic, and environmental conditions. Programs such as *Islington Giving* focus on providing financial support for young people and addressing social isolation, mental health, and poverty (Document 36). Similarly, initiatives like *Lewisham Local* have engaged volunteers and promoted community involvement through strategies like local business discounts and student volunteering (Document 36). *Place-Based Social Action* programs also target underrepresented communities, ensuring diverse inclusion and local participation in decision-making processes (Document 41).

Moreover, PBGSs have proven effective at reaching organizations that are often overlooked by larger funders. During the COVID-19 pandemic, PBGSs supported over 860 community organizations that would likely have been missed by other grant-making bodies (London's Giving Phase 3, 2024). These organizations, frequently operating at a hyper-local level, play a vital role in addressing immediate community needs but often lack the visibility or capacity to secure funding from more traditional philanthropic sources.

However, the distribution of funds within PBGSs also reflects broader power dynamics between funders and grantees. The literature highlights that while PBGSs are designed to empower communities, funders may inadvertently impose their priorities on local organizations, particularly when external donors are unfamiliar with the unique needs of a given locality (Document 37). This suggests a tension

between the ideals of participatory grant-making and the practical realities of philanthropic influence.

Funding

Evidence indicates a significant increase in grant-making by PBGSs, with £7.9 million awarded in grants during 2020/21, 57% of which were related to COVID-19 (London's Giving Phase 3, 2024). This growth in financial support reflects the effectiveness of place-based schemes in mobilising resources quickly and addressing emergent needs within their communities.

Between 2018/19 and 2019/20, funding increased across most areas, with significant gains in several categories. Community cohesion and civic action saw an increase of £188,729, rising from £647,137 to £835,866. Efforts to tackle isolation and loneliness received an additional £199,780, growing from £572,707 to £772,487. Funding for addressing physical and mental health issues rose by £201,388, from £486,545 to £687,933. Environmental initiatives saw the most significant increase, with an additional £508,175, jumping from £195,744 to £640,115. Employment support funding increased by £168,996, from £291,567 to £460,563, while capacity building for charities and groups grew by £144,464, from £44,805 to £189,269. Education support also saw a modest increase of £45,996, from £134,399 to £180,395. However, funding for housing and homelessness decreased by £93,399, dropping from £148,208 to £54,809.

Category	2018-19 Funding	2019/20 Funding	Increase/Decrease
Community cohesion and civic action	£647,137	£835,866	+£188,729
Tackling isolation and loneliness	£572,707	£772,487	+£199,780
Physical and mental health issues	£486,545	£687,933	+£201,388
Environmental initiatives	£195,744	£640,115	+£508,175
Employment support	£291,567	£460,563	+£168,996
Capacity building for charities/groups	£44,805	£189,269	+£144,464
Education support	£134,399	£180,395	+£45,996
Housing and homelessness	£148,208	£54,809	-£93,399

High asset vs low asset area funding trends

Well-funded schemes, particularly those in high-asset areas, tend to attract more financial support from various sources, including charitable foundations, corporates, the public sector, and private donations. For example, grants from trusts and foundations total £1,058,672 in high-asset boroughs compared to £281,838 in lower-asset areas. Corporate grants are significantly higher at £2,939,633 in high-asset areas. Public sector grants are £157,100 in higher-asset boroughs and £76,500 in lower-asset areas. Private donations also show a disparity, with £369,075 going to schemes in high-asset areas versus £60,459 in lower-asset areas.

Additionally, high-asset schemes received £50,000 in endowments, while in-kind support to run the scheme amounted to £45,000, compared to £19,358 in lower-asset areas. In-kind support passed onto the community is also higher in high-asset areas, at £100,000. Other funding sources contributed £232,231 to schemes in high-asset areas, compared to £73,607 in lower-asset boroughs. Despite this financial disparity, schemes in lower-asset areas tend to excel in harnessing in-kind support.

Funding Source	High-asset Areas	Low-asset areas
Grants from trusts and foundations	£1,058,672	£281,838
Corporate grants	£2,939,633	N/A
Public sector grants	£157,100	£76,500
Private donations	£369,075	£60,459
Endowments	£50,000	N/A
In-kind support to run the scheme	£45,000	£19,358
In-kind support passed onto community	£100,000	N/A
Other funding sources	£232,231	£73,607

Learning

Key insights from evidence about place-based giving schemes (PBGS) include:

a) Community Engagement and Local Embeddedness

PBGSs have demonstrated strong local engagement, successfully reaching grassroots organisations and fostering connections among local partners (London's Giving Phase 3, 2024). This embeddedness is crucial for effective place-based initiatives, as it helps in addressing immediate needs and avoiding duplication of efforts. This embeddedness is especially valuable during crises, as seen during the COVID-19 pandemic, where PBGSs quickly mobilized resources and delivered targeted aid to those most affected (Documents 36, 39).

Key learnings from the past year highlight that collaboration is crucial in Place-Based Giving, with schemes acting as connectors and conveners, especially during the pandemic, where they partnered with local councils and expanded community networks. These schemes provided critical financial support, distributing over £7.9 million in grants and over £300,000 in in-kind aid, such as laptops and data packs. Their deep community connections allowed them to target funding effectively, supporting over 860 community organizations often overlooked by other funders. Moreover, giving schemes are shifting power by amplifying local voices, embracing participatory principles, and pioneering new ways to involve and empower communities in decision-making processes.

b) Collaboration and Flexibility

PBGSs often collaborate with local councils, businesses, and community groups, enabling them to expand their impact.

These partnerships helped PBGSs to distribute grants, in-kind support, and critical aid during the pandemic, showcasing their ability to act swiftly and adapt to changing community needs (Documents 36, 39).

c) Asset-Based Approach

PBGSs focus on leveraging the strengths and resources that already exist within communities, rather than solely addressing deficits.

This approach has been particularly successful in areas with limited financial resources, like Lewisham, where local volunteers have been mobilized, and community participation has been maximized (Document 36).

d) Building Community Resilience

By encouraging local ownership of projects, PBGSs contribute to long-term community resilience, empowering local groups to sustain initiatives even after external funding diminishes (Document 36).

e) Shifting Power Dynamics and Participatory Decision-Making

PBGSs are fostering a shift in power dynamics by embracing participatory grant-making and amplifying local voices in decision-making processes.

Communities are increasingly empowered to decide how resources are allocated, leading to enhanced local buy-in and more sustainable outcomes (London's Giving Phase 3, 2024).

Challenges

PBGs face several persistent challenges that hinder their effectiveness. Based on our review, key challenges are noted below:

1. **Policy flux:** Changes in government priorities often force place-based initiatives to adapt quickly, leading to confusion and delays in implementation. This instability can undermine the long-term planning needed for sustained impact (Document 35).

2. **Reliance on short-term funding:** Short-term funding limits the ability of PBGSs to invest in long-term strategies and capacity-building. Without sustained financial support, many of the gains achieved during the lifetime of a project may dissipate once funding is withdrawn (Documents 39, 40).
3. **Power Imbalance:** The dynamic between funders and grantees presents a challenge. Funders, particularly external donors, may impose priorities that are misaligned with local needs, which can undermine the autonomy and expertise of community organizations (Document 37).
4. **Representation:** Engaging diverse communities in a meaningful way remains difficult. Despite efforts to include underrepresented voices, many PBGSs struggle to create truly inclusive engagement strategies that capture the full spectrum of community needs and aspirations (Documents 39, 41).

Gaps in Literature

Our review identified the following gaps in available literature:

a) Long-Term Impact Assessment

There is a need for more comprehensive studies tracking the long-term impacts of place-based philanthropy on community development and systemic change. Current literature often focuses on short-term outcomes and immediate responses (London's Giving Phase 3, 2024, Document 35).

b) Scalability of Successful Models

Research is needed on how successful place-based models can be scaled or replicated in different contexts. Understanding the factors that contribute to the success of these models can help in adapting them to various regions (London's Giving Phase 3, 2024).

c) Quantitative DEI Metrics

There is a lack of quantitative data on the effectiveness of DEI strategies within place-based philanthropy. More robust metrics are needed to evaluate the impact of these strategies on community outcomes (London's Giving Phase 3, 2024).

d) Integration of Crisis Management

While the impact of crises on place-based philanthropy is acknowledged, there is a gap in comprehensive frameworks for integrating crisis management into long-term strategic planning (London's Giving Phase 3, 2024).

e) Effectiveness/Impact Measurement

There is limited comparative research on the *effectiveness* of different place-based strategies, making it difficult to understand why some areas benefit more than others (Document 35). Another area underexplored is the *effectiveness of community engagement* strategies and how resident empowerment translates into long-term tangible outcomes (Document 35). Furthermore, the relationship between PBGSs

and *broader socio-economic trends*, such as income inequality and social mobility, remains insufficiently studied (Document 35).

Get in touch

This rapid review helps to paint a picture about the current landscape and evidence of place based giving, with a focus on London. As interest in this space continues to grow, further evidence is likely to emerge to this changing picture – if you have learning to contribute or would like to find out more about what we're doing as part of our work to grow place based giving, please get in touch:

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March 2025

