

<b>Committee</b>	<b>Dated:</b>
City Bridge Trust	9 <sup>th</sup> July 2015
<b>Subject:</b> Strategic Initiative: 'City Philanthropy – a wealth of opportunity'	<b>Public</b>
<b>Report of:</b> Chief Grants Officer	<b>For Decision</b>

### Summary

This report sets out proposals to take forward the City of London Corporation and City Bridge Trust's joint Philanthropy Strategy over the next two years (2016 and 2017) through the *City Philanthropy – a Wealth of Opportunity* initiative that aims to embed a culture of philanthropy in the City and promote London as a global centre for philanthropy.

### Recommendation(s)

Members are asked to:

- Note the report.
- Approve a grant of £388,000 over two years (£204,000; £184,000) to continue your *City Philanthropy – a wealth of opportunity* initiative, hosted by the Association of Charitable Foundations (ACF).

### Main Report

#### Purpose

- 1 At your meeting in September 2012, you received a paper setting out the City of London Corporation's Strategy on Philanthropy. This had been discussed at the Resource Allocation Sub-Committee Away Day on 6<sup>th</sup> July 2012. The strategy comprises philanthropic activities which you have been funding for the last three years. This paper proposes *City Philanthropy – a Wealth of Opportunity* is funded to continue to lead a number of philanthropic activities in the City and to deliver its own for the next two years.
- 2 The overarching aim of *City Philanthropy – a Wealth of Opportunity* is to embed a culture of philanthropy in the City and promote London as a global centre of philanthropy.
- 3 This strategic initiative comprises three strands:
  - **To co-ordinate, collaborate and communicate philanthropic activities**

*in the City.*

- To **educate, inspire, inform and enable** the next generation of City Philanthropists
  - To encourage **peer-support, networking and mentoring** among philanthropists in the City
4. *City Philanthropy – a Wealth of Opportunity* supports and delivers a number of activities, including:
- Philanthropy networks
  - Events
  - Research
  - Educational resources
  - Monthly news bulletins
  - Case studies
  - Workshops

## **Background**

5. Since June 2011, you have funded the Association of Charitable Foundations (ACF) to explore and exploit the unique role that people and organisations in the City could play in promoting, facilitating and practising philanthropy.
6. ACF has successfully established *City Philanthropy – a Wealth of Opportunity* as a brand which has attracted significant interest and media coverage. It has grown from one part-time director to a full-time director, editor and in May recruited a part-time development officer.

## **Achievements to date**

7. Since June 2011, *City Philanthropy- a Wealth of Opportunity* has been consulting with various networks in the City, supporting them in extending their reach and raising their profile, and helping establish two new networks: Inspired 50 and the Women for Change Breakfast Club that launches in September 2015. *City Philanthropy* is bringing the many networks together to create a 'philanthropy movement' in the City and explore how they can be 'bigger than the sum of their parts'. It has identified that there are now more than 1,000 young people involved in City giving networks, supporting more than 100 charities and raising more than £1.5m (including hundreds of hours of pro-bono support). The City Philanthropy website now lists 13 networks operating in London.
8. City Philanthropy has worked with City AM and Finance News, two leading City publications, to increase their coverage of philanthropy, including the establishment of Finance News Extra Mile 40 celebrating 40 people in the City who excel in charitable works, and City AM's Christmas charitable giving supplement. It has achieved extensive press coverage in magazines, blogs and also radio and TV.

9. The *Philanthropy: The City Story* pop-up exhibition continues to appear at venues in the City including several corporates and some Livery events. In 2014 it was converted into hoardings at New Change in a partnership with Land Securities. There are plans to extend this to other hoardings in the City.
10. The City Funding Network, which you fund as part of *City Philanthropy – a Wealth of Opportunity* has raised more than £130k for 18 small charities over six events.
11. Beyond Me (formally Young Philanthropy), which you fund as part of *City Philanthropy – a Wealth of Opportunity*, has grown to 90 teams across 16 major businesses donating £500,000 and 4,500 skills-based volunteer hours to charities and social enterprises. This grant will end in December 2015 from when the work will be self-financing.
12. The prestigious Beacon Awards includes a category which you funded first in 2013 and then in 2015, *The Beacon Award for City Philanthropy*. The 2015 Awards Ceremony took place at JP Morgan’s flagship building on Embankment in April, attracting over 100 City leaders and many philanthropists and gaining some press coverage. Alderman Roger Gifford presented David and Claudia Harding with the City Philanthropy Award for their extensive philanthropic contribution including funding a new maths gallery at the Science Museum. A series of events featuring The Beacon Fellows are planned for 2015/2016 with the first at a City venue in autumn.
13. The first part of *City Philanthropy – a Wealth of Opportunity’s* research report ***More to Give***, commissioned from Professor Cathy Pharoah and Dr Catherine Walker of Cass Business School’s Centre for Charitable Giving and Philanthropy, publishes in July 2015. It reveals the increased desire of young workers to give money and time to bring about social change as part of their careers. The second part of the research surveys the City’s giving networks and the results will be published in the autumn and launched at an event in the City.
14. In March 2015 *City Philanthropy – a Wealth of Opportunity* piloted ***DonorWISE – Effective Giving for Millennial donors*** at Cass Business School. It was delivered by Caroline Fiennes author of *It Ain’t What You Give It’s The Way That You Give It*. 28 participants took part in the half day workshop that covers the basics of effective philanthropy: 100% said they felt more confident about their giving having taken the workshop. It gained some press coverage in Spear’s magazine and The Guardian Blog. The second pilot takes place on September 29 at Cass Business School.
15. Traffic to The City Philanthropy Website and its twitter account has increased steadily over the last three years:

	2013	2014	2015 to June 2015
Page view	19,448	33,865	17,964
Users	6,063	11,579	7,506

**Twitter followers:**

May 2014 – 238 followers

Dec 2014 – 675 followers

June 18 2015 - 903 followers

Average Monthly Newsletter subscriber rate: 13 per issue, a total of 1,100 at June 2015

**The need for a City Philanthropy Initiative**

16. There are several reasons why the time is ripe to continue to promote philanthropy in the City, to communicate widely the extent and breadth of its giving and to support and publicise new developments, especially nascent activities such as 'giving circles' among the next generation.
17. Trust in the City and the financial services sector has been eroded by the banking crisis, bankers' bonuses and the Occupy campers. It is more important than ever to highlight the charitable dimensions of the City and the diverse range of activity taking place in the philanthropy arena. In the past, the considerable charitable activities and traditions of City Philanthropy have been overlooked and under-represented.
18. The Lord Mayor is championing the City's philanthropic activities with the second City Giving Day on 30<sup>th</sup> September. The City AM coverage planned in the run-up refers to *City Philanthropy – a Wealth of Opportunity* and City Bridge Trust as its sponsor, positioning the City as a global leader.
19. The City has the necessary infrastructure, track record, financial skills and a favourable tax and regulatory environment, making it is well-positioned to fulfil this role.
20. The age of austerity and impending government cuts look set to put the charitable sector under increased pressure. Private donations will be even more crucial at this time.
21. Research undertaken by *City Philanthropy – a Wealth of opportunity* in 2015 shows an increased desire among London's younger workers to be involved in philanthropic activity and it is timely to harness this energy and enthusiasm and help City professionals make philanthropy an integral part of their careers.

**City Philanthropy – A Wealth of Opportunity**

22. Whilst much has been achieved in the last three years in establishing the City as a philanthropic hotspot, and identifying a movement of philanthropy among 'millennial donors' (those who entered work in 2000) much more can be made of the various elements of City Philanthropy when they are better co-ordinated and communicated as a coherent package.
23. City Philanthropy will continue to map and bring together the various

philanthropic City networks where appropriate and will work collaboratively with the Heart of the City, the Economic Development Office, and The Lord Mayor's Appeal adding value to, but not duplicating, the Corporate Social Responsibility agenda.

24. City Philanthropy will part-sponsor 12 co-branded philanthropic events around the City annually where appropriate, such as the monthly **First Tuesday Philanthropy Club** events at Happenstance, Ludgate Hill and **The Women for Change City Breakfast Club** that will bring City high fliers together to empower women and girls around the world.
25. The current website now needs upgrading and the brand updated. **£20,000** will be used to develop the website as a functional 'knowledge hub' better signposting young people to giving opportunities and connecting them with the City's Giving Networks.
26. There will be three networking events annually to bring City professionals together to find out more about philanthropy or to share experiences, for example, 'My Philanthropic Journey', where inspirational City leaders tell their own stories to encourage new philanthropists. There will be two donorWISE workshops annually.
27. The cost of this continued programme of philanthropic activity will not exceed **£388,000 over two years (£204,000, £184,000)**.
28. If you commit funding for a further two years, this will bring your total support for City Philanthropy to five years. It is proposed that it would be timely to evaluate the effectiveness 18 months through year two of a further grant, that is, 4.5 years after its inception.

### Costings

29. The costings are set out in the table below: :

Item	Year 1	Year 2	Total
Salaries (1 FTE Director; 1 FTE Editor; 1 P/T Development Officer; consultancy)	167,000	167,000	<b>334,000</b>
Website development	20,000		<b>20,000</b>
Network development & events	12,000	12,000	<b>24,000</b>
Education materials (donorWISE guides)	5,000	5,000	<b>10,000</b>
<b>Total</b>	<b>204,000</b>	<b>184,000</b>	<b>388,000</b>

## Financial Information

30. A summary of the Association of Charitable Foundation's financial position is set out in the table below:

Year end at 31 December	2013 Independently Examined Accounts/ Audited Accounts	2014 Draft Outturn	2015 Current Year Forecast
<b>Income and Expenditure</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income	853,908	1,051,905	1,047,588
Expenditure	893,766	959,968	1,193,494
Unrestricted Funds Surplus / (Deficit)	9,832	13,739	2,459
Restricted Funds Surplus / (Deficit)	(49,690)	78,198	(148,365)
Total Surplus / (Deficit)	(39,858)	91,937	(145,906)
Surplus / (Deficit) as a % of turnover	4.7%	8.7%	
Cost of Generating funds (% of income)	£128,086 (15%)	157,786 (15%)	£104,800 (10%)
<b>Free unrestricted reserves</b>			
Unrestricted free reserves held at Year End	183,115	196,748	199,207
How many months' worth of <i>unrestricted</i> expenditure	3.2	3.3	3.1
Reserves Policy target	171,006 – 342,012	176,584 – 353,167	193,072 – 386,143
How many months' worth of <i>unrestricted</i> expenditure	3 – 6	3 - 6	3 - 6
Free reserves over/(under) target	12,109 – (158,897)	20,164 – (156,419)	6,135 – (186,936)

## Conclusion

31. Your *City Philanthropy – a Wealth of Opportunity* project complements other initiatives that you fund to encourage more giving of time and money, notably, the Spice time-banking initiative, Islington Giving and London's Giving (including your most recent grant to the East End Community Foundation to develop local giving schemes in the boroughs of Hackney, Newham and Tower Hamlets).
31. City Philanthropy is now established as a brand and it is timely, therefore, to build on this success, further embed a culture of philanthropy in the City and to promote London as a global centre for philanthropy. As stated in paragraph 28, if you approve funding today, this will bring your total support

for this initiative to five years. It will therefore be opportune to evaluate its effectiveness 18 months through a further grant of two years, that is, 4.5 years after its inception. Proposals for the evaluation will be brought to a future meeting.

32. There has been considerable favourable publicity generated by City Philanthropy which has contributed to a wider awareness of the important contribution of City professionals, as well as generating additional 'new' money at a time when public funding sources are dwindling and the need for charitable services rising.

**Jenny Field**

Deputy Chief Grants Officer

T: 020 7332 3715

E: [jenny.field@cityoflondon.gov.uk](mailto:jenny.field@cityoflondon.gov.uk)