

Committee:	Date:
The City Bridge Trust	28 th November 2013
Subject: Strategic Initiative: Research into Funder Impact Practice	Public
Report of: Chief Grants Officer	For Decision
<u>Summary</u>	
<p>This paper proposes that you support New Philanthropy Capital to research impact measurement practice by a range of grant-making organisations including trusts and foundations, family foundations and corporate funders. The research will examine over 100 organisations, and be published at a launch event in London. The publication will contain a number of practical recommendations which are likely to be of use to City Bridge Trust as it works to strengthen its own approach to monitoring and evaluation.</p>	
Recommendation	
<p>That you support New Philanthropy Capital to research the work that UK voluntary sector funders undertake to assess impact, at a cost of £5,000, to be charged against the City Bridge Trust Strategic Initiatives allocation for 2013/14.</p>	

Main Report

1.0 Background

- 1.1 New Philanthropy Capital (NPC) is a registered charity specialising in impact measurement. Established a decade ago by two Goldman Sachs economists, the charity began life as a service aiming to improve the quality of data available to philanthropists. Since then, services have grown to include work with organisations, training, consultancy, development of impact measurement tools, and research. NPC currently works with both charities and funders across the UK.
- 1.2 In October 2012 NPC published "Making an Impact", a survey of impact measurement practices amongst UK charities and social enterprises. Along with five other funders, you supported this survey of 1,000 charities. The research found that impact measurement expectations had grown significantly during the past decade, driven partly by the charity sector's desire to understand its own work more accurately, but largely because of increased expectations from grant-makers and commissioners. Whilst the research noted that the emphasis funders place on impact often helps improve standards of evidence, funders can still do a lot more by using grantee data more effectively, by explaining

why measuring impact is important more clearly, and by providing more financial support for evaluation activities.

- 1.3 NPC will work on a complementary publication provisionally titled "Funding an Impact". This will be based on an in-depth examination of monitoring and evaluation practice of 10 – 15 leading funders, looking not only at how they work with their grantees, but also how they assess the effectiveness of their own funding approaches. The research will examine many of the practical challenges grant-makers deal with such as how they demonstrate the difference they make, what they do with the data they gather from grantees, and how they resource monitoring and evaluation. NPC hope the new publication will provide fresh insight as well as practical guidance.
- 1.4 The research is intended to provide a picture of impact practice amongst the funding community, and will update a publication from Charities Evaluation Services in 2007. Since then, and as a consequence of the economic downturn and change of government, the operating landscape has changed for many charities. As a result it is ever more important that funders have access to high quality materials that help them focus their approach to impact measurement.

2.0 Research Method

- 2.1 NPC will interview 10-15 funders selected to represent the breadth of the funder community and include trusts and foundations, family foundations and corporate funders. Those taking part will be of different sizes, and have made varying degrees of progress in their approaches to impact measurement. Following the interviews, NPC will design, test and conduct a survey for at least 500 other funders, again seeking to gather data from a cross-section of different types of organisations. Once the data has been gathered and analysed, NPC will draft a short report and then host an event to share and discuss findings.
- 2.2 The research is expected to take four months with final publication in early 2014.

3.0 Cost

- 3.1 The total cost of the research and publication is £35,000. NPC has already secured contributions from several other leading funders including the Trust for London and the Northern Rock Foundation. You are asked to contribute £5,000 which is equivalent to the level of support offered by grant-makers of similar size.

4.0 Allocation from Strategic Initiatives

4.1 It is proposed that the cost of £5,000 is charged against your 2013/14 allocation for Strategic Initiatives of £747,500 (5% of the overall grants budget). If you approve this request, there will be a balance of £146,943 remaining for the rest of the year – as shown in Table 3 in the Grant Recommendations Introductory Report earlier in these papers.

5.0 Conclusion

5.1 NPC proposes to produce a useful resource for grant makers like City Bridge Trust who wish to strengthen their own approach to monitoring and evaluation. This evidenced-based publication will provide an analysis of voluntary sector practice at a time when the sector is changing rapidly. This will update research published in 2007 before the economic downturn and reflect many of the new operational challenges arising from greater pressure on charitable organisations.

6.0 Recommendation

That the Trust supports New Philanthropy Capital to research the work that UK voluntary sector funders undertake to assess impact, at a cost of £5,000, to be charged against the City Bridge Trust Strategic Initiatives allocation for 2013/14.

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