

Committee:	Date:
City Bridge Trust Committee	13 th March 2014
Subject: Strategic Initiatives: City Philanthropy	Public
Report of: Chief Grants Officer	For Decision
Summary	
<p>This paper proposes that you build on the success of your <i>City Philanthropy – a wealth of opportunity</i> initiative by increasing its capacity, until December 2015:</p> <ul style="list-style-type: none"> • to increase the number of young City professionals engaged in philanthropy earlier in their careers, and • to promote London as a global centre of philanthropy. 	
Recommendation	
Members are asked to:	
<ul style="list-style-type: none"> • Approve the sum of £222,000 to engage the Association of Charitable Foundations to expand your <i>City Philanthropy a wealth of opportunity</i> initiative until December 2015 to be costed against your budget for Strategic Initiatives 2013/14. 	

Main Report

1.0 Background

- 1.1 At your meeting in September 2012, you received a paper setting out the City of London Corporation's Strategy on Philanthropy, as discussed at the Resource Allocation Sub-Committee Away Day in July 2012. The Strategy comprises philanthropic activities which you have been funding since September 2010.
- 1.2 The concept for *City Philanthropy – a wealth of opportunity* originated from research that was funded by the Policy and Resources Committee in 2008 when Policy Exchange was commissioned to examine how a culture of philanthropy could be further developed within the financial services industry. Its resulting report, *Give and Let Give – Building a culture of philanthropy in the financial services industry* concluded that a neutral body should drive forward a web-based platform for high net worth individuals about philanthropy and that this body should lead a campaign to increase philanthropic activity. Further development of this recommendation stalled as a result of the financial crisis that hit the banking industry. However, by September 2010, the advent of recovery within key areas of the financial services industry, combined with austerity and the comprehensive spending

review, meant that the time was right to re-visit those findings. This resulted in you funding the Association of Charitable Foundations to establish the City Philanthropy – a Wealth of Opportunity initiative.

- 1.3 In November 2012, you approved funds to support these various activities as a strategic initiative to be brought together under the banner of *City Philanthropy – a wealth of opportunity*. This included the sum of £160,000 over 3 years to pay for the cost of your City Philanthropy Director, Cheryl Chapman, for 3 days a week to manage the various projects funded under the banner; as well as the development of the City Philanthropy website; and the continued mapping and ‘joining up of philanthropic activity in the City. The grant is being hosted and managed by the Association of Charitable Foundations.

2.0 City Philanthropy – a wealth of opportunity: achievements since January 2013

- 2.1 At your January 2014 meeting, you received a presentation from Cheryl Chapman, updating you on the achievements of *City Philanthropy – a wealth of opportunity*. Much has been achieved so far and it has fast become clear that there is a real appetite for philanthropy amongst young City professionals. Additional resources would provide more capacity to harness and build on this enthusiasm and to promote London as a global centre for philanthropy.

2.2 City Philanthropy Website

The website is an essential platform for promoting philanthropy in the City. It has received more than 8,000 visitors from over 10 countries (although most are from the UK). 65% are under the age of 44 and it has just over 1,100 subscribers for the free bulletin.

2.3 City Funding Network

This involves around 65 young professionals and it has raised over £80,000 for 9 charities over 3 events (you are funding it to run 2 events a year). At the last event held early in December 2013, 41 of the attendees were newcomers and 38 were new donors.

2.4 Young Philanthropy

Five syndicates have completed their course, having invested approximately £30,000 in five charities as well as the giving of time and skills by the young professionals concerned. 23 syndicates are currently running, involving 345 young professionals who will invest £138,000 over the coming 12 months in a wide range of projects. 24 more syndicates are due to launch in the next 6 months which will engage an additional 360 young professionals and invest a further £148,000. Proposals to build on and expand this work will be brought to your April Committee meeting.

2.5 City Philanthropy Exhibition

You may recall that the exhibition, curated by the Museum of London, was launched at Charterhouse on 29th October 2013. It was a great success, attracting higher than anticipated visitor numbers and receiving widespread media attention.

2.6 Beacon Awards for City Philanthropy

The Beacon Awards for City Philanthropy opened for nominations in October 2012, with a total of 93 nominations being received across all the categories (including the City Philanthropy category). The former Chief Grants Officer was a member of the judging committee and the late Lord Mayor was a member of the Board of Judges which made the Judges Special Award. The prestigious awards ceremony took place at Mansion House in February 2013, hosted by the late Lord Mayor. The winners of the Beacon Award for City Philanthropy were Harvey McGrath, John Stone and the eight founders of Young Philanthropy. Proposals to fund the Beacon Awards 2014-16 will be brought to your April Committee meeting.

2.7 Press & Media Coverage

Cheryl Chapman has worked closely with the media agency, Champollion, during the year. Several press articles published during the year, including in-depth interviews with the Lord Mayor, have referenced City Philanthropy, City Bridge Trust and its trustee, the City of London Corporation. The major focus of media work was, of course, the City Philanthropy Exhibition. In total, there were 4 national press articles, 1 international press piece, 4 magazine articles, 2 TV news items and 1 radio broadcast. In addition, there was considerable social media activity, in particular through Twitter and bloggers.

3.0 Building Capacity to Achieve Strategic Aims

3.1 Extending the Director of City Philanthropy's hours

Currently, Cheryl Chapman is funded to work for three days per week as Director of City Philanthropy. However, in practice she puts in more hours than this, for example, in the run up to, and during, the City Philanthropy Exhibition. In order to increase her capacity to develop the strategic direction of City Philanthropy and to continue to manage the various activities taking place under its banner, it is proposed that her hours are increased from three days to four days per week. She would continue to be employed by the Association of Charitable Foundations.

3.2 City Philanthropy Website

Lack of capacity means that the website has not been updated as regularly as it could have been. The website has also evolved to a point where it needs to be refreshed to make it a hub for all things philanthropic in the City. To this end, it is proposed to engage a full-time website writer/editor who would be able to produce content for the website and produce e-bulletins etc. This would free up the time of Cheryl Chapman to further develop City Philanthropy at the higher, strategic level. Additionally, it is proposed to engage an apprentice who would be involved in general office duties and helping with events and the touring City Philanthropy Exhibition (see paragraph 3.3).

3.3 Measuring Impact

Now that City Philanthropy is established as a 'brand' it is essential that it is able to measure its impact, for example, in terms of changing attitudes amongst young City professionals towards, giving, how much people give and to which causes. It is proposed to commission an agency such as the Coalition for Efficiency (whose mission is to work with existing charities to find

ways of running themselves more efficiently and effectively) to identify impact measurements for City Philanthropy and a framework for evaluating its success.

3.4 Research

It is proposed to commission a piece of research to help better understand philanthropy and its relationship with the City, working closely with the Cass Centre for Charity Effectiveness or another body. Now that City Philanthropy has gained a head of steam and given that such an appetite for philanthropy has emerged amongst young City professionals, it would seem timely to update the *Give and Let Give* research that was outlined in paragraph 1.2.

3.5 City Philanthropy Exhibition on tour

Following the success of the City Philanthropy Exhibition during November 2013, there is a need to promote and engage organisations that are potential hosts for the exhibition at events around the City. To date, there has been some interest from the Livery Companies, Guildhall, Guildhall Library and Cass Business School. The exhibition content might also be shown on hoardings in the City, particularly City of London building sites. This would necessitate re-formatting the exhibition's art work.

3.6 Philanthropy Events

As part of the City Philanthropy Exhibition programme, City Philanthropy organised 6 events which were well attended, attracted more than 750 people and received excellent feedback. It is proposed to hold a one-day philanthropy conference, probably at Guildhall on 'Why Rich People Give'. In addition, City Philanthropy has been approached by the Charities Aid Foundation to host the first ever Sunday Times Giving List in May 2013. It is proposed to hold this event at Guildhall.

3.7 Go Pro Bono

You may recall that you are funding the Coalition for Efficiency to develop a website that brings together the various web-based volunteering intermediary bodies into a single platform. This is in order that users (such as City professionals with time and expertise to offer) can easily find and distinguish between the types of volunteering services being offered, the types of organisation that can be supported, the type of volunteering opportunities, which ones offer paid-for services, which are free etc. This is due to launch in April 2014 and a modest budget is sought as part of this proposal for PR support (such as through your media agency, Champollion, for example) during the launch.

3.8 Lord Mayor's Appeal

Cheryl Chapman has worked closely with the Lord Mayor's Appeal (itself the subject of a Strategic Initiative in your papers today) and during 2014 will input into the Diversity in Giving event in May and the City Giving Event in July.

3.9 Advisory Capacity

It is proposed that City Philanthropy has input of an advisory capacity at a high level by someone with good City connections at board level who can generate interest in City Philanthropy at this level and who understands the operating environment of the City of London Corporation. It is envisaged that the person would be engaged for one day per month to offer advice on the

strategic direction of City Philanthropy and to provide support to Cheryl Chapman as the Director of City Philanthropy.

3.10 **Inspired 50**

City Philanthropy has been approached by the City Philanthropy Club (a members-only club of City professionals who aim to channel their giving in a way that is strategic, effective and sustainable, through exclusive social and networking events) to help them bring together a network of 50 City people involved in creating their own philanthropic projects. This would be an excellent way to build a stock of inspirational case-studies for dissemination through the City Philanthropy website and possibly through a film and/or publication.

3.11 **Educational Resources**

There remains a dearth of education materials and resources around philanthropy. It is proposed to produce a guide on philanthropy, in consultation with Cass Centre for Charity Effectiveness (located in the Cass Business School) and/or other partners. Cass is likely to be interested in such resources for its charity management post-graduate courses, in particular, its post-graduate courses in Grant-making, Philanthropy and Social Investment.

4.0 **Cost**

4.1 The cost of these proposals is broken down in the table below.

	2014	2015	TOTAL
Director of City Philanthropy additional salary costs	13,000	17,000	30,000
Website & Copy writing additional costs	46,100	57,500	103,600
Philanthropy Events	25,000		25,000
Re-formatting of City Philanthropy Exhibition panels	5,000		5,000
Go Pro Bono PR	1,000		1,000
Impact Measurement	6,000		6,000
Advisor to City Philanthropy	3,600	4,800	8,400
Inspired 50	8,000		8,000
Educational Materials	5,000	10,000	15,000
Research	20,000		20,000
Total	132,700	89,300	222,000

5.0 Financial Observations

- 5.1 The Association of Charitable Foundation's audited accounts for the year ended 31st December 2012 show a surplus of £93,835 (9.4% of turnover), comprising £71,202 on restricted funds and £22,633 on unrestricted funds.
- 5.2 The reserves policy states that the organisation aims to hold free unrestricted reserves sufficient to cover approximately three to six months' worth of unrestricted expenditure, which is equivalent to between £172,758 and £345,516 based on current budgeted expenditure. As at 31st December 2012, free unrestricted reserves stood at £219,427, which is equivalent to 3.8 months' worth of current budgeted expenditure.
- 5.3 Draft accounts for the year ended 31st December 2013 show a deficit of £39,858 (4.7% of turnover), comprising a deficit of £49,690 on restricted funds partially offset by a surplus of £9,832 on unrestricted funds. The deficit was due to expenditure on restricted funds received in the previous year.
- 5.4 The budget for the current year to 31st December 2014 projects a deficit of £35,077, comprising a deficit of £50,025 on restricted funds partially offset by a surplus of £14,947 on unrestricted funds. Total projected income amounts to £898,500, of which £192,520 (21%) had been confirmed at the start of the year, with £705,980 (79%) to be earned from trading activities, membership subscriptions and events during the year.

6.0 Conclusion

- 6.1 *City Philanthropy – a wealth of opportunity* is now established as a brand and it is timely, therefore, to build on this success, develop new areas of philanthropic activity in the City, with a particular emphasis on young City professionals and promote London as a global centre for philanthropy.
- 6.2 Whilst much has been achieved to date, with additional resources, more could be achieved in meeting its strategic aims. It is playing a valuable role in generating additional 'new' money at a time when public funding sources are dwindling and the need for charitable services rising

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