

<b>Committee</b>	<b>Dated:</b>
City Bridge Trust	23 <sup>rd</sup> September 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 should be read in the context of the generic Philanthropy paper elsewhere in your bundle. It notes the need for City philanthropy as being as great and perhaps greater than ever. The work of your funded project, '*City Philanthropy – a wealth of opportunity*' is described: both stating its top line vision - to further embed a culture of philanthropy in the City and promote London as a global centre for philanthropy – and detailing the activities it has developed in support.

It is suggested that the need for this work will continue over the coming years, but given there is so much change happening at present (such as given the current political and fiscal settlement and the renegotiation of the role of the state with the private and community voluntary sectors), it is proposed that *City Philanthropy – a wealth of opportunity* is funded for a further 12 months, as currently configured, and during this time consideration will be given as to the best delivery model for the future.

### Recommendation(s)

Members are asked to:

- Note the report.
- Approve a grant of £204,000 over 1 year to continue your *City Philanthropy – a wealth of opportunity* initiative, hosted by the Association of Charitable Foundations (ACF).

### Main Report

#### Aim of City Philanthropy – a Wealth of Opportunity

- 1 The overarching aim of *City Philanthropy – a Wealth of Opportunity* is to encourage a new generation of City philanthropists and promote London as a global centre of philanthropy.
2. *City Philanthropy – a Wealth of Opportunity's* work 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

3. Examples of City Philanthropy's work in support of these strands are:

- Supporting and developing philanthropy networks
- Educational resources and the delivery of workshops and events
- Communication: publishing articles, blogs, and monthly news bulletins
- Research.

## Background

4. Since June 2011, you have funded ACF to explore and develop the role that people and organisations in the City play/could play in promoting, facilitating and practising philanthropy. The background to this is detailed in the Philanthropy paper included earlier in your bundle.
5. ACF is the umbrella charity for hundreds of UK charitable trusts and foundations. City Bridge Trust is a member of ACF and has officer representation on its board. ACF established *City Philanthropy – a Wealth of Opportunity* as a project and associated brand. It has grown from one part-time director to a full-time director, editor and in May 2015 it recruited a part-time development officer. Its activities have increased with its capacity (see below).

## Achievements to date

### Networks

6. Since June 2011, *City Philanthropy - a Wealth of Opportunity* has been supporting and developing philanthropy networks in the City: helping them extend their reach and raising their profile.
7. For example, 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. 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.
8. *City Philanthropy – a wealth of opportunity* has also helped establish two new networks: For example, Inspired 50 and the Women for Change Breakfast Club that launches in September 2015.

9. It is also working to encourage the 13 London philanthropy networks now listed on the City Philanthropy website to work more closely together and explore how they can be 'bigger than the sum of their parts'. Where appropriate, links are also being forged with other initiatives such as City Giving Day.
10. *City Philanthropy – a Wealth of Opportunity* has identified that within these networks 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). Clearly, there is much more potential, but the steady increase in involvement over the past four years is an indicator for future success.

## Education

11. 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. Your Chairman is enrolled to attend.

## Research

12. The difficulty of establishing a baseline of how much philanthropy is taking place in the City is acknowledged. *City Philanthropy – a Wealth of Opportunity* has nonetheless sought to use research where possible to support its work. For example, it commissioned the research report **More to Give**, from Professor Cathy Pharoah and Dr Catherine Walker of Cass Business School's Centre for Charitable Giving and Philanthropy. This was published 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.

## Communication

13. *City Philanthropy – a Wealth of Opportunity* 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 also achieved press coverage in magazines, blogs and also radio and TV (such as London Live and ITV London).

14. 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. It is currently on the hoardings outside Guildhall North Wing Entrance and there are plans to extend this to other hoardings in the City.
15. The prestigious Beacon Awards for philanthropy includes a category which you funded first in 2013 and then in 2015, *The Beacon Award for City Philanthropy*. *City Philanthropy – a wealth of opportunity have provided considerable support to these awards*. 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.
16. Traffic to The City Philanthropy website ([www.cityphilanthropy.org.uk](http://www.cityphilanthropy.org.uk)) and its twitter account has increased steadily over the last three years (NB 2015 figures part-year only):

	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 new subscribers per issue, a total of 1,100 at June 2015.

### **The need for a City Philanthropy Initiative**

17. 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 encourage more: supporting and publicising new developments, especially nascent activities such as 'giving circles' among the next generation.
18. The fiscal position and cuts in central and local government funding are putting the charitable sector under increased pressure. This, for many charities, coincides, with increased demand on their services/expertise as statutory services recede. Against this backdrop, private donations of money, time, and skills will be even more crucial.
19. Trust in the City and the financial services sector was eroded by the banking crisis, bankers' bonuses and the Occupy campers. The charitable dimensions

of the City and the diverse range of activity taking place in the philanthropy arena can help accentuate the positive. In the past, the considerable charitable activities and traditions of City Philanthropy have arguably been overlooked and under-represented.

20. The current Lord Mayor has made it a core part of his Mayoralty to champion the City's philanthropic activities: he has approached the second City Giving Day on 30<sup>th</sup> September with considerable energy and garnered much support from companies in the City. It is likely this area of work can be further built on in subsequent years.
21. The City has the necessary infrastructure, track record, financial skills and a favourable tax and regulatory environment, making it is well-positioned to support London as a global centre for philanthropy.
22. 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.
23. A new centre for philanthropy will be launched later this year at the London School of Economics: The Marshall Institute for Philanthropy and Social Entrepreneurship, following receipt of a £30M donation. Links to this from the City will be important.

### **City Philanthropy – A Wealth of Opportunity**

24. Through your funding, *City Philanthropy – a Wealth of Opportunity* has been able to grow its activity and impact. There is now a coherent programme of activity supporting its aims and it is proposed that this will continue and be further developed over the coming year should you agree to the proposed funding.
25. 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.
26. 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.
27. The current website will be upgraded as a functional 'knowledge hub': better signposting people to giving opportunities and connecting them with the City's Giving Networks and charities. This will complement the City Bridge Trust web upgrade and work has already progressed to allow potential donors to be

connected to City Bridge Trust grantees.

28. 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.
29. A thread that runs throughout these activities is City Philanthropy – a wealth of opportunities own place at the heart of many of these networks. In the year ahead, mindful of the considerable change in the operating context, City philanthropy will consider the best operating model with a view to reporting back to committee for consideration in September 2016.

### Costings

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

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

### Financial Information

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

Year end at 31 December	2013 Audited Accounts	2014 Draft Outturn	2015 Current Year Forecast
Income and Expenditure	£	£	£
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

32. 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).
33. City Philanthropy is now established as a brand and it is timely, given the context outlined above, to build on this success, further embed a culture of philanthropy in the City and to promote London as a global centre for philanthropy.
34. 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.

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