


Review of reviews

After the year of reviews, what might 2020 bring for London's civil society?

HM Government



CIVIL SOCIETY STRATEGY: BUILDING A FUTURE THAT WORKS FOR EVERYONE

Civil Society Futures.
The Independent inquiry



The Story of Our Times: shifting power, bridging divides, transforming society
Nov 2018

COMMUNITY & PUBLIC SERVICES

MORE, BETTER, TOGETHER: A STRATEGIC REVIEW OF GIVING IN LONDON

*Peter Harrison-Evans
Ben Rogers
with Karen Belcher
Tom Colthorpe*

Charity Commission

Corporate report
Charity Commission Statement of Strategic Intent 2018 - 2023
Published 4 October 2018

Context

When charity thrives, everyone benefits: the millions of people in every community who give to and benefit from charity at home; the millions more beyond our shores who are helped through our global charities; and those all our country. Put simply we are stronger and better as a country the more benefit charity delivers.

The charity sector is in robust health. There are some 168,000 registered charities in England and Wales¹. Together they attracted an annual income of £76.3 billion in the past year². More than 11 million people in England and Wales volunteer at least once a month³, including around 700,000 trustees of registered charities⁴. Moreover, the demands on charities are growing. Many are providing essential services in tough times, often in areas where governments can't or won't be help some of our society's and the world's most vulnerable people. While the idea behind charity is still simple – acts of giving or helping – modern charity can often be complex and innovative.

Yet when it comes to trust and confidence, the challenges facing charity are considerable. The Charity Commission has been tracking⁵ public trust in the charitable sector for more than a decade and it has drifted lower in recent years to where it now stands: at the lowest level since our monitoring began. Some of this has been the result of high profile cases drawing attention to systemic shortcomings and failures. But there are also issues affecting trust and confidence which are a product of the times we are living in and these too need to be recognised.

Public scepticism about institutions is not going to go away and charities must adapt. Good works rely on goodwill. Without the time and money given by the public and their tacit support for financial privileges, charity would be impossible. Goodwill in turn rests on an expectation that charities will do the right thing. Public confidence is a precious commodity. Every organisation which enjoys the privilege of being a charity has the reciprocal obligation to protect and nurture public trust for the sake of everyone. The benefit of charity to people and society is a precious asset we can't afford to risk – and it

Place-Based Giving Schemes
Funding, engaging and creating stronger communities



Community Foundation Type K, West of Northumberland
Heritage Action Ltd
The Local Fund for Hampshire
York Partnership
The Leeds Fund
London
London Citizens
Hackney Giving
Financials Local
The Kensington & Chelsea Foundation
King Pease's Foundation
Impact Fund
Berkshire
The Rainbow Fund
Working Water
Suffolk 100
Giving for Thurrock

By Dr Catherine Water
The Researchery



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our purpose:

We're here to strengthen civil society and create a better London, through enabling funders from all sectors to be effective.

We're focused on collaboration – convening funders to connect, contribute and cooperate together, to help people across London's communities to live better lives.

convene connect

We create the space for productive conversations and collaborations. Our aim is to use the space we create for cross-sector dialogue as a vehicle for: sharing information, approaches and ideas; developing a shared understanding of need; collaboration; and trust-building.

We bring people and organisations together with the ideas and tools they need to be effective. Our aim is to develop and showcase practical ways for doing things differently and in such a way as to strengthen civil society and create a better London.

contribute cooperate

We shape policies that affect Londoners through our informed voice. Our aim is to play a constructive role in policy development and to ensure that the combined intelligence, experience and views of our members are represented to strengthen civil society in London.

We enable funders to work together to tackle the issues facing London. Our aim is to strengthen practice, increase the impact of assets and resources through aligning these effectively across funders, and create the mechanisms that enable collaboration to work.

Review of reviews

After the year of reviews, what might 2020 bring for London's civil society?

Author: John Griffiths for London Funders, May 2019

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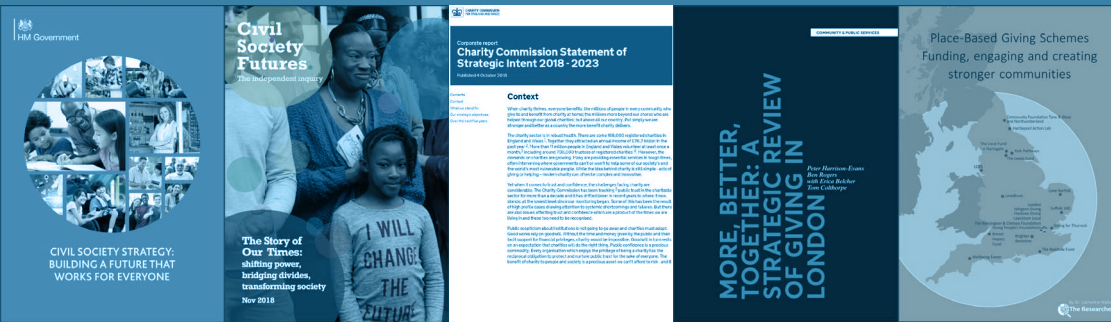
The protracted divorce proceedings which have followed the UK's vote to leave the European Union have largely put other public-policy making on hold. This Brexit-induced vacuum has been filled by an outpouring of reviews which, at first glance, may offer proof that Parkinson's Law is alive and well. Their closer reading, however, allays any notion that these are merely the products of "work expanding to fill the time available."

This spate of strategies and think pieces on the future of civil society conveys both the momentous social changes which are underway and asks some searching questions of London's funders. To what extent do their analyses and recommendations form a coherent narrative which challenges the nature of future funding?

London Funders' "Review of Reviews" explores what they have in common, and where there are notable discrepancies, or differences of emphasis. Focusing on the following "Big Five", we consider the implications for civil society in the capital, for London Funders and our members of:

- The government's **Civil Society Strategy** Building a Future that Works for Everyone;
- **Civil Society Futures** the output from the independent inquiry, chaired by Julia Unwin;
- The Charity Commission's **Statement of Strategic Intent, 2018-23**;
- Centre for London's **More, Better, Together: A Strategic Review of Giving in London** and related philanthropy strategic reviews for City Bridge Trust and the Greater London Authority;
- The Office for Civil Society's review of **Place based Giving Schemes** Funding, Engaging and Creating Stronger Communities.

Executive summary



¹ An earlier version of this review was presented to the "Big Network Day", the first annual convention of London Funders' members in February 2019. It has been updated to reflect discussions at the event and further reviews which have been published since the Day

It is impossible to read these works other than through the lens of Britain's decision to exit the European Union. What on the morning of 24th June 2016 might have seemed an act of political protest, has quite quickly since exposed deep-seated socio-economic divisions both across the UK and between the capital and the rest of the country.

The reviews explore the extent of the changes required in our democracy, education and economy (ie across civil society) in order to confront the biggest challenges facing the country today, of which inequality is consistently identified as the greatest. But they also share a certain optimism that a more inclusive and well-supported civil society, one no longer synonymous with a "third sector" but also embracing the private sector, is key to our achieving a new form of social settlement.

In the 1940s William Beveridge believed in the importance and value of individual voluntary action complementing state-funded welfare; nearly eighty years on, these reviews concur that a strong partnership of government, business, finance, and communities will help society rise to the enormous opportunities of our time. Today's adversity is breeding ingenuity, particularly in the form of individuals' and communities' social action; elective democracy's apparent crisis may be participative democracy's opportunity, yet this is not a zero-sum game. Ensuring a healthy future for civil society is a collective responsibility, not a requirement of others. To this effect, Civil Society Futures, proposes a new framework based on agreed notions of Power, Accountability, Connection and Trust (PACT).

The reviews comment on the growing significance of place-based policy making and its interpretation in different communities. Responding to two decades of devolution and localism, a range of new strategic frameworks (the Industrial Strategy, the 10 Year NHS Plan as well as the government's Civil Society Strategy itself) give succour to the notion that "people best placed to drive forward local

and sustainable economies are those who live, work and do business in them."² It is a trend which will only grow in the wake of prolonged austerity and the causes and effects of Brexit, particularly once government defines its idea of "double devolution" and certain powers and funds are repatriated from the EU.

A clear message for London's funders and London Funders from the reviews is the need to recognise and exploit the capital's unique assets, both internally for its own benefit but also for the common good of the country. A famous son of London and former Dean of St Paul's, John Donne, wrote "No man is an island entire of itself; every man is a piece of the continent, a part of the main." As the country prepares to leave the EU, Donne's line has never had more portent as a reference to the challenges ahead both for the capital and the country as we grapple for a new identity. This moment for redefining our island's future role and responsibility is one in which civil society (people), London (place) and the funder community (philanthropy) all have a key part to play.

People

- Securing a new future for civil society with people at its heart – interpreting and disseminating the P.A.C.T. principles;
- Addressing the structural weaknesses and inequity in civil society's funding eg between inner and outer London; large and small charities and voluntary organisations; and
- Exploiting London's unique assets and responsibilities, including corporates and wealthy individuals and strategic foundations committed to greater collaboration and cross-sector working.

² Civil Society Strategy: Building a Future that Works for Everyone, 2018

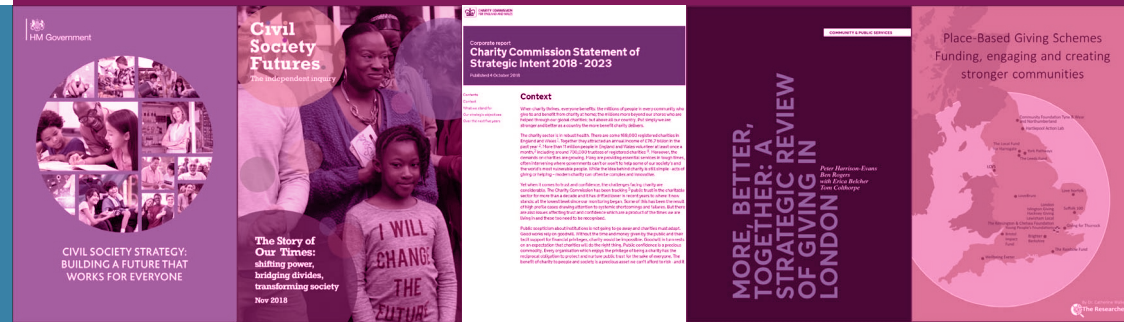
Place

- Exploiting “double devolution” – the UK Shared Prosperity Fund’s (the successor to the EU Structural Funds) potential community focus on local needs and citizen empowerment;
- Harnessing London’s wealth – realising the potential of civic philanthropy requires city-wide leadership; and
- Understanding better and acting on (local) giving eco-systems – ensuring and evidencing the added value from place-based approaches, whilst recognising the particular challenges of place-based funding in a London context eg funders investing in asset-rich communities.

Philanthropy

- Bringing real-time funding data together with a shared understanding of (local) needs . . . more fully exploiting the power of digital/technology – the work of 360 Giving is just the start;
- Seizing the moment by building on solid foundations and what’s working – showcasing; learning from what works (and the important differences between replicating; evolving and scaling); and
- Ensuring responsibility for promoting civil society remains cross-sectoral – this new vision is vulnerable if it is not shared; London Funders must retain membership balance, a willingness to challenge and be challenged.

Why a review of reviews?



Why a Review of Reviews?

The considerable noise and confusion surrounding the political process of Brexit tends to obscure the fact that the UK's decision to leave the European Union (EU) is a symptom of socio-economic fissures right across the country. When we take the long view of the act of Brexit, we will see that it shines an unflinching light on already deeply-entrenched divisions within Britain, the healing of which will require a fundamental rethinking of the role and value of civil society.³

The reviews under review in this essay provide a wealth of analysis, ideas and calls for action which points towards this new future for civil society. They largely concur that the parameters of what constitutes civil society in the twenty-first century are much broader than was thought previously. Neither defined by organisational form, nor as a specific "third" sector, but in terms of objective (what it is for) and control (who is in charge), a modern civil society "refers to all individuals and organisations, when undertaking activities with the primary purpose of delivering social value, independent of state control."⁴

The independent Civil Society Futures inquiry deploys a similarly inclusive definition: "When we act not for profit not because the law requires us to, but out of love or anger or creativity, or principle, we are civil society . . . when we organise ourselves outside the market and the state, we are all civil society . . . Bound up with each of these interpretations is the clear sense of civil society as public sphere – the space where people come together to gain understanding, learn about difference and engage with systems of power. It is in these spaces where civil society as the good society meets new forms of politics, economics and public policy and ultimately translates into better forms of democracy."⁵

The shift in language from "third sector" to "civil society" is more than a question of semantics. The prominence given to business in these reviews, for example, would not have been entertained even just a few years ago. There is a

whole section of the government's Civil Society Strategy devoted to the private sector, one of five foundations deemed necessary to build thriving communities (Figure 1). Changed perceptions of the role, responsibilities and potential of the business community – from both inside and outside companies - is indicative of how boundaries between the private, public and voluntary sectors are becoming increasingly porous, and how so many of today's social challenges demand not just partnership working, but cross-sector solutions.⁶

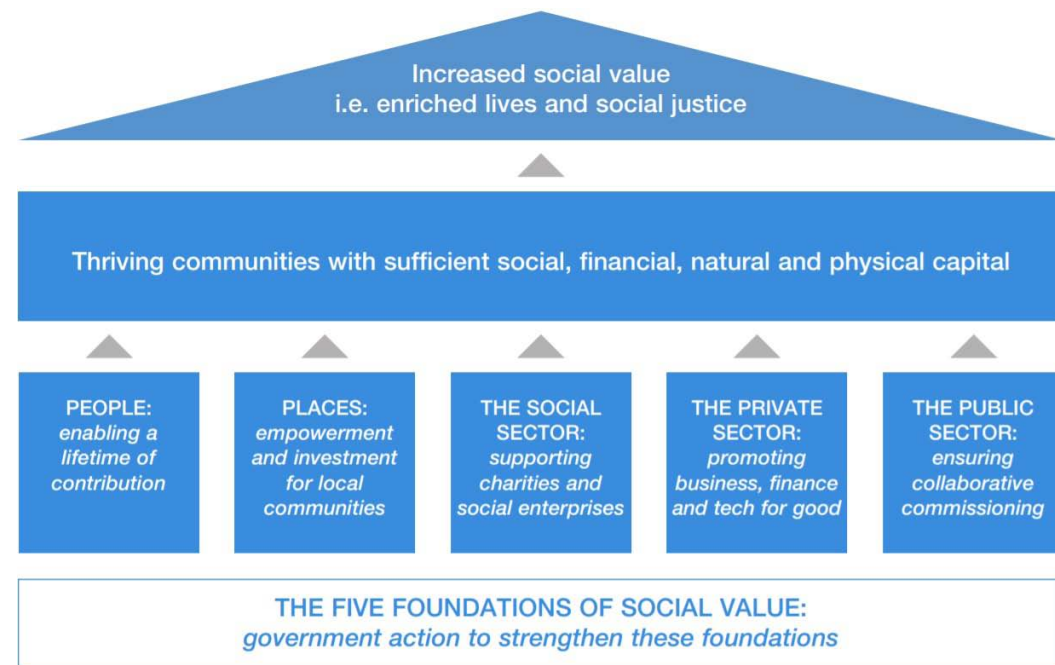


Figure 1. Civil Society Strategy - Building a Future that works for everyone (p19)

³ See Professor Danny Dorling's assessment "Equality and what Brexit tells us about the British" public lecture, 8th December 2018

⁴ Civil Society Strategy: Building a Future that Works for Everyone, 2018, p.19

⁵ Civil Society in England – its current state and future potential, p.103 Civil Society Futures, 2018

⁶ The changing nature of civil society, the context for "doing good" and creating social value are explored in a provocative paper commissioned by Big Lottery Fund from Sonia Sodah, The Future of Doing Good in the UK, 2016

Another theme running through these reviews is the potency and importance of place in galvanizing social action, and as a focus for philanthropy (defined as the giving of “time, talent and treasure”). In part this reflects and complements broader public policy over the last two decades, which has seen successive governments committed to devolving power to the nations, regions and communities of the UK, recognising that “people best placed to drive forward local and sustainable economies are those who live, work and do business in them.”⁷ It is a trend which also seems likely to grow in the wake of prolonged austerity and the causes and effects of Brexit, particularly once government defines its idea of “double devolution” and certain powers and funds are repatriated from the EU.

The government signalled its intention to consult on the UK’s “Shared Prosperity Fund”, its proposed replacement for the EU Structural and Investment Funds by the end of 2018 but, like Brexit itself, this has been delayed. The Institute of Public Policy Research (IPPR) stepped up to fill this particular policy vacuum with its briefing, *Regional Funding After Brexit*, which considers the opportunities for a new Fund to address three ingrained challenges facing the UK: its regional inequality, the centralisation of power and what IPPR calls a lack of community voice. It argues that one way to support a more “inclusive economy” agenda is to direct at least 20% of the Fund to priority areas at the neighbourhood level and give local communities control over investing in the social infrastructure they need.⁸

In the meantime, faced with the impact of significant reductions in statutory-sector funding, independent funders looking for opportunities to collaborate are already focusing on place to develop partnerships which can unlock new sources of investment and local assets.⁹ They also seem to be tapping into a popular urge to re-establish feelings of community in an increasingly atomised society, one in which people look to place as a way of reaffirming their identity and sense of belonging.

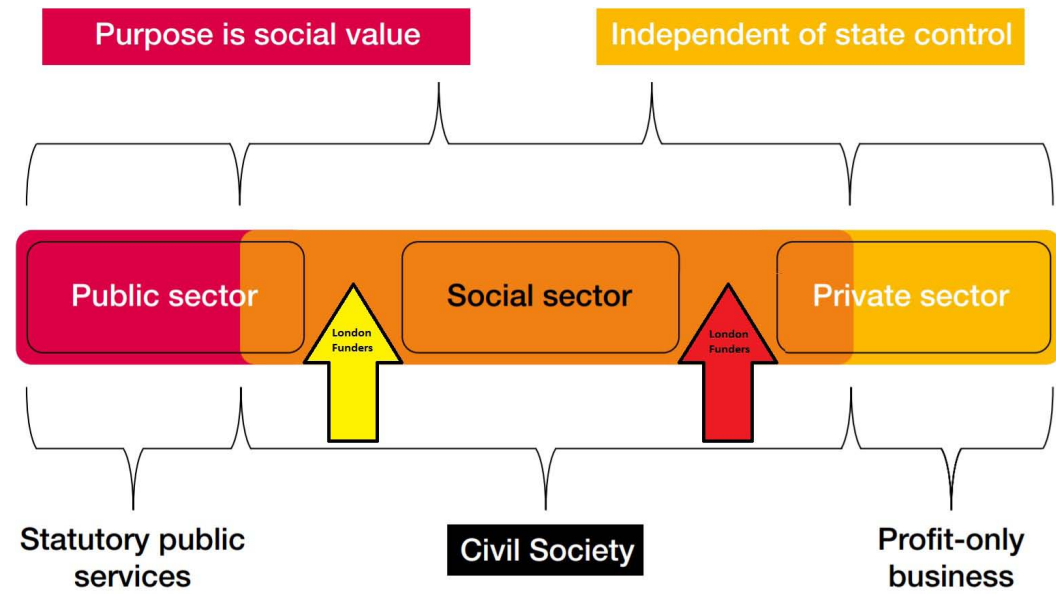


Figure 2. Where London Funders sits in Civil Society. Adapted from: *Civil Society Strategy – Building a Future that Works for Everyone* (p27)

The reviews also share an optimism that a healthy civil society remains a vital component of an effective democracy. This leitmotif should also be viewed against the backdrop of Brexit. As the process of EU withdrawal has put almost unprecedented pressure on the long-established, but increasingly creaky instruments of our elective democracy, the perceived value of different forms of participative democracy has gone up. It was Winston Churchill speaking in the House of Commons in 1947 who quoted the saying that “democracy is the worst form of Government except for all those other forms that have been tried from time to time . . .”; these reviews share the belief that a vibrant and robust civil society can be instrumental in improving on democracy’s least-worst status.¹⁰

⁷ Civil Society Strategy: Building a Future that Works for Everyone, 2018, p.20

⁸ *Regional Funding After Brexit: Opportunities for the UK’s Shared Prosperity Fund*, IPPR, 2019

⁹ *Building Bridges: Bringing Councils, Communities and Independent Funders into Dialogue*, New Local Government Network and London Funders, July 2017

¹⁰ NESTA is currently inviting answers to the question “is government fit for purpose?” It argues that it is increasingly difficult to answer this in the affirmative; the fear that government and our public services are no longer up to the job is the reason behind an Open Call seeking Radical Visions of future government leading to a major event in planned for September 2019

They recognise the value and importance of the voice and independence of civil society organisations, through their scrutiny, campaigning and advocacy work. The government’s intention that “charities and social enterprises should be fully confident in their right to speak in public debates and to have a strong role in shaping policy”¹¹ is not only a partial retreat from the restrictions of the Lobbying Act, it is also a reaffirmation of the importance of civil-society freedoms for which the UK has a proud track record and which the government will need to promote as it looks to forge new relationships with countries within, and particularly beyond, the European Union.

Finally, there are also opportunities and challenges which are unique to London arising from these reviews’ analyses of the varied levels of social action, giving and their effectiveness in the capital. There is a sense of a rising social responsibility on London’s leaders to act beyond its boundaries given the stark indicators of widening socio-economic divisions between London and the rest of the country, and signs of mounting resentment about the capital’s preferential policy treatment, the disproportionate levels of public spending and its growing levels of individual and corporate wealth.¹²

These analyses will no doubt trigger responses from the different constituents within London Funders’ membership, from the statutory and private sectors, as well as independent funders, but also encourage more collaborative efforts to bring about the necessary systemic changes in order to secure civil society and its central role in a wider process of civic renewal. Tellingly, close to half (44%) of a representative sample of London Funders’ members recently reflected on how they will significantly have to change their approach to funding (Figure 3).

How much do you think your approach to funding needs to change?

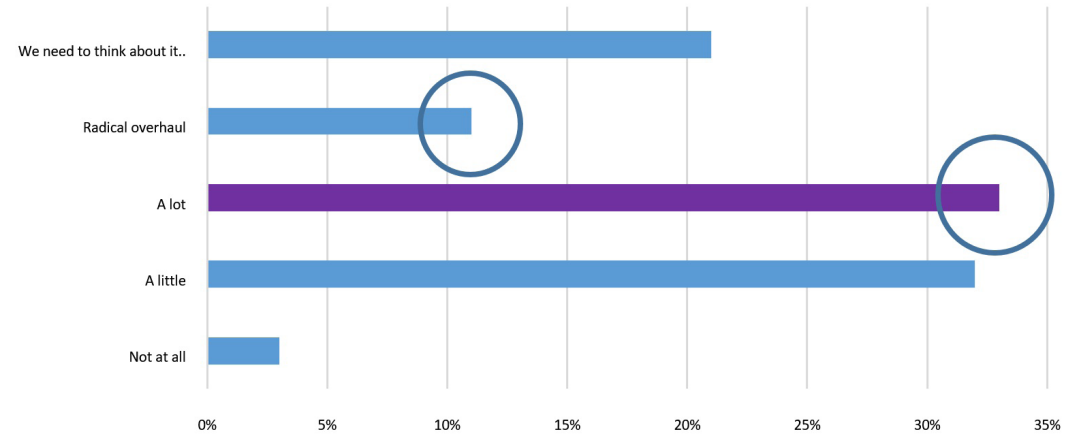


Figure 3. Response to a survey of c.80 London Funders’ members (February 2019)

In support of this endeavour, which lies at the heart of London Funders’ core purpose of convening funders to “connect, contribute and cooperate”¹³, the following review sets out to:

- Distil and highlight the most relevant messages from the reviews – ie where there is consensus and shared priorities, but also where there are notable differences of emphasis and interpretation;
- Focus on some of the growing confluences between the sectors and resources for investing in a vibrant and sustainable civil society in the capital; and
- Assess the level of resonance between the reviews’ analyses and London Funders’ strategic focus and priorities. What might London Funders do more of and/or differently in response to the messages from the “Big Five”, and to what extent do its members, London’s funders, need to rethink their approach to funding?

¹¹ Civil Society Strategy – Building a Future that Works for Everyone, 2018, p.70

¹² See, for example, the Centre for London’s “London, UK: Strengthening ties between capital and country” (2019) which seeks to answer the questions: As the political, financial and cultural centre of the United Kingdom, is London too dominant? How can the capital connect better with its nation state?; Britain’s New Giants, Ed Cox, RSA 2018

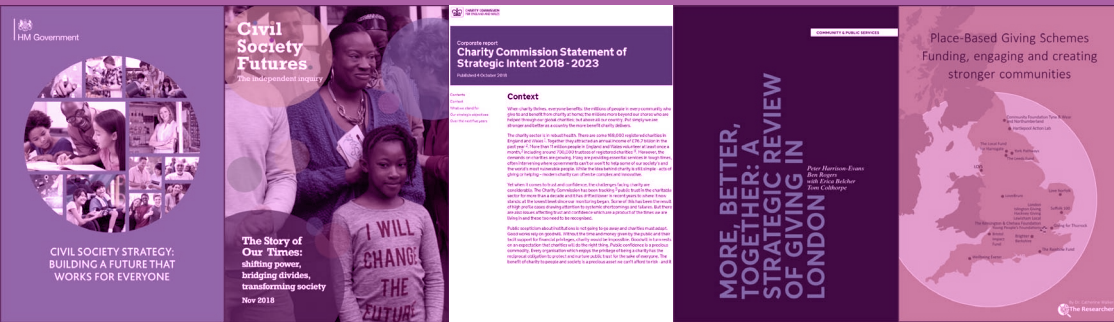
¹³ London Funders - Our Strategy: 2018-21

Civil Society Futures’ underpinning research report, Civil Society in England: Its current state and future opportunity contains a compelling yet daunting analysis of the trends shaping our future (Figure 4, overleaf). These range from the fracturing of society and irreversible environmental damage, to transformational political and economic restructuring; from growing personal precarity, to increasing geo-political uncertainty and rising nationalism.¹⁴ Alongside Civil Society Futures, which drew on the work of six related inquiries,¹⁵ publications from the RSA and the Institute for Public Policy Research (IPPR) look at the “condition of Britain” through more of an economic lens. They also conclude that civil society is a critical component and manifestation of our aspiration for inclusive or “good” growth.

The RSA’s action research project explores the changes needed in our democracy, education and economy to confront the biggest challenges facing Britain today, of which inequality is consistently identified as the greatest. Recalling William Beveridge’s Five “Giant Evils” (squalor, ignorance, idleness, want and disease) which provided the impetus for setting up the post-War welfare state, the RSA’s updated narrative redefines the “new giants” of the 21st century as inequality, disempowerment, isolation, intolerance and climate change. It notes that, just as in 1948 Beveridge believed in the importance and value of individual voluntary action complementing state social security, seventy years later the government’s Civil Society Strategy argues that “a strong partnership of government, business, finance, and communities will help society rise to the enormous opportunities of our times.”¹⁶

The IPPR’s Prosperity and justice: A plan for the new economy, published last September, reveals how the financial health of the UK is divided along lines of income, geography, gender, ethnicity and age. It ranks the UK as the fifth most unequal country in Europe. At the same time, government spending on public

The new narrative



¹⁴ Civil Society in England: Its current state and future opportunities pp.25-33; See also NCVO’s 2019 Annual Report, The Road Ahead, which highlights the difficulties civil society organisations may encounter using a P.E.S.T. analysis
¹⁵ The six cross-referenced reviews and inquiries are: Empowered Communities in 2020 (Local Trust, IVAR); Future of Civil Society in the North (IPPR); The Social Change Project (Sheila McKechnie Foundation); Inquiry into the Civic Role of Arts Organisations (Calouste Gulbenkian Foundation); Future of Localism (Locality, Power to Change, Queen Mary University); Creating Confidence - Good and Bad Help (Nesta, Osca)
¹⁶ Britain’s New Giants, Ed Cox, RSA 2018; Civil Society Strategy – Building a Future that Works for Everyone, 2018 p.70

Social fracturing and growing atomisation of society – “shifting from we to me” *Rise of populism, mistrust of traditional institutions, big government, the media, religion*

Environmental pressures *Less and less room for manoeuvre or action to stave off irreversible climate change*

Structural changes – the end of the organisation? *The rise of the networked society, the increasing blurring of traditional sectoral boundaries*

Economic restructuring – increasing human costs of efficiency *Rising demands on public services, an apparent reluctance to pay and a growing population unable to*

Personal precarity – traditional social safety nets in crisis *Growing inequality, mental health crisis, insufficient housing, rising debt*

Changing places – the effects of localism, technology and the search for identity *Widening division between successful and failing places reflecting different asset bases*

Global volatility - the consequences of a multi-polar, post-Cold War world *A resurgence of nationalism/protectionism, increasing migration and displacement*

Figure 4. From: *Civil Society in England: Its current state and future opportunities* pp.26-27

services as a proportion of GDP has dipped below 40%, which has seen the UK fall into what has been described as the “third division” of European nations, along with Estonia and Ireland.¹⁷ The product of a two-year inquiry into the UK economy, the IPPR’s final report presents a 10-part plan for economic reform to achieve prosperity and justice together, including spreading wealth and ownership across the economy (point 7) and designing simpler and fairer taxes (point 8).¹⁸

The economic divide in the UK is highlighted in other reviews. The Fabian Society argues that by enforcing austerity measures to reduce the deficit, the state has been complicit in widening income inequality. A recent update to its analysis of tax and benefit policy shows that the last nine years saw rapid increases in income-tax personal allowance at a time of significant real-terms cuts to working-age benefits. “The government has presented cuts to social security as a regrettable consequence of austerity. But almost half the cut has not been used to reduce the deficit, but to raise tax allowances.”¹⁹ The Resolution Foundation notes that Britain has a record £13 trillion of wealth undertaxed relative to the size of its economy. They argue that a wider debate about the role of wealth taxes is needed, particularly as our ageing population is set to increase the cost of the welfare state by £36bn a year by 2030 and by £83bn by 2040.²⁰

The geographic inequality within the country has long been referred to in rather simplistic terms as the “north-south divide.” This tends to hide the degree to which the widening schism is between London and the rest of the country. Whilst the UK does have greater levels of regional inequality than any other European nation, the results of the 2016 referendum revealed the apparent relationship between a place’s sense of its economic insecurity and its desire to leave the EU, suggesting that place-based inequalities are more nuanced. This showed up quite clearly in the different outcome of the Brexit referendum in the capital from most other regions of the country.²¹

¹⁷ Peak Inequality: Is great change coming? Danny Dorling, *New Statesman*, 4 July 2018

¹⁸ Prosperity and justice: A plan for the new economy, IPPR, 2018

¹⁹ Inequality by stealth: Tax allowances and social security in 2019/20, Fabian Society, April 2019

²⁰ How wealth taxes can raise billions more without scaring any horses, The Resolution Foundation, January 2019

²¹ Patchwork Philanthropy: Philanthropic and Public Spending Blind Spots and the Brexit Vote, Young Foundation, 2017

Debates about the future sustainability and fairness of London have tended to focus on the growing levels of inequality within the city.²² Yet the differences in personal wealth, and hence individuals' life chances, between the capital and the rest of the UK are the biggest of any country in Europe. The Civil Society Futures inquiry, citing work by the Social Mobility Commission, notes that children going to school in Westminster and receiving free school meals are five times more likely to go to university and then on to good jobs in London, than children elsewhere in the country.²³

In seeking to define a new policy narrative for the mid c21st century, these analyses recognise that for much of the past decade, civil society has been unable to do much more than mitigate the consequences of austerity measures, a position which has recently been exacerbated by the distraction of Brexit. In the form of the government's Industrial Strategy (2017), the localisation of the new 10-year plan for the National Health Service (2019) and a complementary civil society strategy, there is a clear direction of travel and a shared understanding that a new future cannot be dictated from the centre.²⁴ What is notably absent from these reviews, however, is any significant contradiction to the prevailing narrative of an irrevocably shrunken state unable to cope with rising demographic pressures and social demand. Irrespective of whether the era of austerity is indeed at an end, pouring in more money is not a viable solution if you accept that the system is fundamentally flawed.²⁵

As we move towards the third decade of the 21st century, the underlying causes of Brexit's "uncivil war" call for a national response similar to that which followed the Second World War. More than seventy years on from the founding of the welfare state, we are again at a defining moment in the national experience when the degree of community re-building required across the country calls for radical change and a new form of social settlement.

The contract which underpinned the welfare state – that in exchange for taxation and personal responsibility government will provide for its citizens from cradle to grave – is broken.²⁶

Whether it is tackling Beveridge's 5 recast Social Evils, meeting the 4 "Grand Challenges" set out in the Industrial Strategy (Artificial Intelligence and data; ageing society; clean growth; future of mobility), or delivering the targets of the NHS 10-Year Plan, our future success will depend on the extent of collaborations between government, business, academia *and* civil society whilst recognising the importance and particular facets of place when making future policy. For London's Funders there is arguably the added dimension of trying to ensure that this place's unique assets are harnessed not only for the benefit of London, but also in the interests of the UK's wider and long-term civic renewal.²⁷

²² The London Fairness Commission Final Report, March 2016; The City Bridge Trust's five-year funding strategy also launched last year is entitled Bridging Divides, 2018-23

²³ Social Mobility Commission, State of the Nation 2017: Social Mobility in Great Britain

²⁴ The NHS Long Term Plan includes a ring-fenced local fund worth an extra £4.5bn a year in real terms by 2023/24. This is to enable groups of local NHS organisations to work in partnership with local councils, partners and the public to develop and implement their own place-based local plans over the next 5 years

²⁵ At London Funders' Big Network Day 2019, a single comment from the c.150 participants asked "As a sector – funders and civil society organisations – we seem to have accepted that the state is withdrawing and we have to step in . . . are there different roles for funders to enable a challenge to that narrative?"

²⁶ Hilary Cottam, Radical Need: How we can remake the relationships between us and revolutionise the welfare state, 2018; New Local Government Network describes a new social settlement as The Community Paradigm. Over the course of the last century, public services have been shaped in turn by civic institutions, state control and, latterly, market forces; the new community paradigm is less hierarchical and transactional, but places value on individuals' empowerment and collaboration for the design and delivery of services; See also the New Year message from the CEO of NCVO, Brexit, Then What? It's Time for Civil Society to Shape Our Future

²⁷ Centre for London, London, UK: Strengthening ties between capital and country, 2019

4.1. Civil Society Futures

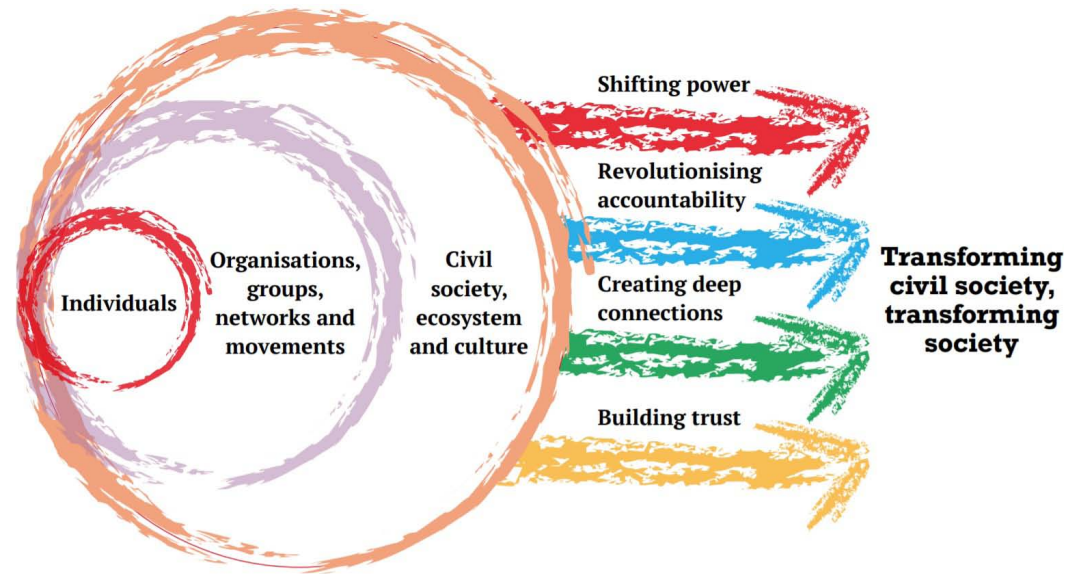
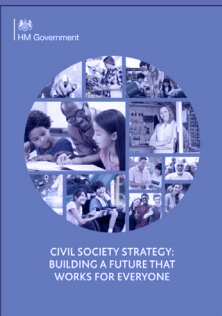


Figure 5. From: *Civil Society in England – Its current state and future opportunity*

The output from this independent inquiry²⁸ concentrates on what civil society can do for itself to transform society. There is a danger that this could be interpreted as a list of recommendations aimed exclusively at the social sector. However, given the Inquiry’s broad definition of civil society, we are left in little doubt that “to change for the future, all of us within civil society and those who interact with civil society need to respond with care, courage and commitment.” The review notes that “encouraging active citizenship has been a recurring theme in public policy over at least the last two decades, from New Labour’s ‘Active Citizens’ through to David Cameron’s ‘Big Society’ and the ‘localism agenda’ – yet there are limits to how much communities can do for themselves, and for some, the problems feel overwhelming.”²⁹

4 The Big Five



²⁸ Civil Society Futures was an independent inquiry, chaired by Julia Unwin, that ran from 2017-2018 engaging in a wide-ranging, national conversation about how English civil society can flourish in a fast-changing world. Its continuing objective is to use the findings to start a movement for change. (see section five of this paper: Implications for London’s funders)

²⁹ Civil Society in England: Its current state and future opportunities p.45 Civil Society Futures, 2018

The key themes and ideas in the Inquiry’s analysis of civil society focus on places and spaces, belonging and connectedness, work and purpose, organisations and organising, power and powerlessness – with this final theme running throughout. It argues for a shared **P.A.C.T.**, developed from the views and ideas from extensive consultation, and calls for individuals, organisations and institutions to commit to:

- **Power:** significantly shifting power, sharing more decision-making and control, being a model for the rest of society and doing whatever is needed so that everyone can play a full part in the things which matter to them.
- **Accountability:** holding each of us and our different organisations accountable first and foremost to the communities and people we exist to serve, changing our approach so that we become more accountable to each other and to future generations.
- **Connection:** broadening and deepening connections with people and communities which is a key purpose of civil society and critical to healing a fractured society; bridging economic, social and geographic divides and investing in a new social infrastructure for civil society.
- **Trust:** (re)building trust – what the Inquiry refers to as civil society’s core currency and foundation; earning this by staying true to our values, standing up for them and trusting others with vital decisions that affect them.

The Inquiry argues that civil society does not exist in isolation, but is part of a large and complex ecosystem. “It is shaped, influenced, supported and formed by the environment in which it operates. In turn, it has an impact on that environment, both the market and the state – they are interdependent and, increasingly, civil society, government and businesses need to work together for a thriving society.” (see figure 5)

Each also has a direct interest in doing so. “Neither the public sector nor the market would be able to cope without the civil society action taking place

everywhere across the country.” The Review shines a spotlight on those informally helping their neighbours, “getting involved with schools, food banks, sports clubs and tenants’ associations who power communities and make public services viable, from health to education, housing, policing and much more. It is the consumer organisations giving feedback to business, the workers and tenants organisations asserting rights. It is the organisations of people with disabilities that have made the inadequacy of some services so clear.”³⁰

Civil Society Futures sets out proposed actions which different parts of the eco-system can take to address PACT principles/aspirations. In terms of London Funders’ members, these include **independent funders** of civil society, **local authorities** and their **statutory-sector partners** (both as place shapers and service commissioners), as well as London’s **business** community.

Funders of civil society – are asked to reflect PACT principles and practises in everything they do in order to develop the funding ecosystem which supports people and communities to build capacity for change. This could include:

- Supporting and helping to build the “people–power grid”;³¹
- Building local endowments that can be directed and owned by people in the community;
- Starting to measure the depth and breadth of connections, taking them as seriously as other social impacts;
- Shifting power by ensuring that local communities and people are involved in making funding decisions;
- Paying for development and start-up of projects, allowing sufficient time to build connections and trust, not just ‘delivery’;
- Co-designing accountability mechanisms with those receiving funding, and only demanding accountability that is simple, proportionate and necessary;
- Taking risks that reflect the real risks taken by people in communities every day.

³⁰ Civil Society in England: Its current state and future opportunities p.95 Civil Society Futures, 2018

³¹ A People Power Grid is the Inquiry’s vision of what civil society infrastructure needs to be like – connected; sustained and digitised, recognising the motivational power of self-interest as much as altruism for driving the collective effort required to support a healthy civil society

Local authorities – are asked to work with civil society to overcome future challenges at a local level and support thriving local communities. This could include:

- Transferring decision-making power to local communities eg through participatory budgets, citizen juries and community commissioning of services;
- Alliance building with civil society, other local public-spending bodies and the private sector, to ensure that all the resources in a community are mobilised to develop resilience;
- Listening carefully to sections of the community that are most dependent on services and protecting their interests when spending decisions are being made; and
- Providing grants, making appropriate asset transfers, and focusing on commissioning and purchasing locally.

Commissioners (Clinical Commissioning Groups, housing associations, local authorities) - are asked to adapt their contracting practices to reflect the PACT. This could include:

- Engaging the people–power grid to support and design local and specialist commissioning practice;
- Developing social value clauses that allow better informed commissioning decisions to be made;
- Ensuring that the costs of the time and effort needed for trust, relationship building and connection are included in funding for projects – not just ‘delivery’; and
- Jointly designing contract specifications with civil society.

Businesses – are asked to understand their role and how they can support and collaborate with a flourishing civil society. This could include:

- Acknowledging their dependence on the operation of a healthy civil society and working to enhance its capacity;
- Building on the collaboration that already exists in some areas to ensure that these connections help to renew civil society, not exhaust it;³²
- Investing in the people–power grid through funding, secondments, provision of physical space, training and engagement;
- Considering local civil society in procurement and partnership decisions, and recognising the skills and knowledge that civil society contributes; and
- As anchor organisations, working with civil society to shape places, recognising the power of procurement, recruitment and reputation.

The outputs from the Civil Society Futures inquiry consist of far more than the two reports of the main research findings. The Inquiry’s website remains an invaluable resource and “toolkit” which is designed to enable the implementation of PACT. By accessing the Review digitally you gain access to

- 28 ways to get to know your power – and work out how to shift it;
- 18 ways to start revolutionising how you are accountable;
- 15 ways to connect more deeply with the people and communities you serve; and
- 14 ideas for how to build more trust.

³² Business Improvement Districts, of which there are already more than 60 across the capital, are place-based collaborations and potential conduits for businesses to support local civil society. For an example of BIDs providing the catalyst for local community infrastructure and social investment, see their work on Alternative Camden supported by the London Enterprise Partnership and two BIDs, Camden Town Unltd and Euston

4.2. The Civil Society Strategy

“The Civil Society Strategy - Building a Future that Works for Everyone”, published by the Cabinet Office in August 2018, details a series of commitments and ambitions for the government. It is not a statement of what government thinks or expects of the sector, rather of how the state can support and enable civil society in its many guises to achieve its potential. The Strategy acknowledges and largely complements the work of the Civil Society Futures inquiry (see above), echoing many of the themes and principles of PACT (**Power, Accountability, Connection and Trust**) and by highlighting a wide a range of activity across both government and civil society, it brings a degree of coherence and coordination to work already underway, not least within the capital.

The strategy defines civil society as “individuals and organisations when they act with the primary purpose of creating social value [enriched lives and a fairer society for all] independent of state control.” It argues that a thriving civil society is based on five foundations of social value. Whilst this determines how the document is structured, with separate sections on each of **people, places, the social sector, the private sector and the public sector**, the strategy also acknowledges that in the past we have “too often thought of these foundations as separate from each other” acknowledging the importance of the connection and collaboration between them.

Building a Future that Works for Everyone sets out its ambition and credentials to be genuinely cross-cutting and multi-sectoral both in its inclusion of ministerial statements from eight other departments on how civil society is essential in meeting a range of public policy priorities, and in its commitment to civil society leaders that the document is not “a final communication, but the beginning of a process of policy development and collaboration.” Work is now progressing on the development of the Civil Society Action Plan which will implement the strategy’s headline commitments, including:

- Harnessing the effects of **devolution and the empowerment of cities, communities and neighbourhoods** – as successive governments’ have recognised that the “people best placed to drive forward local and sustainable economies are those who live, work and do business in them”;
- Exploiting Britain’s particular assets, not least the generosity of its citizens in terms of the **giving of money (philanthropy) and time (volunteering)** and the shift in values and expectations among younger generations (eg who increasingly expect to work for employers delivering social value);
- Re-evaluating the **government’s approach to funding and financing civil society** organisations – ensuring an appropriate range of funding and finance models are available to the social sector, as well as improving public commissioning;
- **Targeting the potential of businesses**, many of which are reconnecting with communities, to deliver social value as well as annual returns to shareholders;
- Focusing on **the role of young people and how to harness their energy, skills and ambition** in the interests of the common wealth; and
- Enriching and defining more consistently and accessibly the **measurement of social value** across the public and private sectors.

The Strategy sets out 15 “missions” or proposed actions. Those most relevant to London Funders’ strategy and the ongoing work of its members are:

- **People** - Mission 1: “a connected and resourceful society” – the Civil Society Strategy notes how strong relationships, support networks and a sense of belonging contribute to personal and community wellbeing; “social capital is linked to a range of benefits for society and individuals” whether addressing loneliness (which is the focus of a separate government strategy and a priority for the Mayor of London’s Strategy for Social Integration and his aim to promote more social prescribing), or responding to local emergency situations and ensuring communities’ resilience. The Strategy references

London Funders' work on funding in emergencies, highlighting the findings from *The Possible Not the Perfect* on how funders can respond in the future, as well as how this experience can help to shape and improve "business as usual" in the sector.

- **People** - Mission 3: "opportunities for young people" – the strategy is committed to making sure that all young people have opportunities to improve their life chances and fulfil their potential. That "government will review the guidance which sets out the statutory duty placed on local authorities to provide appropriate local youth services" is particularly pertinent to the work of the seven Young People's Foundations supported by John Lyons Charity, which were established largely in response to cuts in local authority-funded youth provision. Other commitments include measures to strengthen safeguarding in charities, including new guidance and support to help charities which is a focus of London Funders' CYP Funders network; the ambition to engage young people in creating policy or designing programmes which affect them and funding for cultural, sport and citizenship programmes to help young people avoid negative pathways, including those at risk of serious youth violence. A group of London Funders has recently put forward a set of principles for funders working on this issue, with the aim of ensuring young Londoners achieve their potential in safe and supportive communities.
- **Places** - Mission 5: "investment" – covers new models of finance including, post Brexit, the new UK Shared Prosperity Fund, funding instruments associated with Local Industrial Strategies and the potential of technology platforms (the next generation of Crowdfunding). The growth of London's place-based giving movement is highlighted along with the "commitment to invest £770,000 by 2020 to enable the movement to grow." This all contributes to the strategy's ambition for "residents, community groups, businesses, service providers and local authority to work collaboratively to create a shared vision for the future of their place."³³

- **The Social Sector** - Mission 7: "funding and financing the social sector" - including promoting philanthropy (the government is setting up a longer-term advisory group on philanthropy), ensuring taxes and regulation support civil society – bringing different sources of funding and investment together for social impact. The government wants the UK to become the global centre for philanthropy practice, including in corporate philanthropy, an ambition which mirrors the City of London/City Bridge Trust's plans to role model high-impact philanthropy and enhance the philanthropic infrastructure.³⁴ The Strategy also commits to exploring the potential of peer-influenced forms of philanthropy to tackle significant social/civic challenges – themed or place based, and to re-stimulating a culture of civic philanthropy linked to the devolution process and the rise of elected mayors; both these aims are echoed in the reviews of giving in London by Centre for London (see below) and the GLA-commissioned assessment of the role of the Mayor in enabling civic philanthropy in the capital.
- **The Social Sector** - Mission 8: "leadership, support and regulation" – the strategy recognises that just as business depends on infrastructure like transport and finance systems to flourish, social sector organisations depend on an appropriate support system. Acknowledging the work which is underway in London through the Way Ahead and the investment of the Cornerstone Fund, the government commits to convening key stakeholders to "explore how we can collectively help to develop strong local support systems for civil society organisations" which will include considering alternative models of support "drawing on capacity, knowledge, skills and resources from across sectors."³⁵ It also commits to working with the Charity Commission to strengthen the leadership and trusteeship of civil society organisations, ensuring that regulatory work is both appropriately resourced and fit for purpose in line with the Commission's own stated strategic intent (see later in this paper).

³³ On a larger scale are the proposals for a Community Wealth Fund from an alliance of voluntary organisations, independent funders and civil society initiatives. They call on the government to use the next wave of dormant assets (insurance and pension policies, bonds, stocks and shares) to match investment from large corporations to create a new multi-billion-pound endowment to support deprived communities

³⁴ The City Bridge Trust/City of London Corporation's Philanthropy Strategy Implementation Plan to 31st March 2020 is available in the Trust's board papers from its November 2018 committee meeting

³⁵ The Greater London Authority has announced that a new London Civil Society Leaders Grant will fund a capacity building programme during 2019/20 to develop the confidence and capabilities of individuals and partnerships active in the capital's civil society

- **The Private Sector** – Mission 10: “responsible business” – the context for the Strategy’s supporting responsible business is provided by the government’s Industrial Strategy which, as well as its place-based approach to economic development, calls on business to create better, higher-paid jobs as proposed in the Good Work Plan.³⁶ The Mayor of London has already prioritised “good growth” in the capital with the Mayor’s Good Work Standard and the Social Value Act providing tools to back the kind of “purpose-led businesses” identified in the Civil Society Strategy. “Inclusive growth” is also the overarching theme of the proposed London Industrial Strategy which aims to ensure “all of London’s places, people and communities can contribute to and benefit from the city’s growth.”³⁷ The Cabinet Office Inclusive Economy Partnership is setting up a Responsible Business Leadership Group to encourage more firms to “go beyond CSR” and harness the power of business to address social challenges in line with the UN Sustainable Development Goals.
- **The Private Sector** - Mission 11: “finance for good” – the government wants to ensure that “social impact investment should become business as usual for individual and institutional investors.” This includes the commitment to direct funds for the establishment of Fair4All Finance a new Financial Inclusion organisation responsible for deploying £55m of funding from dormant accounts – primarily addressing the issue of access to affordable credit. At the same time, the Strategy acknowledges that “communities need a richer, more diverse funding environment than currently.” (see Mission 14 below). This plays to London Funder’s strategic remit to coordinate the work of its members, enabling them to work together by developing greater shared understanding of the post-Brexit funding ecology.
- **The Public Sector** - Mission 14: “funding the future of public services”- government wishes to broaden the range of funding options for community initiatives – including a revival of grant making (“Grants 2.0”) – reflecting

that grants combine flexibility with accountability and support a greater diversity of civil society service providers. It also remains committed to Social Impact Bonds and to continue to build the evidence base for SIBs. The Strategy recognises that competitive outsourcing and contracting of public services using rigid best value measures can put up barriers to smaller, more diverse civil society organisations. Its new vision for public services is one of “collaborative commissioning” with government taking the role of “steward” of a potentially more diverse, collaborative public-service market based and the introduction of a new code of conduct for grant recipients which sets out minimum standards and options for redress which recipients of government grants can expect.

- **The Public Sector** - Mission 15: “commissioning for social value” – strengthening the terms of the Social Value Act by extending the Act to cover goods and works as well as services; requiring commissioners explicitly to “evaluate” social value in future procurements and not just “consider” it (as originally framed); the government is also exploring the potential for the use of social value in grants as well as contracts (and extend its application to decision making in relation to planning and asset transfer).³⁸

4.3. Charity Commission - Statement of Strategic Intent

The Charity Commission’s Statement of Strategic Intent, 2018-23, was published in October 2018 following the appointment earlier in the year of a new Chair of the Commission, Baroness Tina Stowell, a former Leader of the House of Lords (2014-16). The statement is broadly in tune with the messages of other concurrent reviews of civil society; its focus is on the formal charity sector, observing that whilst the sector is in many ways in robust health, it faces considerable challenges. “When charity thrives, everyone benefits” [and] “we are stronger and better as a country the more benefit charity delivers.”

³⁶ LondonPlus has recently convened the London Good Work Commission bringing together 20 leaders from across the public, private and voluntary sectors to consider how to create ‘a city of good work for all.’

³⁷ A paper setting out the plans for London’s Industrial Strategy, presented to the Local Enterprise Partnership Board at its December 2018 meeting, can be found at <https://www.london.gov.uk/moderngovmb/mgAi.aspx?ID=26595>

³⁸ The government’s consultation on the terms of the Social Value Act (spring 2019) included proposals for testing that social value is adequately incorporated into central government contracts. Ministers have said that government will award contracts “on the basis of more than just value for money, but companies’ values too.” The consultation proposes that government departments put a minimum 10 per cent weighting on evaluating social value in bidding processes, but also states that “the overarching objective . . . will remain achieving the best commercial outcome.”

At the same time, as the independent regulator of the formal charity sector, the Commission is aware from its own research that trust and confidence in charities have faltered and its role is to ensure that “every organisation which enjoys the privilege of being a charity has the reciprocal obligation to protect and nurture public trust for the sake of everyone.” The Commission’s intentions are captured in the following five objectives:

Charity Commission – Strategic Objectives, 2018-23

(1) Holding charities to account

Making sure that charities live up to their purpose and the high expectations of the public is about more than just compliance with the minimum legal requirements: it means being accountable for the privilege of charitable status and the stewardship of charitable resources. The Commission intends to use its authority and influence as the regulator to draw attention to behaviour that could jeopardise public confidence in the sector as a whole.

(2) Dealing with wrongdoing and harm

To anticipate when things are likely to go wrong in a charity, or deal effectively with wrongdoing when it has occurred, requires good information and analysis. The Commission recognises this means equipping charities with the tools they need to protect themselves against abuse or mismanagement and, where these prove insufficient, making interventions that are objective and timely.

(3) Informing public choice

Charities need to elicit the public’s generosity to succeed which requires giving people the information they need to make decisions about where and how to support charity. The Charity Commission’s responsibility is to make sure that charities offer accurate, up-to-date and relevant information about

themselves. This should be easy to access and use, allowing charities to demonstrate their efficiency and effectiveness as well as the difference they are making. This should help to identify gaps or duplicated effort in charitable provision which might suggest new enterprises, partnerships or mergers.

(4) Giving charities the understanding and tools they need to succeed

Effective regulation should involve offering guidance and support so that charities can maximise their collective impact. This will involve the Charity Commission in offering advice to trustees or giving them authority to act in appropriate circumstances. It might involve encouraging charities operating in similar spheres to collaborate, or even to merge, if this would increase the public benefit.

(5) Keeping charity relevant for today’s world

Registered charities must take account of how society is changing and the forces driving these changes. It is part of the Charity Commission’s job as regulator to understand the wider context in which charities work. The Commission will look to lead thinking about how charities can thrive in a changing world, helping to shape and update the environment in which they operate and the wider debate on their future activities.

Figure 6: Strategic Objectives, Charity Commission Statement of Intent 2018-23

The Commission’s statement notes that “regulation is a means to an end; it is not an end in itself” and its “overall approach is to deliver greater benefit to the public.” Elsewhere, the Chair of the Commission has put this more starkly, throwing down the gauntlet to the sector: “It is the job of the Charity Commission to represent the interests of the public to charities – not to represent the interests of charities to the public. I hope charities come to see that promoting the public interest is to their benefit.”³⁹ The Commission acknowledges that this more interventionist approach means that its strategic

³⁹ Speech by Baroness Stowell to the RSA, 5th October 2018

ambition may be greater than its capacity to deliver which, in addition to working differently and smarter, will likely require more resources, possibly from charging a levy on larger charities in future.

4.4. More, Better, Together

Centre for London's strategic review of giving in the capital⁴⁰ was published in September 2018. The culmination of a 2-year research project, this extensive and invaluable study looks at five different forms of charitable giving in the capital: giving by the general public; giving by the wealthiest Londoners (sometimes referred to as High Net Worth Individuals); giving by independent funders (trusts and foundations); corporate giving and social investment.

Whilst London is a national and global centre of philanthropy, it is also a city of extremes, where enormous wealth sits alongside poverty and exclusion. Despite this concentration of wealth and charitable activity, Centre for London found that Londoners' giving of time and money has dropped over the last 5 years; Londoners are also comparatively less generous than in the rest of the country, and do not necessarily favour local causes. Indeed, most London boroughs (and appreciably those in outer London) have seen a decline in the number and activity of locally-focused charities.⁴¹

The Centre for London review estimates that London's businesses give around £330m per annum – about 6% of the total across the capital. However, corporate philanthropy is not having the impact it could, as employers fail to apply the rigour they bring to their business to their charitable activities. A parallel piece of research, carried out last year for the City of London Corporation as part of the then Lord Mayor's Business of Trust initiative, reached a similar conclusion highlighting the ongoing limitations of companies' "pursuing disparate programmes that have good intentions, but lack focus."

⁴⁰ A summary slide deck of the Centre for London's research on Giving in London is available to download from London Funders website

⁴¹ This is backed up by a 2019 report from the Smith Institute, funded by Trust for London, The Unspoken Decline of Outer London, which argues that the growth of poverty in the outer boroughs (now 60% of the capital's total) and partly arising from its displacement from inner London, has not been sufficiently considered by policy makers; see also London Funders' recent analysis on "funding cold spots."

The UK's Financial and Related Professional Services sector (FRPS), which is one of the most active and engaged in corporate community investment, and predominantly in London, still reports that two thirds of companies have no clearly defined strategic priorities, and less than a quarter provide comprehensive impact data in their latest reports.⁴²

Key findings

- The proportion of Londoners who regularly donate to charity has declined – by 8% over the last five years and the proportion of Londoners who volunteer at least once a month has fallen by 3%, from 24% in 2013-14 to 21% in 2017-18;
- The number of Londoners with more than £24.2 million (equivalent to \$30 million) in assets rose by 41% between 2005 and 2015, but there is a disconnect between the wealthiest Londoners and their engagement in philanthropy;
- While the number of charities focused on London causes increased in some inner London boroughs, such as Hackney (+7%) and Tower Hamlets (+8%), most saw a fall in the five years to 2015. This was most pronounced in outer London eg Croydon (-7%); Kingston (-5%);
- Corporate giving in the capital is estimated to be close to £330m pa, but financial contributions are only one element of corporate philanthropy which includes grants from corporate foundations as well as employee-enabled giving and employer-supported volunteering;⁴³
- Corporate community involvement (and the giving of time and skills) tends to be concentrated around central and inner East London – drawing on the City and Canary Wharf - making it harder for charities in outer London to attract support;
- London is the trust and foundation capital of the UK; 11 of the 20 largest independent foundations are based in the capital – with the largest donor, City Bridge Trust, investing over £20m pa;

⁴² Corporate Community Investment – Four Routes to Impact, City of London Corporation and Corporate Citizenship, 2018

⁴³ Centre for London, More, Better, Together p22., 2018; The review of philanthropy for the Greater London Authority, Harnessing the Capital's Giving, argued that the GLA is securing at least as much value from London's employers' giving of time and expertise as money

- There has been a rise in collaborative grant making and joint-investment, in response to public sector cuts (eg the development of Young People’s Foundations to invest in local youth services and the support for civil society infrastructure formerly funded by London Councils) and responses to emergency situations such as recent terrorist attacks and the Grenfell fire; and
- London is at the forefront of developments in social investment with an estimated third of UK social investment going to London-based organisations, though the report finds evidence that the market for smaller, high-risk investments in social enterprises and charities remains under-developed.

Centre for London calls for a “whole city” approach to “giving more, giving better and giving together” – based on a shared understanding of the capital’s philanthropic priorities. Its fourteen recommendations are directed at “London’s giving leaders”, by which it means the Mayor of London, the City of London Corporation (including the Lord Mayor), London Funders, Trust for London, London Councils, Community Foundations and the capital’s new civil society hub, London Plus.

Recommendations

1. London’s giving leaders should **develop a richer understanding of need** in the capital, perhaps through building on Trust for London’s Poverty Profile;⁴⁴
2. London’s giving leaders should encourage all major London funding organisations – foundations, local authorities and corporates – to **provide greater transparency on grant data** by publishing on 360Giving. London Funders should also publish a regular “state of giving” review that would show the direction of giving in London;⁴⁵
3. Strengthen London Plus’ capacity to **encourage employee volunteering**, ensuring volunteering efforts go where they are needed most;

4. London Funders should make **working with corporates and private philanthropists a priority** – encouraging more of them to join the organisation, promoting good practice, and advocating joint working among them;
5. London Funders should lead in **adapting the Funders Portal** – which allows voluntary sector organisations to access multiple funding streams with a single application – into a systemic London resource;
6. London Funders should review the need for a **physical space to act as a centre for philanthropy**, social investment and enterprise in London;
7. The Mayor, working with the City of London, London Funders and other partners, should establish **an annual London giving day**;
8. London’s giving leaders should review how best to **increase the proportion of Londoners leaving a charitable legacy** in their wills, with a particular focus on property owners;
9. London Funders should support **fundraising capacity-building programmes** among small and medium-sized charities;
10. The Mayor should establish a function within the GLA with the authority and resource to speak on philanthropy, **harness the Mayor’s convening power, and leverage philanthropic support** to address important London issues;⁴⁶
11. The Mayor, working with London Funders and the City of London Corporation, should review how best to **recognise individuals and organisations that give most and give best** in London;
12. London Funders and other London giving leaders should **promote funder collaboration** to develop the bottom end (risk capital) area of the market in London;
13. The Mayor, working with the City of London Corporation and other partners, should establish a **review of London’s current position as a global centre of giving** and identify ways in which this could be strengthened; and
14. London’s giving leaders should **work with other UK cities in developing and promoting city-focused giving**.

⁴⁴ Trust for London issued an invitation to tender to “look afresh at how London’s Poverty Profile is designed and delivered.” (Published January 2019)

⁴⁵ London Funders is working with 360Giving in the capital to support and encourage funders to share their grant-making data. The latest data from this initiative was presented at the London Funders Big Network Day, held on 14th February 2019

⁴⁶ This point is examined in more detail in Harnessing London’s Giving: What is the role of the Mayor and Greater London Authority in enabling civic philanthropy?

Responses from London's Giving Leaders

Like all good think tanks, Centre for London has used its in-depth analysis of giving in the capital to prompt other stakeholders to act. Of the fourteen recommendations falling out of this review, many are already underway, some have still to be fully considered, whilst one or two seem a little off the mark. For example, the idea that the Mayor of London, working with the City should establish an annual Love London giving day overlooks the danger that a London-level campaign encroaches on existing initiatives, not least City Giving Day; people's identification with places within London suggests this recommendation might be better directed at a more local level through place-based giving schemes, as already happens in some boroughs like Kingston.

Two of the "giving leaders" named in Centre for London's recommendations have each undertaken reviews of their own work to enable civic philanthropy. The City Bridge Trust (CBT)/City of London Corporation (CoLC) Philanthropy Strategy and Implementation Plan, and a parallel study of the role of the Mayor and Greater London Authority in harnessing the capital's giving, have a similar outlook. It is framed by a shared sense that London is not making the most of philanthropy's potential contribution to civil society; to do so, organisations like CBT, and its sole trustee the Corporation of London, as well as the Greater London Authority (GLA) need first to address the impact and effectiveness of their current programmes and investments before they seek to do more externally.

Hence, City Bridge Trust's vision "to enable those experiencing disadvantage and marginalisation to thrive as a result of higher impact and higher value philanthropy" will be realised in no small part by the "role modelling" of CBT's charitable giving and by harnessing considerable additional assets and expertise from within the City Corporation in support of the Trust's Bridging Divides strategy.⁴⁷

Similarly, the review for the GLA identified opportunities for the Authority to do more to coordinate the many initiatives across different departments which already tap into corporate and individual philanthropy. With the private sector increasingly seen as a key component of a civil society, this review argues that the Mayor's "Good Growth" agenda provides a modern narrative which will enable the GLA to elicit more sustained investment and "social value" than occasional contributions from businesses' Corporate Social Responsibility (CSR) programmes. Reflecting the Mayor's efforts to widen civic participation and community engagement, the GLA is already securing at least as much value from employers' giving of time and expertise as money.⁴⁸

The CBT/CoLC strategy and GLA philanthropy review are also similarly ambitious for London to exploit the capital's unparalleled assets in order to give "more, better, together" in a strategic and coordinated way. They are aware of the leadership responsibility which comes with London's position, both nationally and internationally. CBT's implementation plan includes proposals to showcase the capital's philanthropic and social investment and forge future collaborations. The review for the GLA argues that the convening power of the Mayor of London is such that he could choose to define a new strategic partnership, potentially involving repositioning his relationship with the Mayor's Fund for London, to harness civic philanthropy for the capital. The government too is keen that the Mayor of London is represented in its proposed advisory group looking to support the growth of giving and the strengthening of the UK's role in global philanthropy.⁴⁹

Post-Brexit, a partnership between City Hall and the City of London takes on added significance. The capital needs to acknowledge its social responsibility for healing some of the social and economic divisions which have opened between London and the rest of the country, at the same time as engaging its philanthropic diasporas beyond Europe as London looks to help the country restore its international reputation, forge new partnerships and open markets.

⁴⁷ The City Bridge Trust's Philanthropy Strategy Implementation Plan to 31st March 2020 is available in the Trust's board papers from its November 2018 committee meeting

⁴⁸ Harnessing the capital's giving: What is the role of the Mayor and Greater London Authority in enabling civic philanthropy? September 2018

⁴⁹ Civil Society Strategy: Building a Future that Works for Everyone p.73, 2018

4.5. Place-based Giving

The objective of “Place-based Giving - Funding, engaging and creating stronger communities”⁵⁰, commissioned by the Office of Civil Society, was to shine a light on the role of different place-based giving schemes in supporting civil society across England, as well as share learning between organisations and with those looking to establish similar initiatives. It acknowledges the trail-blazing work of Islington Giving and the models which make up the London’s Giving Network, supported by City Bridge Trust and London Funders.

The government’s Civil Society Strategy subsequently made a commitment to invest £770,000 before 2020 in the growth of place-based giving schemes and to support civic philanthropy in ways that are informed by this review’s research. The funding is to be used to support the development of new schemes in 6 areas across the country which bring local funders, philanthropists and businesses together with civil society organisations and residents in order to tackle local needs. London Funders is part of a partnership of organisations, led by Charities Aid Foundation, which has been commissioned by DDCMS to offer technical guidance to the schemes, each of which will receive grants of c.£50k per year for two years.⁵¹

The review uses the phrase ‘place-based giving scheme’ to describe a variety of initiatives operating in defined geographical areas. What they share is the objective of bringing together resources to benefit communities in new and collaborative ways. These range from asset-based community development to those looking to bring about ‘systems change’; from localised grant-making, to giving schemes intended to corral new sources of local donations.

The review argues that definitions and terminology are still developing. As no two places are the same, it is logical that a range of different typologies is emerging, each shaped by their own local circumstances and different assets.

Thirteen case studies highlight the different types of collaboration between funders and other civil society organisations across England spanning the private, public and social sectors, including local councils, metro mayors, independent grant-making foundations, businesses and residents’ organisations. Examples are drawn from the 21 London Borough Place-based Giving Schemes; 43 Community Foundations; 69 Giving Circles, and others.

The research found considerable disparity in the level of development of local philanthropy ecosystems. Where there are place-based giving schemes within these ecosystems, they differ in approach, scale and maturity. Nevertheless, the review’s findings largely reinforce the conclusions of London Funders’ A Place to Give – London’s Place-Based Giving Movement in the Spotlight which identified the following pre-requisites of a successful scheme:

- A **commitment to collaborative working**; pooling resources, sharing intellectual and financial capital, where each partner has an equal voice and brings a different perspective;
- A **needs-led approach**; responding to evidence of needs among local people rather than the priorities of a donor or funder. Building on **extensive local knowledge** encourages a stronger sense of community and of identity with a place;
- **Independence from any statutory body**; partners agree on a common vision, mission and plan of action to improve a place in terms of somewhere to live, work, visit and study. The local council should be supportive, at arm’s length, recognising that place-based giving schemes are independent initiatives rooted in local knowledge and priorities, not a substitute for cuts in statutory funding;
- A **new platform for ‘giving’ to the local community**; place-based giving schemes bring in additional resources as well as enable more effective use of existing resources by recognising and leveraging the many positive assets already in a place;

⁵⁰ Including contributions from Charities Aid Foundation’s Giving for the City Project

⁵¹ <https://www.gov.uk/government/news/millions-invested-to-help-people-get-active-in-their-communities> The six places are: Barking and Dagenham, Bristol, East Manchester, Stanley in County Durham, Stoke and the Yorkshire Coast

- **‘Giving’ is more than giving money;** it includes traditional volunteering, both individual and corporate; time banking; befriending and other forms of social action; and
- **Transparency in decision making and accountability** to the whole community, including core funders, through regular reporting on how resources are used and the difference they make.

Many of the challenges faced by the schemes which comprise London’s Giving network are experienced by other models of place-based approaches. The most frequently-mentioned success factors are largely practical considerations, with resourcing of paramount importance:

- Seed funding and ongoing core costs;
- A dedicated development worker; and
- A degree of local affluence existing alongside deprivation (ie to facilitate what is often referred to as “bridging social capital”).

Other challenges (and solutions) identified in the review include:

- Inertia which can result from a lack of development capacity, the challenges of partnership working and unnecessary competition and/or turf issues between funders;
- Building a reputation, track record and the importance of measuring impact
- Marketing and communications, including the value of establishing a place-based brand and identity; and
- Investing in long-term partnerships, including relationships with businesses (large and small) as demonstrated by the work, for example, of Businesses for Islington Giving, supported by the Macquarie Group Foundation.

Civic Philanthropy – Mayoral involvement in place-based initiatives

Observers of the recent interest in place-based giving have pointed out “it’s an old idea that’s found new momentum.” Before the advent of universal, state-supported welfare provision in this country, charity tended to target specific needs or institutions within a local community; many historic trusts and foundations still confine their area of benefit to a parish or place as defined in their trust deeds.⁵² Two hundred years ago, as the country began to be transformed by the effects of industrialisation and rapid urbanisation, factory towns and cities became the focus of the enlightened self-interest of business philanthropists.

Citing another development from the nineteenth century which is also enjoying a revival, the office of the metropolitan mayor, the review argues there is scope for these two trends to go hand-in-hand as part of a renaissance in civic philanthropy. It refers to work undertaken by Giving Thought, the think-tank of Charities Aid Foundation, which argues that metro mayors should develop a clear narrative about the role of philanthropy in their jurisdiction; take a convening role; establish a Mayor’s Fund; appoint a philanthropy liaison, and publish a philanthropy strategy.⁵³ The review concludes that there is a role for collaboration with place-based giving schemes in all of these mayoral functions.

The recent review commissioned by the Greater London Authority comments specifically on how the Mayor of London could take a similar plan of action to enable civic philanthropy in the capital. However, the size and complexity of London (a collection of different town centres, villages and hamlets) arguably demands a more strategic role from the London Mayor supporting the growing community of place-based giving practitioners and connecting them where relevant to the Authority’s other place-based policies and interventions.⁵⁴

⁵² A Place to Give – A Giving Model for the 21st Century p.5

⁵³ Chain Links – the role of mayors in building a culture of civic philanthropy, Giving Thought Discussion Paper No. 8, July 2017

⁵⁴ Harnessing the Capital’s Giving: What is the role of the Mayor and Greater London Authority in enabling civic philanthropy? September 2018

The future of place-based giving schemes

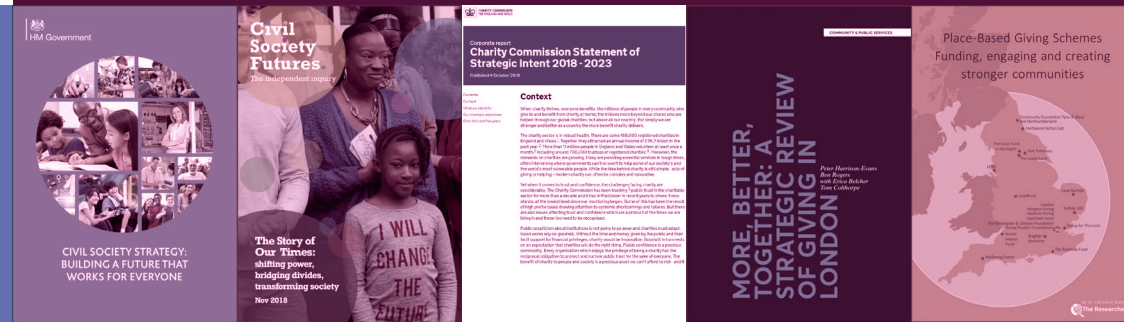
Place-based charitable giving is not new, and the types of scheme which are emerging in several parts of London and elsewhere are not suitable for all areas or communities. Still, the review believes there is considerable interest in giving schemes which promote collaboration across local civil society by taking a total-assets approach, exploiting all the resources available to benefit defined place-based communities.

Within the capital, the success of London's Giving in promoting a certain approach now brings responsibility to evidence schemes' impact and additionality. The review notes the initiative that London Funders and City Bridge Trust have now undertaken to develop a set of tools and indicators for measuring the impact of place-based giving – at both an individual scheme and collective level. This is not just about how much money is raised and the financial returns involved but, in today's more inclusive civil society, how bringing funders together can elicit new ways of working, reduce competition and foster better mutual understanding of local needs and a place's potential.⁵⁵

Implications for London's funders

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⁵⁵ <https://londonsgiving.org.uk/>



Implications for London's funders: "People, Place and Philanthropy" . . .

In 1962, around the time the UK was first applying to join the European Economic Community, a former US Secretary of State, Dean Acheson, disparagingly remarked that Britain, "having lost an empire, has not yet found a role."⁵⁶ More than five decades later, as the country now tries to leave the EU, we are grappling again for a new identity. This moment of redefining our nation's role and responsibility is one in which civil society (people), London (place) and the funder community (philanthropy) all have a key part to play.

NCVO's retiring Chief Executive threw down the gauntlet in his 2019 New Year letter to the sector: "There is real opportunity to change the kind of country we will be in future. Brexit presents an opportunity to reflect on the major challenges we face as a country and how we, as civil society, can help to address them. Do politicians alone have the answer? The 2016 referendum suggested we need to address the profound sense of disconnection between communities and decision makers. Whatever we do to renew democracy or the nation as a whole, civil society has much to offer."⁵⁷

This review of reviews has shown that civil society is not without the ideas, energies or resources needed to rise to this challenge. What, therefore, might be the response from London's funders?

Opportunities and challenges for London's funders – (1) People

Both the Civil Society Strategy and Civil Society Futures put people and their relationships – from individuals' acts of kindness to more organised forms of social action – at the heart of their reviews. Last year also saw the National Lottery Community Fund, formerly the Big Lottery Fund and the country's largest independent funder of civil society, refresh its strategic objective to put people in the lead in enabling communities to thrive.

Active and responsible citizens are the bedrock of a modern civil society; the 20th century may have marked the hegemony of state-funded support, the 21st "needs 'people power' more than ever." This statement from the Civil Society Strategy has echoes in New Local Government Network (NLGN)'s thesis expounding the "community paradigm."⁵⁸ NLGN argues that the top-down nature of state-driven approaches is no longer appropriate for forging the collaborative and egalitarian relationships with individuals and communities that will deliver enough social action to stem rising popular demand, just as the commercial and transactional nature of more recent market-based solutions is insufficiently inclusive. The broad principles which underpin the new community paradigm, empowering and resourcing communities to create a non-hierarchical culture of cross-sector collaboration, point to the kind of radical changes required of the public sector but also mirror the PACT principles for achieving change right across civil society.⁵⁹ As this narrative gains increasing acceptance, **London's funders will need to embrace the principles of PACT, what they mean for enabling a people-centred civil society, and their adaptation in the capital.**

This may require **doing more to support and celebrate the value and role of small organisations, charities and local associations which some councils and infrastructure bodies in London refer to as being "below the radar."** The "state of the sector" analyses in these reviews comment on how larger civil society organisations command too great a share of charitable income (the largest 3% earn 80% according to Charity Commission figures).⁶⁰ In the excitement of forging new policy instruments and social settlements, it is easy to lose sight of the hard facts . . . that many civil society organisations are in crisis.⁶¹ A number of London Funders' members, national players such as Lloyds Bank Foundation, as well as local funders like United Saint Saviours, are using grants to support smaller charities and invest in social action, whilst others like the Royal Borough of Kensington and Chelsea, the Wimbledon Foundation and Battersea Power Station Foundation are ensuring that core funding is protected for local charities and community organisations.

⁵⁶ Speech at West Point, 5 December 1962

⁵⁷ Blog by Sir Stuart Etherington, Chief Executive of NCVO, Brexit, Then What? It's Time for Civil Society to Shape Our Future, 8th January 2019

⁵⁸ Civil Society Strategy: Building a Future that Works for Everyone p.31; New Local Government Network The Community Paradigm – Why Public Services Need Radical Change and how it can be achieved, 2019

⁵⁹ See also Hilary Cottam, Radical Help, 2019, which argues that our 20th century system is beyond reform and that at the heart of a new way of working is human connections (the "c" in PACT). "When people feel supported by strong human relationships change happens. And when we design new systems that make this sort of collaboration feel simple and easy people want to join in."

⁶⁰ UK Civil Society Almanac 2018, The National Council for Voluntary Organisations, 2018

⁶¹ 63% of charities believe their core functions are under resourced, according to research conducted by Charity Finance magazine (October 2018). See: <https://www.civilsociety.co.uk/news/nearly-two-thirds-of-charities-say-core-functions-are-under-resourced.html>

The Civil Society Strategy notes that digital technology offers unprecedented opportunities in the way we approach and tackle big social challenges. The Way Ahead – a London Funders’ coordinated initiative to transform the capital’s civil society infrastructure, working in partnership with communities based on shared understanding of needs, aims to use data and insight more effectively to deliver targeted support to organisations providing frontline services. Funders like City Bridge Trust (CBT) are developing digital platforms to enable organisations to self-diagnose their support needs. Yet, this is unlikely ever to replace the value of face-to-face support and engagement between people which lies at the heart of CBT’s “total assets” approach; this offers organisations funded under its Bridging Divides strategy access to skills and expertise from individuals and teams across the City of London Corporation, and potentially from its business partners.

Opportunities and challenges for London’s funders – (2) Place

The Prime Minister’s pronouncement at last autumn’s Conservative Party Conference that Brexit would signal “the end of austerity” cannot hide the irreversible effects of almost a decade of significant cuts in public spending.⁶² Some of the largest reductions have come in inner London boroughs – Camden and Westminster saw budgets fall 29% each between 2010/11 and 2017/18, but the council with the largest per capita fall was Newham (down 33%). While spending overall across London fell by about a fifth (excluding education and public health), council budgets for discretionary services – including support for civil society – have fallen much further.⁶³ In response, London Councils are looking at other measures to support local civil society through **promoting a best practice standard for civil society-friendly commissioning and procurement**. Individual councils have taken a range of innovative, place-based approaches, from Barking and Dagenham’s participatory city model, Everyone Everyday, and an ambitious new strategy to strengthen local civil society, to Southwark Council and the Clinical Commissioning Group’s common outcomes framework, to Sutton Council’s Citizen Commissioners programme. **London Funders has a continuing**

role to play in highlighting new approaches and disseminating the learning from these across different boroughs and communities, as well as being a vehicle for facilitating funders’ collaborations in support of local place-based strategies.

Amidst the growing interest in place as a focus for policy making, whether in the form of a local industrial strategy, or as a stimulus of social action, it cannot be ignored that place in a London context is multi-dimensional, increasingly fractured and paradoxical. Place-based giving, for example, resonates with the capital’s history as a unique collection of towns and villages, each with its own identity and different set of assets;⁶⁴ as a city, London has a particular set of structural problems which are manifest in the polarisation of wealth within the capital, and arguably the biggest risk to its social integration and economic sustainability; London is also, like many cities, witnessing increasing privatisation of its public space which seems anathema to the much-vaunted policy objectives of inclusive growth and common wealth that drive place-based policy making,⁶⁵ and yet London’s phenomenal riches which underpin its predominance as a place within the UK are also increasingly setting it apart from the rest of the country, again with potentially dangerous long-term consequences.

Post Brexit, funders will have to confront these competing place-based tensions which, as a member of the EU, the UK has tackled via different interventions in an approach referred to as “variable geometry.”⁶⁶ How, do national funders operating in the capital square the demands to continue addressing some of the highest levels of poverty in the UK, with those of other places across Britain which only see London as a magnet for jobs and investment? How do London’s funders justify investing in places which appear relatively rich in assets, in order to stimulate greater social action, when other places in the city have significantly lower levels of social capital, higher deprivation indices and more marginalised communities? The dilemma of managing these paradoxes will resurface when the government formally launches its consultation on the

⁶² NCVO’s review of the 2019 Spring Statement asks “what exactly does austerity is coming to an end mean?” It quotes the Institute for Fiscal Studies’ estimate that £2.2bn is needed to freeze all budgets and protect them from inflation; an extra £5bn would allow departments to maintain services in line with our growing population. The Resolution Foundation argues that to restore departmental spending back to its pre-crisis level relative to the size of the economy would require £56.3bn a year from 2020/21-2024/25

⁶³ More, Better, Together: A Strategic Review of Giving in London, Centre for London (2018) p.6

⁶⁴ The London Plan lists 49 different major centres within the capital, and a further 101 identifiable districts

⁶⁵ “Who owns the country? The secretive companies hoarding England’s land” The Guardian, 19th April 2019

⁶⁶ https://eur-lex.europa.eu/summary/glossary/variable_geometry_europe.html

UK Shared Prosperity Fund, the proposed successor to the EU's Structural and Investment Funds. Between 2014-20, these will have been worth nearly 750m Euros to London alone and, particularly in the form of the European Social Fund, have represented a lifeblood for many civil society organisations. A significant **challenge for London Funders is to help its members better understand the changing funding ecology in the capital**, which will include working in partnership with 360 Giving, to ensure that consistent and comprehensive use of data underpins future place-based funding policy and programmes.⁶⁷

London's status as a place can also attract an unwelcome spotlight. Terrorist attacks in the capital and the tragedy of the Grenfell fire, which has exposed to the world the extent of socio-economic inequality in London, have tended to bring out the best in the capital's funders. This includes the work of the London Emergencies Trust, a registered charity set up in the wake of the attack on Westminster Bridge in March 2017. A report on funders' response to terrorist incidents and the Grenfell tragedy, *The Possible not the Perfect* commissioned by London Funders, **revealed that mutual understanding and collaboration between statutory and independent funders were key to unlocking private donations and enabling grant makers to "dispense with business as usual"** not least by developing a single, streamlined application form and efficient grant-distribution processes.⁶⁸

Opportunities and challenges for London's funders - (3) Philanthropy

Back in 2016, the independent London Fairness Commission, reflecting on the great Victorian philanthropists who remain synonymous with a lot of the city's social fabric, argued that "the time is ripe for London's wealthiest residents and businesses to come together in an exemplary social philanthropic effort." In the three years since the Commission's call for "a new Peabody Moment," different strategies and reviews have indicated considerable interest in the potential of 21st century civic philanthropy, but to date relatively little has been achieved to

harness this in a coordinated effort.⁶⁹ The GLA is considering its response to the findings of its independent review which observed that "the Mayorality might **use the publication of Centre for London's report and the City Bridge Trust's philanthropy strategy to convene a cross-sectoral group of London's funders, including businesses, to answer [the Fairness Commission's call to arms].**"⁷⁰

There is also some debate as to whether the objective of a push on philanthropy should be to enhance the impact and effectiveness of existing levels of individual and corporate giving (of time and money), or whether London should be more ambitious in looking significantly to increase the amounts of philanthropy available to civil society across the city. These objectives are not incompatible, but while CBT's strategy suggests both are achievable, the GLA's focus seems to be on making better use of what is already being committed to London's civil society. In either scenario, **the use of data is key and a way of addressing one of philanthropy's inherent weakness – its "particularism"** – namely that the act of giving is at the will of the giver. As Charities Aid Foundation have argued, "[b]y making data on local needs and on existing philanthropic provision open and accessible to donors and funders, we could at least provide them with the resources to make informed decisions. They remain free to draw their own conclusions from the data (or even disregard it), but that would at least entail a conscious decision rather than simply happening through lack of the required information."⁷¹

A more radical approach, however, would be to argue that philanthropy, whether the act of a wealthy individual, private corporation or independent foundation, is not simply a voluntary activity of a donor. As Rob Reich, a former US Secretary of Labour and co-director of the Center on Philanthropy and Civil Society at Stanford University argues, we all pay in lost tax revenue and for "giving public expression to the preferences of rich people."⁷² Although less so than in the US, charitable giving in the UK is generously tax subsidised. In reducing the tax-liability a donor would face in the absence of a donation, the state arguably

⁶⁷ London Funders is working with 360Giving in the capital to support and encourage funders to share their grant-making data. The latest data from this initiative was presented at the London Funders Big Network Day, February 2019

⁶⁸ *The possible, not the perfect: Learning from funder responses to emergencies*, Institute for Voluntary Action Research, 2018

⁶⁹ The London Fairness Commission Final report, March 2016

⁷⁰ *Harnessing the Capital's Giving: What is the role of the Mayor and Greater London Authority in enabling civic philanthropy?* p. 18 September 2018

⁷¹ Blog Post by Rhodri Davies, Charities Aid Foundation, *Awkward Places, Austerity, Democracy and the Challenges of Civic Philanthropy*, August 2018

does have a stake in the destination of private giving. The argument that civic leaders should do more to harness and direct sources of philanthropy may in time gain more acceptance and expression given greater fiscal-policy devolution to directly-elected mayors, supported by a more interventionist and regulatory Charity Commission.⁷³

Last year, half-way into the current Mayoral term and at the same time as the various reviews of civil society were coming out, the Greater London Authority also published a series of strategies - on social integration, culture, health inequalities (including social prescribing), food and sport. They largely complement the GLA's own civil society action plan and the core messages of the government's Civil Society Strategy. However, none addresses directly the potential of civic philanthropy, how the Mayor and the Authority might better harness private wealth for public good by capturing more of the social value being generated by London's businesses. With the strategies' publication, the appointment of a new Deputy Mayor for Social Integration and **the GLA's joining London Funders, there is opportunity to influence how these issue-based analyses and proposals garner support from other funders, including individual and corporate philanthropists, and translate into more effective place-based interventions.**

Working together through London Funders

This paper cannot possibly do justice to the full range and variety of work already being supported by London's funders, which largely complements the reviews reviewed here, their direction of travel and future vision of civil society. Instead, it has flagged up a handful of opportunities and challenges for funders under each of the three headings of People, Place and Philanthropy (the "3 Ps") which are intended to help shape the ongoing implementation of London Funders' current strategy, 2018-21, based on its guiding principles and ways of working – Convene, Connect, Contribute and Cooperate.

⁷² Rob Reich, *Just Giving: Why Philanthropy Is Failing Democracy and How It Can Do Better*, 2018; See also Reich's article in the *Boston Review* for a shorter answer to his question "Should government be allowed to interfere with a philanthropic organisation's purpose?"; Some of these arguments are explored in Matthew Bishop and Michael Green, *Philanthrocapitalism: How Giving Can Save the World*, 2009

⁷³ The Charity Commission provides further indication of its strategic intent to exercise a more regulatory and interventionist role in its guidance for charities with a connection to a non-charity, which includes the work of corporate foundations



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Nov 2018

**MORE, BETTER,
TOGETHER: A
STRATEGIC REVIEW
OF GIVING IN
LONDON**

*Peter Harrison-Evans
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FOR ENGLAND AND WALES

Corporate report Charity Commission Statement of Strategic Intent 2018 - 2023

Published 4 October 2018

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Context

When charity thrives, everyone benefits: the millions of people in every community who give to and benefit from charity at home; the millions more beyond our shores who are helped through our global charities; but above all our country. Put simply we are stronger and better as a country the more benefit charity delivers.

The charity sector is so robust health. There are some 168,000 registered charities in England and Wales 1. Together they attracted an annual income of £76.7 billion in the last year 2. More than 11 million people in England and Wales volunteer at least once a month 3 including around 700,000 trustees of registered charities 4. Moreover, the demands on charities are growing. Many are providing essential services in tough times, often in areas where governments can't or won't help some of our society's and the world's most vulnerable people. While the idea behind charity is still simple – acts of giving or helping – modern charity can often be complex and innovative.

Yet when it comes to trust and confidence, the challenges facing charity are considerable. The Charity Commission has been tracking 5 public trust in the charitable sector for more than a decade and it has drifted lower in recent years to where it now stands: at the lowest level since our monitoring began. Some of this has been the result of high profile cases drawing attention to systemic shortcomings and failures. But there are also issues affecting trust and confidence which are a product of the times we are living in and these too need to be recognised.

Public scepticism about institutions is not going to go away and charities must adapt. Good works rely on goodwill. Without the time and money given by the public and their tacit support for financial privileges, charity would be impossible. Goodwill in turn rests on an expectation that charities will do the right thing. Public confidence is a precious commodity. Every organisation which enjoys the privilege of being a charity has the reciprocal obligation to protect and nurture public trust for the sake of everyone. The benefit of charity to people and society is a precious asset we can't afford to risk – and it



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