CGAP Conference Report

Keeping philanthropy's promises – today's austerity, tomorrow's riches?

CGAP Conference, 9-10 May 2013

This report summarises the presentations and discussions of the CGAP Conference held on 9-10 May 2013. The conference programme is available here and details of the speakers, presentations and blogs are available here.

DAY ONE

   1. Welcome

Professor Sir Ian Diamond (University of Aberdeen) welcomed the delegates and thanked the funders of CGAP - ESRC, Cabinet Office and the Scottish Government - for supporting the Centre and helping to ensure its success.

Professor Diamond suggested that, in this age of austerity, philanthropy had an increasingly important role as an equalizing force in society. Consequently, it was important to build an evidence base for the third sector and develop useful research though collaboration with the user-community. Professor Diamond welcomed the fact that the CGAP conference reflected this need for collaboration by bringing together practitioners and researchers to discuss some of the most pressing current issues in philanthropy.

2. SESSION 1: *Giving, philanthropy and creating a democratic society*

2.1   Introduction

Robert Dufton (CEO, Paul Hamlyn Foundation) introduced the session which was designed to explore the extent to which the democratic process was, or could be, embedded in mechanisms of giving and the role of philanthropy in generating a more democratic society.

2.2   Professor Angela Eikenberry, University of Nebraska
Giving Circles and Democratizing Philanthropy

Professor Angela Eikenberry presented her research into giving circles in the USA. She opened by suggesting that American philanthropy was largely non-redistributive and anti-democratic in character. People tended to give to causes they knew rather than using charitable giving to further social justice; only about 30% of money donated in the US was spent on the disadvantaged. Furthermore, as a proportion of GDP, philanthropy had remained static over the past 30 years, and those who gave large sums received significant tax benefits and were able to influence social policy through their giving.

Angela Eikenberry went on to explore giving circles and assess whether they might combat some of these anti-democratic trends. Giving circles enabled donors to pool their charitable money and decide jointly how their resources were spent. In 2009 there had been 600 giving circles in the USA (50 in the UK). These ranged from small "kitchen table groups" that met informally and had informal processes, through loose networks that congregated around events with decisions made by an inner circle, to formal giving circles with higher entry levels, formal processes, systematic research and committee decision-making.

Giving circles attracted a wide range of backgrounds and drew in both experienced and inexperienced givers. The findings suggested that the longer a person was in a circle and the more circles they joined, the more money they would give. Angela Eikenberry had identified a number of advantages for the members of giving circles: they encouraged givers to make considered and strategic decisions; they empowered their members and allowed them to develop skills especially in leadership; they encouraged members to participate in volunteering and to become more engaged in community issues.

The research demonstrated that giving circles were more likely to give to organisations that were traditionally less well-funded (such as women's groups and ethnic/minority organisations) and to smaller, grassroots organisations. Statistically, giving circles were also less likely to give to religious organisations or multi-purpose organisations such as the United Way.

Angela Eikenberry concluded that giving circles were a good mechanism through which to involve people in philanthropy and offered a type of self-help group for philanthropists. However, they had their limitations in terms of addressing the anti-democratic issues in current philanthropy patterns.

2.3   Professor Cathy Pharoah and Tom McKenzie CGAP, Cass Business School

Giving, philanthropy and creating a democratic society

Professor Cathy Pharoah opened by exploring the complexity of the concept of democracy in the philanthropic context. She asked whether democracy might mean charitable giving being spread evenly between causes according to need, or might it entail the donor population reflecting the wider population? Alternatively, should democratic philanthropy seek to redress imbalances in power, wealth and need, or should it be funding initiatives that promote democracy in society?

Tom McKenzie then presented analysis of donor demographics in the period 1978-2008. He outlined a number of key findings that pointed towards a narrowing in the donor base with power shifting towards older, wealthier donors:

➢ Richer households were giving more of the UK's total philanthropy than they used to. Donations from the richest 10% of households accounted for 22% in 2004-08 compared with 16% in 1978-82. In the later period, the top 50% of households gave 92% of the money donated. However, in the same period the relative spending power of the richest households had also increased very significantly (in 2004-08, 50% of all spending occurred in 20% of households).

➢ Amongst donors, the poorest households gave a greater proportion of their total spending. In 2004-08 the poorest 10% of households donated 3.6% of their spending compared to 1.1% given by the richest 10%.

➢ Charitable giving increasingly depended on elderly donors. In particular those over the age of 61 with no children in the household had hugely increased the proportion of their spending directed towards on charity (up from approximately 1.5% amongst donors in 1978 to 2.75% in 2008).

➢ In the 1970s and early 80s households with children had been more likely to give that childless households. This had equalized in the mid-90s and then reversed: since the mid-90s those without children had given relatively more.

➢ Married couples gave relatively more than and single-person households and particularly lone parents gave relatively less. In the period 2001-11 half of all the money given to charity came from married couples. This had implications for the future of giving as marriage was likely to decline and the numbers of lone parents and single-person households were likely to grow.

Cathy Pharoah looked briefly at the distribution of giving between causes, highlighting the popularity of medical research and hospitals and the enduring attraction of animal charities and religious organisation as the destination for bequests. She concluded by reminding the audience of Gordon Brown's year 2000 wish to see "a democracy of giving where all those who can, help all those who can't[1]" and questioning whether tax relief could be better targeted to achieve the redistributive effects to which he had alluded.

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[1] HM Treasury (1999)

2.4 Dr Beth Breeze, Centre for Philanthropy, University of Kent
Findings from studies on donor choice

Dr Beth Breeze began by questioning the link being made between philanthropy and democracy: just because people gave, it did not follow that they gave equally, or gave in order to further social justice. The popularity of animal charities, religious charities, arts organisations and universities suggested that people gave for a variety of reasons that had little to do with social justice.

Beth Breeze then outlined three recent studies on donor choice. The first explored the motivations behind philanthropy and found four criteria that commonly influenced donors' decisions to give, these were: donors' tastes, preferences and passions; personal and professional backgrounds; perceptions of a charity's competence, and donors' desires to have a personal impact. The study concluded that donors often supported organizations that responded to these factors rather than supporting causes that might meet the most urgent needs.

The second study Beth Breeze talked about had investigated user views of fundraising, asking beneficiaries what they thought about how they were represented in fundraising campaigns. The strong conclusion of this work had been that, whilst beneficiaries appreciated the need of charities to maximize income, they disliked pictures that played on the donor's heart-strings and were designed to inspire pity.

In a third study Beth Breeze had looked at corporate philanthropy from shop floor, exploring the charitable behaviours and attitudes of lower-paid and lower-status staff in ten different workplaces. The research had found that, at a leadership level, decisions were driven by brand and reputation whilst, on the shopfloor, employees were motivated to support good causes that were seen to be relevant and where their fundraising activities would be fun.

In conclusion, Beth Breeze argued that there were many reasons why people gave to charity but in the end they did so because it was enriching. Giving was supply-led: donors chose who they gave to and it was their tastes that took the lead. Whilst philanthropy *could* help to create a more democratic society, that did not mean that it would.

2.5   Discussion

Democracy, redistribution and social justice
During their discussion delegates returned several times to the issue of democracy, redistribution and whether tax relief should be targeted to encourage giving that promoted social justice. There was considerable feeling that choice, freedom and plurality were essential parts of philanthropy and that targeted tax relief might constrain these. All charity was legitimate, not just that which focussed on poverty (Sara Llewellin, Barrow Cadbury Trust). Philanthropy provided a steam valve for minority views and it was appropriate that tax breaks should be for the wider public benefit not just to assist the most disadvantaged.

Several took an opposing view: tax breaks should be focussed on the areas of most pressing need, particularly in the context of the recession and growing inequality. One delegate (Caroline Hartnell, Alliance Magazine) argued the targeted tax relief would not inhibit pluralism or prevent donors from expressing their individuality. Another (Chris Mills, Institute for Voluntary Action Research) suggested that gift aid could be viewed as money taken from the public purse and diverted into personal agendas and passions; there was an echo here from the current debate about the morality of tax and people paying "their fair share". The delegates also discussed the Government's call for a cap to charity tax relief. With this debate now opened, surely the charitable sector was going to come under renewed pressure over tax relief and the demand that it should be a quid pro quo for meeting welfare need.

Giving circles

Sara Llewellin (Barrow Cadbury Trust) suggested that giving circles sprang from the faith-based tradition of tithe giving and questioned Angela Eikenberry's suggestion that faith-based giving was not to do with need. In response Angela Eikenberry cited Virginia Hodgkinson's research in the US which had demonstrated that much of the money given within religious organisations stayed inside those institutions with only a small element flowing out to help the disadvantaged. There was agreement (Cathy Pharoah and Beth Breeze) that more information and research was needed about how money given in faith organisations was distributed.

In answer to a question about the tax treatment of giving circles, Angela Eikenberry said that some giving circles affiliated with community organisations in order to take advantage of tax treatment, others did not bother. The more formal the organisation the greater their tax work.

Eugenie Harvey (Funding Network) reported that the experience of the Funding Network (the UK's first open giving circle) echoed Angela Eikenberry's claim that giving circles introduced new givers and encouraged donations inside and outside the circle. The Funding Network believed that it was generating new money for philanthropy and using its projects to lever in other funds. Flow funding was increasingly popular.

Robert Dufton asked whether there was ever a sense of dissatisfaction amongst the minority voices in a giving circle. Angela Eikenberry responded that giving circles tended to attract like-minded givers. Of course there was tension but circles were also easy to exit: those who were dissatisfied tended to leave.

Advocacy and philanthropy

Karl Wilding (NCVO) highlighted the relationship between philanthropy and advocacy, proposing that research was needed into how philanthropists were funding personal concerns. It was important to understand the power play behind the scenes.

Angela Eikenberry questioned the efficacy of relying on external charities and foundations to indentify and fill the right gaps in need and policy. She asked whether we really wanted health policy to be determined by the Gates Foundation. .

Other points

Caroline Fiennes asked about the extent to which donors were interested in the effectiveness of the organisation to which they were giving. Beth Breeze explained that

organisational effectiveness was a "filter out" question rather than a "filter in". She added that there was a high degree of donor inertia, so once a donor had started giving to an organisation they tended to stick with it, not least because they did not wish to think that they had invested badly.

John Appleton (Tear Fund) asked about the extent to which the professionalization of fundraising impacted on funds raised. Did "the ask" dominate?

Collaboration
Lucy Blythe (Philia International) raised the difficult issue of measuring impact when charities were working in collaboration. Cathy Pharoah mentioned the benefits of collaboration such as cutting back on competition and duplication (e.g. DEC). She added that philanthropy was about individual enthusiasm; if that was curbed by rational models, donors would be dissuaded.

Role of education
One delegate expressed the view that society was becoming more educated and yet appeared to be giving less: despite greater education society was less engaged. In response Tom McKenzie referred to the *New State of Donation*[2] which had demonstrated that education was an important factor in increasing donations, although its significance was declining over time.

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[2] Cowley E, McKenzie T, Pharoah C, Smith S (2011) *The new state of donation: three decades of household giving to charity 1978 – 2008*

3. SESSION TWO: Local Empowerment through Philanthropy

3.1   Introduction

Dr Diana Leat (Cass Business School) introduced the session which was focussing on local philanthropy and the opportunities and challenges presented by emerging models for community foundations.

3.2   Professor Susan Phillips, Carleton University, Canada
Local empowerment through philanthropy: is the community foundation the right model? The Canadian Experience

Professor Susan Phillips presented her work on the role of Canadian community foundations in community leadership. The research was part of an on-going comparative analysis of place-based philanthropy in Canada and the UK being undertaken jointly with Jenny Harrow and Tobias Jung. Susan Phillips' findings were based on 13 of the largest community foundations in Canada.

Canada had a long tradition of community foundations with the first established in 1921. Historically these foundations had focussed on advising donors who maintained discretion over the use of funds. The research had found that this traditional role was changing with foundations moving beyond grant-making to play a more active part in community leadership. The study had explored how community foundations were becoming change leaders, picking priorities and developing and sharing knowledge of place. In addition, the foundations were led by a national association which has embraced the language of social justice.

Susan Philips drew attention to the different niches community foundations were carving out, both in the context of place and in relationship to each other. As examples she cited Toronto's community fund which had positioned itself as a knowledge centre (with the launching of Vital Signs in 2001), and Vancouver which was focussing on youth homelessness and connecting to community. She also reported that foundations had a high number of female leaders (8 out of the top 13) and that their boards tended to be more diverse and connected to the community (e.g. Toronto with its 100-strong council and youth advisory council).

Susan Philips concluded that place-based philanthropy in Canada was gaining prominence and community foundations were likely to be the major players if they were strategic and made use of their relationship capital. They needed to look beyond grant-making and donor advice and become leaders of change and community empowerment.

3.3   Professor Jenny Harrow, CGAP, Cass Business School
Emerging opportunities and tensions in community foundations' development in the UK. The lens of localism.

Professor Jenny Harrow reported on the work she was undertaking with Tobias Jung on community foundations in the UK and how they were interpreting the community leadership role emerging as part of the localism agenda. The findings demonstrated that foundations varied significantly in their strategies towards community leadership with

English and Welsh foundations taking a more functionalist approach (notably building up financial endowments) and their Scottish and Northern Irish counterparts adopting broader concepts of what "local" represented.

Whilst community foundations enjoyed the flexibility of their model and the independence that comes with endowment-funding, they also experienced a number of tensions and dilemmas:

> ➢ a continuous internal struggle between the desire/need to build endowments and the need to serve their communities
> ➢ where to start in terms of grant-making and investing in community
> ➢ the complex interplay of roles (agile servant v. agent of change), including building endowments, donor servicing and representing the community

Looking ahead, Jenny Harrow identified a number of trends:

> ➢ a move away from the "agile servant" model
> ➢ niche-picking so that foundations could differentiate themselves
> ➢ greater competition for the localism space
> ➢ schism between smaller community foundations and "uber foundations"
> ➢ conditional localism

In conclusion, Jenny Harrow argued that the research findings challenged the understanding of community foundations as a single model in the UK. They also questioned the envisaged potential of foundations as collective pan-UK lead-players within localism and philanthropy.

3.4 Professor Eleanor Shaw, CGAP, University of Strathclyde Business School

Local empowerment through philanthropy: is the community foundation the right model?

Eleanor Shaw talked about the emerging role of community foundations in working with major donors. She began by highlighting the complexity of the philanthropy ecosystem which comprised a wide rage of individuals and organisations in a thriving landscape of research, philanthropy and advice. Within that landscape, community foundations (which already had a long tradition of guiding local and regional philanthropy) were well placed to advise major donors.

Eleanor Shaw's research into the attitudes of major entrepreneurial philanthropists had revealed that donors valued many aspects of working with community funds. They welcomed their advice, the access they gave to research and local expertise, the choice of anonymity, their systematic and managed approach and the brokering and connecting they offered. Eleanor Shaw finished with the examples of the Moidart Trust and Isle of Skye Baking Company, concluding that community foundations were well positioned to support individual philanthropy

3.5 Rob Williamson, Chief Executive, Community Foundation Tyne & Wear and Northumberland

A practitioner perspective on bringing community need and major philanthropy together

Rob Williamson gave some background on the Community Foundation Tyne & Wear and Northumberland - the UK's largest community foundation with an endowment of £52m and an average yearly grant spend of £5m. The Foundation was a membership organisation with individuals, families, businesses, affinity groups and charities amongst its membership. The members elected representatives to the Foundation's board, and this was an important part of the organisation's democratic governance.

Rob Williamson explained the Foundation's work of matching philanthropists with need in the North-East of England. Donors transferred their funds to the Foundation either on an unrestricted basis or with recommendations as to how their money should be used. On occasion philanthropists were taken to visit potential recipient organisations to help with the establishment of their funding criteria. In contrast to the US donor-advised model, their donors were not involved in every funding decision and once criteria were established it was up to the Foundation to match grant applications to funds appropriately. There were welcome, if unusual, cases where donors gave unrestricted funds and accepted that their money would be used on causes that they might not necessarily support.

The Foundation had recently launched *Vital Signs* – a web and print report on need and priorities in the North East based on the Canadian model described by Susan Phillips. This initiative (which would be rolled out nationally in autumn 2013) was an important tool in guiding donors to the most pressing issues and fostering transparency and openness.

Rob Williamson concluded with the image of a three-legged stool to represent the community foundation. The legs stood for grant-making, community leadership and a vehicle for philanthropy but the stool could not function without its seat which represented endowment-building - the establishment of sustainable long-term revenue.

3.6   Discussion

Servant, agent, partner?
The delegates discussed the various roles a community foundation could perform and considered the tension between the agile servant or an agent of change described by Jenny Harrow. One delegate (Sara Llewellin) asked whether community foundations were leading by serving, or serving by leading. Jenny Harrow responded that she had used the "agile servant" term in her presentation to express how community foundations could do everything but that, in moving so quickly between the roles of server and leader, they risked not being seen.

Rob Williamson agreed that there were live, daily tensions within community foundations over who they were serving. As he saw it, community foundations had started as servants of the voluntary sector and then evolved to become the servants of donors. Now, community foundations were trying to establish a better balance and serve the growth of philanthropy for the community.

Eleanor Shaw reported that the interviews she had conducted demonstrated that philanthropists saw their relationship with community funds as a partnership rather than a master-servant dynamic.

The ability of community foundations to fund unpopular causes was also highlighted. Traditionally this had been more difficult, but the growth of research and knowledge within community funds was engendering greater trust from donors and increasing the amount of unrestricted funds.

Other points

Fern Potter (City University) asked whether there had been research into community foundations giving to cultural and arts organisations. Jenny Harrow was not aware of any work in this area. Where community foundations supported arts projects, they tended to be classified as education and were therefore difficult to split out.

Jacqueline Broadhead (Islington Giving) talked about Islington Giving which, as a community foundation, did not focus on endowment building but rather aimed to pool charitable resources and target them on a specific geographical area as local authority spending became more scarce.

4. SESSION THREE: Entrepreneurial philanthropy – visions of a better society

4.1   Introduction

Professor Charles Harvey (CGAP, Newcastle University) introduced the session and gave some background to the research being undertaken by University of Strathclyde Business School into the role of major philanthropists. He noted that the wealthy in society were not especially generous and that there remained tremendous scope for greater philanthropy. The minority that did give, gave very generously indeed and gained great satisfaction from doing so. Professor Harvey acknowledged that philanthropy was not democratic and stressed that major donors were not looking to clone the work of governments but rather to innovate in collaboration with government. He concluded by suggesting that an alliance between volunteering and philanthropy was a very potent force and had the capacity to be more efficient than government, citing as an example the work of the Rivers Trust movement.

4.2   Professor Eleanor Shaw, CGAP, University of Strathclyde Business School

Professor Eleanor Shaw presented her research into the role of high net worth entrepreneurs in philanthropy. She traced the history of philanthropy in the UK and suggested that the media and contemporary celebrity culture had bestowed a celebrity status on some philanthropists, creating an over-simplified view of their current role. The aim of her research was to acquire insights that could foster and support greater and more effective philanthropy.

Eleanor Shaw suggested that when entrepreneurs engaged in philanthropy they drew upon economic, social, cultural and symbolic capital in pursuit of a big social objective. The majority of those interviewed for the study were giving away self-made wealth (only 6% were distributing inherited wealth) and commonly took the view that their job now was to make money to fund their philanthropy ("I am making money now for the foundation"). Early, and often small-scale, engagement in philanthropy was important in their later decision to become major philanthropists.

The study had found that entrepreneurial philanthropists tended to approach their charitable activities in the same way as they approached business - with creativity; a rigorous requirement for evidence; a desire to learn from others, and a drive to lever in money from other sources. There had been an overwhelming consensus amongst those interviewed that philanthropy should not replace the state.

The recommendations emerging from the study were that more role models were needed; that the rewards of philanthropy should be emphasised; that philanthropic training and mentoring would be useful, as would brokering and signposting for philanthropists.

4.3   Sir Tom Hunter, Founder, Hunter Foundation.

Sir Tom Hunter talked about his upbringing and the growth of his business from its early days selling trainers to become the UK's largest sports retailer (Sports Division), which was sold in 1998, earning him £260m at the age of 37. He went on to trace his philanthropic development which had been guided by Vartan Gregorian, President of the Carnegie Corporation of New York.

Sir Tom described his approach to philanthropy which drew strongly on his business experience and included the creation of structured plans, performance measurement, drip-fed capital against milestones, and a focus on creating self-sustaining operations. His philosophy was that people in poverty needed a "hand-up not a hand-out", and he saw too many cases of people sustaining the charity rather than finding a way to achieve their goal and move on. He viewed his work as making investments which would have a return as people helped themselves out of poverty. As examples of his approach, Sir Tom described his philanthropic activities in Rwanda, including the development of a health strategy (with Paul Farmer); the bulk buying of fertilizer; the development of Rwanda Famers Coffee Company, and the building of a food-oil processing plant to free the country from its dependence on imported oil.

Sir Tom stated that he considered his philanthropic work to be best thing he had ever done and gave him far greater satisfaction than any business deal could.

4.4 Professor Mairi Maclean, CGAP, University of Exeter

Professor Mairi Maclean presented her research on the journey from entrepreneurship to philanthropy, identifying a number of trends in the behaviour of philanthropic entrepreneurs. She suggested that philanthropic entrepreneurs tended to be "tough givers" with a need for control of the projects they funded and a concern for measuring the performance and demonstrating impact. She also identified that large-scale philanthropists were emerging as "nodal actors", taking policy-focused, agenda-setting roles.

The interviews conducted for the study had uncovered the logic of the journey that entrepreneurs took from being wealth creators to philanthropists. This transition was often undertaken as a couple and it was common for husband and wife to become partners in philanthropy. The journey involved periods of intense learning and was punctuated by landmark events, such as the sale of a business. In the early stages of philanthropy, entrepreneurs tended to tire quickly of writing cheques in response to requests and to start to want to get more involved. Philanthropists were greatly aided if they had a mentor or guide to help them navigate the transition to becoming a major entrepreneurial philanthropist.

Mairi Maclean identified a number of satisfactions gained from philanthropy. These included the more altruistic sensations of "giving back" to society, "doing the right thing" and of making a difference. But there were also personal satisfactions, in particular the shaping of a new philanthropic career and purpose; the creation of a fuller and more satisfying life and the opportunity to re-write one's personal narrative, changing the story of self.

4.5   Rakesh Bharti Mittal, Bharti Group and Founder, Bharti Foundation

Rakesh Mittal gave some background to the development of Bharti Enterprises which he had built with his two brothers. They had started manufacturing bicycle parts in the late 1970s and had gone on to create one of the world's largest mobile telecommunications companies.

The brothers' philosophy had always been "people, planet, profit" and Rakesh was a firm believer that the wealthy should carry society and help others to move up the ladder. In 2000 they had established the Bharti Foundation and later set up its Satya Bharti School Programme which provided free education to underprivileged children across rural India. The programme had an emphasis on girls and children from marginalized communities and was currently educating 38,000 children in 259 schools across 6 states.

Rakesh Mittal spoke of the huge silent revolution that was occurring in India's villages as children were being educated and taking that education home to teach their parents. In doing so they were helping to stop child marriage and tackling issues such as untouchability. The Bharti Foundation was committed to providing education through to employment for 100,000 children in India. The momentum it had generated was now attracting major donations (such as $5m from Google) and triggering the Indian Government to ask the Foundation to take on the running of some of its schools.

DAY TWO

5. SESSION FOUR: *Can philanthropy deliver a fair and just society?*

5.1 Introduction

Dawn Austwick (CEO, Esmee Fairbairn Foundation) introduced the session which would explore the role of philanthropy in creating a more equal society.

5.2 Professor Rob Reich, Center of Philanthropy and Civil Society, Stanford University
Can philanthropy deliver a fair and just society?

Professor Rob Reich used his presentation to examine the troubled relationship between philanthropy and social justice, and to propose a philosophical framework for understanding the role of philanthropy in democratic society.

He began by setting out two hypothetical examples of private funding being offered to support public services in ways that diverted subsidizing tax dollars and created uneven state provision. In one case – that of residents contributing to the local police force in return of enhanced protection – charitable donations would not currently be permissible; in the other – parental donations to a primary school – such support was common in the US. Rob Reich also used the example of George Soros' Open Society Foundations to talk about the opportunity that existed for big philanthropists to divert tax dollars into personal agendas.

Rob Reich drew attention to America's permissive regime for the setting up of charities. Approximately 60,000 new charities were registered each year, and only 1% applications for charity tax exempt status[3] were declined. He echoed the point made by Angela Eikenberry on the first day of the conference that US philanthropy was dominated by religious giving and had a poor track record of prioritising basic need. A third of all charitable dollars (32%[4]) went to religious institutions[5], only a small proportion of these funds ever reached beyond the congregation. Looking at individual giving, 61% was religious but only 10% went towards the fulfilment of basic need. This dropped to only 4% for donors with incomes greater than $1m.

Having established the limits of philanthropy's role in furthering democracy and social justice, Rob Reich proposed a philosophical framework for thinking about the function of philanthropy in society. He identified three possible attitudes government could adopt towards philanthropy: 1) libertarian non-interference, 2) constraint and 3), subsidize and encourage. What currently existed was the last – incentivised philanthropy – with some cases of constraint, such as political giving and the taxation of inheritance. Rob Reich argued that there were three justifications for the current incentivised system: 1) a tax-base rationale, 2) a subsidy rationale, 3) a pluralism rationale.

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[3] 501(c)(3)

[4] Giving USA 2012

[5] This excluded faith-based organisations focussing on need such as the Salvation Army

The subsidy rationale rested on the idea that philanthropy could deliver social benefits that the state was already trying to foster and that it should therefore be encouraged because it lessened the state's burden. The problem here was that philanthropy often produced not public good but "club good" that was not broadly enjoyed. Rob Reich accepted that there were options to increase the incentive for giving to basic need or to incentivise anonymous giving which might help here.

Rob Reich concluded that the pluralism rationale was the most useful of the three. One of the virtues of incentivised giving was that it gave voice to minorities who would never see their preferences established through a majoritarian political system. This let-a-thousand-flowers-bloom approach allowed all of society's idiosyncratic and diverse preferences to flourish with a small nudge from the public purse.

5.3 Professor John Mohan and Dr Rose Lindsey, CGAP, University of Southampton
Charities and communities – the distribution of charitable resources

Professor John Mohan and Dr Rose Lindsey presented their work on the distribution of charitable resources in the UK.

John Mohan described the data challenges that existed for those wanting to build up a picture of the charitable landscape in the UK. Using a variety of data he then highlighted the significant variations in charity numbers and charitable expenditure that existed across the country. In particular, he noted that fewer charities (per head of population) operated in the traditionally industrial areas of the Midlands and the North. In the most prosperous areas three times as many charities operated at neighbourhood level. These organisations tended to be less reliant on public spending and were focussed not on basic need but on education, learning, culture and leisure. John Mohan also reported on the significant variation in PTA spending, which ranged from £4,000 in less affluent neighbourhoods to £10,000 in the most prosperous.

Dr Rose Lindsey set out the results of the qualitative research they had undertaken into charities operating at a neighbourhood level. Two contrasting models had emerged from the study: the estate and the village.

The estate was densely populated, dominated by social housing and had a high turnover of residents. The village was larger, less dense and mostly made up retired people. The estate's charities tended to be larger, government-funded and staffed by professionals; they dealt with urgent social issues such as abuse and youths at risk of offending. The residents were invited to be involved but there was little take-up: the estate residents saw themselves as service-users.

The character of the village charities was entirely different, said Rose Lindsey: they were smaller, more numerous (x4) and run by resident volunteers using weak social ties. These charities were well-advertised, highly visible and included organisations such as the Girl Guides and University of the Third Age. The villagers saw themselves as volunteers rather than service-users.

Rose Lindsey also described two quite distinct charitable economies. In the village, the system was cyclical with donations raised by the residents tending to stay in the village.

In the estate, funding came from outside and tended to flow through the community and out in the form of salaries and rents to local authorities.

5.4 Discussion

Dawn Austwick opened the discussion by asking what mechanisms were needed for philanthropy to help with the urgent task of delivering a fair and just society. Her own experience of local PTAs reflected John Mohan's findings: in more prosperous areas deprived sections of the community were being crowded out of the PTA philanthropy space as PTAs became affluent, money-raising operations.

The view from Stanford: philosophy, pluralism, tax
The delegates spent considerable time discussing the framework proposed by Rob Reich. Tom McKenzie suggested proportional representation (PR) was surely a more efficient way of achieving pluralism. Rob Reich agreed: majoritarianism would always drown out minority voices; under a PR system the need for pluralistic philanthropy would be less significant but he would still favour it.

Jenny Harrow asked if there was a way of achieving meritocratic, as opposed to plutocratic, pluralism. Rob Reich felt that it would go against the spirit of pluralism to try to achieve a particular outcome however meritocratic. For that, one would need to employ the subsidy rationale which focussed on outcome and the idea that charities could provide public good more efficiently that government.

When asked to expand on the tax-base rationale, Rob Reich argued that although the case for a personal income tax deduction had been made on the grounds that a charitable gift was not personal consumption, in his view big dollar philanthropy was a form of social status building and that this was a form of personal consumption.

Caroline Hartnell (Alliance Magazine) noted that under the pluralism rationale the wealthy still got greater say: not all of the thousand flowers are equal. Rob Reich agreed and suggested that governments needed to move away from tax relief (which benefitted the bigger donor) towards a flat tax credit. He also proposed that a citizen might first have to give 1 or 2% of their income before becoming eligible for tax relief, or that a tax structure was put in place to incentivise volunteering.

Diana Leat (Cass Business School) drew attention to the need for the charitable sector to put together robust arguments in favour of tax subsidies in response to the strengthening debate on this topic. Whilst he understood the need for charities to defend the tax subsidies, Rob Reich took issue with charities banding together to become yet another special interest group defending its territory. He stressed the fundamental difference between the concept of charity and the notion of justice and considered the idea of social justice charity to be oxymoronic. Let charity be just charity, he implored. Rob Reich explained that one could let charity rush in and take the place of disappeared public provision (and perhaps this was the second best solution) but people should not deceive themselves that charity was, in itself, the achievement of social justice.

On the subject of justifying a tax subsidy, Rob Reich drew an analogy with lemmings jumping off a cliff. He asked the audience to consider whether charities should rush to the beach and help the fallen lemmings, or hurry to the cliff top and erect a barrier to

stop them from jumping? Dawn Austwick suggested that charities wanted to do both and that, by attending to those at the bottom of the cliff, they were well placed to advise those working at the top.

Charitable deserts and the retreat of public spending

Concern was expressed about the charitable deserts identified in John Mohan and Rose Lindsey's presentation. Fern Potter (City University) asked Dawn Austwick whether Esmee Fairbairn Foundation would be taking these and government cuts into account in its future funding decisions. Dawn Austwick answered that they were focussing on this problem and working with others, such as Community Foundation Tyne & Wear and Northumberland, to access hard-to-reach areas.

John Mohan also talked about the current challenges: the community was being called upon to do more (e.g. Free Schools); many voluntary/charitable organisations were focussed on affluent areas, and social segregation had worsened so that there were issues of capacity and building links across communities. It would be useful to get cross-fertilization between the estate and the village but there was resistance to it. The estate did not welcome "the posh businessman" telling them what to do.

Joe Ryle (Edge Fund) highlighted the work of the Edge Fund which funded grassroots campaigns as opposed to charitable organisations.

6. SESSION FIVE: Diversity, diaspora and transnational philanthropy - the gifts of globalism

6.1   Introduction

Bharat Mehta OBE (Chief Executive, Trust for London) introduced the session which would explore the issue of globalism and remittances. London was an example of the hyper-diversity happening all over the world and remittances were an increasingly significant source of charity but one that was yet to be supported by tax relief.

6.2   Alan Broadbent, Founder and Chair of Maytree Foundation, CEO of Avana Capital Corporation.

Alan Broadbent talked about the Maytree Foundation which he and his wife had established in 1982. The Foundation tackled poverty in Canada, focussing on immigrants and refugees.

Alan Broadbent described the Foundation's approach of "idea, plan, people". Maytree first assessed whether a proposal was a good idea in both business and philanthropic senses; then it worked to establish a good plan ("avoiding magical assumptions and heroic leaps"); finally it put in place the right people to deliver. He also identified the "make or buy decision" as being critical. Traditionally, philanthropy took a buy approach, paying others with relevant expertise to do the work. Maytree had started this way, making many small donations before moving to fewer, larger, multi-year grants. Over time the Foundation had seen how charities tended to be "thinly managed". This had led Maytree to move to a "make" position, developing a leadership programme which had broadened in scope over the years. A key element of the Maytree's work was now creating stronger career paths for those in the third sector. The Foundation focussed on the quality of the outcomes and remained agnostic about whether those outcomes were achieved through "a make" or "a buy".

Alan Broadbent underlined the importance of intentionality, instrument, investment – these three elements were needed for its work to be a success. The Foundation saw immigration as an asset and a way of building Canada's future workforce (intentionality). It funded a number of initiatives to help immigrants to settle into life in Canada and find work, such as local immigrant employment councils, mentoring schemes and training for employers (its instruments). Rather than approach politicians with a complaint, description or blame, the Maytree Foundation tried always to bring instruments of change so that decision-makers could focus on achievable steps. Finally, an investment of political capital was needed in order for real change to be effected.

6.3   Professor Cathy Pharoah and Tom McKenzie, CGAP, Cass Business School
Giving back to communities of residence and of origin

Professor Cathy Pharoah and Tom McKenzie presented their research into giving back to communities of residence and origin. The study had originated from the sense that giving through remittances - which amounted to £2.4bn in 2009 in the UK from private individuals - was not being captured by research. This money was equal to one third of UK Official Development Assistance and had a significant impact in the countries to

which it was remitted, and yet the strong giving traditions within the UK's migrant and minority communities remained under-researched. As global migration increased there was ever greater need for this element of diaspora philanthropy to be understood.

Tom McKenzie presented data collected from the ONS Living Costs and Food Survey and in-depth qualitative interviews and highlighted a number of key findings:

> There was a strong correlation between charitable giving and remitting; a household that was remitting was more likely to be giving and vice versa.

> The amounts remitted by different communities varied widely. Chinese remitters gave an average of 9.4% of their total spending whilst white households gave only 3.4% of their spending. Charitable donations did not vary by as much, though Black or Black British donors gave higher proportions (2.5%) than white donors (1.6%).

> Obligation was a strong theme in remitting. Most of those interviewed for the study had reported a sense of expectation from their family/community that they would remit. In contrast, giving to charity was seen more as a matter of personal choice.

> Remittances were often directed at immediate need and were made in response to specific calls for help. On arrival in their destination country, remittances could be distributed amongst 20-30 people.

> Religion, particularly the Islamic obligation of giving (Zakat), played a significant role in remitting.

Cathy Pharoah concluded by asking what instruments could be developed to support remitters and make giving overseas more tax efficient.

6.4   Discussion

Diaspora giving
In the context of tax relief for remittances, Alan Broadbent asked how much of the remitted money came from unreported income. He added that Maytree Foundation had once approached the Canadian Department for Foreign Affairs about government assistance for remitters; there had been "zero interest".

Donna Day Lafferty (Chichester University) asked whether the lessons of diaspora giving could energize charitable giving.

Mark Rosenman highlighted the parallels between remitting and informal charity in deprived communities. Cathy Pharoah suggested that a new kind of survey was needed to capture the different, informal ways in which people gave to their communities and to each other.

Diversity

Diana Leat (Cass Business School) made the point that whilst some foundations were willing to fund diversity and immigration-related projects, they themselves were not particularly diverse except perhaps in terms of gender. Should diversity not begin at home? Alan Broadbent responded that he saw Maytree's immigration work as being anti-poverty in nature rather than being about diversity. The Foundation wished to collapse the 30-year timeframe it traditionally took for immigrants to establish themselves and gain the same advantages as locally-born Canadians. However, he agreed with Diana Leat's point and had been encouraged by the increasing diversity he saw in his own organisations and in others. There was less diversity at the top but nonetheless progress was being made.

Lucy Blythe (Philia International) stated her passionate belief that having representative members on boards tokenized people and their communities. Board members need to be there in their own right, not because they represented a certain group. Alan Broadbent mentioned Maytree's work providing board training to allow people from different background to serve effectively on boards.

He who has the pesos …

Eleanor Shaw noted the diversity of approaches that was emerging amongst the philanthropists talking at the conference. She felt it important that the right of philanthropists to approach their work differently must be acknowledged and respected.

7. SESSION SIX: *Is philanthropy important to corporate responsibility*

7.1   Introduction

Mike Tuffrey (Co-founding Director, Corporate Citizenship) introduced the session looking at the relationship between philanthropy and corporate social responsibility.

7.2   Dr Matthew Bond, CGAP and London Southbank University
Corporate Responsibility, Boardroom Representation and Philanthropy

Dr Matthew Bond began by highlighting the undemocratic nature of philanthropy in the corporate context where control over philanthropic action ultimately rested with a small group - the directors. This lack of democracy was compounded by the fact that boards were typically unrepresentative of the communities their companies served. There was therefore a risk that corporate philanthropy would reflect the personal characteristics and social background of the directors.

Matthew Bond's work had explored this risk, examining the effects of board's make-up and social background on philanthropy. He had studied data from the UK's 250 largest firm, screening for BITC membership[6] and looking at the size of their charitable contributions (dependent variables). He had then investigated social background and economic controls (independent variables). The key findings were:

- *Male, international, posh*

British boards were male-dominated with only 10.6% of places held by women. Only 4.4% of CEOs and 0.8% of chairs were women. They were also globalised: 21.2% of chairs and 30.4% of CEOs were foreign. Public school still played a significant role in the boardroom, especially at chair level: a minimum of 17.2% of chairs and 6% of CEOs had attended public school. 16% of chairs were members of traditional elite clubs. However, school/club membership appeared to have no effect on philanthropy.

- *More women, more philanthropy*

The research had found that the more females that were included on the board, the greater the chance of BITC membership and the greater the size of a company's donations. The donations increased for each addition women on the board.

Matthew Bond suggested that the correlation between women and philanthropy might be caused by companies choosing to both engage in philanthropy and appoint women, i.e. to take a more enlightened stance on both points.

- *More foreigners, less philanthropy*

The research had found that the presence of foreigners on the board had a negative effect on philanthropy, substantially so in the case of BITC membership and to a lesser extent on donation size.

7.3   Paul Caulfield (University of Bath)
Love not money: substitution and complementary effects in the dissemination of corporate community investment practices

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[6] Business in the Community

Paul Caulfield presented his work which had looked at ten years of the development of corporate community investment, examining how decisions were made, different types of action (volunteering or donation) were chosen, and how philanthropic practices were disseminated.

He reported that giving money remained the expected way for companies to engage with philanthropy. Corporates found it easier to give than to commit the resources necessary to foster volunteering. The giving of money was highly institutionalised and donation history played a significant role. Patterns of giving were very resilient (even when profits were reducing): 73% of a company's donations could be predicted.

Looking at donation size, Paul Caulfield had seen that, in the case of very big employers, there was a cap to the amount given per employee. Profit was initially significant in the decision to give but, after a certain level, no longer significant.

Volunteering was a more complex picture. Here internal factors (size, industry, peer group) had more of an influence. Size in particular played a significant part: larger firms produced more volunteers. If a company had donated it was more likely to volunteer.

Paul Caulfield looked at how philanthropic practices were disseminated and how different sectors behaved in the philanthropic context. The finance sector was a role model, leading the field in the amount it gave and in adding volunteering to complement its established financial giving. The service/manufacture sector also saw giving and volunteering as complementary but the level of adoption was lower. In the wholesale/retail sector, companies were substituting donating for volunteering. Paul Caulfield noted that membership of an organisation like BITC acted as a catalyst to giving and volunteering, and played a pivotal role in disseminating philanthropic practice.

7.4   Richard Spencer, Head of Strategy, Better Future Programme, BT
BT's approach to corporate social responsibility

Richard Spencer stated that BT's attitude and approach to CSR was evolving to become less of a bolt-on and more fundamental and integrated within its operations. One of the company's six corporate priorities was to be a responsible and sustainable business leader. Its Better Future programme replaced its traditional approach to CSR and philanthropy and looked more broadly at the value BT could deliver to society, not just through its support for charities but through its day-to-day operations. BT aimed to give 1% of its pre-tax profits to community investment but that was the icing on the cake. The cake itself was BT using commercial investment to deliver in its priority areas of digital inclusion (Connected Society theme) and sustainability (Net Good theme), as well as generating volunteering and funds for charities (Improving Lives).

In terms of its charitable giving, the process by which philanthropic projects were funded had become more rigorous and meritocratic with the application of strict business criteria. Richard Spencer explained that the company now had fewer strategic charity partners[7] and a clear focus on the demonstration of impact (they were looking for more than just a couple of case studies). There was also a greater alignment of philanthropy with BT's goals – i.e. digital inclusion, not polar bears.

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[7] DEC, Children in Need, Red Nose Day, Childline

BT had also developed an online fundraising service – MyDonate – which was available to all charities with 100% of donations going to their causes. In addition, BT matched employee donations (made via Give As You Earn) up to £1m distributed on a pro rata basis. The company also encouraged volunteering by giving staff three days a year to spend either on self-selected projects or on corporate projects which were more deliberate (e.g. trouble-shooter panel of BT experts to work on a problem given by charities).

Richard Spencer told delegates that BT was looking increasingly at the social value of its operations and had started to develop commercial propositions that had a more philanthropic feel. For example, it had provided internet access (using recycled BT equipment) to 30 villages in Sub-Saharan Africa. This gave BT a presence in a key market area.

There are also social aspects to the commercial side of BT's work, for example its work on superfast broadband and as provider of the NHS Spine. The company was also working with social housing landlords to help get tenants online to increase digital inclusion and assist with the administration of Universal Credit[8].

7.5   Discussion

No such thing as commercial philanthropy?
Lucy Blythe (Philia International) questioned the use of the term philanthropy in a corporate context. Business existed to make profit and CSR was used to that end. Clarity was needed about the fact that CSR was about PR, reputation management, risk management and the strengthening of the workforce, all of which contributed to profit.

There was some agreement that the term "philanthropy" was confusing in the corporate context and should not be used. Richard Spencer felt it was a loaded word that could be constricting and, the term "corporate investment" better reflected BT's activities in this sphere. However, some of BT's activities, such as MyDonate and donations, were genuinely charitable.

Mike Tuffrey also highlighted the need to distinguish between charitable activities, CCI (win-win activities) and commercial activities. But Juliete Valdinger (Cass Business School) felt that the name did not matter so long as the activity was achieving some public good.

Isis Amlak (the Edge Fund) felt that the debate about CSR and philanthropy was one of semantics. CSR implied something philanthropic was occurring but this seeming benevolence was a mask for the real activity which was the act of reparation for companies' exploitation. The activities did not come from a purely positive place and the proper term would be "community re-investment" to capture the reality that these companies had taken something away and were now making reparation.

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[8] Landlords pay for the connection but BT provides a refurbished PC and a dedicated helpline

Volunteering

In answer to a question from Alan Broadbent, Richard Spencer reported that BT was looking at including volunteering in its performance reviews. It was not included at present but there was recognition that those who volunteered tended to be more engaged with the company. BT was also considering matching volunteering with BT donations.

John Mohan made the point that, looking at every dataset, there had been no net increase in volunteering. Richard Spencer responded that volunteering in BT had increased but was still below 20%. This was disappointing but it was difficult to oblige people to volunteer.

Questions for Matthew Bond

Donna Day Lafferty (University of Chichester) asked whether Matthew Bond had looked at charitable activity by company sector. He responded that he had been trying to control for that.

Ruth Mantle asked whether Matthew Bond was looking at boards over time. He responded that he was doing that currently.

Questions for Paul Caulfield

John Mohan asked whether there was a correlation between tax paid and company resources directed towards philanthropy. Paul Caulfield had been unable to detect such a relationship.

Juliet Valdinger (Cass Business School) asked about the motivators for the financial sector's giving. Paul Caulfield answered that there were multiple motivators which were difficult to unpick.

In answer to a question from John Pulford (CSV), Paul Caulfield stated that his analysis did not include law firms because data was not available for these.

Donna Day Lafferty (University of Chichester) highlighted findings from a CAF report which indicated that individuals gave first, then moved to volunteering.

Paul Caulfield pointed to the title of Lee's 1999 paper, *Love, Money, Blood.* In fact it should be *Money, Time, Blood*: people gave money first, then time, they were most selective about giving blood.

8. SESSION SEVEN – Achieving philanthropy's promise – can we measure progress?

8.1   Introduction

Professor Marilyn Taylor (Institute for Voluntary Action Research) introduced the session on measurement. She noted that the salience of measurement was reflected in the measurement industry that had grown up. There was a sense that the industry possessed the magic bullet to demonstrate the worth of charities. However, there was a counter view that some charitable endeavours were elusive to measurement and that not everything that counts can be counted". Moreover, reliable measurement was very expensive and difficult, and when measurement became the master not the servant, only that which could be measured got funded. Marilyn Taylor concluded that measurement was an important tool but only part of the dynamic dialogue between funders, policy-makers and practitioners.

8.2   Dr Karl Wilding, NCVO

Karl Wilding underlined the controversial and difficult nature of measurement: the conference could probably spend another two days just discussing outcomes. Whilst he felt that, broadly speaking, philanthropy could be measured, there were numerous problems with the current state of measurement. These included difficulties around recall and reliability in surveys; the proliferation of surveys using different criteria; problems with reporting processes, and the difficulty of getting data out of charities owing to issues of confidentiality. There was also the question of whether building a more accurate picture of current philanthropy might affect future giving. Karl Wilding expressed his personal disappointment with the current situation. No aspect of philanthropy was more difficult than measurement, he felt. However, it was too important to give up on. The sector could not take the government's support for granted and it was vital that it demonstrated the effectiveness of philanthropy especially in relation to tax relief. He ended by calling for coordination over the collection of information; better use to be made of existing data, and education on what the sector was actually delivering (as opposed to relying on the estimations).

8.3   Professor Mark Rosenman, Director, Caring to Change

Professor Mark Rosenman felt that the focus on short-term measurables was hindering the change that was needed in the philanthropic sector and diverting attention from the profound problems that existed in society. What really mattered was not easily measured, and the focus on short-term metrics for small-scale interventions rather than on prevention of the underlying problem was damaging. He gave HMP Peterborough as an example of the tyranny of metrics and asked why we focussed on silo-ed approaches to social problems? It led us to look narrowly at services, to teach to the test, to gather only the low-hanging fruit. Mark Rosenman called the concern for measurement "a corrupting pressure", one that led to "policy-based evidence".

Instead of worrying about small interventions, the third sector needed to address the fundamental corrections needed in government and society. Poverty, inequality and the environment should be its focus and the full measure of its success would be how it dealt with these profound problems.

Mark Rosenman wondered whether a broader and more creative approach could be taken towards philanthropic donations given to narrow causes mentioned on the first day of the conference (such as dogs and donkey sanctuaries). For example, how about funding a school for vets from disadvantaged backgrounds or providing humane education for people who abused animals?

Mark Rosenman finished by urging everyone to stop worrying about counting things and to start getting on with what really mattered: the times called not for social entrepreneurs but social activists.

8.4   Robert Abercrombie, Director of Research and Consulting, NPC

Robert Abercrombie remarked that NPC had been called the "impact Taliban" and stressed the difficulty of the topic of measurement. The Cripplegate Foundation (of which he was a trustee) had been operating for 500 years and was still ending poverty, so where was the impact? Rather than focus on measurement, he chose to highlight some NPC recent work, a survey conducted by IPSOS MORI that looked at attitudes towards the methods charities used to attract donors. The conclusion of this work had been that aggressive fundraising was eroding public trust in charities and undermining the sector's long-term collective fundraising efforts. Charities were on the horns of a dilemma: they used these methods because they worked but, in the long term, they undermined their brand and their effectiveness. Robert Abercrombie concluded by suggesting that donors did not act on impact or evidence. They made different judgements in their choice to give. NPC was trying to find some ways around this.

8.5   Discussion

Impact Taliban?
Cathy Pharoah reminded the audience of the impact NPC's stance on impact measurement had had on government, and how both government and charities had embraced this agenda.

A further comment from the floor was the importance of reflecting on inadvertent damage that had been done and the increased likelihood of policymakers devising bad approaches to policy based on blunt performance-based approaches to measurement (as they had in the case of Peterborough).

Robert Abercrombie answered that all charities had a moral obligation to try to assess their impact and measurement was a legitimate part of that. However, measurement needed to be proportionate, appropriate and set by the charities not philanthropists, government of other funders. Measurement was about assessing performance, not pleasing funders.

Accounting standards and programme spend
Lucy Blythe (Philia International) raised the issue of accounting standards. Different charities used different methods to report things under different headings, leaving donors confused and unable to get a clear picture. What could be done? Karl Wilding responded that compliance with SORP would help, as it would provide more open, accessible information. He understood that donors wanted to see the ratio of spending

which went to programmes, but what they really needed to see was impact. The debate needed to shift away from programme spend and on to impact.

Robert Abercrombie agreed: the public had a deeply unhelpful perception of administration costs. It was a key reason behind the decision not to give but it was not the real issue. A charity with high administration costs was often more likely to have greater impact because those costs equated to research and knowledge. He drew a parallel with the public debate over NHS Managers: it was knee-jerk and unhelpful.

Things missing from measurement
Jurgen Grotz (Institute for Volunteering Research) stated that little was heard about the involvement of communities in the process of measurement. Marilyn Taylor echoed this: community development was missing from the narrative. There was an absence of asking the community what they wanted and involving them in the design.

Cathy Pharoah expressed her disappointment that information was not collected on diversity (as a measure of progress) and beneficiaries being affected by recession.

Karl Wilding added his worry that charity was essentially voluntary and active. Once you measured and tried to control you changed what you valued.

A call to arms
Mark Rosenman urged the charitable sector to stop acting powerless and rolling over in the face of the dynamics. Measurement was needed, but not as defined by funders. The sector needed to fight on its own terms and draw in a community participation in a way that challenged authority (he was proud of the NCVO when he was in the US).

He noted that practitioners found it impolite and awkward to talk about power but it was part of philanthropy. Instead, they acquiesced to a debate they had not shaped. Mark Roseman floated the idea of financial transaction tax ("Wall Street Sales Tax"). If this was set at only 1% it would raise $200-300 billion a year and yet it did not even form part of the debate. It was essential that charities started to be impolite.