



New
Philanthropy
Capital

Donors in the downturn

New philanthropy: an intermediary's perspective

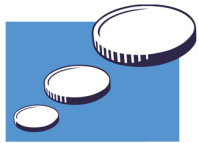
14 May 2009



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About NPC: doing good, better

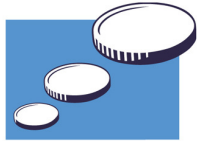
- Our aim is to make charities and funders as effective as possible
- Part consultancy, part think tank
 - build knowledge about social issues
 - analyse and promote charity effectiveness
 - advise donors, funders and intermediaries
 - lead the debate on effectiveness
- 7 years old, 30+ staff



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What is 'new philanthropy'?

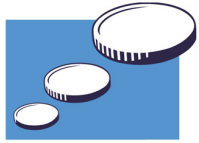
- A new group of HNW individuals who believe they can make a difference
- Demand greater professionalism & apply business principles to decisions
- Have usually created their wealth and want to give it away in their lifetime
- Want to leverage their funding
- Willing to do more than just write a cheque



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Recent evidence of giving trends

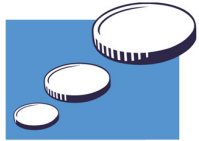
- Much speculation, but unsubstantiated
- Sunday Times Giving List (2009) shows giving up 8%, but
 - some sectors more robust than others
 - fewer people becoming wealthy
- Record fundraising events (eg, Comic Relief, Execution Charitable Trust)
- Charities reporting cutbacks



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NPC's experience

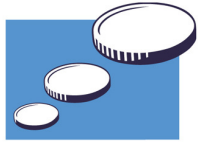
- No cancellation of commitments
- Inclination to give as strong as ever, but... next year may be at risk, if asset markets remain weak
- Philanthropists willing to plug gaps & be innovative
- Evidence of impact essential
- Charities report fall in legacy income and voluntary donations



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How charities can respond

- Think like a philanthropist...
- Tell donors what you achieve
 - measure your results
 - communicate impact
 - invest in governance
- Be clear about how much money you need and why
 - dare to ask for investment in capacity
 - distinguish between different types of funds
- Show that you allocate resources to areas where you can make the biggest difference



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Conclusion

- Inclination to give as strong as ever
- Any fall in funding probably short-lived
- Charities may emerge stronger if they:
 - ensure resources are allocated properly
 - build a strong evidence base of impact

So... lots of reasons to be positive