

The Community Foundation Study Trip

UK, September 5-8, 2017

Organized by the European Community Foundation Initiative

Reflection Paper by Atallah Kuttab

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1. Introduction and Expectations of the Study Trip

The Community Foundation (CF) study trip to the UK in the period 5-8 September 2017 was the eighth study trip in a row. Preceding study trips were to CFs in Bulgaria (2010), Czech Republic (2011), Poland (2012), Romania (2013), Slovakia (2014), N. Ireland (2015), and Germany (2016).

The participants in the study trip, visited two CFs: Oxfordshire Community Foundation based in Oxford and Foundation Scotland based in Edinburgh. The participants of the CF study trip were from various parts of Europe and included CF practitioners, CF support organizations, CF national associations and experts that are interested in underlying principles of CFs including community cohesion, social capital, and community philanthropy. They were from Bosnia & Herzegovina, Czech Republic, France, Georgia, Germany, Hungary, Italy, Latvia, Poland, Serbia, Slovakia, Spain and of course UK. Their expectations as expressed in the profile book distributed by ECFI featuring the participants (among other things) could be classified along the following (in terms of priority or frequency of choice):

1. Exchange of ideas and learn from each other on topics like fundraising, donors services, effective communications within and between CFs, empowering and promoting local leadership/leaders, and share models and development beyond the US model of CFs.
2. Rich conversations within the visiting group and with host organizations on topics like: specificities of local situations and countries, diversity of models out there, challenges facing CFs and how to increase visibility of work and role of CFs.
3. How to measure the impact and sustainability of CF work?

The study trip allowed the achievement of much of the above expectations, in settings, that succeeded in allowing intimate interaction and reflection with the host CFs and among the study trip participants. This paper attempts to capture my reflections on the trip including the various deliberations among the participants.

2. Brief description of locations visited

2.1 Oxfordshire Community Foundation

The CF encourages local philanthropy and nurtured community based solutions to key social problems across Oxfordshire. Although Oxford is known for the high quality of life around the universities (among the oldest and richest in the world), there are people that are unemployed due to the closure of the auto factories in the region many years ago. I heard the term “the town and the gown” indicating

the split between the universities with their wealth and resources and the town around them that is deprived and more so the towns and villages in the vicinity and within Oxfordshire.

The CF, and based on thorough studies of needs, is focusing their work on three focus areas: housing and homelessness, children and families, and loneliness and isolation. In its effort to empower local communities, the CF builds on local assets to respond to the urgent needs as expressed in the three focus areas.

During the visit we participated in a thorough discussion with the CF staff on how they arrived in the key focus areas, how they attract and maintain local resources and donors and demonstration of the database used for measuring impact of the various programs.

The visit included also viewing a social business in a poor neighborhood of Oxford city called RAW (www.raw-workshop.co.uk) where disadvantaged members of the society can walk in and seek support for a new beginning in their life. The business model is based on running a carpentry workshop and recycling wood to cover its costs. Support to the community members that need it, comes in the form of advisory/counselling and if interested in wood work can learn carpentry related skills.

2.2 Foundation Scotland

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The foundation considers all of Scotland as its community. It aims to enhance sustainability of support to the various communities, enhance the resilience of those communities and along the way empower them to run their own affairs. Their approach considers long term view (20 years +), build on community strength to respond to needs, support decision making processes that are inclusive, accountable and community-led, and build individual/community agency. It is impressive the relationship the foundation has built with the private sector particularly those involved in renewable energy where the asset owner donates a portion of their income to local communities. In some instances and where there is sufficient community appetite and capacity there can be opportunities for the community to own part of the asset sharing profits rather than merely receiving grants and donations. Where the Foundation can help broker or enable such opportunities, it does. Also, the foundation runs donor advisory funds services managing more than 250 of such funds. Such an approach provides both efficiency and synergy between various programs and sources of funding since it is run by the same organization.

The visit included viewing a social enterprise “Fresh Start” which provides support for homeless people to settle in new homes provided to them. The activities include provision of basic household goods and equipment as starters for furnishing and running a household, and building peer and social support among the participants in this project. The implementation of the project relies significantly on

volunteers from the local community to enhance the social support within the community. Most of the starter equipment are donated by community members.

3 Overarching reflections of the Study Trip

The study trip is a form of a forum for exchange of ideas, peer learning and replication of models. The reflections presented here touch on the multiple benefits of such an activity and try to capture some of the distinctive characteristics of CF in the UK together with inherent comparisons that came up in the various meetings the group held. The reflections have been clustered under various headings and these are summarized here:

3.1 Community at the Center and Building on Community Assets

Both organizations that were visited made it clear that their agenda is driven by the communities they serve and they put communities first. Also, both have their programs driven by local community assets as the basis for reaching sustained solutions to the various social problems. However, such approach, which is the essence of community foundations, can have its own tension points. For example, what would be the attitude of the community foundation when a donor offers for an activity that is not the priority for the community? For the donor to come to the CF to offer funding, it means that the donor has high level of trust in the CF. Therefore, it is not easy to walk away from a donor due to divergence of donor's interest and the priorities of the community, especially if amounts donated are high. The challenge is how to navigate such tension point without deviating from the stated mission of the CF and keeping the donors.

The CF in Scotland is not local but covers all of Scotland and that makes it hard to represent a specific community. However, one would think of the Foundation Scotland as a group of CFs under one umbrella. This raises the question whether a CF actually needs to represent a specific community as such.

3.2 Social Business and Enterprises - Relationship with Business

In visits organized by both organizations in Oxford and Edinburgh, emphasis was put on visiting social businesses and enterprises. This signifies the importance and the evolving role of business applied responsibly and the increasingly blurring boundaries between the profit and not for profit activities. Both projects visited in Oxford and Edinburgh aimed to train and place people in jobs and that required that they run themselves businesses to absorb the trainees and/or have strong linkages with

the private sector to place their trainees in jobs. In the discussions with the team of RAW in Oxford, it was clear that there was a right balance between empowering disadvantaged individuals in the community to have a new beginning by getting involved in the carpentry workshop while at the same time ensuring that the carpentry business is financial sound and cover its own costs. The business model is based on the motto: “people would love to buy RAW products instead of feeling good to buy them”. It was impressive the system in place to track financial sustainability and the psychosocial support provided for the community members that walk into RAW offices that aim to support them through empowering them. In the discussions ensuing the visit it was raised that RAW are modest to say they learn from private sector how to run a business because they can teach private sector how to be socially responsible in running a business and they should market this competency to the business sector as a way to attract businesses to support RAW and generate income from training businesses on social skills.

The site visit in Edinburgh highlighted the role of volunteers as key element in the implementation of the various elements of the programs like: helping homeless in decorating their flats, acquiring basic furniture and house utensils, and cooking techniques for healthy living.

3.3 Fundraising

Both organizations visited have sophisticated processes and dedicated teams for fundraising which, if afforded by others, will be useful to learn from and copy. The fundraising (or development as sometimes calls) identify donors, contacts them, maintain them, track their giving and ensuring reporting back on results. A major source of support is the Lottery Fund. However, with all this sophistication, both organizations feel the pressure from other established organizations competing for funds. In Oxford, the universities are main competitors and in Edinburgh it is the Church and both have much bigger resources for fundraising. Here it was discussed that maybe trying to successfully measure life impact of the programs and not just outputs might help in building a competitive advantage.

Interesting mechanism for fundraising in both organizations is the creation of Donor Advised Funds (DAFs) where a donor entrusts them funds and decides on how those will be spent. In a way the CF acts as custodians and managers of those funds. This is an effective way of leveraging own funds for more synergy of funds and impact of programs as long as the DAFs are within the realm of the mission of CF. Tension will happen, as mentioned before, when certain private donors insist in certain programs that might not fit the stated mission of the foundation and if implemented would cause mission creep. Donor driven initiatives can distract from the mission of an organization but amounts involved might make it harder for an organization to say no to such funds.

Finally, the ethics of giving was raised like funding from oil companies or whisky producing companies. Do CFs accept funds or not from such entity? A positive resolution to such conflict in

Scotland was when energy companies adopted investment in renewable energy like wind. Partnership with sources of funds from energy companies becomes more attractive as that supports clean environment as compared to fossil sources and agreements with these companies is to allocate part of the profits either in the form grants or DAFs (in some cases even equity ownership) for the communities where wind turbines are installed.

3.4 Relationship/Cooperation with Government and Private Sector

The two foundations are involved in programs funded by government (UK and/or EU) and which are designed by without the involvement of the CFs and many cases both are having hard times implementing the projects due to the stringent financial arrangements. If followed blindly there is a danger that the foundations become simple contractors for governments and goes against their principle that they put the community first.

If not careful, cooperation with governments will make CFs donor led and not community led. The mitigation of such resources is aggravated by the fact that demand on services by foundations exceeds resources and therefore foundations find it hard to say no to funds from government or private sector in many instances.

It is important to cater for daily needs of communities, which is the focus of CFs we have visited. However, it is important to invest into advocacy work beyond services to achieve sustainable social change in various issues like housing, support to children and elderly, youth and employment, etc.

3.5 Impact Measurements

Rigorous approach to measurement of impact is not there. Scatter of work in terms of sectors, programs, and geography makes measurement of impact more difficult. It is tension between intent to respond to needs of community in its wide meaning versus more focused work to ensure measurable results of work. One could feel clearly sense of achievement listening to the community members and to the staff of the CFs. However, having no rigorous system in place to measure level of achievement from one year to another might make it impossible to measure achievements in one year and eventually the social return on investment. It is important to put more effort to measure impact as it will help in creating a competitive edge in fundraising and competing with established entities like the Church and Universities. This is a topic that is needed by all (visitors and visited organizations) and will form a good theme for cross learning.

4. Summary and Conclusion

There are various trends of philanthropy evolution models that have been featured during the visit like social investment and social businesses. Both organizations have clearly made organic in their programs: community involvement, volunteering and building on local assets as main driver for development. This will contribute to shift the power back to communities instead of relying on top down approaches and resources from donors.

We are going through a phase where currently there is serious efforts by the private sector to conduct socially responsible business. This is driven by many years of advocating for that by society and by consumers. Much needs to be done at this level. However, the CFs have the skills of doing business in a socially responsible way and we need to market those skills so that the business asks for technical assistance from our sector to integrate that component in their business model as core element rather than adjunct to ensure dealing with inequities in our societies.

The talent and sophistication seen in fundraising is something that is much needed in most CFs in Europe and most on the continent can learn this aspect from the UK based CFs.

With new alliances, new players, a large diversity of approaches, social businesses challenging the single bottom line, all the richness in cross learning and mutual support, our sector of community foundations has the potential to play a key role in assuring just society. The key tasks moving forward would include drafting new social contracts in our societies and institutionalizing the new approaches to doing business, to protect the poor and ensure equity in our societies.