



## **1. Introduction**

This strategic plan sets the aims and objectives of PHF's India programme for the eight years 2013–21.

We will meet our aims and objectives mainly through funding the work of the nongovernmental organisations (NGOs). We will also meet our aims and objectives by commissioning and/or carrying out research, evaluation and communication. This will increase the value (and cost) of grant-making. The skills and experience of our trustees, advisers, consultants and staff will be used as effectively as possible.

This plan sets out what we want to achieve through our funds in this period, and the current and future grant schemes and other activities we will undertake. It provides a framework within which we can manage our resources and provides trustees, staff, advisers, committee members and external organisations a context for our aims. We will make available a copy of the plan to the public. We will set detailed objectives for our work in annual business plans, and in separate plans for any major initiatives.

The Board took the decision to produce the plan on the initiative of the Director. The planning process has involved the Trustees, staff and advisers of the Foundation, led by the Director India. The process began in January 2012. The India Programme Committee considered strategic options in March 2012 and a draft strategic plan in September 2012. The plan was agreed by the Board in December. Following a review in 2016, the Board decided to extend the strategy up to March 2021.

## **2. Background**

The Foundation began funding development work in India in 1992. Since 2007 it has been operating under a strategic plan. This has been through the open grants approach where a variety of well thought through, topical and appropriate works proposed by NGOs have received support. Since 2007 the programme has made 104 grants to 56 organisations (33 on a repeat basis).

PHF commissioned New Capital Philanthropy (NPC) to review the programme in 2011. NPC found that PHF had achieved considerable success in meeting the main aims of the 2007 strategy by playing the role of a respectful and constructive funder, providing flexible, progressive and supportive funding. NPC commended PHF's open grants approach and its willingness to fund work that required a leap of faith. The NPC report also advised PHF to: address some inherent weaknesses in the voluntary sector and bring in more rigour and greater professionalism; make the programme aims more specific; target more vulnerable communities and areas; ensure that beneficiaries were more directly involved with the process of proposal development by NGOs; and to ensure systematic outcome measurement and impact assessment were undertaken so

that effectiveness of work was better understood.

### **3. Mission**

Our mission is “to improve the lives of the poorest and most vulnerable communities in India in a manner that assists them to make efforts to improve their own conditions, ensuring that they have access to their entitlements, creating and providing appropriate opportunities and also by helping influence change in the context within which they live”.

### **4. Values**

In line with our founder Paul Hamlyn’s values, we believe in giving opportunities by realising people’s potential and in fighting prejudice. We are interested in finding better ways to do things.

We help organisations to sustain and develop their work. We pay particular attention to long-term issues. We are not afraid to address issues which others may find challenging or unpopular. Whilst being willing to work in partnership with government, we are also prepared to challenge its (and other people’s) established thinking. We believe independent foundations have an important role to play in society.

We aim to treat people fairly. We try to ensure that our procedures are effective and light-touch. We will strive to demonstrate best practice, including openness and equality of opportunity, in the ways in which we work. Value for money is important to us.

### **5. Strategic Aims**

On our journey to 2021, we will have two aims. These are:

- Enable vulnerable communities living in priority geographical areas, to build resilience and improve lives
- Developing the capacity of organisations and people who facilitate the above aim(s)

In addition, we have a related aim:

- Advancing through research, understanding of the issues relating to the above aims

We also have a final aim. This is not a primary aim, but supports the other aims:

- Developing PHF itself to be an exemplar foundation, existing in perpetuity

#### *Key shifts from the previous strategy*

The proposed strategy evolves from the previous one but also brings to bear a few areas of interest and concern which were not part of the previous strategy.

It is similar insofar that it continues to focus on the most vulnerable communities, continues to suggest that we work on ideas that fit well with the perspective plans of the organisations we support and continues the emphasis on accountability and transparency in organisations.

The new strategy however provides some key new directions:

- It focuses on ‘knowledge creation’ as an important intended outcome of the work that we will support (and have supported)

- It stresses the need to work on enhancing human and institutional capacities within the development sector. It rationalises the geographical reach of the Foundation's work.
- It identifies some especially vulnerable groups which require more proactive support and positions the Foundation to provide that.
- It begins to see the growing link between rural and urban development issues and attempts to expand the foundations work in urban areas.
- It attempts to go beyond funding work, that has direct impact on vulnerable communities to also proposing to fund at the macro and meta level work that has an indirect impact on the lives of vulnerable people.
- It plans to enter into collaborations which help achieve strategic goals.

A detailed description of the five strategic aims follows:

- a) Enable vulnerable communities living in priority geographical areas improve their lives

Communities have inherent strengths which are often overlooked when modern development frameworks are used to view them. They have closely knit societies, progressive views and approaches to resource utilisation and sustainability, are extremely conscious of their relationship with the environment and their traditional knowledge has a relevance to modern ways of living. But all is also not well with traditional communities. Attitudes that promote inequality, mostly due to caste, are common; they are strongly patriarchal; and they are not necessarily democratic in their outlook. Opening up of the spaces, development of infrastructure particularly roads, the hegemony of the 'modern development paradigm' have all led them to become vulnerable. They are now unfortunately living on the margins and have been excluded in the development process.

The movement, over time, of people to urban centres has transported some of these issues to urban centres. Such a movement is a result of the threat to livelihoods in the rural setting as the major push factor alongside the increasing levels of activity in urban centres. Urban development concerns emerge largely around building a balance between the hugely important roles that migrants have and will play and the ability of urban centres to provide for them. India is expected to change from being a predominantly rural country to one which will be almost 50% urban. A rather large development challenge is to address the concerns of the urban poor. Such experiences are currently limited as knowledge of working in urban centres is far less than similar knowledge for the rural areas.

PHF will focus on working with vulnerable communities living in these areas. It will be our priority to be able to identify such communities and assist NGOs to consciously design and develop programmes which assist them build on their strengths, ensure that their rights and entitlements are not usurped and help them deal with the critical factors that make them vulnerable. Our work would help them evolve a direction for change and improvement.

For such communities to develop, they need a leadership that is forward looking, is able to generate enthusiasm among the community and can lead them towards paths that can help them transform their realities. Leadership can emerge in the form of individuals or community organisations. PHF will fund initiatives that facilitate leadership influenced change processes either by individuals or community organisations. NGO initiatives that support development of community leadership and a better understanding of community

concerns and their management would also be supported. Among vulnerable communities we include the following as a non exclusive, indicative list of special interest groups that we will work with in both rural and urban areas:

- Ultra poor families in mixed communities
- Dalit communities particularly those involved with inhumane occupations
- Tribal communities fighting for or dispossessed of their land and resources
- Women
- Disabled people particularly children
- Communities with little or no access to health services
- Communities with little or no access to education
- Unorganised labour

Work with vulnerable communities will be supported only in priority geographical areas.

### *Priority Geographical Areas*

Regional imbalances are significant in India and the less developed areas of the country – both socially and economically - will be chosen as priority geographical areas for work. We will focus on the areas in the central part of the country which continue to remain on the margins of development and which continue to struggle with poor social and economic indicators.

The selected areas form the poorest parts of the country and stretch as a band between the eastern part of Gujarat in the west, to West Bengal and Assam in the east. The states covered will be Madhya Pradesh, Chattisgarh, Odisha, Jharkhand, Bihar, West Bengal and Assam. In addition to these states there are certain culturally identifiable regions in Maharashtra, Gujarat, Andhra Pradesh, Uttar Pradesh and Rajasthan which experience more challenging circumstances than other parts in those states.

These are as follows:

- Mewar and Hadoti (southern and south-eastern Rajasthan)
- Bundelkhand (Northern Madhya Pradesh and southern districts of Uttar Pradesh bordering Madhya Pradesh)
- Dangs (south-eastern Gujarat)
- Telangana (northern Andhra Pradesh)
- Vidharbha (eastern and northern Maharashtra)

Following the review in 2016, the Board has decided to also include the seven north eastern states viz. Assam, Arunachal Pradesh, Meghalaya, Nagaland, Mizoram, Tripura and Sikkim.

The poverty in these areas is defined by the perpetuating caste system, the exclusion of tribal communities, an extremely patriarchal society, poor infrastructure and remoteness and lack of social investment particularly in sectors such as health and education. Interestingly these areas are also among the richest in terms of natural resources and are part of an ongoing struggle between local communities trying to maintain their rights on these resources and capitalist forces who are using all possible means to wrest control from them.

Not surprisingly, the area also encompasses what is called the 'red corridor' or the part which is affected by violence from left wing groups against the government of India seeking (seemingly) a more equitable distribution of natural resources and better development

investments in the area. Work in the priority geographical areas will cover both rural and urban people. We aim to work in the state capitals as they are among the fastest growing urban areas in the states and also in towns with a population of less than 1 million which are classified as a municipality.

Issues of urban poverty such as those caused by industrialisation, migration and the lack of space within such cities for the poor and unorganised labour and others are proposed to be supported. Initiatives would help strengthen the local self-government in these cities. A major challenge in the chosen priority geographical areas would be identifying quality organisations from the small number working there. It will also mean that we may need to make suitable investments in building capacities of organisations that can work with communities in these areas.

All this will be done keeping our concern of supporting credible organisations that are defined by our need for accountable and transparent governance, a sensitivity to community led development processes and a zero tolerance for corrupt practices.

b) Developing the capacity of organisations and people who facilitate the above aim(s).

Experience has shown that while many partners have the essential understanding of the issue that they need to address and mostly have a very good relationship with the community that they would like to work with, they do not necessarily have the capacity to take the work on. Based on an assessment of the capacity building needs of its partners, PHF will provide for funding for selected partners as part of its grant to them, such that they are able to access suitable capacity building support from organisations that can provide it.

Partners will be provided information where possible of training programmes and other capacity building opportunities.

PHF will also facilitate this through the financial audit process which is a combination of the actual audit and training for the finance team of each organisation. PHF will also hold occasional special seminars and workshops which can assist a group of partners on specific themes.

c) Research and Knowledge Creation

With over 200 projects funded over the past 15 years, there is a wide level of experience available within PHF to be able to contribute towards creating resources on rural development. We will consolidate learning on issues that we have funded. We will enter into collaboration with institute(s) to work on creating learning documents/case studies which can add to the knowledge of development studies.

The target for such documentation will be grantees and other NGOs, students, practitioners and policy makers. Initiatives under the head of knowledge creation are being incorporated into the strategy even though we may not even take them up initially. We will however steadily build a portfolio around the theme we want to study and propose to work closely with other projects doing similar work.

d) PHF as an Exemplar Foundation

PHF has been keen meeting service standards on operations and management and developing appropriate levels of engagement with the organisations we fund and/or work with which ensure that the benefits of the work that we support reaches the people that they are intended for. To do this we will:

- Ensure staff and processes effectively support the delivery of our aims  
By effective deployment of human resources, bringing in greater rigour to organisational selection and work planning, controlling internal costs, developing our use of management information systems, developing our use and work with outcomes and outputs of the work we support and an evaluation mechanism that enables better performance measurement of our work and the activities that we support.
- Promote to key audiences the importance and outcomes of the work we fund and the activities we undertake by having an effective communications strategy and supporting partners to take up with sharing of their work with others and where necessary advocacy to promote improvement in policy and practice.

## 6. Levels of Change

We will deliver the aims mainly through open grant-schemes supporting NGOs. Sometimes we will commission or carry-out specific research, evaluation and communication. Very occasionally we may establish major initiatives, directed by PHF. We want our grants to be significant in terms of the work of the organisation, or the particular part of their work we are supporting.

Long term and sustainable change in the lives of vulnerable people requires action at various levels. We expect the work we support to have an impact at some of the following levels:

- Individuals/Communities (Micro/Meso)
- Organisations (Meso/Macro)
- Policy/practice more widely (Macro/Meta)

Works that PHF supports will thus be at different levels.

At the micro level PHF support will directly help identified target groups make a change in their lives through improved delivery of services, access to opportunities, and even provision of inputs that can help them live better. Such works would provide an opportunity to help them stabilise their lives and be better prepared to take on bigger and more difficult roles. NGOs supported for micro level works will be small to medium with a direct implementation role with communities. They will have a strong field presence and may be implementing many works from different donors with their chosen community in their chosen field area.

At the meso level, PHF will be provide funding to support institutions that operate at a slightly larger level, and which can view the changes occurring from a higher perch. Works at this level will bring together experiences from a number of smaller micro level works and compile and consolidate the learning, and using it begin addressing the factors which help improve the environment for change. NGOs supported at this level are fairly well established with a good track record and which have over the years been able to establish a strong credibility and are in a position to make their voices and experiences heard by both the development sector and the government.

At the macro level, PHF will support institutions which have the ability to support the issues that partners are dealing with at the micro level and can build human capacity. They will take up issues that affect policy and play an advocacy role on behalf of the smaller organisations. We will promote more organisations in this category particularly in states which have few NGOs and where NGOs require capacities to be built.

PHF will also take up work at the meta level. This would include works that provide a better space for addressing issues that impact and affect development thinking, take up discussions and discourse on the sector and on human resources working in the sector. We will facilitate the coming together of different organisations in the development sector to share their concerns and views on issues and take joint action on them. The impact of such initiatives will not be directly observable within the life of the work but will be expected to have far reaching impact on the issue addressed.

Most of the current works in the PHF portfolio fall in the micro level category. We have begun consolidating experiences from these works.

PHF will fund works in all categories the largest (around 60 % of all grants) being at the micro and meso level. A fewer number of works (around 25 %) will be at the macro level and only some selected works at the Meta level.

## **7. Overarching Criteria**

The following important concerns apply to all the work we fund:

We will support work which is intended to improve the overall well being of communities, groups and people. The works may be in one or more thematic area, whether health, education, governance, livelihoods, empowerment, or any other which assists them to deal with the immediate causes of their vulnerability but begins to look at the longer term factors that need to be addressed to help them get out of it.

Works proposed by NGOs for funding should fit in well with the NGOs own long term perspective plan. The justification for taking up such work should be clear and it should reflect the concerns of the communities. Communities should have played a core role in developing the ideas with the NGO.

More specifically, PHF will support work which results in an empowered community; which helps them address the factors that cause their vulnerability, and provides them an opportunity to look for long term solutions to their problems either by strengthening themselves or influencing policy that works in their favour.

### *Local Self Government Institutions*

We see the involvement of Local Self Government Institutions comprising both the panchayats (in rural areas) and the municipalities (in urban areas) as an essential sustainability mechanism for all the work that we fund. PHF will encourage NGOs to search for and develop the essential linkages between the work that they propose to implement and the role that the panchayats / municipalities play. Within every situation where this is possible, PHF will fund the enabling activities that facilitate the institutions of local self government to become stronger and more vibrant.

## **8. Monitoring – Funded Activity and Financial**

We will bring a greater emphasis on the monitoring of the works that we fund. Monitoring will aim to meet two objectives.

The first would be to ensure that the work has the best opportunity to achieve what it intended to do and to provide the organisation an opportunity to use the process (and data generated) to take either corrective measures or strengthen some activities that have had better results and outcomes.

The second objective would be to compile and consolidate the learning that emerges from the implementation of the work. Such compilations by macro and meso level organisations would aim to create knowledge and also use the experiences to inform policy.

PHF has mechanisms in place for monitoring. Financial monitoring is done through the half yearly receipt of the financial statements. This system will be further strengthened to become a self assessment tool for the organisation. The audit process undertaken in the first year of the partnership which is a combination of 'getting audited' and 'learning about financial systems' will continue. Where necessary this process will be repeated.

Activity monitoring is done through occasional visits to the works by the consultants in charge and through narrative reports. The number of PHF visits to partners is a factor of the capabilities of the organisation, the complexity of the work and the concerns emerging from the report received.

## **9. Evaluation**

PHF funded organisations go through evaluations which are usually undertaken towards the end of a work cycle after a completion of a minimum of two years. The organisation and PHF agree on the terms of reference of the evaluation and the consultant(s) who will undertake it. Funding for the evaluations is incorporated into the grant made to the organisation.

A greater level of engagement of the PHF team in this process of evaluation is planned for the future. Evaluations and their outcomes help decide the future course of work with an organisation. Evaluations will also contribute significantly to the knowledge creation process.

## **10. Disaster Relief**

Natural disasters like floods, droughts and tropical cyclones are common in India. There have also been the occasional earthquakes, some of which have been extremely disastrous. Tsunami's are not frequent but the Indian Ocean tsunami was amongst the most widespread natural disasters in India. Unfortunately, human disasters also present themselves with unflinching regularity.

In the event an exceptional natural and/or other humanitarian disaster affects a geographical area where we have a partnership with an organisation, we will be prepared to make an additional grant for disaster relief. A grant for rehabilitation following a disaster will be separately assessed. In some cases the actual work that PHF has funded the organisation for may not be feasible to continue as a result of the disaster. With appropriate approvals the remaining funds with the organisation could be designated for rehabilitation activities. In severe cases, a fresh grant may be proposed to address rehabilitation.

In the event of a disaster that happens in India in an area not covered by a PHF partner, the Trustees in the UK have the discretion to sanction a special grant to address the issue.

## **11. Collaborations**

PHF will play an active but cautious and selective role in developing collaborations with other donors in India. Collaborations will be guided by common interests, approaches and mainly by the impact that it can have in multiplying the benefit to a partner. Such conditions met, PHF will be prepared to collaborate with other donors on issues, and to co-fund projects. PHF will avoid setting up joint-ventures with other donors in India. PHF will be hesitant to provide funding to fill in gaps left by donors other than the government.

In all partnerships, PHF will ensure that the overarching concerns of accountability, transparency and governance are recognised by all partners and reflected in the functioning of the organisation(s).

## **12. Programme Budget**

We will maintain the budget at no less than Rs. 19 crores. The budget figure is meant to provide a supportive idea of what can be funded but is not a sacrosanct figure that has to be adhered to.

This budget would cover the cost of new grants and also the cost of the knowledge creation and research agendas that are being proposed. Since both these agendas require a lot of time and effort to build, it may take time away from the core business of making grants. However the underlying approach would be to fund based on the capacity rather than the desire to spend thereby ensuring that all the grants receive the necessary support and attention that they require.

## **13. India Programme Team**

The India Programme Team comprises a Director and an Administrator.

The two member team is supported by four part time consultants who together provide 29 person days of time per month. In addition, two consultants working in the knowledge and learning space provide 5 days a month each.

## **14. Review**

The current strategy will be reviewed towards the end of 2020.