



**Mid-term review of the Strategic
Plan 2006 – 2012**

Report of findings

14 April 2010

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1 SUMMARY

This review shows that the Paul Hamlyn Foundation is making good progress against the three core aims of its Strategic Plan. But it also finds that the Foundation needs to re-focus its efforts around the two supporting aims of research and capacity building.

The Strategic Plan has ushered in profound changes in the scale and nature of the Foundation's giving and in the way in which it operates. Annual giving is now £18.6 million, with a 60:40 split between Open Grants and Special Initiatives. A root and branch re-structuring of the organisation was introduced at the outset of the plan based on four programme areas with their own heads, programme committees and external advisors. Four new trustees have further increased the width and depth of Foundation's expertise.

The Strategic Plan commits the Foundation to making an impact not just on the lives of individuals and on the organisations it supports, but across the fields in which it operates by changing policy and practice. Where this higher level of impact is concerned, much is expected of the six Special Initiatives launched as part of Plan over the past three years.

The Foundation's peers and partners see it as a rigorous and imaginative grant-maker and as an important force for change in their spheres of work. This view is backed up by the Foundation's own reporting systems which record that 75% of its Open Grants are meeting their objectives.

The over-arching story of the Strategic Plan is the attempt by the Foundation to transform itself from a traditional grant-giver into a strategic philanthropist. It appears to be making great strides in this respect. But this level of ambition is bound to stretch and challenge an organisation. The Foundation is consequently learning valuable lessons about how best to support the pursuit of its core aims: the design of Special Initiatives, the relative merits of innovation as a criterion for investment, the role of research in increasing impact and the importance of capacity-building as part of the grant-making process. Putting these lessons learned into practice in the second half of the Strategic Plan will help the Foundation to realise still further the value of its investments.

While progress is good, the real test of the Strategic Plan will be its success in achieving radical, long-lasting change in the fields in which it operates; in other words at the level of policy and practice. There are some signs of this happening but it is still too early to say in many cases - and may even be at the end of the period covered by the Plan. Meanwhile greater attention is needed in the next phase on gauging the impact the Foundation is trying to make, supporting its investments and capturing and sharing the learning that goes on within the organisation and more broadly with the organisations it supports, works with and is attempting to influence.

Our previous approach was about breaking down barriers. We're now much more ambitious and our approach is to try to deal with the causes of problems and to grasp opportunities.

Trustee

Summary of progress against strategic aims

Aim	Progress
<p>Core overlapping strategic aims 1-3:</p> <p>Enabling people to experience the arts Developing people's education and learning Integrating young people who are at times of transition</p>	<p>Good progress, with much more expected from Special Initiatives</p>
<p>Strategic aim 4:</p> <p>Advancing through research the understanding of the relationships between the arts, education and learning, and social change</p>	<p>More to do</p>
<p>Strategic aim 5:</p> <p>Developing the capacity of organisations and people who facilitate aims 1-3</p>	<p>Fair progress, needs more thought and attention</p>
<p>Strategic aim 6:</p> <p>Developing PHF itself to be an exemplary foundation, existing in perpetuity</p>	<p>Mostly on track but more work required</p>
<p>Private aim to commemorate Paul Hamlyn</p>	<p>Achieved</p>
<p>India programme</p>	<p>Significant growth and development</p>

2 INTRODUCTION

In January 2010 Paul Hamlyn Foundation commissioned BOP Consulting to work closely with staff, advisors and trustees on a mid-term review of the Foundation's Strategic Plan for the period covering 2006-2012. The brief was to lead on the three main objectives of the review:

- To review progress in implementing the aims and objectives of the Plan
- To provide an assessment of the Foundation's impact and effectiveness
- To consider changes in the internal environment and how these have affected the Foundation's pursuit of its aims and objectives

The consultants were also asked to address six cross-cutting questions:

1. What is the Foundation learning in the process of implementing the Strategic Plan and how is it using and transferring that knowledge?
2. What is the relative contribution of Special Initiatives and Open Grants to the achievement of the aims and objectives of the Strategic Plan?
3. In the light of the above, does further consideration need to be given to the balance between Special Initiatives and Open Grants?
4. Is the allocation of resources between programmes appropriate and fit for purpose?
5. Is there an appropriate balance between innovation and 'scaling up'?
6. Is the size and speed of the Special Initiatives fit for purpose?

The consultants approached the brief through:

- Desk research and analysis. We have examined a range of internal documents (committee reports, reviews, evaluations) as well as financial and grantee data held in the GIFTS database. See Appendices 2, 3 and 5
- Regular contact with senior officers, who have guided us through existing internal data and shared their insights
- A workshop with staff in which focused on assessing the Foundation's progress in pursuing its aims in research and capacity building
- Face-to-face interviews with trustees
- Interviews with advisors. We also attended a special meeting of advisors dealing with the subjects of innovation and participation. See Appendix 4
- Structured discussions with critical friends and stakeholders. We hosted two focus groups and have also interviewed individuals by phone. See Appendix 4

This report summarises the data, analysis and insights gathered from the different strands of the work. It starts by highlighting the main achievements of the last four years. It goes on to report on progress against objectives and provides an assessment of the impact of the Foundation's work, proposing a new impact reporting framework for future use. It then addresses the six cross cutting question in the brief. The report concludes by highlighting the key issues to be considered by the trustees, advisors and the executive.

3 MAIN ACTIVITIES AND ACHIEVEMENTS

We have set ourselves ambitious aims, and we will be working in sometimes difficult and often uncharted territory. The scale of the plan requires the Foundation to be transformed over the next few years. We have already experienced considerable change since 2001 and believe we have the skills and capacity to transform ourselves further to meet the objectives out in this plan.

Introduction to Strategic Plan 2006-2012

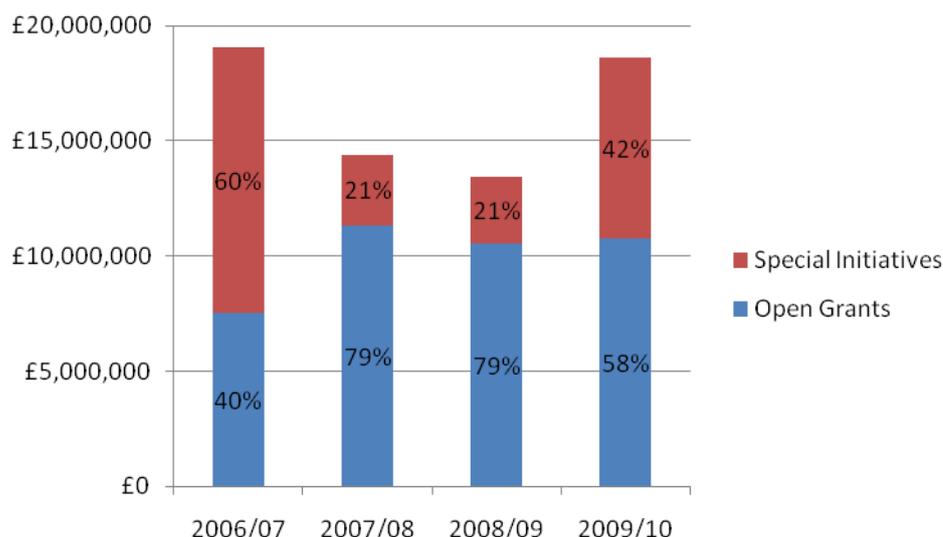
Paul Hamlyn Foundation is making the transition from a traditional grant-maker to a strategic philanthropist. This involves giving out considerably more money in a more strategic way and transforming the way it operates and thinks of itself.

As planned, annual giving has increased to £20m per year, spread fairly evenly across the three UK programme areas, with a smaller amount going on the India Programme. Total grant expenditure to the end of 2009/10 will be just under £70 million.

The Special Initiative is the hallmark of the Strategic Plan – and one of the hallmarks of a strategic philanthropist. The Foundation has launched six since 2006 - with two in the pipeline. These now account for 40% of annual expenditure, in line with the 50% target.

The Foundation has made 400 awards in response to over 4,000 applications under the Open Grants scheme.

Table 1: Annual Grant Expenditure: 2006-2009



The Foundation has successfully transformed its own management and operational structures in order to pursue the aims of the Strategic Plan. In 2006 the executive was restructured around the four main programme areas, with the recruitment of Programme Directors, newly formed programme committees and special advisors (all but one of them

new) for each programme. The number of staff has doubled, bringing in a much broader mix of skills to deal with the increased volume of grant giving and the Special Initiatives.

At the level of governance there are four new trustees (out of nine), recruited for their knowledge of Foundation's programme areas but also their expertise in other broader areas such as finance and public affairs. Decision-making for individual grants is primarily delegated to the programme committees.

In 2007 the Foundation implemented a new 'outcome-based' approach to grant-giving for its Open Grants. This has resulted in a more rigorous grant-making and reporting process – and, as discussed later, with further refinements should give the Foundation a better sense of the impact of its investments in the longer term.

The Foundation has considerably increased the scale and diversified the range of its giving in India, establishing a permanent office there for the first time in 2010.

In May 2007 the Foundation donated £10m to establish the Paul Hamlyn Education Fund within the Royal Opera House Endowment Fund. In recognition of this gift the Floral Hall was renamed the Paul Hamlyn Hall, thus fulfilling the trustees' aim of making one single large grant to create a permanent commemoration of Paul Hamlyn. This is categorised as a Special Initiative in the analysis of grant expenditure for 2006/07 in Table 1.

There are ongoing improvements to communications. This includes a new website (with an online application process), email newsletters, and a distinctive Yearbook which summarises the achievements of the Foundation, and which is viewed as exemplary by other foundations.

The Foundation has a good reputation in the fields in which it works. According to the recent *Grantee Perception Report*, grantees increasingly see the Foundation as an effective organisation and mostly have a positive experience in their interactions with it. The Foundation is viewed as a 'precise and imaginative' by non-grantees. But there is a clear desire amongst this group for clearer communication about learning and impact and even more partnership working.

We're in the third phase of our existence. When we started we were about audience development. Musical Futures defined the second phase: it taught us to be more strategic. This third phase seems to be defined by our Special Initiatives, especially Right Here, which seems right for the times, both in approach and subject matter.

Trustee

The table in Appendix 1 illustrates the breadth and diversity of the Foundation's activity by setting out the main milestones reached over the last four years.

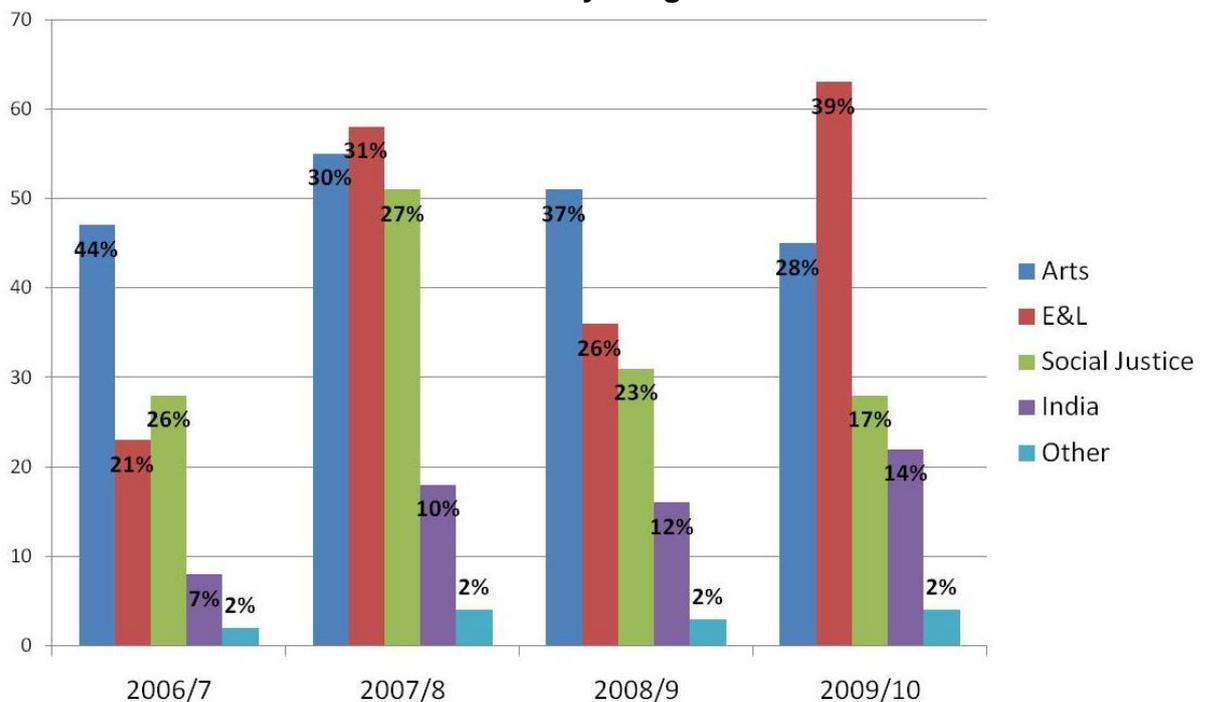
Appendices 2 and 3 contain a more detailed analysis of the Foundation's finance and grants data including levels and types of expenditure, grant-giving by programme area, type of activity and age group, and resources devoted to capacity building and evaluation.

4 PROGRESS AGAINST STRATEGIC AIMS

4.1 The Three Core Strategic Aims 1-3

The Special Initiatives and Open Grants are all clearly in line with and contributing to the pursuit of these three core aims. There is a fairly even spread of grants across the three UK programme areas. Staff and advisors report that there has been a considerable improvement in the quality of applications under the Open Grants Scheme over the past two years. This is attributed the depth of engagement in the particular programme areas, but also the new more rigorous two-stage application process. Though the three main programme areas are operationally distinct – and summarised individually below - they contribute collectively to the achievement of the three core strategic aims of the Plan.

Table 2: Number of Grants Awarded By Programme Area 2006-2010¹



Strategic aim 1: Enabling people to experience the arts

To support innovative ways of increasing people’s enjoyment of the arts

Arts programme

The Strategic Plan introduced a considerably broader approach to funding in the arts area, so this was effectively a new programme area in 2006. The Foundation has worked hard to expand its reach in terms of arts forms, age groups and geography. It now has a ‘mosaic’ of investments across the UK, plus a flagship Special Initiative in the form of the Breakthrough Fund. The Foundation’s well-established *Awards for Artists* and the *Jane*

¹ In addition to these grants, in 2006/07 a further 66 arts grants and 13 education grants were awarded under the continuation of the previous small grants programme. These have been excluded from the above figures.

Attenborough Dance in Education (JADE) fellowships are run under the programme. Two further Special Initiatives are in the pipeline: *Artists Working in Participatory Settings* and *Participation in Museums and Galleries*. Projects tend to break down into three main categories: improving and/or expanding provision, improving access (largest category) and building capacity (mostly through the professional development of artists or teachers).

There is a considerable number of projects in the other programme areas which also contribute to this aim.

Strategic Aim 2: Developing people's education and learning

To support innovative ways of supporting people's education and learning

Education and Learning Programme

Musical Futures (originally launched in 2003 and now extended to 2012) remains a talismanic initiative for the Foundation. It has spawned two new Special Initiatives, based on the principles and practice: *Learning Futures* and *Musical Bridges: Transforming Transitions*. A further two Special Initiatives have also been launched: *What Works* and *Learning Away*. The Education and Learning programme is therefore managing five of the Foundation's seven live Special Initiatives.

The education and learning programme takes a themed approach to awarding Open Grants, focusing on encouraging new approaches to truancy and exclusion, supplementary schools and more recently developing young people's speaking and listening skills.

Strategic aim 3: Integrating young people who are at times of transition

Social justice programme

Social justice was set up as a new operational programme area in 2006 – though social justice has always been a core concern of the Foundation. It is a much broader and less well-defined area than its sister programmes. Nevertheless PHF has succeeded in establishing a presence in a number of new areas in a relatively short period of time: notably mental health (through the *Right Here* Special Initiative) and criminal justice, as well as building on its previous work the area of refugees and asylum seekers. *The Reading and Libraries Challenge Fund* pre-dates the Strategic Plan, but the lessons from this strand of investment have been influential in the design on *Right Here* and the Foundation's broader thinking about social innovation. A large proportion of projects funded through the Open Grants in this area are either delivered through arts organisations or make use of arts-based approaches.

Right Here is the largest Special Initiative. And it is the most sophisticated in terms of the processes used to research and develop the proposition, the number of partnerships and its approach to capacity building and evaluation.

4.2 Supporting strategic aims

Strategic aim 4: Advancing through research the understanding of the relationships between the arts, education and learning, and social change

While the Strategic Plan makes it clear that PHF is unlikely to commission 'stand-alone research', there has been very little formal research in areas where three programmes overlap. One example of this is the review by Loughborough University of PHF's support for arts based work in the criminal justice system.

There is much more research activity, mostly in the form of evaluations and reviews, going on within the individual programme areas. The Special Initiatives are developing increasingly sophisticated approaches to capturing and spreading knowledge. For example, the *SPEAK* (Strategic Planning Evaluation and Knowledge Networking) approach with *Right Here*, which links formal and informal ways of learning and advancing understanding.

Stakeholders strongly expressed desire to be more actively involved in knowledge sharing with the Foundation; not just within the three programme areas but about how social change is achieved more broadly (this is a key objective for the Foundation under this aim). The *Grantee Perception Report* found that grantees are equally eager for the Foundation to connect them with each other and to pools of knowledge and expertise.

Staff, advisors and stakeholders recognise that a great of learning is taking place around the Foundation's programmes. There is widespread agreement that capturing and spreading this, and relating it to questions of improvement, rather than doing 'research', should be the Foundation's main concern going forward. There is a major opportunity to apply the kind of structured and focused learning and improvement found in the Special Initiatives to the work of the Foundation as a whole (see below for more analysis). This thinking is captured in the recent internal document *Towards a Research, Knowledge and Improvement Strategy* as well as the recently prepared *Communications Strategy*, which sets out a clear plan for opening up channels for shared learning and increasing the Foundation's influence on external agendas.

Breadth of research: ways in which PHF is advancing knowledge and understanding

Activity	Examples
Stand alone project specific research	Undocumented Young Migrants
Research and development as part of Special Initiatives	New Philanthropy Capital Report on existing support systems in children and young people's mental health. Similar policy scanning in Learning Away and Learning Futures
Action research as part of Special Initiatives	Action-research evaluation of Learning Away Learning Futures
Communities of Practice around Special Initiatives	Right Here: meetings of pilots and planned online community. Advisory practice and policy fora Similar approach in Learning Futures and What Works
Evaluations and Reviews	University of Bristol Evaluation on Learning Futures Review of grant making areas: Truancy and Exclusion theme
Consultative R&D behind Special Initiatives	PHF staff secondment to Mental Health Foundation as part of Right Here
Meeting and activities of special advisers and trustees	Special meeting of advisors on innovation, change and participation. Go and see visits by trustees, advisors and officers

If you want to make sector-level change you have to twist the mainstream, bend it to your ends. You can't work against it or compete with it or work outside it. This means changing the way the political elite thinks.

Trustee

Strategic aim 5: Developing the capacity of organisations and people who facilitate aims 1-3

Capacity building consists of supporting organisations to improve their capabilities and thus to increase the effectiveness of their work. The Strategic Plan defines capacity building as support for:

- Individuals at critical 'turning points' in their work
- Innovation in training and development
- Individuals working in organisations in roles which are catalysts for radical
- Change of that organisation
- Integrated models of organisational and financial stability, programme quality and growth to improve performance and impact

These types of support can be found across the Foundation's work but are a particularly important feature of Special Initiatives. *Right Here* uses peer mentoring. The *Breakthrough Fund* is primarily concerned with supporting individuals who are both catalysts for radical change in their organisations and at 'turning points' of their work. In each case there are dedicated structures and resources.

However, a great deal of less formal capacity building also takes place as part of the Open Grants process. This is referred to as 'beyond grants' and consists largely in sharing knowledge and information on either a one-to-one or group basis (e.g. through seminars or publications). Programme heads estimate that this activity takes up 15-30% of their time.

Stakeholders and advisers report that PHF officers, because of their sector knowledge, are particularly good at signposting grantees to other sources of funding, but also in helping them in the broader process of strategic and business planning. But at present there is no way of knowing the true impact of this work. The *Grantee Perception Report* suggests a potential problem with the current approach: with a great deal of attention at the beginning of the grant but much less at the 'exit' point. All of the other grant-making organisations consulted pointed to the importance of this type of support while emphasising the dedicated staff time and resources required – especially in a time of economic austerity, where other sources of funding are in shorter supply.

Capacity Building: Notes from Staff Workshop

How Paul Hamlyn Foundation does it?	How well?
<ul style="list-style-type: none">▪ Significant time spent with applicants at an early stage (this an integral part of the application process and all applicants benefit from this support)▪ Signposting to external experts who can help grantees▪ Building peer support is part of some Special Initiatives, including dedicated funding (Right Here, Learning Away)▪ JADE and Breakthrough Fund both have strong elements of capacity building	<ul style="list-style-type: none">▪ First contact: very well▪ There is less support in the later stages of the grant period, in particular at the very end of a grant (if there is, it is dependent on a specific assessor)▪ Recently, have used some systematic policy and literature reviews as part of the support framework (e.g. highlighting best practice)

It's a bit naïve to think you can do genuine capacity building as part of the open grant process – especially with the emphasis on innovation and developing new projects all the time. You have to put real time and money into it – like the Breakthrough Fund.

Fellow Foundation Director

Strategic aim 6: Developing PHF itself to be an exemplary foundation, existing in perpetuity

- *To adopt investment and financial strategies to achieve a secure level of funding to support our mission, given our aim to be a perpetual foundation*
- *To ensure our staff, processes and offices effectively support the delivery of our aims*
- *To promote to key audiences the importance and outcomes of the work we fund and the activity we undertake, and increase awareness of PHF*
- *To support and encourage grant making foundations and philanthropy*

Most of the individual objectives contained in the Strategic Plan have been achieved or are being actively pursued, from practical improvements to grant-making systems like the new online application process to the *Grantee Perception Report* and involvement in the Woburn Place Collective where the Foundation is taking a leadership position in its sector.

The Foundation is respected by its peers and partners, many of whom in the course of the review expressed admiration for the thinking behind the Strategic Plan. It is seen as an important 'catalyst for change' by stakeholders in the fields in which it works. These people appreciate the thoughtful way in which the Foundation goes about its business. Adjectives such as 'precise', 'rigorous' and 'imaginative' are commonly used in reference to the Foundation. At the same time, there are critical friends in both camps who think that, while noble, the intentions expressed in the Strategic Plan about bringing about long-lasting change may be over-ambitious for the time-scale.

The sheer breadth of PHF's work is not fully appreciated by stakeholders: a reflection on the speed at which the Foundation has expanded its operations but may also partly be a consequence of working through three distinct programmes. This underlines the need to be more active in communicating about the range of its activities to the full spectrum of those it is seeking to support and influence.

The new staffing and decision-making structures, the approach to Special Initiatives, as well as the outcome-based system for grant giving have greatly improved the effectiveness of the Foundation, though, as we describe below there is room to do more in promoting the outcomes of its work to key audiences.

By pursuing the Strategic Plan to its logical conclusion (by continuing on the path of 'strategic philanthropy') the Foundation will advance its reputation still further and move even closer to realising this strategic aim.

The grant to the Royal Opera House in 2007 - described below – should also be regarded as exemplary. Making a grant to endow an activity is the "holy grail" of foundation funding. Moreover, Paul Hamlyn's name is linked to a prestigious building without PHF having to fund a capital project (which is contrary to PHF's aims).

View from the Management Team: notes from the Staff Workshop

Paul Hamlyn Foundation is an exemplar at three levels:

- As an employer PHF offers: facilities, policies and structures (e.g. employee benefits, flexible working hours, training etc.); a convivial, supportive internal climate
- As grant-maker PHF offers values (openness, transparency, effectiveness and change e.g. through outcomes frameworks); valuing the views of grantees (e.g. Grantee Perception Report). PHF is very strong on this 'values' aspect. Also important are the developments in communications and planning – with trustees and advisors
- As an organisation with social responsibilities PHF has a commitment to partnerships values/ethics sharing of practice. PHF aims to drive this agenda as an exemplar among other foundations and in the field

4.3 Additional objective agreed in 2005 (and not included in the Strategic Plan)

In 2005 as part of the development of the Strategic Plan, the trustees agreed an additional, private strategic aim. This was to make one major grant to fund a permanent memorial to Paul Hamlyn. They took the view that this would be exceptional as the ongoing work of the Foundation would be the main way in which Paul Hamlyn would be commemorated.

In May 2007 the Royal Opera House (ROH) and PHF announced a donation of £10m to establish the Paul Hamlyn Education Fund within the Royal Opera House Endowment Fund and the naming of the Paul Hamlyn Hall at ROH. The gift was made to permanently support the ROH's community and education work, and the renaming was to reflect the 20 year relationship between Paul Hamlyn, the Foundation and the ROH. The endowment fund was used by ROH to start a new campaign seeking additional endowment donations.

The fund has enabled the ROH to innovate and sustain high quality community and education work.

4.4 India Programme

In 2005 Trustees decided not to include the development of the India programme in the 2006-12 Strategic Plan but instead to address this through a stand-alone strategy which was to be produced in 2007. In 2007 PHF carried out a consultation exercise with its India grantees and the PHF consultant in India was given a sabbatical at the National Institute for Rural Development in order to spend time developing the Foundation's plans.

Grant expenditure in India has trebled since 2006. A strategy published in 2007 commits the Foundation to building on its historical programme in important new ways: by extending the geographical spread of support outside the main urban areas and by working more closely with local structures set up through the National Rural Employment Guarantee Act (NREG). The strategy is being implemented as intended, both in terms of the geographical targeting and work on the NREG. The Foundation has established a Programme Committee with external advisers based on the UK model and has received permission to establish a liaison office, which opened in December 2009.

Staff and advisors express the view that there are two small overlaps between the India and UK programmes. Both programmes can learn from each other about the capacity-building and evaluation side of grant-giving. There may also be lessons to be drawn from India for the UK programme about participation and social justice. But the socio-economic and political contexts of the two places are so vastly different, that there is a limit to the synergies to be found and encouraged. Nevertheless the potential overlaps between the UK and India need to be considered as part of the Foundation's future communication and improvement activities.

5 OUTCOMES, IMPACT AND EFFECTIVENESS

There is no story without numbers; but numbers don't mean much without a story.

Alliance Magazine

5.1 Developing an impact reporting framework

As a strategic investor, the Foundation seeks to make an impact at three levels: individual and community, organisation, and policy and practice.

One of the objectives of the Strategic Plan, set out under the aim of becoming an exemplar foundation, is to 'Develop a systematic approach to understanding, assessing, monitoring and evaluating the outputs and outcomes of the activities we support.'

Evidence of impact of philanthropic investment is notoriously difficult to collect and furnish. All of the grant-giving friends of the Foundation consulted for this review - from a large Lottery Distributor to a small foundation - confessed to struggling to find ways of assessing in 'return on investment'. There is an ongoing debate within the Foundation world on effective practice.

It is, however, possible to tell a partial story about the Foundation's impact through evaluations and reviews commissioned and through the data collected through outcomes-based system of reporting introduced to the Open Grants scheme in 2007.

These sources tell us that desired outcomes are being achieved at individual and community level and on the level of organisations. There is less evidence of impact on policy and practice. With exception of *Musical Futures* on music teaching, we have yet to see any systemic radical changes from Special Initiatives because all of the others are still at an early stage. But there are possibilities here.

Stakeholders see PHF as an effective grant-maker and catalyst for change. Advisors report that the Foundation's investments are starting to make changes in their sectors, but this is still largely anecdotal. The Foundation's records – going back to 2007 when the outcome-based system was first introduced – tell us that 60% of Open Grants are exceeding or meeting their outcome objectives, with a further 17% partly meeting them (see below for reasons for failure and Appendix 3). This is likely to be higher than the figure for the period as a whole, since the quality of applications has increased and the new two stage system is much more rigorous in selecting projects and defining objectives. A 23% failure rate might be seen as relatively low for a risk-taking grant-maker.

The real challenge, though, is finding a simple way to tell an overall story about impact, which brings data on Special Initiatives together and which aggregates the outcome data from individual grants. Using the outcome-based system as a start, the consultants have worked with senior management to design an overall impact and outcomes reporting framework.

The prototype below attempts to distil at a top/generic level the outcomes and impact achieved or being pursued at each of the three levels. It has been built up by analysing the range of outcomes negotiated as part of Open Grants, analysing the objectives of Special Initiatives and referring back to the overall strategic aims of the Foundation expressed in the Strategic Plan. There is not enough data, categorised in the right way at present to make full use of this framework at present.

Top-level outcomes and impact reporting framework (work in progress)

	Desired changes or outcomes	Signs of change
Individual and Community	<ul style="list-style-type: none"> Increased access and engagement by marginalized individuals and groups Improved skills and capabilities Progression Strengthened relationships within and between community groups 	<ul style="list-style-type: none"> Levels of participation from target groups Numbers achieving qualifications/participating in learning Numbers progressing to employment, further education, other new opportunities Increased positive interaction between individuals within groups and between groups
Organisation	<ul style="list-style-type: none"> Improved skills and resourcefulness Increased capacity and effectiveness Greater financial stability Greater sustainability Increased profile and recognition 	<ul style="list-style-type: none"> Staff and board members with new skills New works and services Number and levels of new sources of income New/improved organisational processes in effective use Continuation of delivery New organisations and partnerships
Policy and Practice	<ul style="list-style-type: none"> Increased public awareness New/more effective approaches and methods New/changed public policy or legislation Increased collaboration and coordination 	<ul style="list-style-type: none"> Media coverage/enquiries/distribution of reports/documents Adoption of new practices and/or policies at sector level Level and number of new funding sources New organisations, partnerships, coalitions dealing with the issue

This reporting prototype framework has a number of potential applications going forward: helping in grant assessment, developing Special Initiatives and helping the organisation to focus more on desired long-term impact. In future it might also be used to develop ways of assessing value for money. The collection and coding of grants data will need to be modified to fit into the generic outcomes categories and indicators. It will also require the Foundation to collect data from organisations once the grant period is complete.

5.2 The Three Levels of Change and Impact

In the meantime, for the purposes of this review we illustrate the actual and potential impact at the individual and community and organisational levels, by setting out grant expenditure (using categories currently used in the PHF Yearbook), supplemented by short project examples – one from each UK programme area. For the level of policy and practice, we provide project examples and also summarise the main objectives of the Special Initiatives.

Individual and Community Level Outcomes

These are the specific changes brought about in the lives of individuals and the communities and institutions they are part of as a result of participation in a funded project. They mostly involve giving people, who would not otherwise have the chance, the skills and confidence to progress to a new level in their lives.

Table 3 shows that 80% of the Foundation's grant expenditure is primarily directed towards achieving individual and community impact.

Table 3: Grant Expenditure by Funding Focus 2006-11: Individual and Community Impact

£ms	2006/07	2007/08	2008/09	2009/10	Total
<i>Participation</i>	3.8	3.1	2.5	6.8	16.2
<i>Social inclusion</i>	1.5	3.7	2.7	1.9	9.8
<i>Multiple/other</i>	1.2	1.4	3	5.5	11.1
Total	6.5	8.2	8.2	14.2	37.1
% overall	89%	67%	73%	93%	80%

Project Examples

Grant	Objectives	Outcomes
The Making	<ul style="list-style-type: none"> To raise awareness of crafts amongst new audiences To increase the knowledge of participants To increase the number of crafts CPD opportunities for teachers 	<ul style="list-style-type: none"> Participation levels exceeded by 50%. Impact was also on families who attended the main events. The only touring integrated participatory crafts programme in the UK
Pakistan Muslim Centre The project targets primary and secondary school students / mentors / tutors from BME community.	<ul style="list-style-type: none"> To Improve education attainment of participating pupils To increase self confidence of participating pupils To improve parents understanding of the UK education system 	<ul style="list-style-type: none"> 50% of children improve their achievement levels 25% of fathers significantly increase their active participation with their children's education 10 tutors engaged in delivering the study support sessions 8 schools agree to contribute at least 50% of the tutor costs
Music and Change Youth-led music project in London housing estate.	<ul style="list-style-type: none"> To address underlying mental health problems of hardest to reach young people, using music as a means of engagement 	<ul style="list-style-type: none"> Achieved all stated objectives with target group, and also began to work with a younger group and individuals with already diagnosed mental health problems who sought access to their support. Hindered in achieving wider change by difficult relationship with a key partner organisation, which PHF helped resolve

Organisational Level

This level consists of better equipped organisations, producing more and better work, in new and more effective ways and reaching an even larger and or more diverse audience.

Table 4 shows that about 20% of the Foundation's grant expenditure is primarily focused on impact at the organisational level.

Table 4: Grant Expenditure by Funding Focus 2006-10: Organisational Impact

£ms	2006/07	2007/08	2008/09	2009/10	Total
<i>Professional Development</i>	0.2	1.5	0.8	0.8	3.3
<i>Service Improvement</i>	0.5	2.7	2.3	0.14	5.64
<i>Total</i>	0.7	4.2	3.1	0.94	8.94
% overall	10%	34%	27%	6%	19%

Individual Project Examples

Organisation	Objectives	Outcomes
Modern Art Oxford: Art in Rose Hill	To integrate the work of the education and exhibition teams to place community engagement and participation more central to MAO core activity.	'Art in Rose Hill' commission shown in one of the main gallery spaces in April 2010. Education and exhibitions teams working collaboratively in selecting artists for Art in Rose Hill, across marketing and audience development. It is now seen as a central part of the gallery's core programme.
Tutu Foundation UK	To increase sustainability of the Tutu Foundation UK and enhanced capacity to fulfil its mission.	At least 20 facilitators delivering "Conversations for Change" are transforming their professional practice to include ubuntu-based structured dialogue techniques.
Music in Detention	To provide model of mixed music workshops in Immigration Removal Centres (IRCs) across England	Worked with success in target organisations and also expanded to include 10 of the 11 IRCs in England. Gained extra financial support from 4 private sector operators of IRCs. Established as only organization offering this support to detainees.

Policy and Practice Level

These are the effects of a project or programme at a higher and broader level. In most cases this type of impact will be felt in the medium to long term – often beyond the life of a particular project or programme. Some of these impacts may be unforeseen or unintended – but never the less positive.

Project Examples

Grant	Objectives	Outcomes
<p>Sistema with Big Noise and Raploch Council New approach by the local authority whereby social services work with the schools involved and Big Noise to work with children on a one-to-one basis. The three partners share all information and look at the children in the context of their families in a truly supportive fashion.</p>	<ul style="list-style-type: none"> To transform lives and empower a community through music 	<p>The systems put in place two years ago are working.</p> <p>The local authority will continue to support the cost of Big Noise on the basis that it would be significantly cheaper for the community in the middle to long term than to have young offenders in prison.</p>
<p>Advisory Centre for Education (ACE) A pilot face-to-face advocacy project, around issues of school exclusion.</p>	<ul style="list-style-type: none"> To increase awareness amongst schools and families on the procedures around exclusion To reduce unofficial exclusions To make Education Advocacy available in other areas of the country 	<p>Smart outcome targets will be set following the initial 6 month research phase.</p> <p>By the end of Year 3 ACE will have identified how the Education Advocate will work most effectively with families.</p> <p>Evidence of ability to minimize exclusions will be shared with key stakeholders.</p>
<p>Prison Radio Association (PRA)</p>	<ul style="list-style-type: none"> To enable PRA to build up its work and establish a national prison radio service 	<p>PRA now runs a national prison radio service having won the support and funding of MoJ to roll out widely.</p>

The table below sets out the actual and potential impact of the three pre-existing and six new Special Initiatives.

Special Initiatives: Top-Level Impact (Actual and Potential)

Special Initiative	Policy and Practice Outcomes
Pre-existing	
<i>Musical Futures</i>	<ul style="list-style-type: none"> 50% of schools nationally using MF approach (achieved)
<i>R& L Challenge Fund</i>	<ul style="list-style-type: none"> Changes to library lending policies (achieved)
<i>R& AS Fund</i>	<ul style="list-style-type: none"> New approaches to integration of 11-18 yr olds (partly achieved)
New	
<i>Learning Futures</i>	<ul style="list-style-type: none"> 5% eng schools using LF approach National recognition of value of engaged learning and composite model
<i>Musical Bridges</i>	<ul style="list-style-type: none"> 25% eng schools using MB approach At least 5 Teacher Training establishments change practice 25% LA's improve practice
<i>What Works</i>	<ul style="list-style-type: none"> Increased awareness of effective practice Improved practice in 50% H.E./ Univ. Institutions
<i>Learning Away</i>	<ul style="list-style-type: none"> Improvements to quality and purpose of residential learning New funding unlocked Change in Ofsted recognition of residential learning
<i>Right Here</i>	<ul style="list-style-type: none"> New approaches to addressing young people's health needs (adopted by PCTs)
<i>Breakthrough Fund</i>	<ul style="list-style-type: none"> New approaches to supporting entrepreneurs adopted New funding unlocked

5.3 Reporting Failure

In spite of all the talk about risk, we are not comfortable with failure and have no way of reporting it.

Trustee

The new outcome-based reporting system allows the Foundation to record instances of failure, where grants do not achieve their desired outcomes. There seem to be two main sets of reasons for failure: unrealistic expectation at the outset about the time and resources required to develop and deliver the project and the challenges of engaging excluded groups. Unexpected changes within the grantee organisation itself, especially of

personnel, is sometimes a factor – though surprisingly rare considering the fragility of most small voluntary organisations. Below are three examples of failed grants, as recorded by the new reporting system.

Failed grants

Grant	Objectives	Outcomes
<p>North Downs Borough Council Participation project in a school and in local estate</p>	<ul style="list-style-type: none"> To engage young people in literature and develop writing skills To foster community cohesion and develop audiences for the Festival 	<p>Very low take up from local residents with some workshops only being attended by 1 or 2 participants. NDBC tried out different approaches to marketing and changing the themes of the events – neither increased take up. As a result NDBC decided to focus on the schools programme only.</p>
<p>Catch up The project targets young people and their parents/carers from traveller community in Lancashire.</p>	<ul style="list-style-type: none"> To equip all participants with literacy and numeracy skills and achieving at least part- time attendance in main stream school for 50% of participants 	<p>Problems emerged which have prevented the project making more progress e.g. lack of time available for the Gypsy Romany Traveller Achievement Service and volunteers. Major problems identified include: building relationships with families, the late start of the project marketing, and the need to maintain high expectations.</p>
<p>National Children's Bureau Northern Ireland</p>	<ul style="list-style-type: none"> To develop children's involvement in NCB, increase the 'policy voice' of young people in NI, develop pioneering change work in children's homes in NI 	<p>Undertook lots of youth led activities, including lobbying of ministers, production of resources etc. But plans to work in children's homes were not realized within time scale available.</p>

5.4 Impact by age group

Table 3 shows that PHF is achieving its aims of supporting people under the age of 30 (Strategic Aims 2 and 3). 40% of expenditure over the period had been targeted specifically on this age group. The same age group is also well represented in the 'multi-age groups' category, which makes up over 50% of expenditure.

Table 3: Grant Expenditure by Age Group 2006-11

000's	2006/07	2007/08	2008/09	2010/11	Total	%
Children (0-11)	0.4	0.7	1.2	0.6	2.9	5%
Young People (12-30)	2.9	5.3	4.6	6.9	19.7	36%
Adults (31-64)	0.06	0.8	0.5	0.7	2.06	4%
Multi Age Groups	1.1	4.9	3.3	6.6	24.66	45%
All ages	2.8	0.6	1.7	0.5	5.6	10%

6 CROSS CUTTING QUESTIONS

6.1 What is the Foundation learning and how is it using and transferring that knowledge?

Work with one hand, wave with the other.

Persian saying, quoted by Trustee

The Foundation is learning to be strategic investor; it is developing its own distinctive approach. This is a 'bottom up/top down' approach which works simultaneously through demonstration (practice) and persuasion (policy and advocacy) to address social challenges or grasp opportunities and that bring about systemic change. This approach requires both the structured approach of the Special Initiative and the more responsive Open Grants.

The individual Special Initiatives are also generating a great deal of learning and increased understanding. Some of this is captured in recent evaluation reports, as listed below.

Main learning Points from existing evaluations

Evaluation	Main Learning Points
Reading and Libraries Challenge Fund Report (Feb 2009)	<ul style="list-style-type: none"> Focus on innovation but higher impact could have been achieved through greater emphasis on sustaining the activity Projects should have had more support in terms of management
Musical Futures interim evaluation (2009)	<ul style="list-style-type: none"> Important to informalise the way music is taught and personalise the nature of the opportunity
Evaluation of the Fund for Refugee and Asylum-seeker Young People (2008)	<ul style="list-style-type: none"> For some, has provided a short-term solution to their funding problems, but they have not been able to secure continuity funding, or to develop partnerships to help sustain their work
Criminal Justice Project Review (Feb 2009)	<ul style="list-style-type: none"> Many project proposals show too ambitious aims that they are then unable to achieve Lack of clarity about intended outcomes compounded by the absence of any explicit model of change Aims and objectives of many programmes were focused on individual participants and limited consideration of the other potential effects on organisations, the community or policy
Review of PHF's 'Tackling school exclusion and truancy' scheme (2009)	<ul style="list-style-type: none"> Preventative approach is more successful than reactive intervention Majority of funding in programme goes to new pilots (rather than scaling up pilots or existing programmes)

Communicating and transferring knowledge

The recently produced communications strategy sets out more comprehensive approach to transferring knowledge based on what the Foundation has learnt over the past four years. There are four main strands of activity:

- Support of grants cycle: a new applications system, development of website support information, grantee communications – email newsletter and the Yearbook (a widely admired publication)
- Profile: PR/media Agreement on enhanced media strategy
- Support for Special Initiatives through: publications, micro-sites, newsletters PR/media, events
- Building greater capability for measuring impact: website use analysis Grantee Perception Report, feedback mechanisms, e.g. for yearbook, media monitoring

The launch of the new website in Spring 2010 completes a lengthy phase of 'infrastructure development' aimed at enabling the Foundation to effectively communicate its messages through appropriate, up-to-date channels.

With these in place, the future focus is on maintaining and increasing output through these channels and pursuing greater external profile through increased dissemination of learning – including media engagement, increased publishing output (in conjunction with the *Research, Knowledge and Improvement Strategy*) and events.

6.2 What is the relative contribution of Special Initiatives and Open Grants to the achievement of the objectives of the Strategic Plan?

In the light of the above, does further consideration need to be given to the balance between Special Initiatives and Open Grants?

While Open Grants and Special Initiatives are a very different approach to grant giving in an operational sense, drawing a sharp distinction between the two does not give a true representation of the way the Foundation works. Special Initiatives include grants to smaller projects/organisations, whose role it is to provide fresh new approaches to problems. Open Grants can be strategic or, at least, tactical, as well as large: for example, to the South Bank Centre or Sistema. The Education and Social Justice programme have 'theme' Open Grants around strategic issues.

The interplay between the two is an important part of the strategic philanthropy that PHF is exploring for itself by implementing the Strategic Plan. The 50/50 target – which will be achieved next year – set out in the Strategic Plan is as good a starting point as any. The majority view across the advisors, trustees and stakeholders were that the Special Initiatives approach is more likely to produce demonstrable long-lasting change at the end of period – and beyond – but that it is good to have an inter-play between this and the more responsive approach of Open Grants.

Do we go for the more bureaucratic and directed approach of the Sis or the more responsive, freer approach of the Open Grants? It's actually good to have both. But it's a tightrope to walk, keeping the balance. I think the balance is about right at present.

Advisor

Special Initiatives or Open Grants? It's not a theological question. What matters is supporting good organisations and good projects.

Trustee

6.3 Is the allocation of resources between programmes appropriate and fit for purpose?

The allocation of resources across the programmes is not seen as a major issue by most consultees, including trustees. Most of the external stakeholder consulted thought that it made sense, given the Foundation's three overlapping core aims, to have roughly even expenditure across the three main programme areas.

As the findings of this review show, the bigger question for each programme is the time and resources required on activities over and beyond the core business of grant-giving, in particular the work on Special Initiatives, on capacity building and learning and improvement. This needs further consideration, monitoring and management.

6.4 Is there an appropriate balance between innovation and 'scaling up': i.e. are there too many pilots?

All foundations face the question of whether it is better to use their (relatively) modest resources to support new approaches or to support organisations to scale up existing work. Sometimes this might be scaling up an innovation funded by the Foundation. This dilemma is felt across the Foundation. Supporting innovation is a key part of the Strategic Plan. But as a number of trustees remarked, innovation should not be supported for its own sake but to bring in pursuit of the Foundation's aims.

The evidence from the *Grantee Perception Report* is that the Foundation is three times more likely than its comparable cohort to support new rather than existing programme activity. Advisors and stakeholders see this as a strength of the Foundation's work. Is the balance right? There is no simple answer, but it is clear that this question cannot be separated from the related questions concerning the best approach to capacity-building.

6.5 Is the size and speed of the Special Initiatives fit for purpose? Should we consider smaller, faster approaches?

PHF is respected for the rigorous way in which it approaches its Special Initiatives. But they often take longer than planned. This is par for the course in most cases. But there can be a danger of losing the moment. There is no reason why smaller Special Initiatives could not be introduced with shorter development cycles. It depends on the opportunity that arises and the nature of the issue/field being addressed. This approach might fit well with a more structured approach to research, knowledge and improvement.

We might need a quicker development cycle: there can be a danger of missing the chance to innovate because the landscape shifts.

Advisor

7 IMPLICATIONS FOR PAUL HAMLYN FOUNDATION

This review finds that Paul Hamlyn Foundation is still at the early stages of learning how to be a strategic philanthropist. The first four years of the Plan have rightly focused on gearing up to pursue the first three core aims of the Strategy. Major internal changes have taken place. A great deal of activity is now underway, with a great deal more in the pipeline. There is a potentially powerful distinctive model of strategic philanthropy in the making.

There is no suggestion from the findings of the review that the Foundation should change its direction of travel. Indeed, PHF's peers and collaborators are keen for the organisation to 'carry on and hone it'. The focus on its three core strategic aims should continue. But the findings of this review suggest that much greater attention needs to be given in the next phase of the Strategic Plan to the activities which support the successful pursuit of these aims.

There are four specific issues to be dealt with:

1. Demonstrating and reporting on outcomes and impact

In keeping with its new strategic approach, the Foundation would benefit from being more explicit about the impact it is seeking to achieve – particularly at the more strategic level of policy and practice. This will require investment in assembling that evidence in an integrated way so that it has a clearer narrative about its successes and failures. This is both an internal and external process (see below).

The proposed new impact reporting framework, which builds on the outcomes-based Open Grants process, is a good starting point. It can be used to assess grants, design Special Initiatives, improve reporting – and as an important reference point for future research and improvement activity. It might also be used as the basis for developing value for money indicators.

The framework will help to address the questions about longer-term impact of which the Foundation will want to know for itself and to tell the world about at the end in 2013 and beyond.

2. Research, knowledge and improvement

The Foundation can make a great deal more of the knowledge building up within and across its programmes to advance its aims. Thinking within the organisation has moved on from research per se, to a broader understanding of how knowledge is generated, captured and spread. Effective models for this type of knowledge advancement already exist within several Special Initiatives. The process of internal and external consultation behind this review itself is a good example of knowledge sharing.

The Foundation's knowledge about social change is particularly valuable in context of the larger than expected economic and political changes which have taken place in the lifetime of the Plan. One advisor suggests that Paul Hamlyn Foundation, along with other

Foundations who work in the field of educational reform, should be publicly re-enforcing the lessons learnt from the work of the past decade to future political administrations.

3. Capacity building

The Foundation should consider the current internal resources – including the knowledge and skills, required to work more effectively in this area - in particular around Open Grants. This would include a re-evaluation of how officers work within the project cycle, with more engagement during the course and at the end of a project. Again, Special Initiatives provides models for structured capacity building. The Foundation can also build on its growing 'Beyond Grants' activity.

4. Communications

All of the above activities have an important external as well as internal dimension. The Foundation will require an ever-stronger public narrative about its impact as the Strategic Plan moves to its conclusion. The learning and improvement loop includes grantees, partners and stakeholders, as well as the broader sectors in which the Foundation works. Persuading others to adopt agendas, invest in organisations and fund programmes is a vital part of capacity building. The Communication Strategy points the way forward. There is plenty of scope to make even more use of communication tools such as the website and the Yearbook.

APPENDICES

1 OVERVIEW: KEY MILESTONES REACHED

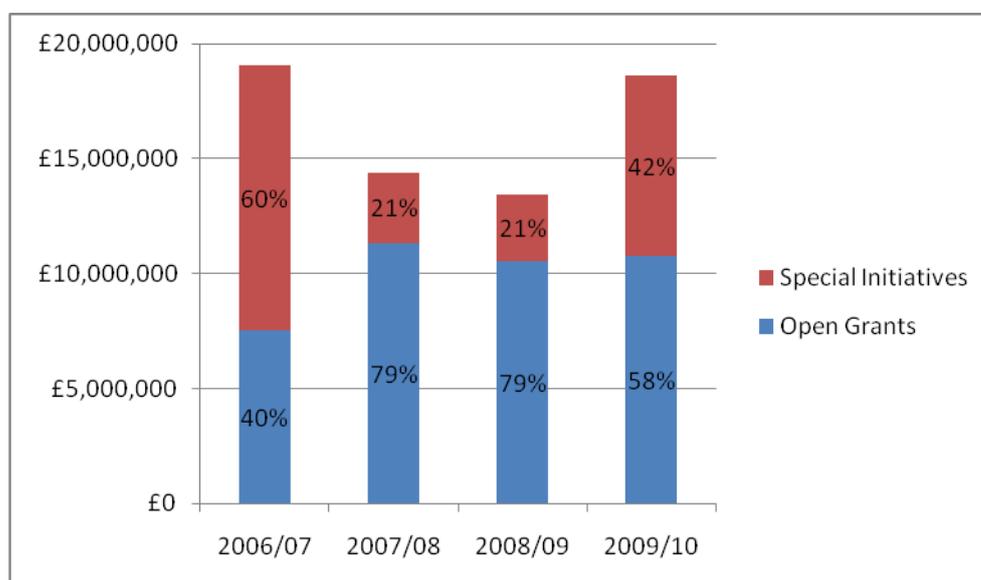
	06 - 07	07 - 08	08 - 09	09 - 10
Overall	New advisors in place New trustees Programme committees introduced New online application system	New outcome-based grants system	Newsletter International study Recognised as 'Innovation Broker' Australian Music Association adopts <i>Musical Futures</i>	Special Initiative expenditure – 40% Further improvements to the application process <i>Communications Strategy</i> <i>Research Knowledge and Improvement Strategy</i>
Arts	Broader guidelines introduced <i>Awards for Artists</i> expanded: composers <i>JADE</i> Strategic projects with Cultural Learning Partnership, Missions Models Money, PAEback	Larger grants <i>Breakthrough Fund</i> launched <i>Artists Working in Participatory Settings & Participation in Museums and Galleries</i> in development	Culture and Learning initiative Marked increase in applications for Open Grants	<i>Artists Working in Participatory Settings</i> approved
Education & Learning		<i>Musical Futures</i> extended 59% increase in Open Grants <i>Speaking and Listening</i> as a theme	<i>Learning Futures</i> launched <i>Learning Away</i> launched <i>What Works</i> launched	<i>Musical Bridges: Transforming Transition</i> launched
Social Justice	Programme Launched 2 Funds running Care Matters NIACE – participatory evaluation	Gearing up Social leadership programme <i>Right Here</i> in development	<i>Right Here</i> launched Open Grants 2 themes -progression pathways -understanding between young people Citizens for Sanctuary	<i>No Right to Dream</i> published
India	5 grants Strategic Plan published		Work with Panchayats' New advisors	Office opens
Evaluation & knowledge	New Yearbook format Woburn Place Collective <i>Going Global</i>	Outcome-based reports introduced Beyond Grants <i>Just Change</i>	<i>Musical Futures</i> interim evaluation, Evaluation of the Refugee and Asylum seeker Young People programme, <i>Reading Libraries Challenge Fund</i> Evaluation	<i>Right Here</i> and <i>Breakthrough Fund</i> Evaluations <i>Grantee Perception Report</i> Review of truancy and exclusion theme

2 ANALYSIS OF EXPENDITURE 2006/07 – 2009/10

2.1 Grants Awarded 2006/07 – 2009/10

Expenditure (all programmes)

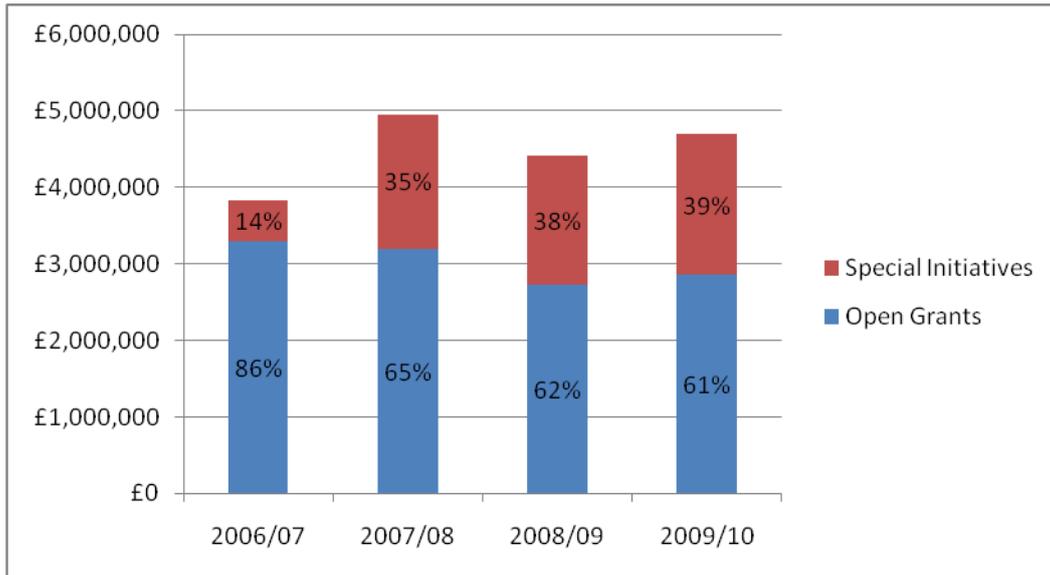
Expenditure	2006/07	2007/08	2008/09	2009/10
Open Grants	£7,554,790	£11,340,138	£10,569,223	£10,753,770
Special Initiatives	£11,490,860	£3,060,000	£2,847,836	£7,888,105
Total	£19,045,650	£14,400,138	£13,417,059	£18,641,875



- 2006/07: Large share of Special Initiatives due to Royal Opera House spend
- Significant increase in share of Special Initiatives in 2009/10: *Learning Away, Learning Futures, Right Here*

Expenditure Arts

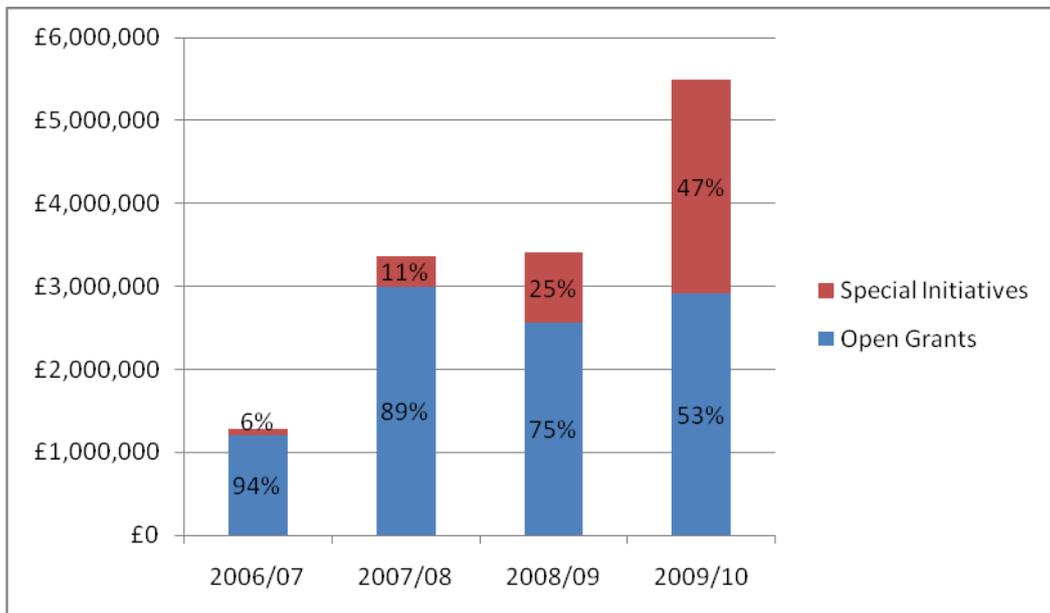
	2006/07	2007/08	2008/09	2009/10
Open Grants	£3,304,082	£3,198,697	£2,730,932	£2,860,000
Special Initiatives	£530,253	£1,759,000	£1,684,003	£1,831,013
Total	£3,834,335	£4,957,697	£4,414,935	£4,691,013



- Increase in Special Initiatives share up to 2008/09 (Breakthrough Fund)
- 2009/10 start/development of 2 new Special Initiatives without major spend

Expenditure Education

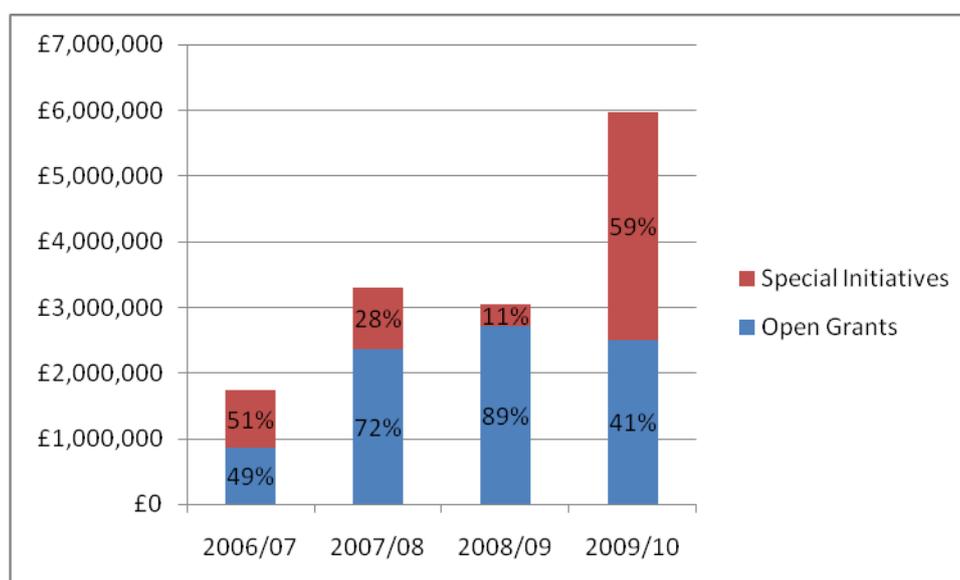
	2006/07	2007/08	2008/09	2009/10
Open Grants	£1,206,234	£2,994,678	£2,561,260	£2,910,000
Special Initiatives	£76,700	£374,000	£847,667	£2,579,712
Total	£1,282,934	£3,368,678	£3,408,927	£5,489,712



- Significant Increase in Special Initiatives share in 2008/09 (start of new Special Initiatives: *Learning Away, Learning Futures, What Works? Student Retention and Success, Musical Futures*)

Expenditure Social Justice

	2006/07	2007/08	2008/09	2009/10
Open Grants	£862,634	£2,371,902	£2,723,812	£2,500,000
Special Initiatives	£883,907	£927,000	£316,166	£3,477,379
Total	£1,746,541	£3,298,902	£3,039,978	£5,977,379



- Significant increase of Special Initiatives spend in 2008/09 (*Libraries Challenge and Asylum Seekers Fund*) and 2009/10 (*Right Here*)

Expenditure India

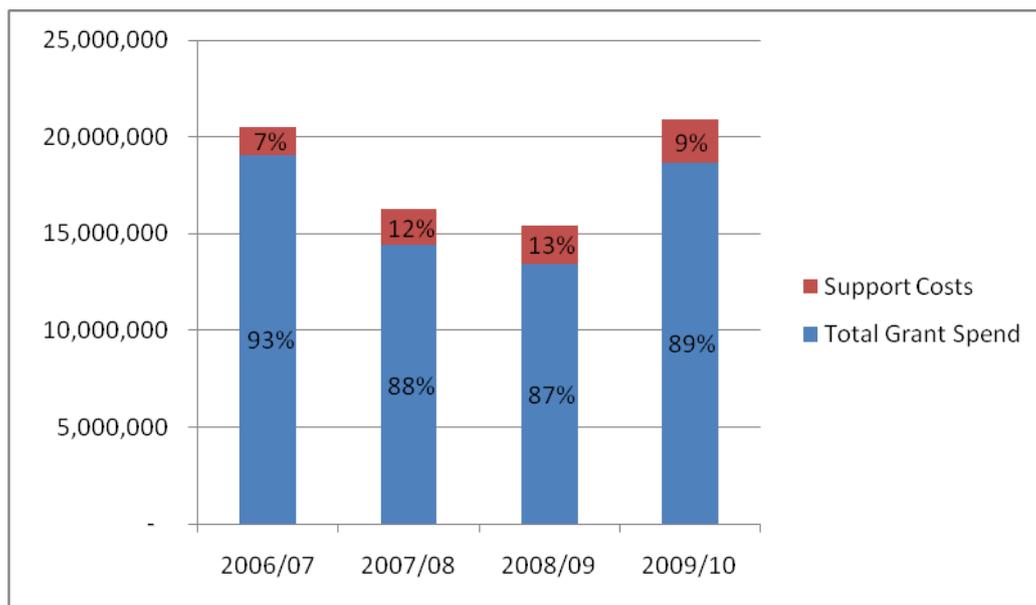
	2006/07	2007/08	2008/09	2009/10
Open Grants	£386,897	£637,849	£452,719	£931,996

Expenditure Other

	2006/07	2007/08	2008/09	2009/10
Open Grants	£1,794,943	£2,137,012	£2,100,500	£2,210,000
Total	£1,794,943	£2,137,012	£2,100,500	£2,210,000

2.2 Grant spend vs. support costs

	2006/07	2007/08	2008/09	2009/10
Total Grant Spend	19,045,650	14,400,138	13,417,059	18,641,875
Support Costs	1,487,000	1,872,000	2,001,397	2,245,000
Total Spend	20,532,650	16,272,138	15,418,456	20,886,875



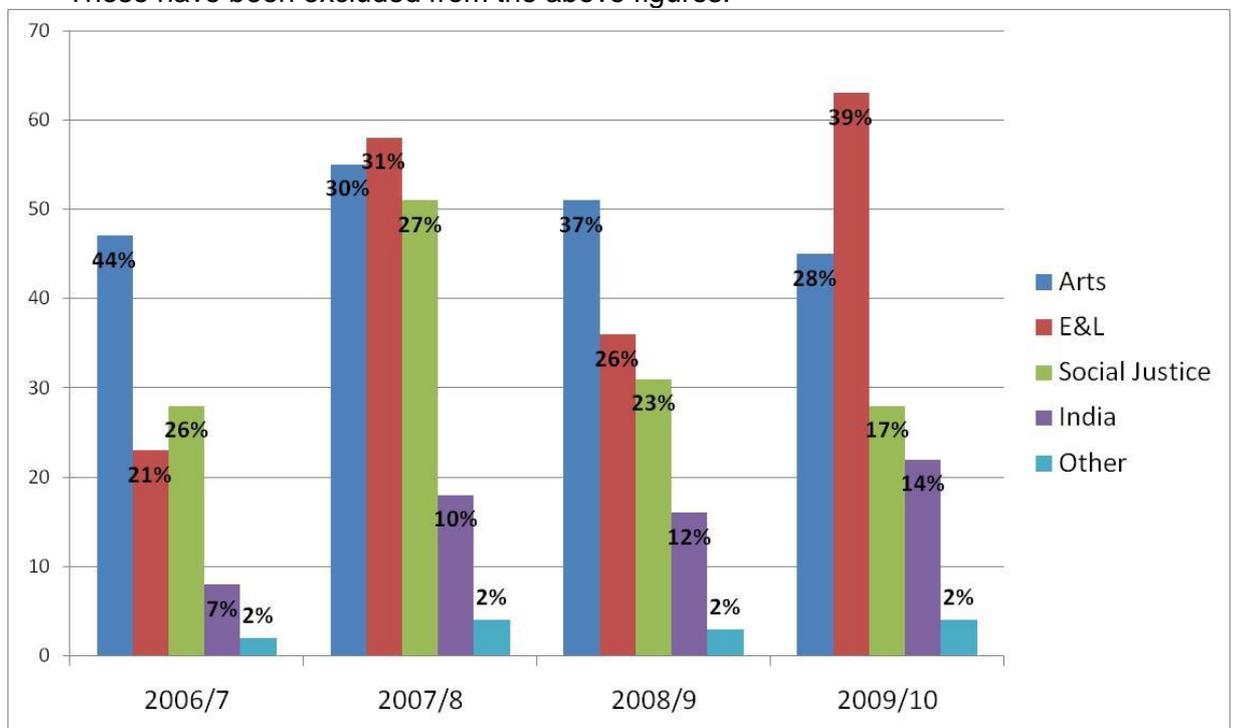
- 2007/08 and 2008/09 increase in share of support costs
- Average spend on support costs is 10% - in line with figure in Strategic Plan which aims to spend 'c10%' on support costs.

3 GRANT AWARDS 2006/07 – 2009/10

3.1 Total number of grants awarded (Open Grants and Special Initiatives)

Grants Awarded	2006/07	2007/08	2008/09	2009/10
Arts	47	55	51	45
E&L	23	58	36	63
Social Justice	28	51	31	28
India	8	18	16	22
Other	2	4	3	4
Total	187	186	137	162

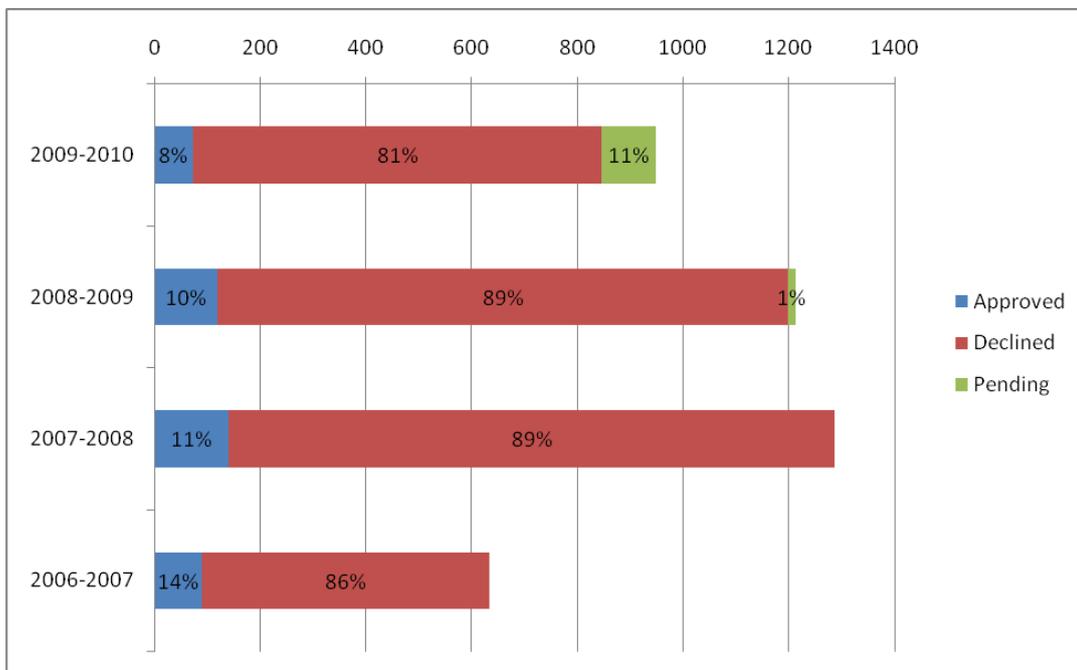
- Note: In addition to these grants, in 2006/07 a further 66 arts grants and 13 education grants were awarded under the continuation of the previous small grants programme. These have been excluded from the above figures.



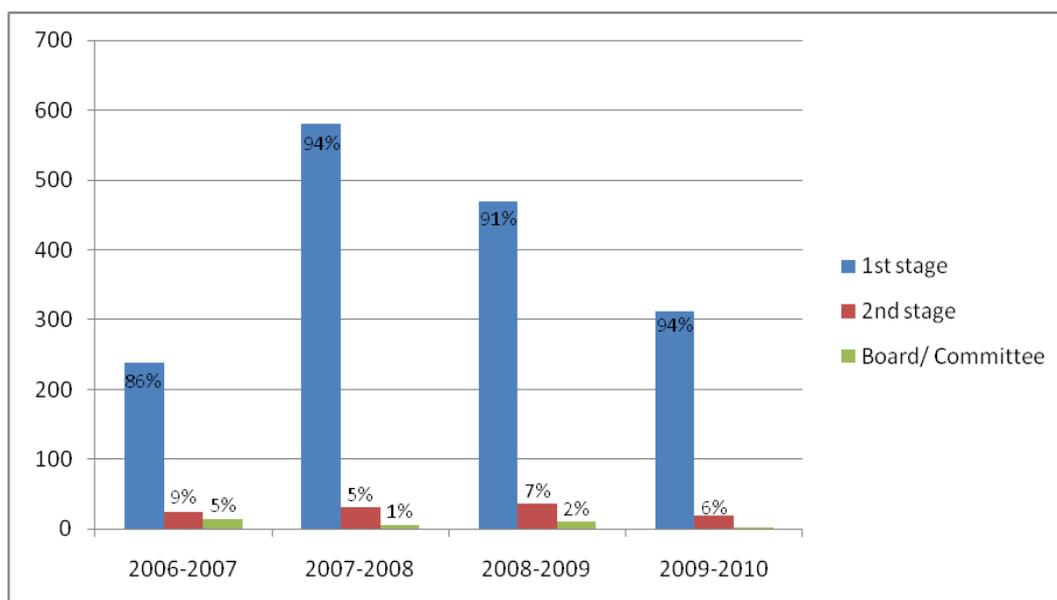
3.2 Open Grants Applications (working data from Gifts Database March 2010)

All programme areas

All Programme Areas	Financial Yr	Approved	Declined	Pending	Total
Total	2006-2007	90	544	0	634
	2007-2008	140	1146	0	1286
	2008-2009	119	1080	13	1212
	2009-2010	73	772	103	948



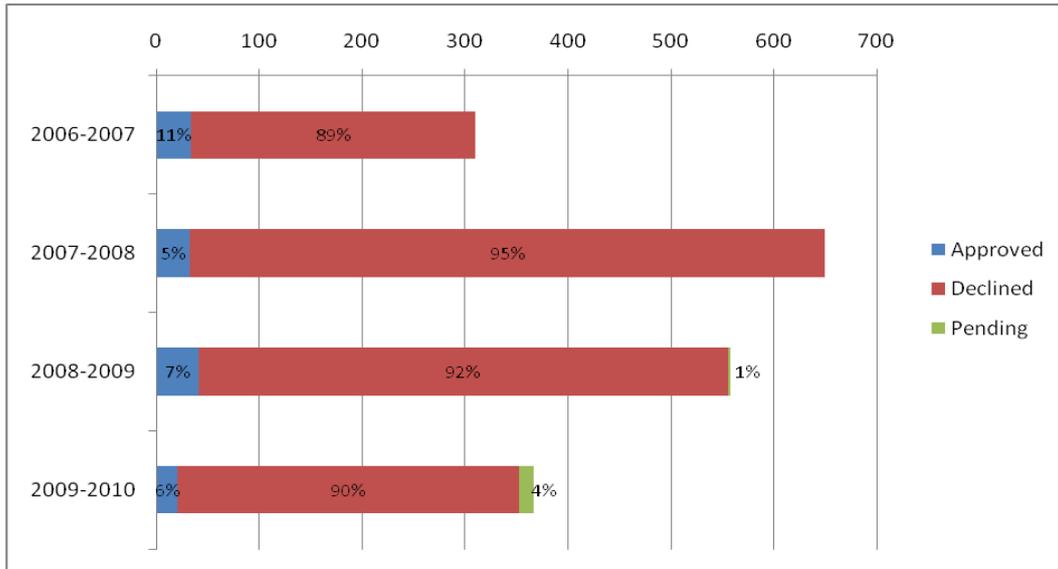
- Overall number of applications increased significantly between 2006/07 and 2007/08 but since then have decreased
- Large percentage of declinations overall, at around 90% across the years suggests that system of application assessment is very rigorous, but also resource intensive



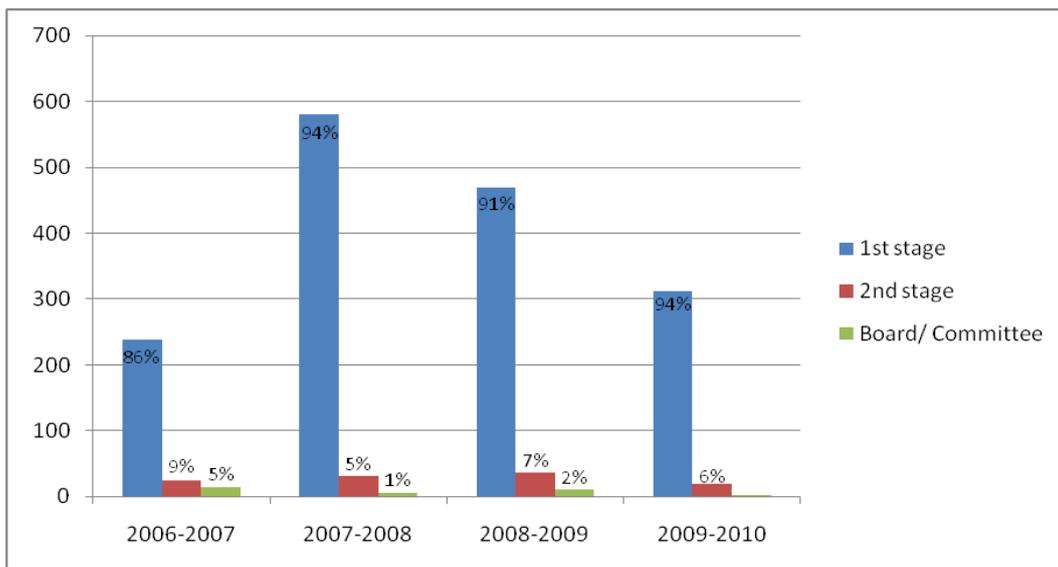
- The great majority of applications is declined at the outline stage, with a small percentage being declined at 2nd application stage
- The number of grants decisions that are referred to board/committee level is very small across all years, with less than 0.5% in the final year
- Note: '1st stage' figures for 2006/07 and 2007/08 include those grants declined at 'team level' – referring to declinations made prior to setting up codes to distinguish between outline rejections and second stage rejections. It is estimated that the majority of these declinations were made at outline level and have therefore been included in the 1st stage declinations category)

Arts programme

Programme Area	Financial Yr	Approved	Declined	Pending	Total
Arts	2006-2007	34	276		310
	2007-2008	33	617		650
	2008-2009	41	515	2	558
	2009-2010	21	332	14	367
Arts Total		129	1740	16	1885



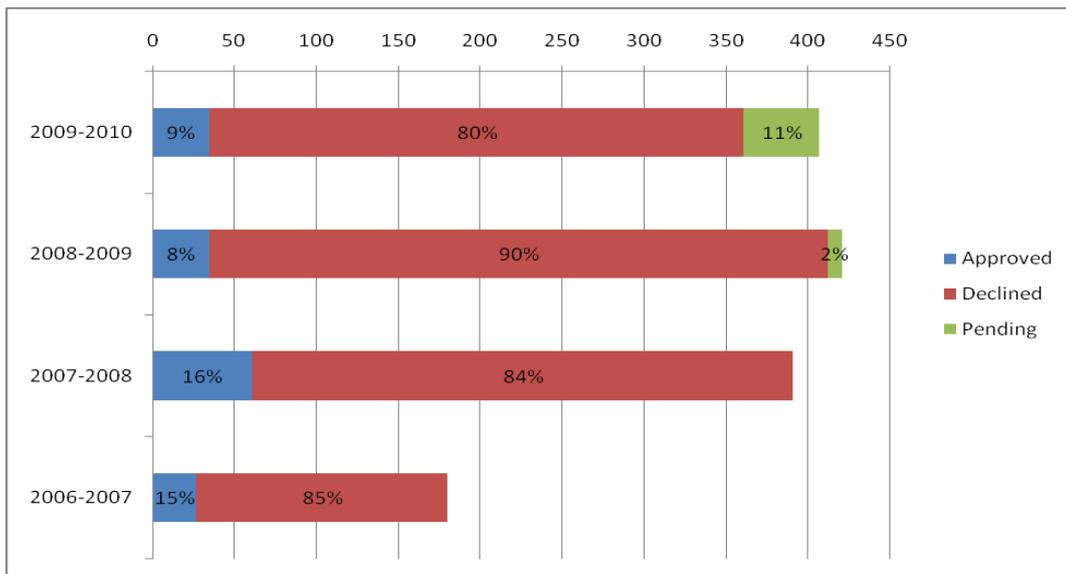
- Arts applications have decreased since 2007/08
- Very high declination rates, above average across all the programmes
- Significant increase in declinations between 2006/07 and 2007/08 (and following years)



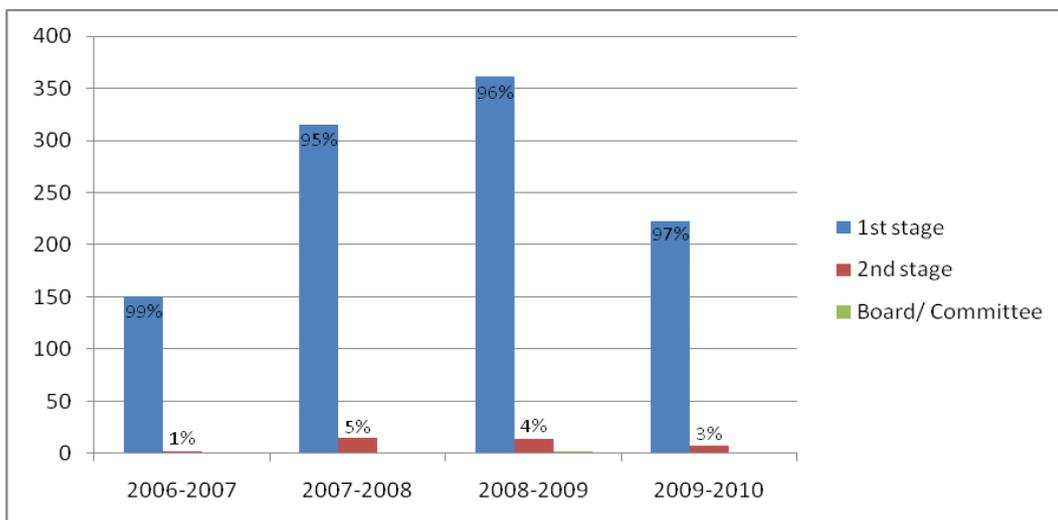
- The great majority of applications is declined at the outline stage
- Note: '1st stage' figures for 2006/07 and 2007/08 include those grants declined at 'team level' – referring to declinations made prior to setting up codes to distinguish between outline rejections and second stage rejections. It is estimated that the majority of these declinations were made at outline level and have therefore been included in the 1st stage declinations category)

Education programme

Programme Area	Financial Yr	Approved	Declined	Pending	Total
Education	2006-2007	27	153		180
	2007-2008	61	330		391
	2008-2009	35	377	9	421
	2009-2010	35	326	46	407
Education Total		158	1186	55	1399



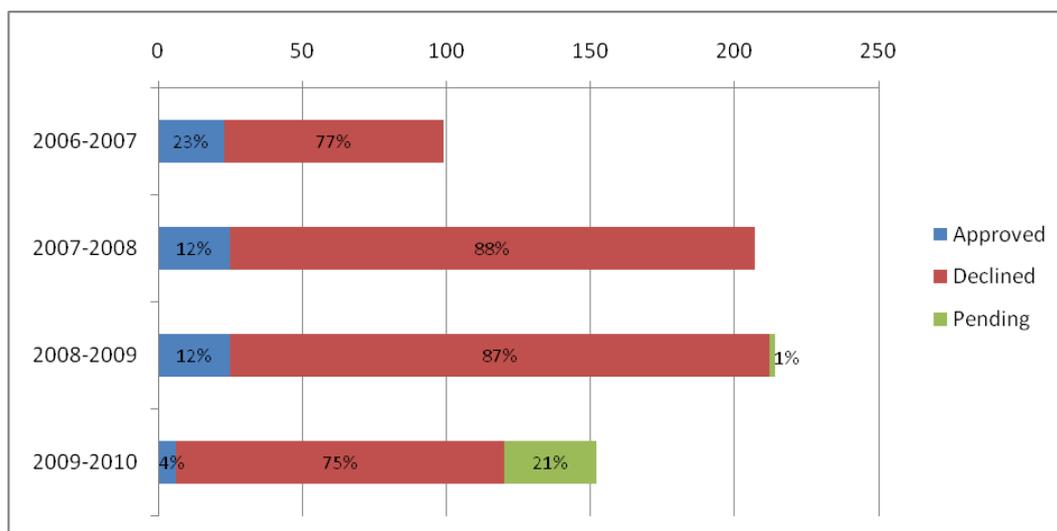
- Education applications increased up to 2008/09; decrease in 2009/10 explained by moratorium on applications for truancy and exclusion theme
- Increase in declination rates between 2007/08 and 2008/09
- In 2006/07 and 2007/08 slightly lower declination rates than average across all programmes, since then, slightly above average



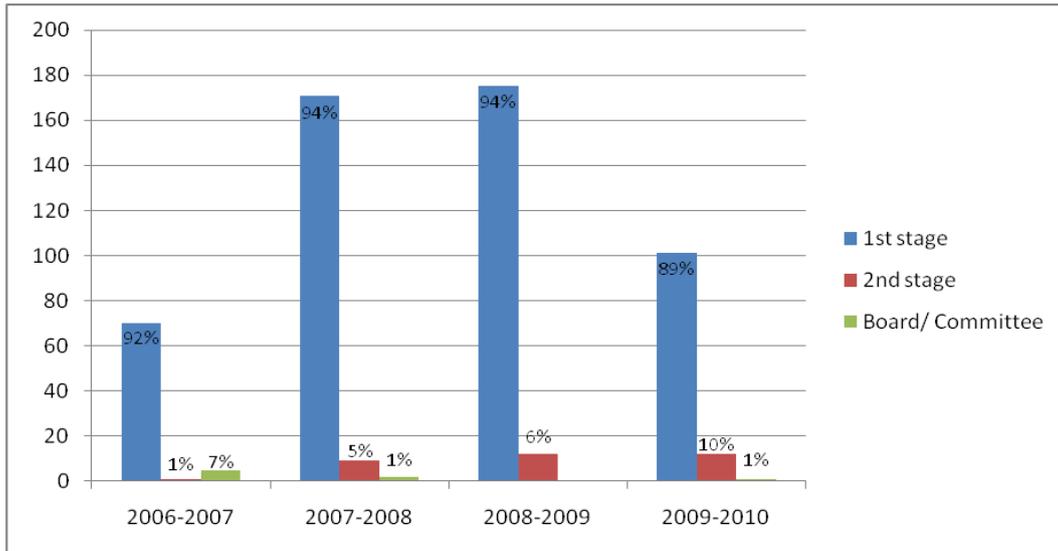
- The great majority of applications is declined at the outline stage – even higher than for arts, especially in the earlier years
- Note: ‘1st stage’ figures for 2006/07 and 2007/08 include those grants declined at ‘team level’ – referring to declinations made prior to setting up codes to distinguish between outline rejections and second stage rejections. It is estimated that the majority of these declinations were made at outline level and have therefore been included in the 1st stage declinations category)

Social Justice programme

Programme Area	Financial Yr	Approved	Declined	Pending	Total
Social Justice	2006-2007	23	76		99
	2007-2008	25	182		207
	2008-2009	25	187	2	214
	2009-2010	6	114	32	152
Social Justice Total		79	559	34	672



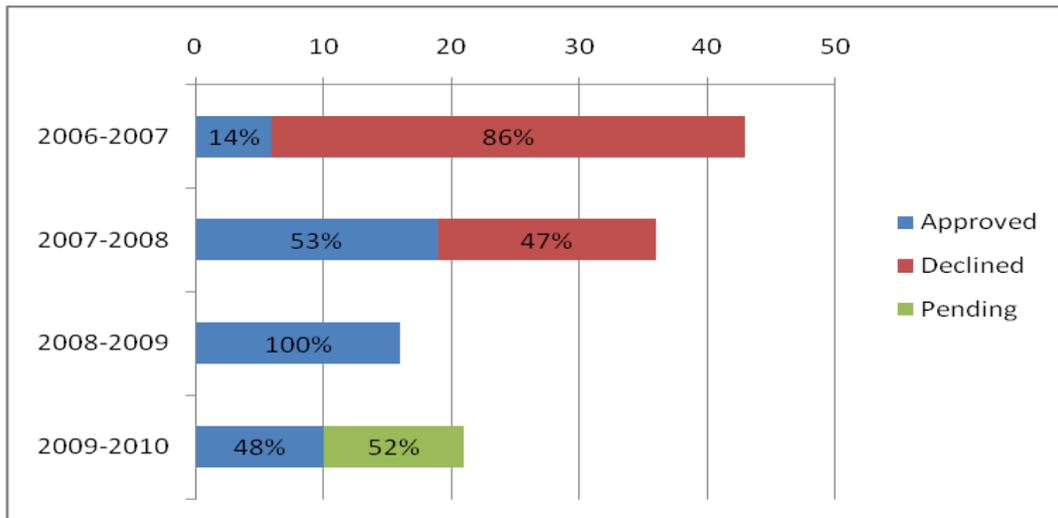
- Increase in applications for social justice up to 2008/09
- Approximately average declination rates (apart from 2006/07)
- Significant increase in declination rates between 2006/07 and 2007/08



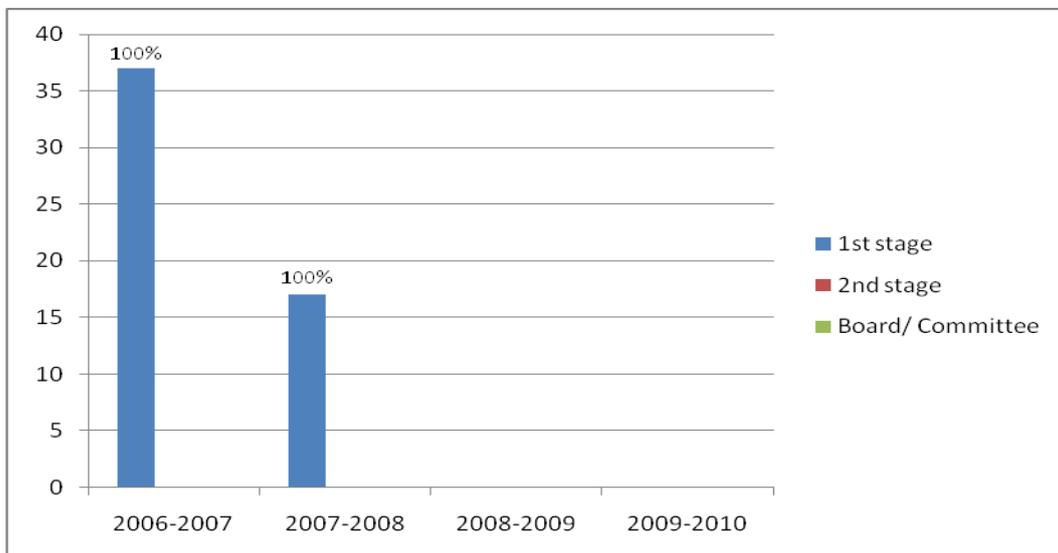
- The great majority of applications is declined at the outline stage – though there are comparatively more declinations at 2nd stage (particularly in 2009/10) than in the other programme areas
- Note: ‘1st stage’ figures for 2006/07 and 2007/08 include those grants declined at ‘team level’ – referring to declinations made prior to setting up codes to distinguish between outline rejections and second stage rejections. It is estimated that the majority of these declinations were made at outline level and have therefore been included in the 1st stage declinations category)

India programme

Programme Area	Financial Yr	Approved	Declined	Pending	Total
India	2006-2007	6	37		43
	2007-2008	19	17		36
	2008-2009	16			16
	2009-2010	10		11	21
India Total		51	54	11	116



- Significantly lower declination rates than average across all programmes, suggests that a different (less rigorous?) assessment system is in place



- No information for 2008/09 and 2009/10 but in earlier years all grants that were declined were declined at outline stage of the application

Other grants

Programme Area	Financial Yr	Approved	Declined	Pending	Total
Other grants	2006-2007		2		2
	2007-2008	2			2
	2008-2009	2	1		3
	2009-2010	1			1
Other grants Total		5	3		8

3.3 Proportion of grants outcomes met

	Education		Arts		Social Justice		Total	
	Projects	%	Projects	%	Projects	%	Projects	%
Exceeded	4	16.00%	11	22.45%	0	0.00%	15	17.05%
Met	5	20.00%	27	55.10%	5	35.71%	37	42.05%
Partly met	6	24.00%	7	14.29%	2	14.29%	15	17.05%
Not met	3	12.00%	1	2.04%	0	0.00%	4	4.55%
On track	7	28.00%	3	6.12%	7	50.00%	17	19.32%
Total	25	100%	49	100%	14	100 %	88	100 %

- Information is available only for a small number projects (only 18% of all projects have information available at present)
- Out of these projects, approximately 60% have met or exceeded their grant outcomes, with another 17% having partly met their outcomes and 19% are on track to meet their outcomes. Less than 5% of the projects have not met their outcomes

4 LIST OF CONSULTEES

4.1 Board of Trustees

The following members of the Board of Trustees were consulted:

- Tim Bunting (in person)
- Jane Hamlyn (in person)
- Michael Hamlyn (in person)
- James Lingwood (in person)
- Estelle Morris (phone)
- Anthony Salz (in person)
- Peter Wilson-Smith (in person)
- Tom Wylie (in person)

4.2 Advisers

The following advisers were consulted:

- Bridgette Anderson, Social Justice (phone)
- Sir Tim Brighouse, Education (in person)
- Kate Brindley, Arts (phone)
- Rob Berkeley, Social Justice (phone)
- Roger Graef, Social Justice (phone)
- Sushna Iyengar, India (phone)
- Maureen McGinn, Social Justice (phone)
- Dr Donald Peck, India (phone)
- Jonathan Reekie, Arts (phone)
- Claire Whitaker, Arts (phone)
- Vanessa Wiseman, Education (phone)

4.3 Consultation with non-grantees

The following external stakeholders were consulted during the course of two focus groups and a small number of follow-up phone conversations:

- Dawn Austwick, Chief Executive, Esmée Fairbairn Charitable Trust (Focus Group)
- Astrid Bonfield, Chief Executive, Princess Diana Princess of Wales Memorial Fund (Focus Group)
- Sue Hoyle, Director, Clore Cultural Leadership Programme (Focus Group)
- Siobhan Edwards, Deputy Director, Clore Social Leadership Programme (Focus Group)
- Sue Wilkinson, Deputy Chief Executive, Museums Libraries and Archives Council (Focus Group)
- Geoff Brown, Exclusion Unit, DFES (Focus Group)
- Graham Devlin, Theatre Consultant (Focus Group)
- Andrew Muirhead, Chief Executive, Inspiring Scotland (Phone)
- Simon Richey, Education Consultant (Phone)
- Andrew Nairne, Director of Strategy, Arts Council England (Focus Group)
- Andrew Barnett, Executive Director, UK Branch Calouste Gulbenkian Foundation (Focus Group)
- Carey Oppenheim, Co-Director, Institute for Public Policy Research (Focus Group)
- Gerald Oppenheim, Director of Strategy, Big Lottery Fund (Focus Group)
- David Cutler, Director, Baring Foundation (Focus Group)

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