

Paul Hamlyn Foundation

Paul Hamlyn Foundation Strategic Plan 2006-2012

Foreword

Paul Hamlyn was an entrepreneurial publisher and philanthropist, committed to providing new opportunities and experiences for the less fortunate members of society. From the outset his overriding concern was to open up the arts and education to everyone, but particularly to young people. In 1987 he established the Paul Hamlyn Foundation for general charitable purposes. Since then we have continuously supported charitable activity which has enabled individuals, particularly children and young people, to experience a better quality of life.

Paul Hamlyn died in August 2001, but the magnificent bequest of most of his estate to the Foundation enabled us to build on our past approaches. We produced a formal plan for the three years 2003-2006. We established, in partnership with other organisations, four special initiatives, and continued our main open and small grant programmes to meet general aims. We have achieved or are achieving most of what we set out to do.

Now we have set aims and objectives for the six years 2006-12. These will assist us to make an increasing difference to people's lives, both during the period of the plan and after. We will substantially expand our work. As an independent, endowed foundation we will support work which others may find challenging or even unpopular or which requires long-term solutions.

The success of this plan will depend on the organisations and people with whom we work. Our most important partners are the institutions and individuals whom we fund and whose work results in a better quality of life for those they help. We will continue to collaborate with other organisations when this helps us meet our objectives. We also value the contribution of the people who work for the Foundation: staff, advisers, committee members and trustees.

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 set out in this plan.

We thank all those who have generously given their time and ideas to help create this plan.

Jane Hamlyn, Chair

Robert Dufton, Director

Introduction

This strategic plan sets the aims and objectives for PHF for the next six years (2006 –2012). We intend to operate as a foundation that secures radical, long-term development and change. Where necessary we will not be afraid to take risks. We will support innovation and be pro-active to achieve specific goals.

We will meet our aims and objectives mainly through the work of the organisations and individuals we fund.

We will also meet our aims and objectives by carrying out research, evaluation and communication. This will increase the value (and cost) of grant-making. The skills and experience of our trustees, advisers, committee members 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 summary of the plan to the public. As necessary we will set more detailed objectives for our operations in annual business plans, and in separate but complementary plans for major initiatives.

This strategic plan follows from a three year plan 2003-06. We believe that an extended planning period provides a realistic focus for action and reporting, and enables others to plan and carry out work which meets our aims. Our intention is that the main aims and their objectives will continue for the six years. The detail of the open grant scheme of each programme may change and we will introduce new initiatives when necessary.

We will report on our progress in our annual reports and keep our programmes under review, adding further aims and objectives when necessary. We will carry out a comprehensive mid-term review of our aims and objectives in 2009-10. At present, we intend to roll forward our plan for a further period.

The plan has been informed by a review of the Foundation's history and achievements, particularly since March 2003, and by an analysis of the needs of people in the UK and the opportunities for foundations to address them. A wide range of people have been consulted externally, though we have not undertaken a formal public consultation.

In 2007 we intend to produce a plan for the development of our work in India.

The Board took the decision to produce the plan on the initiative of the Director. The plan has been produced by the Trustees, staff and advisers of the Foundation. The planning process started in May 2005 and the plan was agreed by the Board in June 2006.

The Foundation

PHF is one of the UK's largest independent charitable grant-making foundations.

Mission

Our mission is to maximise opportunities for individuals and communities to realise their potential and to experience and enjoy a better quality of life, now and in the future. In particular we are concerned with children and young people and with disadvantaged people.

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 are keen to see that our funding benefits people across the UK and in India, and in the UK we particularly welcome applications from organisations who work outside London. We will provide additional advice and encouragement to marginalised or disadvantaged people, groups and communities.

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.

Strategic Aims

Over the next six years, we have three major and equally important aims. These are:

1. Enabling people to experience and enjoy the arts
2. Developing people's education and learning
3. Integrating marginalised young people who are at times of transition.

In addition, we have two related aims:

4. Advancing through research the understanding of the relationships between the arts, education and learning and social change
5. Developing the capacity of organisations and people who facilitate aims 1-3.

Finally, we also have a sixth aim. This is not a primary aim, but supports the other aims:

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

Programmes

We will deliver aims 1-5 mainly by establishing three partly over-lapping programmes for our work the UK: arts; education, learning and skills; social justice. In addition we will have a separate programme for our work in India. Within each programme we will have themes and priorities which over time may change.

The three UK programmes will comprise open grant-schemes and targeted, special initiatives. We will give more emphasis to the latter though we believe that the open grants schemes are important in enabling applicants to secure support for projects where the nature of their work may not be commonly known.

We intend that the awards made under the open grant schemes will, together with appropriate research and evaluation, inform our future special initiatives.

We want our awards to be significant in terms of the work of the organisation (or individual), or the particular part of their work we are supporting.

In addition to grant programmes, we will meet our aims partly through research, evaluation and communication.

We expect the work we support to have an impact at some of the following levels:

- Individuals
- Organisations
- Communities
- Policy

Aim 1: Enabling people to experience and enjoy the arts

Objective 1 To support innovative ways of increasing people's experience and enjoyment of the arts

Over the next six years we intend to support the development and dissemination/diffusion of new ideas to increase the experience and enjoyment of the arts by people of all ages. We are interested in all art forms.

By innovation we mean:

- Initial research into opportunities and problems to identify possible interventions
- Feasibility and/or pilot studies
- Setting up the first delivery of a 'road tested' idea
- Awards schemes to promote an issue
- Evaluation, sharing, learning
- Replication and scaling-up by the innovator
- The introduction of successful exemplary activities to areas which lack experience of innovation.

Whilst we are interested in innovation concerning the experience and enjoyment of people of all ages, we are particularly interested in children and young people up to 25 years old.

Aim 2: Developing People's Education & Learning

Objective 2 To support innovative ways of increasing people's education and learning

Over the next six years, we intend to support the development and dissemination and diffusion of new ideas that work in improving education and increasing the learning of people of all ages. The type of innovation we may support is the same as in Aim 1:

Whilst we are interested in innovation concerning increasing the education and learning of people of all ages, we are particularly interested in children and young people up to 25 years old. We will often support work with adult parents or carers of, or adults who work with, children and young people as we believe that inter-generational experiences can be particularly relevant.

Aim 3: Integrating marginalised young people who are at times of transition

We believe in providing opportunities for marginalised individuals to become integrated. We are solely concerned with younger people up to the age of 30 who are at a time of transition because of their own circumstances (e.g. leaving care or prison or settling in a new community) or changes to the cultural environment in which they live (e.g. traditional white working class neighbourhoods in refugee dispersal areas).

We see integration as a two-way process in which society at large and other communities adapt, understand and benefit.

Objective 3.1 To ensure that marginalised people have their voices heard

Objective 3.2 To ensure their fuller participation in society

Objective 3.3 To secure strong relations within their communities and between their communities and other communities

Objective 3.4 To foster respect for, and understanding of, differences of various communities within our society

Over the next six years, we intend to:

- Support arts or education, learning and skills based activities to achieve the above objectives in relation to marginalised young people who are at times of transition.
- Support other types of activity under current and future special initiatives.

We will describe this as a social justice programme, and while new for the PHF, it builds on past activity. We believe that arts and education and learning are effective in tackling social injustice. The programme is experimental, and we will give particular weight to evaluation in this programme to assess the impact of arts and education and learning-based interventions.

Aim 4: Advance through research the understanding of the relationships between the arts, education and learning and social change

We are particularly interested in understanding the relationships between arts, education and learning and social change. There is comparatively little understanding of how to innovate effectively to achieve social change. We are committed to putting research into practice.

Over the next six years, we intend to:

Objective 4.1 Advance the understanding of how participation in the arts contributes to education and the acquisition of learning and vice-versa

Objective 4.2 Advance the understanding of how the arts and/or education and learning effect social change

Objective 4.3 Advance the understanding of how to innovate to secure social change

Objective 4.4 Develop a research strategy for PHF

We do not plan to fund stand alone research in response to applications made under open grant schemes, but may support research which is an integrated part of a wider activity. Sometimes we will make grants for stand alone research where this is commissioned by PHF. We may fund research under special initiatives. We will also meet this aim through research carried out directly by PHF.

Aim 5: Developing the capacity of organisations, groups and individuals who facilitate Aims 1-3

To achieve our aims, we will work through other organisations, groups and individuals. They need to be effective at their work, and adaptable to changing circumstances.

Objective 5.1 To improve the capacity of organisations, groups and individuals to achieve their aims and objectives in a more effective and sustainable fashion.

Over the next six years, we will:

- Continue to support individuals at critical 'turning points' in their work
- Continue to support innovation in training and development
- Support individuals working in organisations in roles which are catalysts for radical change of that organisation
- Develop and support integrated models of organisational and financial stability, programme quality and growth to improve performance and impact.

Aim 6: Developing PHF to be an exemplar foundation, existing in perpetuity

To achieve our aims we are committed to improving our organisation and operations.

Objective 6.1 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

We will maintain a balance between the long-term and the short-term, and provide flexibility to respond to new opportunities. We will:

- Continue to develop and implement an investment strategy to realise our financial and investment objectives
- Continue to plan financially to provide stability and enable us to be flexible in supporting new opportunities

Objective 6.2 To ensure our staff, processes and offices effectively support the delivery of our aims, we will:

- Continue the review of our investment processes initiated by the Finance Director
- Continue to develop our human resources strategy to support effective recruitment, retention and training development and performance of our staff
- Continue to apply firm control to our internal operating support costs
- Continue to develop the use of management information systems
- Continue to improve our operational and financial planning and risk management
- Develop a systematic approach to understanding, assessing, monitoring and evaluating the outputs and outcomes of the activities we support
- Establish an evaluation regime which enables us to measure our own organizational performance and the effectiveness of our grant programmes
- Enable more transactions to be facilitated electronically
- Move to premises within London's central zone which are in line with our values and which contribute to meeting our aims and objectives

Objective 6.3 To promote to key audiences the importance and outcomes of the work we fund and the activity we undertake, and increase awareness of PHF. We will:

- Develop a Communications Strategy to meet our strategic aims more effectively
- Develop our website(s) and other communication tools to enable more knowledge creation and knowledge sharing with and between our partners and grantees.

Objective 6.4 To support and encourage grant making foundations and philanthropy

We believe that grant-making foundations have an important role in society because of their independence and flexibility. Over the next six years we will, mainly through the contributions of the time of the Foundation's staff, advisers and trustees rather than through grant-making, continue to:

- support organisations which have a constructive influence on the law and public policy affecting grant-making charities
- argue for appropriate regulation and accountability of those charities which do not fundraise or which have a "family" aspect to their nature
- share our experiences with other grant-makers and learn from them
- encourage philanthropy

Financial Framework

The value of the Foundation's investment assets (our endowment) is significant. At present we intend to spend over the period of six years the income and accumulated unspent income generated by these assets. We will review this spending policy annually. In time we may move to a spending rule based on a percentage of investment assets.

This means that at present we plan to increase our level of spending, after allowing for the cost of generating the income, to an average over the life of the plan of £20m p.a. in real terms, including the cost of grant-making and the grant to the Helen Hamlyn Trust.

This financial framework does not take account of programme related investment (PRI) (e.g. loans, equity purchases, or quasi-equity funded from income or capital with the primary aim of achieving our objectives) as we have no current plans to make any PRIs, although we will explore the opportunities for them during the life of the plan.

The financial framework also does not take account of mission-related investment (MRI) by which we mean the use of positive screening of investments so that they also help us to achieve our aims. Currently our expectation is that any MRI will be limited to slight investment "tilts" (e.g. towards India). We will review this approach periodically.

Over the course of the plan we intend to commit a greater proportion of funds to special initiatives or targeted schemes than we do to open grant-schemes. The proportion may vary across programmes and over time. We will monitor our commitments between these two styles of grant-making.

We will set an annual budget for support costs. Our objective (6.2) is to apply firm control to our support costs. However over the course of the plan, our target is that the support costs (excluding investment management and its support costs) averaged over the life of the plan will be c.10 % of grants. This target would need to be reviewed if during the life of the plan we begin to make programme related investments.

We do not intend that this c.10% target be treated as a maximum in any year, nor do we believe that it is appropriate to cut corners on support costs, since as a predominantly change-making trust we need to spend money on support, e.g. to stimulate exceptional applications or increase evaluation to develop and share knowledge. In particular we plan to increase (and identify the proportion of our spending on "grants plus", namely the cost of adding value over and above the grants we make in appropriate cases, such as providing additional funding for research, planning, application or project development, training or organizing networking opportunities.

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