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Family Foundation Giving Trends 2011

Cathy Pharoah
with Charles Keidan
and Jillian Gordon

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Giving and Philanthropy, Cass Business School

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All reasonable care has been taken to ensure the accuracy of the publication at the time of going to print. The publishers cannot accept responsibility for any errors or omissions.

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Foreword

The fourth *Family Foundation Giving Trends* report is published in a climate of continued economic uncertainty and against the backdrop of a shrinking budget for the state's provision of vital social services.

Inevitably, this places greater pressure on philanthropy to fill the funding gap and to increase its effectiveness and social impact.

The UK has, of course, a long philanthropic tradition, from pioneers like Sir Henry Wellcome to contemporary benefactors such as J K Rowling. As a proportion of the country's GDP, the UK's philanthropists score well, outstripping the United States in the family giving league, though not in giving overall.

While we should feel proud of this level of engagement, we should also champion the increasingly sophisticated work being done to develop more effective strategies in charitable giving today. As president of the Cranfield Trust, I am hugely impressed by its established programme of providing volunteers who have MBA degrees or other postgraduate professional qualifications, working with a growing number of leading international business schools to improve the systems and processes with which charities operate.

Every charitable cause is noble, of course, and every donation deserved. From my own experience, however, a focused and structured approach to giving can go so much further.

With that in mind, we set up the Doughty Family Foundation to provide clear focus around a core set of charitable themes that resonate at a personal level with members of our family.

The foundation allows us to monitor and measure the impact of our philanthropic efforts more effectively. It also helps us to take a longer-term perspective and build up a deeper understanding of the areas and issues in which we engage.

I have worked in the private equity industry for over 25 years and am all too aware of the inexorable rise of shareholder value during that time. The drive towards greater efficiency within organisations and the pursuit of improved productivity has certainly created lots of shareholder value; undeniably, however, it has also widened the divisions between the haves and have-nots.

Philanthropy is one important area that can help to address these imbalances. When it is done effectively, it is far more than just redistributing capital. It can forge the development of sustainable social enterprises, foster entrepreneurial skills and establish centres of research that result in new and better forms of social investment.

This annual report is a valuable and practical tool. The data it captures not only improves our understanding of the state of philanthropy in the UK but also provides a focal point for thought leaders in philanthropy to come together, share best practice and increase their impact.

Nigel Doughty

Doughty Family Foundation

London, November 2011

Findings in brief

Background to the report

Family Foundation Giving Trends 2011 is the fourth in a series of reports updating and tracking annual trends in the giving of the largest 100 UK family foundations, and comparing them with the US.

With the pressures of the current economic environment generating ever-growing interest in how to increase the contribution of philanthropy to society, this year's edition focuses particularly on illustrating the hugely diverse and individual ways in which today's philanthropists become involved in giving.

For the purposes of the research, family foundations in the UK and US are defined as independent registered charitable trusts funded originally through family wealth, whether or not the founding family is still represented on the governing board. Philanthropic family foundations continue to be an important part of modern society. Founded partly by the successful entrepreneurs of an era of expanding global markets and capital flows, numerous large new foundations have emerged, including the Waterloo Trust, set up by owners of Admiral Insurance; the Volant Trust, set up by J K Rowling; the Foyle Foundation; the Maurice Wohl Charitable Foundation; the Hunter Foundation; and the Children's Investment Fund Foundation.

This year's report features eight case studies that explore the routes through which individuals and their families become philanthropists, creating foundations to address social issues in the UK and abroad. The aim behind presenting these examples is to encourage others to think about the individual steps they could take towards greater involvement in philanthropy.

Family foundation financial results 2009/10

The results for this year show that falling asset values resulted in UK family foundations giving less in 2009/10, but that, when considered over a five-year period, family foundation giving remains one of the most robust sources of philanthropy.

Key financial findings are:

- The largest 100 family foundations gave £1.3 billion to charitable causes in 2009/10, representing about 7% of all UK private giving.
- Family foundation giving fell by a real 8.7% in 2009/10: this was largely the lagged effect of a drop in asset values the previous year.
- Asset values picked up by a real 7.8% in 2009/10; this raises hopes that family foundation giving will increase next year.

- The largest family foundations gave a sum total of around £6.4 billion to charitable causes between 2005/06 and 2009/10.
- The amount given by the largest family foundations grew by a real 27% between 2005/06 and 2009/10.
- This increase of 27% between 2005/06 and 2009/10 reflected stronger growth than corporate giving¹ at 7%, and general public giving at –0.4% during the same period.
- Trends among the largest 100 UK family foundations have followed a similar pattern to those in the US: both showed decreases in giving around 2009/10, and the real value of the assets of both were lower in 2009/10 than five years previously in 2005/06.

Discovering the routes into philanthropy – case studies of family foundations and founders

Through eight case studies, examples of the individual journeys taken by family members and their foundations into philanthropy are explored. Case studies represent both large and small, newer and older foundations, and include:

- A M Qattan Foundation
- The Brian Kennedy Trust
- The Emily Hughes-Hallett Foundation
- Helen Hamlyn Trust
- The Hunter Foundation
- The Maurice and Vivienne Wohl Philanthropic Foundation, and the Maurice Wohl Charitable Foundation
- Pears Foundation
- Wood Family Trust

A central finding is the immense diversity of starting points for, and influences on, involvement in family philanthropy. The main messages that emerged from the case studies are:

- If philanthropy is to grow, it needs to become an integral part of our daily business, personal, professional and social lives.
- Philanthropists face new challenges for which previous business and other experience only partly prepares them, and more neutral and appropriate test beds for exploring ideas and testing options are needed.
- Family philanthropy does not have a single motivation, and often results from a number of relevant events coming together, including wealth acquisition, contact with philanthropic services or philanthropists, seeing a need or an opportunity, and wanting to pursue new directions in life.
- Family philanthropists are highly individual, and use foundations as a flexible way of funding and shaping individual, sustainable philanthropic activities.
- Family involvement is often key to the success of family philanthropy, and foundations provide a dynamic way of engaging family members.
- Charities, professional advisers and policymakers need to deepen their understanding of the diversity within philanthropy, and develop many more imaginative and supportive ways for potential philanthropists to share experiences and learning.

¹ This figure excludes the value of major pharmaceutical product donations.

1 Introduction – giving through family foundations

1.1 Context and purpose of the report

Family Foundation Giving Trends 2011 is the fourth in a new series of annual reports tracking trends in family giving through foundations, and aiming to provide a key benchmark on its value and growth.²

In this research, family foundations in the UK and the US are defined as independent registered charitable trusts funded originally by private family wealth, whether or not the founding family is still represented on the governing board.

With the pressures of the current economic environment generating ever-growing interest in how to increase the philanthropic contribution to public benefit, locally and globally, this report highlights major family giving through foundations.

Recent decades have shown how philanthropic family foundations continue to be an important part of modern society. From the multi-million-dollar global philanthropy of US family donors such as Gates and Buffett, and the huge contributions of families in the UK such as Sainsbury, Wolfson, Rausing and Hamlyn to UK science and culture, to Peter Lamp's concern about equal access to the best education, today's family foundations are continuing to make as vital a social contribution as in previous eras. Though a growing and dynamic source of philanthropy, however, their contribution remains under-explored.

1.2 Aims and objectives of the research

The overarching aims of the study are to encourage:

- transparency and accessibility of information on family foundation giving;
- more informed public discussion about the role of philanthropy in society;
- increased and more effective giving through access to information and example.

The specific objectives of this research report are to:

- track annual levels and growth in family foundation giving;
- monitor longer-term trends;
- compare patterns in the UK with those in the US;
- explore the routes through which philanthropists become involved in family foundation philanthropy.

² See C Pharoah (2008) *Family Foundation Philanthropy 2008* Centre for Charity Effectiveness, Cass Business School; *Family Foundation Philanthropy 2009* Alliance Publishing Trust, London; *Family Foundation Giving 2010* Alliance Publishing Trust, London.

1.3 Why focus on giving through family foundations?

Family foundations are only one vehicle for private giving, but there are several important reasons why this report focuses on them. A main reason is the difficulty of getting more comprehensive accurate data on major giving in the UK. Despite the escalation in private wealth, built on the success of global markets and capital flows, there is no hard data on the value or growth of the major new philanthropy that has resulted from it. It is easy to identify many individual examples of significant generosity, but we do not know whether this means we are more or less generous than in previous generations.

Review of current surveys and indexes

Regular general population surveys such as *UK Giving*, published annually by the National Council for Voluntary Organisations (NCVO) and the Charities Aid Foundation (CAF), provide a valuable and consistent series of data, but lack a sufficiently robust sample of high earners. A survey of the very wealthy would be both difficult and expensive and, according to research commissioned by HMRC, may not even be feasible.³ Government data on charitable tax reliefs only gives aggregate figures, and does not provide detail on tax reclaimed by gift size, or by earnings.

The *Sunday Times* Giving Index, in its annual Rich List, and the Coutts Million Pound Donor project⁴ also provide useful information, but they cannot provide an annual benchmark of giving as they combine data from one-off direct gifts, gifts into new or existing foundations to be spent later, gifts from foundation income derived from past gifted endowments, and, in some case, pledges for the future.

Foundation annual report data

This report focuses on providing one accurate and reasonably measurable annual indicator of trends: the actual annual charitable spending of family foundations. There are two reasons for taking this approach. One is that reliable and consistent data on giving can be derived from the annual audited regulatory reports that foundations submit to the Charity Commission. The strengths and weaknesses of this approach are summarised briefly below and explained more fully in Appendix 2.

A second reason for the family foundation focus is that, as this year's report aims to illustrate, they make a vital contribution in a hugely diverse range of social issues, just like Carnegie and Rockefeller in the US and Joseph Rowntree in the UK did at the turn of the 20th century. New charitable family foundations have been emerging across the globe, within countries of very different political, fiscal and regulatory regimes, and evidence suggests that foundations are the most popular vehicle for philanthropic giving among the wealthiest European high net worth donors.⁵

Finally, without an accurate and transparent measure of major philanthropy, it is difficult to know how generous we are in reality, whether major giving expands or contracts in times of economic constraint, and how much we might reasonably expect philanthropy to contribute to society today.

³ J Taylor, C Webb, D Camerson (2007) *Charitable Giving by Wealthy People* Ipsos Mori for HMRC. www.hmrc.gov.uk/research/report29-giving-by-wealthy.pdf

⁴ Coutts/CPHSJ (2009) *The Million Pound Donor project* Kent University.

⁵ P Lomax (2007) *Advice needed. Philanthropy amongst ultra high net worth individuals and family offices in Europe* New Philanthropy Capital, London.

1.4 Summary of the methodology

Data	Data collection focused on the largest 100 charitable family foundations in the UK and US, for two reasons. First, a restriction to the largest 100 organisations in each country made the project feasible. There are no pre-existing databases of family foundations, and each has to be individually identified using a number of criteria – a resource-intensive task. Second, the largest organisations provide a substantial sample of spending by value because of the skew towards a small number of very large family foundations in each country (see figures in Chapter 3).
Timescale	It was decided to include family foundations generally established in the latter part of the 19th century, a great era in the history of family foundations, and onwards. Going back further historically would have brought in foundations where the link with the founders was now extremely tenuous.
Sources⁶	The report is based almost entirely on secondary analysis of published charities' accounts data for the period 2005–2010.
Reporting year	Foundations adopt different 'year-end' months for their annual reporting, and the time taken to publish reports also varies considerably. This means that in a 'snapshot' study like this, which aims to compile the best data available at a certain point of time, the charity accounts used are not all standardised to the same year. Wherever it is felt that this influences findings, it is noted in the text. While tables in the report are labelled 2005/06 to 2009/10 for convenience, in practice charity account years vary somewhat.
Financial indicator	Family foundations work in financial and non-financial ways, but the focus of this research is on annual levels of family foundation charitable expenditure or 'spending' (also referred to as 'giving' or 'philanthropy' in this report); the figure includes their charitable expenditure on grants to organisations and individuals, as well as any operating programmes of their own such as, for example, in the large scientific and medical research foundations. The bulk of UK foundation activity involves making grants, but around 8% of charitable expenditure is devoted to foundations' own programmes. ⁷ Support and governance costs of charitable spending are excluded where possible, to make UK data more comparable with the available US data.
Definitions	Charitable family foundations are a type of charitable foundation, and have a centuries-old history, emerging within all the world's major cultures and regions. Generally they are independently governed institutions, with large private assets, often in the form of permanent endowments, which they use to promote public benefit. They are private, funded principally by the personal gift of a family business or family member(s), often with the donor or family members having a position on their governing board. Their main, but not

⁶ Main data sources include the Charity Commission Register, England and Wales; *Top 3000 Charities*, CaritasData; *Charity Market Monitor*, CaritasData; (2006, 2008, 2009 and 2010 editions); charities' own websites and reports; Foundation Center statistics. Detailed regulatory data on foundations is available in the US and UK, but the Office of the Scottish Charity Regulator (OSCR) publishes less detail, and there is no central register in Northern Ireland.

⁷ C Pharoah (2010) *Charity Market Monitor 2010* CaritasData, London

sole, activity is making grants to charities, individuals and other public benefit institutions for which they provide independent support.

1.5 Structure of the report

The first chapter of the report explains the approach to the research and the methodology used. In the second chapter the results for family foundation giving in 2009/10 are presented, along with a study of longer-term trends from 2005/06 to 2009/10, covering the period before, during and after the recession. The third chapter puts the UK results in a comparative context of trends among US family foundations. Finally, eight case studies of family foundations and their founders are presented in the fourth chapter of the report, focusing on how founders and their members discovered their own route to becoming philanthropists, and developed a vision and strategy for their foundations.

2 Results – UK family foundation giving 2009/10

This chapter presents updated annual figures and analysis of UK family foundation giving.⁸

2.1 Headline results 2009/10

- Amount given** The largest 100 UK family foundations gave a total of £1.3 billion to charitable causes in 2009/10.
- Share of all private giving** This represented a substantial 7% share of all UK private charitable giving, which is worth around £17 billion including legacies and company, trust and individual gifts.⁹
- Annual change in giving** The year saw recent economic turbulence take its toll on foundation assets and income,¹⁰ and family foundation giving fell by 8.7% in real terms.
The drop was most likely due to the 5.3% reduction in asset values in the previous year (2008/09), when most foundation spending would have been planned. The fall may also have been partly due to the ‘lumpiness’ of giving: a number of trusts made very large gifts in the previous year and then disappeared from this year’s table (see section 2.4).
- Value of assets** Asset value increased by a real 7.8% in 2009/10, which will hopefully drive an increase in giving in 2010/2011. After a substantial drop in asset values last year, 63 of the 100 trusts reported a growth in assets. US research on foundations reports that they expect a 2–4% increase in spending next year because of the improvement in their asset base.¹¹

Five largest family foundations 2009/2010

The top five by charitable expenditure were the Wellcome Trust, with slightly reduced spending (£635 million); the Leverhulme Trust, with increased spending (£50 million); the Gatsby Charitable Foundation (£36 million); the Garfield Weston Foundation, whose spending increased (£34 million); and the Monument Trust (£32 million). The full table can be seen in section 2.9.

⁸ While every effort was made to achieve accurate data, two points to note are: a) a small amount of double-counting may have occurred where foundations fund other foundations in the table; and b) it was not always possible to identify amounts given in any one year where the spending was to be spread over a number of years. It is not considered that these considerations affect the results in any material way.

⁹ C Pharoah (2011) *Charity Market Monitor 2011* CaritasData, London.

¹⁰ C Pharoah (2011) *ibid.*

¹¹ Foundation Center (2011) *Foundation Growth and Giving Estimates* 2011 edition.

2.2 Trends in giving, 2005/06 to 2009/2010 – a volatile period

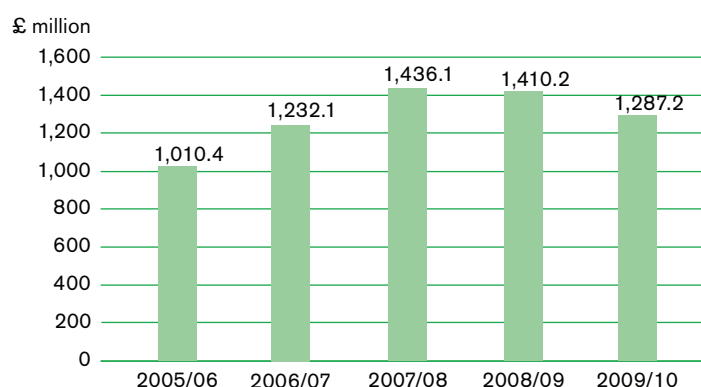
As the report series grows, it is possible to see a clearer picture of trends in family foundation giving over the longer term. With five years of data, it is possible to look at what happened through the period covering the years just before, during and after recession, from 2005/06 to 2009/10.

A total of £6.4 billion was contributed over the five years from 2005/06 to 2009/10. Figure 1 shows the value of giving in each of the five years, adjusted for inflation.

A distinct pattern emerges, showing how giving was growing fast until the economic crisis of 2007/08, after which the rate began to slow. The full impact of falling asset values (see section 2.5) in reducing income and charitable expenditure was not experienced till 2009/10.

The results indicate a direct relationship between trends in the wider economy and in family foundation giving, with the amount available for giving affected by what was happening to company profits and asset values around the recessionary period. In spite of this, giving in 2009/10 was still higher than it was in 2005/06, possibly reflecting foundations' determination to maintain spending levels as far as possible.

Figure 1
Trends in value of giving by family foundations, 2005/06 to 2009/10 (adjusted for inflation)



2.3 More rapid growth in family foundation than other private giving

Family foundation giving grew by a real 27% in total between 2005/06 and 2009/10.

As the data in Figure 2 shows, this was significantly higher than the 7% growth in the real value of corporate giving between 2005/06 and 2009/10, and of that in general public giving at -0.4%.

Figure 2
Comparison of trends in corporate, individual and family foundation giving, 2005/06 to 2009/10

	2005/06	2006/07	2007/08	2008/09	2009/10
	<i>£ billion (unadjusted)</i>				
Family foundation giving	0.9	1.1	1.4	1.4	1.3
Corporate giving ¹²	1.0	0.9	1.1	1.1	1.2
Individual giving ¹³	9.4	9.3	10.6	9.8	10.6

¹² C Pharaoh *Charity Market Monitor*, 2008, 2009, 2010 editions CaritasData London.

¹³ NCVO/CAF *UK Giving*, 2008, 2009, 2010 editions NCVO London/CAF West Malling

2.4 Change and varying growth rates in family foundations

The results above show the strength of family foundations as a vehicle for philanthropy. Asset values were not the only factor determining levels of giving, and around 17% of income was derived from new gifts and legacies. In practice, about half of the trusts showed real increases in giving between 2005/06 and 2009/10, with the remaining half showing a decrease.

Potential grantees and partners often tend to view foundations as a relatively constant and consistent universe, but that fails to recognise the evolution and diversification that is always taking place across the family foundation world. Family foundations change in response to the altering personal and financial circumstances of their founders, and their philanthropic vision, as well as to changes in their external economic and social environments. At any one point in time, new trusts are emerging while others are spending down and disappearing; some are merging while others create family offshoots; some are growing fast while others are declining; and some are following highly uneven trajectories, making substantial capital grants in one year only to scale down radically the next. Examples of the latter included the Martin Smith Foundation and the Samworth Foundation, which made major gifts in 2008/09 but did not make it into the top 100 table this year.

Examples of fast-growing trusts between 2005/06 and 2009/10 are set out in Figure 3. Growth has resulted from several factors. In some cases, founders have made additional donations throughout the period – as in the Children’s Investment Fund Foundation, Pears Foundation and the Dr Mortimer and Theresa Sackler 1988 Foundation, whose founder died in 2010 having made many major gifts to the arts and sciences. In other cases, there has been receipt of a major legacy from the founder, as in the Maurice Wohl Charitable Foundation or the Monument Trust, which has been endowed from the estate of Simon Sainsbury. Some organisations, such as the Waterloo Foundation, have gradually built up charitable spending from a new endowment.

Figure 3**Trusts with highest real growth in giving, 2005/06 to 2009/10**

		<i>Giving £ million</i>	<i>Year end</i>	<i>% change 2005/06 to 2009/10</i>
1	The Maurice Wohl Charitable Foundation	3.24	Apr 10	863.0
2	Dr Mortimer and Theresa Sackler 1988 Foundation	10.53	Dec 09	760.0
3	The Monument Trust	32.00	Apr 10	740.7
4	The Children's Investment Fund Foundation	27.87	Aug 10	381.8
5	The Underwood Trust	4.72	Apr 10	327.3
6	The David & Elaine Potter Charitable Foundation	3.28	Dec 09	307.8
7	Kay Kendall Leukaemia Fund	7.15	Apr 10	266.3
8	David & Frederick Barclay Foundation	3.30	Dec 10	228.5
9	The Waterloo Foundation	5.84	Dec 09	217.9
10	The Hintze Family Charitable Foundation	4.26	Dec 10	195.2
11	The Raphael Freshwater Memorial Association Ltd	4.38	Mar 10	179.3
12	The Pears Family Charitable Foundation	7.24	Mar 10	106.2
13	Khodorkovsky Foundation	7.10	Dec 10	98.3
14	J Paul Getty Jnr General Charitable Trust	4.41	Dec 09	86.9
15	The Gannochy Trust	6.55	May 10	80.8

As can be seen, the fastest-growing trusts are not necessarily the largest, or those whose assets have been growing fastest, as shown in Figure 4. The tables illustrate the way in which family foundation resources are subject to considerable change over time, and the varying individual patterns that contribute to their spending power at any one point in time.

Figure 4**Trusts with highest real growth in assets, 2005/06 to 2009/10**

		<i>Assets £ million</i>	<i>Year end</i>	<i>% change 2005/06 to 2009/10</i>
1	Christian Vision	188.68	Dec 09	410.91
2	The Children's Investment Fund Foundation	1,768.07	Aug 10	330.98
3	The Lempriere Pringle Charitable Trust	8.68	Dec 09	316.27
4	Maurice Wohl Charitable Foundation	80.79	Apr 10	301.10
5	The Hintze Family Charitable Foundation	2.70	Dec 10	93.43
6	The Waterloo Foundation	110.14	Dec 09	86.76
7	Cosmon (Belz) Limited	0.74	Mar 10	85.72
8	The Monument Trust	236.93	Apr 10	77.22
9	The Zochonis Charitable Trust	137.73	Apr 10	71.29
10	A W Charitable Trust	73.31	Jun 10	42.05
11	The Robertson Trust	364.13	Apr 10	24.89
12	The Eranda Foundation	83.22	Apr 10	23.93
13	The Leverhulme Trust	1,587.50	Dec 10	16.39
14	Peter Harrison Foundation	39.41	May 10	13.10
15	The Ernest Cook Trust	84.81	Mar 10	11.67

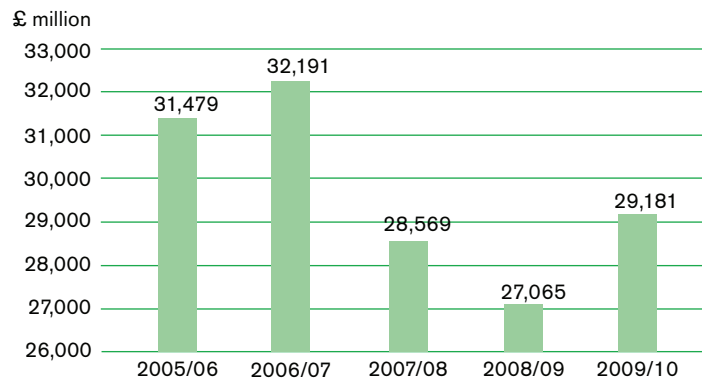
2.5 Asset trends – values pick up in 2009/10

Although the combined value of assets increased by a real 7.8% in 2009/10, over the five years from 2005/06 to 2009/10 as a whole, it fell by 7.3%. About three quarters of trusts saw a fall in their asset values over the period.

The extent of annual fluctuation in the asset value of the foundations in the study can be quite clearly seen in Figure 5. Figures have been adjusted for inflation. By 2009/10 values were just below their 2005/06 level, having gone through marked peaks and troughs.

This financial pattern complicates planning for philanthropic investments, particularly where foundations have multi-year commitments which reduce their scope for manoeuvre.

Figure 5
Five-year trends
in family foundation
charitable assets
(adjusted)



2.6 Effect of asset growth on spending

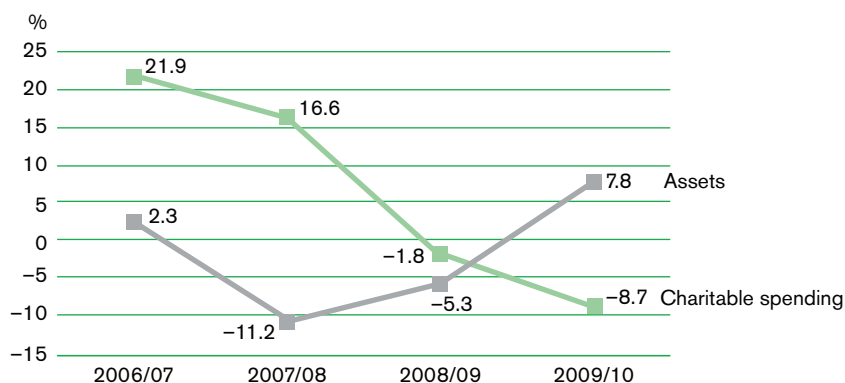
Although trends in the value of foundation assets do not fully explain trends in family foundation spending, as noted above, there is a strong relationship between them. This is partly because the value of non-investment income such as new gifts and legacies in themselves also reflect market trends. The comparative patterns in the real year-on-year growth rates in assets and charitable spending are shown in Figure 6.

The graph shows how trends in family foundation spending tend to reflect what was happening to asset values in the previous period.

With growth in assets going into negative rates after 2006/07, the high growth in spending began to reduce. Growth rates began to fall in 2007/08, then fell more steeply in 2008/09, at the point at which assets began to pick up.

The apparent lagged effect of trends in assets on spending might mean we can expect family foundation spending to pick up in 2010/11.

Figure 6
Trends in real
year-on-year growth
rates in assets and
charitable spending,
2005/06 to 2009/10



2.7 Top 10 share levels off

There is a heavy skew in UK family foundation giving towards a few very large organisations. The Wellcome Trust is in a class of its own, with charitable expenditure of around £635 million in 2009/10. This is 13 times the spending of its next-nearest neighbours, the large Gatsby and Leverhulme trusts.

All of these trusts have a strongly scientific and academic orientation.

The Wellcome Trust's contribution to national health and biomedical research and development spending is greater than that of the Medical Research Council, whose accounts in 2008/09 showed an expenditure of about £710 million, compared with consolidated expenditure of £800 million for Wellcome (including all forms of grants and operating activities).

Possible dominance by the largest foundations can be a concern when resources are heavily skewed towards a few large organisations. In the UK the 10 largest family foundations by asset size own over 80% of the assets of the top 100 (for example, Garfield Weston had assets of £4.1 billion in 2009/10, with CIFF at £1.8 billion). One problem is that this skew gives rise to a false perception among some commentators and policymakers that the whole sector is more asset-rich than it actually is. A greater challenge arises out of the scale and growth of the US-based Bill and Melinda Gates Foundation (see section 3.3). A recent journal, for example, featured the theme of 'Living with the Gates Foundation',¹⁴ and one comment was that the foundation 'so far outstrips the resources, scope and spending of every other foundation on earth today that it is trading new ground and defining it . . .'. The existence of such a philanthropic 'giant' raises issues that are potentially important for any expansion of private philanthropy, including its relationship to government policy and democratic accountability.

Figures for 2009/10 show that the steady increase in the share of charitable spending represented by the largest 10 UK family foundations¹⁵ reached its peak last year. It had been steadily increasing, but has fallen back from 73% to 71% in this year's sample. The share of assets they represented has stayed much the same at around 77%.

The composition of the largest 10 foundations is highly stable, and did not change much from last year. The Atlantic Charitable Trust entered the table with raised spending due to its policy of spending down its endowment. The Wellcome Trust represented around 49% of

¹⁴ *Alliance* magazine, 1 September 2011, www.alliancemagazine.org/en/content/september-2011

¹⁵ C Pharoah, C Keidan (2011) *Family Foundation Giving 2010* Alliance Publishing Trust, London.

the spending of the largest 100 family foundations in 2009/10, a decrease of 1% compared with last year.

Figure 7
Largest 10 family foundations, 2009/10

<i>Rank</i> <i>09/10</i>	<i>Rank</i> <i>08/09</i>		<i>Charitable</i> <i>spending</i> <i>£ million</i>	<i>Net assets</i>	<i>Year end</i>
1	1	Wellcome Trust	635.1	12,740.5	Sep 10
2	3	The Leverhulme Trust	50.2	1,587.5	Dec 10
3	2	The Gatsby Charitable Foundation	35.7	460.8	Apr 10
4	7	Garfield Weston Foundation	34.1	4,085.8	Apr 10
5	5	The Monument Trust	32.0	236.9	Apr 10
6	9	Esmée Fairbairn Foundation	29.4	852.3	Dec 10
7	4	The Wolfson Foundation	28.2	652.8	Apr 10
8	8	The Children's Investment Fund Foundation	27.9	1,768.1	Aug 10
9	6	The Sigrid Rausing Trust	22.2	11.7	Dec 09
10	12	The Atlantic Charitable Trust	20.0	28.1	Dec 10
Total			914.8	22,424.6	

2.8 Other family foundations' contributions

The data in this report does not provide a full account of total spending by family foundations in the UK. A number of family foundations not listed in the table – including the Calouste Gulbenkian Foundation (UK branch), the Oak Foundation, the Atlantic Philanthropies, the Edmund de Rothschild Foundations, the Adessium Foundation and the Kusuma Trust UK – have their headquarters or main office registered in other countries, but spend some of their resources in the UK.

Some major family foundation giving is carried out through intermediary donor organisations, and data is not available to include them in the table. This means that, for example, the funding of Arcadia, the conservation trust set up by Lisbet Rausing and managed through the Charities Aid Foundation, is not included.

There are also many sizeable new and other family foundations whose giving was just below the lower end of the table of the largest 100 in 2009/10, but who make a significant philanthropic contribution in the UK. If all trusts that give over £1 million per annum were included, this would add another £50 million or so to the total figure for family foundation giving. They include, for example, the Wood Family Trust, the Charles Hayward Foundation, the Maurice and Vivienne Wohl Philanthropic Foundation, the Parthenon Trust, the True Colours Trust, the Albert Hunt Trust, the James Dyson Foundation and the Bowland Trust.

2.9 Table of the largest 100 UK family foundations (by giving¹⁶), 2005/6 to 2009/10

Name	2009/10 (or previous)			2008/09 (or previous)			
	Charitable exp £m	Net assets £m	Fiscal year	Rank	Char exp	Net assets	Fiscal year
1 Wellcome Trust	635.1	12,740.5	Sep 10	1	680.6	11,949.0	Sep 09
2 The Leverhulme Trust	50.2	1,587.5	Dec 10	2	53.9	1,574.8	Dec 09
3 The Gatsby Charitable Foundation	35.7	460.8	Apr 10	3	50.0	465.9	Apr 09
4 Garfield Weston Foundation	34.1	4,085.8	Apr 10	7	25.3	2,894.8	Apr 09
5 The Monument Trust	32.0	236.9	Apr 10	5	35.2	207.6	Apr 09
6 Esmée Fairbairn Foundation	29.4	852.3	Dec 10	8	23.5	795.7	Dec 09
7 The Wolfson Foundation	28.2	652.8	Apr 10	4	39.2	560.9	Apr 09
8 The Children's Investment Fund Foundation	27.9	1,768.1	Aug 10	10	23.1	1,440.2	Aug 09
9 The Sigrid Rausing Trust	22.2	11.7	Dec 09	6	28.8	30.2	Dec 08
10 The Atlantic Charitable Trust	20.0	28.1	Dec 10	9	23.4	39.8	Dec 09
11 Paul Hamlyn Foundation	18.5	548.3	Mar 10	12	13.4	466.3	Mar 09
12 The Tudor Trust	17.5	245.6	Mar 10	11	16.8	204.8	Mar 09
13 Christian Vision	16.4	188.7	Dec 09	13	13.2	187.5	Dec 08
14 Dr Mortimer and Theresa Sackler 1988 Foundation	10.5	3.2	Dec 09	93	1.8	11.0	Dec 08
15 Nuffield Foundation	9.6	232.4	Dec 10	17	8.3	205.9	Dec 09
16 The Robertson Trust	9.4	364.1	Apr 10	15	9.6	340.4	Apr 09
17 The Rank Foundation Limited	8.8	221.1	Dec 10	21	6.7	217.9	Dec 09
18 The Tubney Charitable Trust	7.9	20.7	Mar 10	44	3.9	28.0	Mar 09
19 Pears Foundation	7.2	14.5	Mar 10	23	6.5	15.1	Mar 09
20 Kay Kendall Leukaemia Fund	7.2	40.1	Apr 10	31	5.0	36.2	Apr 09
21 Khodorkovsky Foundation	7.1	311.7	Dec 10	22	6.6	301.5	Dec 09
22 The Gannochy Trust	6.5	119.7	May 10	42	4.2	107.1	May 09
23 Keren Association Limited	6.5	15.5	Mar 10	20	6.8	15.1	Mar 09
24 Mayfair Charities Ltd	6.0	51.0	Mar 10	16	8.6	51.0	Mar 09
25 The Prince's Charities Foundation	6.0	-0.5	Mar 10	18	7.9	2.5	Mar 09
26 The Rhodes Trust	5.9	111.9	Jun 10	28	5.2	103.7	Jun 09
27 The Waterloo Foundation	5.8	110.1	Dec 09	34	4.8	95.1	Dec 08
28 The Foyle Foundation	5.7	74.1	Jun 10	30	5.0	73.0	Jun 09
29 Joseph Rowntree Foundation	5.6	235.8	Dec 09	49	3.5	201.7	Dec 08
30 The Linbury Trust	5.2	151.3	Apr 10	25	5.9	140.2	Apr 09
31 The Joseph Rowntree Charitable Trust	5.2	150.7	Dec 09	24	6.0	117.0	Dec 08
32 The Jack Petchey Foundation	5.0	0.1	Dec 10	60	3.0	0.0	Dec 09
33 The Clore Duffield Foundation	4.9	75.0	Dec 09	35	4.7	76.8	Dec 08
34 The Underwood Trust	4.7	32.2	Apr 10	90	1.9	36.1	Apr 09
35 J Paul Getty Jnr General Charitable Trust	4.4	48.4	Dec 09	58	3.0	44.4	Dec 08
36 The Raphael Freshwater Memorial Association Ltd	4.4	32.1	Mar 10	53	3.2	58.9	Mar 09
37 The Charles Wolfson Charitable Trust	4.4	137.6	Apr 10	40	4.4	127.3	Apr 09
38 The Peter Moores Charitable Trust	4.3	46.1	Apr 10	19	6.9	45.4	Apr 09
39 The Eranda Foundation	4.3	83.2	Apr 10	52	3.2	82.2	Apr 09
40 The Baily Thomas Charitable Fund	4.3	72.7	Sep 10	37	4.7	72.0	Sep 09
41 The Hintze Family Charitable Foundation	4.3	2.7	Dec 10	99	1.5	1.0	Dec 09
42 The John Ellerman Foundation	4.2	116.8	Mar 10	41	4.3	92.9	Mar 09
43 Stewards Company Ltd	4.1	117.6	Jun 10	29	5.2	104.5	Jun 09
44 A W Charitable Trust	3.7	73.3	Jun 10	48	3.6	61.7	Jun 09
45 The 29th May 1961 Charitable Trust	3.7	99.2	Apr 10	38	4.6	82.7	Apr 09
46 Volant Charitable Trust	3.7	38.4	Apr 09	46	3.7	38.4	Apr 09
47 The Allan and Nesta Ferguson Charitable Trust	3.7	26.2	Dec 09	45	3.8	23.3	Dec 08
48 Barrow Cadbury Trust	3.6	73.6	Jul 10	55	3.1	59.6	Jul 09
49 The Lempiere Pringle Charitable Trust	3.4	8.7	Dec 09	87	2.0	7.4	Dec 08
50 Henry Moore Foundation	3.4	97.4	Mar 10	32	5.0	81.0	Mar 09

¹⁶ See section 1.4, 'Financial indicator', p13.

2007/08 (or previous)				2006/07 (or previous)				2005/06 (or previous)			
Rank	Char exp	Net assets	Fiscal year	Rank	Char exp	Net assets	Fiscal year	Rank	Char exp	Net assets	Fiscal year
1	657.8	12,031.7	Sep 08	1	472.7	14,364.8	Sep 07	1	324.7	12,683.1	Sep 06
3	45.1	1,256.1	Dec 08	3	40.4	1,532.4	Dec 07	3	41.8	1,205.1	Dec 06
7	30.8	464.7	Apr 08	2	117.2	380.4	Apr 07	2	53.8	386.6	Apr 06
2	51.7	3,720.6	Apr 08	4	39.5	3,688.3	Apr 07	5	37.8	3,511.4	Apr 06
12	16.3	215.1	Apr 08	63	2.5	131.8	Apr 07	41	3.4	118.1	Apr 06
9	21.5	724.8	Dec 08	6	23.3	937.8	Dec 07	6	27.3	916.9	Dec 06
4	33.8	638.5	Apr 08	5	35.5	678.0	Apr 07	4	38.0	668.4	Apr 06
5	33.5	1,555.1	Aug 08	14	10.2	801.7	Aug 07	24	5.1	362.5	Aug 06
11	17.0	60.3	Dec 07	11	14.5	70.1	Dec 06	11	12.8	80.4	Dec 05
14	14.8	58.7	Dec 08	12	12.6	66.1	Dec 07	9	16.0	62.1	Dec 06
15	14.5	513.5	Mar 08	8	19.1	548.5	Mar 07	10	12.8	502.2	Mar 06
10	19.7	273.2	Mar 08	9	17.2	307.1	Mar 07	8	17.5	295.7	Mar 06
16	13.3	200.3	Dec 07	10	15.9	187.0	Dec 06	12	9.5	32.6	Dec 05
92	1.8	5.0	Dec 07	91	1.5	3.6	Dec 06	93	1.1	4.7	Dec 05
22	9.5	191.8	Dec 08	15	9.9	254.7	Dec 07	13	8.6	250.0	Dec 06
23	8.1	320.5	Apr 08	16	8.1	274.5	Apr 07	16	8.0	257.6	Apr 06
25	7.4	189.5	Dec 08	25	6.1	243.7	Dec 07	28	4.9	241.8	Dec 06
26	7.4	29.4	Mar 08	30	5.6	36.1	Mar 07	33	4.6	37.5	Mar 06
31	6.1	13.9	Mar 08	38	4.4	13.4	Mar 07	49	3.1	11.6	Mar 06
87	2.0	50.1	Apr 08	70	2.3	57.6	Apr 07	81	1.7	50.6	Apr 06
18	10.6	292.2	Dec 08	21	6.7	315.1	Dec 07	46	3.2	298.6	Dec 06
33	5.8	104.4	May 08	20	6.8	136.3	May 07	44	3.2	104.4	May 06
28	6.5	19.3	Mar 08	32	5.5	17.8	Mar 07	27	4.9	17.3	Mar 06
24	7.8	65.7	Mar 08	22	6.5	83.4	Mar 07	14	8.4	66.2	Mar 06
8	22.8	2.1	Mar 08	44	3.4	5.6	Mar 07	43	3.2	5.2	Mar 06
38	5.3	141.4	Jun 08	36	4.5	155.3	Jun 07	22	5.2	143.6	Jun 06
95	1.6	107.3	Dec 07	N/A	N/A	N/A		N/A	N/A	N/A	
35	5.6	68.5	Jun 08	27	5.9	81.4	Jun 07	26	5.0	77.0	Jun 06
37	5.4	269.8	Dec 07	34	5.4	265.3	Dec 06	23	5.2	243.1	Dec 05
36	5.5	159.4	Apr 08	41	3.9	219.9	Apr 07	18	6.0	153.7	Apr 06
41	4.6	191.1	Dec 07	23	6.4	193.7	Dec 06	29	4.9	169.8	Dec 05
13	15.7	2.4	Dec 08	13	12.4	5.1	Dec 07	15	8.4	8.6	Dec 06
40	4.8	83.3	Dec 07	26	6.0	68.8	Dec 06	36	4.0	68.3	Dec 05
98	1.2	34.8	Apr 08	97	1.0	34.7	Apr 07	95	1.0	34.6	Apr 06
72	2.5	57.2	Dec 07	84	1.8	54.8	Dec 06	71	2.1	50.1	Dec 05
85	2.1	38.5	Mar 08	47	3.2	47.8	Mar 07	89	1.4	41.0	Mar 06
27	7.1	152.9	Apr 08	24	6.3	160.2	Apr 07	17	6.1	144.8	Mar 06
32	5.8	55.4	Apr 08	7	19.7	59.0	Apr 07	7	26.4	74.9	Apr 06
34	5.7	87.0	Apr 08	68	2.3	67.8	Apr 07	56	2.7	59.3	Apr 06
49	4.1	71.0	Sep 08	35	4.6	87.8	Sep 07	42	3.3	82.7	Sep 06
45	4.4	1.5	Dec 08	62	2.5	2.0	Dec 07	90	1.3	1.2	Dec 06
43	4.4	110.2	Mar 08	39	4.3	116.5	Mar 07	39	3.7	112.9	Mar 06
30	6.1	121.1	Jun 08	31	5.6	131.8	Jun 07	31	4.7	122.7	Jun 06
48	4.1	54.5	Jun 08	72	2.2	49.0	Jun 07	51	3.1	45.6	Jun 06
53	3.7	82.7	Apr 08	40	4.0	113.0	Apr 07	47	3.1	106.2	Apr 06
42	4.5	49.0	Apr 08	64	2.5	41.1	Apr 07	25	5.1	33.2	Mar 06
55	3.5	39.5	Dec 07	29	5.7	46.9	Dec 06	20	5.4	42.2	Dec 05
75	2.4	80.2	Jul 08	92	1.4	83.2	Jul 07	52	3.0	77.8	Jul 06
94	1.7	5.3	Dec 07	96	1.0	3.2	Dec 06	99	0.3	1.8	Dec 05
39	4.9	101.0	Mar 08	33	5.4	108.0	Mar 07	34	4.4	106.9	Mar 06

Name	2009/10 (or previous)			2008/09 (or previous)			
	Charitable exp £m	Net assets £m	Fiscal year	Rank	Char exp	Net assets	Fiscal year
51 The Wates Foundation	3.4	20.4	Mar 10	61	3.0	20.1	Mar 09
52 M & R Gross Charities Limited	3.3	22.2	Mar 10	54	3.2	0.0	Mar 09
53 David & Frederick Barclay Foundation	3.3	0.1	Dec 10	77	2.4	0.1	Dec 09
54 Maurice Wohl Charitable Foundation	3.2	80.8	Apr 10	74	2.5	72.0	Apr 09
55 The Sobell Foundation	3.2	62.7	Apr 10	75	2.4	49.1	Apr 09
56 The David & Elaine Potter Charitable Foundation	3.2	20.6	Dec 09	66	2.8	22.1	Dec 08
57 The Sir Jules Thorn Charitable Trust	3.1	106.4	Dec 10	79	2.3	96.8	Dec 09
58 Rachel Charitable Trust	3.1	3.5	Jun 10	65	2.8	3.4	Jun 09
59 The Buttle Trust	3.0	40.9	Mar 10	57	3.1	34.2	Mar 09
60 The Childwick Trust	2.9	69.1	Apr 10	69	2.6	57.7	Apr 09
61 De Haan Charitable Trust	2.8	50.5	Apr 10	14	11.5	45.8	Apr 09
62 Samuel Sebba Charitable Trust	2.8	39.9	Apr 10	67	2.7	41.8	Apr 09
63 The Dulverton Trust	2.8	74.5	Mar 10	50	3.4	58.5	Mar 09
64 The Ernest Cook Trust	2.8	84.8	Mar 10	51	3.3	75.8	Mar 09
65 The Zochonis Charitable Trust	2.6	137.7	Apr 10	81	2.2	76.3	Apr 09
66 The Dunhill Medical Trust	2.6	95.4	Mar 10	56	3.1	74.6	Mar 09
67 Jerusalem Trust	2.5	84.5	Dec 10	70	2.6	76.3	Dec 09
68 The Westminster Foundation	2.4	35.8	Dec 09	98	1.5	30.9	Dec 08
69 The Rufford Maurice Laing Foundation	2.4	63.4	Apr 10	27	5.3	60.8	Apr 09
70 The Pilgrim Trust	2.4	53.2	Dec 09	80	2.3	47.5	Dec 08
71 The Hobson Charity Limited	2.3	14.9	Apr 10	47	3.7	0.1	Mar 09
72 The Headley Trust	2.3	69.5	Dec 09	63	2.9	61.5	Dec 08
73 P F Charitable Trust	2.3	92.2	Mar 10	62	2.9	80.2	Mar 09
74 Lancaster Foundation	2.3	50.1	Mar 10	83	2.2	50.5	Mar 09
75 Bernard Sunley Charitable Foundation	2.3	80.8	Mar 10	73	2.5	58.5	Mar 09
76 The Rothschild Foundation (Europe)	2.2	67.1	Dec 09	43	4.0	60.2	Dec 08
77 Peter De Haan Charitable Trust	2.2	18.5	Apr 10	68	2.7	16.3	Apr 09
78 The Jerwood Charitable Foundation	2.1	27.0	Dec 10	88	2.0	24.2	Dec 09
79 Shlomo Memorial Fund Limited	2.1	36.3	Sep 10	71	2.6	31.4	Sep 09
80 Hadley Trust	2.0	75.6	Mar 10	82	2.2	62.2	Mar 09
81 Four Acre Trust	2.0	6.1	Mar 10	72	2.5	6.3	Mar 09
82 Eveson Charitable Trust	2.0	60.5	Mar 10	78	2.3	50.8	Mar 09
83 The Carnegie UK Trust	2.0	32.9	Dec 10	89	2.0	31.0	Dec 09
84 C H K Charities Limited	2.0	69.8	Jan 10	97	1.6	59.4	Jan 09
85 Cosmon (Belz) Limited	2.0	0.7	Mar 10	39	4.5	0.8	Mar 09
86 Peter Harrison Foundation	2.0	39.4	May 10	33	4.9	30.2	May 09
87 The Manoukian Charitable Foundation	2.0	0.1	Dec 10	59	3.0	0.5	Dec 09
88 The Helen Hamlyn Trust	1.9	4.6	Mar 10	36	4.7	4.3	Mar 09
89 The Gosling Foundation Limited	1.9	91.2	Mar 10	64	2.8	17.6	Mar 09
90 The Kirby Laing Foundation	1.9	41.9	Dec 09	94	1.7	43.9	Dec 08
91 The Hunter Foundation	1.8	2.7	Mar 10	26	5.9	3.4	Mar 09
92 The Beit Trust	1.8	75.2	Dec 10	95	1.7	70.1	Dec 09
93 The Joseph Rank Trust	1.8	75.3	Dec 10	76	2.4	69.2	Dec 09
94 The Maurice and Hilda Laing Charitable Trust	1.7	33.7	Dec 09	85	2.2	31.7	Dec 08
95 The Peacock Charitable Trust	1.7	40.7	Apr 10	92	1.8	34.0	Apr 09
96 Vardy Foundation	1.6	22.0	Apr 10	96	1.7	22.5	Apr 09
97 A M Qattan Foundation	1.6	3.6	Mar 10	100	1.4	3.7	Mar 09
98 The Wolfson Family Charitable Trust	1.4	31.2	Mar 10	91	1.8	28.5	Mar 09
99 The Rayne Foundation	1.4	52.8	Nov 09	84	2.2	39.2	Nov 08
100 The Sutton Trust	1.3	0.9	Dec 10	86	2.1	0.9	Dec 09

2007/08 (or previous)				2006/07 (or previous)				2005/06 (or previous)			
Rank	Char exp	Net assets	Fiscal year	Rank	Char exp	Net assets	Fiscal year	Rank	Char exp	Net assets	Fiscal year
67	2.9	32.3	Apr 08	65	2.4	35.3	Apr 07	76	2.0	36.9	Apr 06
58	3.1	26.0	Mar 08	49	3.2	24.8	Mar 07	21	5.3	23.5	Mar 06
76	2.3	0.0	Dec 08	98	0.3	0.2	Dec 07	96	0.9	0.5	Dec 06
21	9.8	63.8	Apr 08	99	0.1	17.7	Apr 07	98	0.3	17.8	Apr 06
46	4.2	59.4	Apr 08	56	2.8	63.7	Apr 07	50	3.1	59.0	Apr 06
100	0.2	18.2	Dec 07	95	1.1	16.4	Dec 06	97	0.7	17.6	Dec 05
60	3.1	79.9	Dec 08	67	2.4	107.6	Dec 07	60	2.4	101.3	Dec 06
57	3.2	11.4	Jun 08	55	2.9	8.6	Jun 07	65	2.2	10.5	Jun 06
64	3.0	45.5	Mar 08	59	2.8	48.3	Mar 07	69	2.2	45.9	Mar 06
65	3.0	68.9	Apr 08	54	2.9	73.6	Apr 07	59	2.4	70.2	Apr 06
19	10.5	58.3	Apr 08	18	7.0	63.5	Apr 07	57	2.7	66.7	Apr 06
73	2.5	56.3	Apr 08	46	3.2	54.9	Apr 07	82	1.7	50.5	Apr 06
68	2.9	79.7	Mar 08	52	3.0	86.6	Mar 07	38	3.9	83.5	Mar 06
56	3.3	82.2	Mar 08	60	2.7	82.8	Mar 07	55	2.8	67.1	Mar 06
86	2.1	92.3	Apr 08	80	1.9	87.4	Apr 07	80	1.7	71.0	Apr 06
63	3.1	86.1	Mar 08	48	3.2	89.6	Mar 07	53	2.9	87.8	Mar 06
79	2.3	67.1	Dec 08	79	1.9	85.3	Dec 07	74	2.0	80.5	Dec 06
89	1.9	38.0	Dec 07	83	1.8	33.7	Dec 06	30	4.8	29.8	Dec 05
6	31.5	64.8	Apr 08	28	5.9	93.1	Apr 07	37	4.0	96.1	Apr 06
54	3.6	61.9	Dec 07	78	1.9	60.7	Dec 06	84	1.6	56.4	Dec 05
50	4.1	0.6	Mar 08	42	3.7	0.8	Mar 07	40	3.6	0.1	Mar 06
44	4.4	78.9	Dec 07	50	3.2	76.8	Dec 06	68	2.2	67.8	Dec 05
70	2.7	100.0	Mar 08	37	4.5	101.4	Mar 07	45	3.2	101.2	Mar 06
47	4.2	50.7	Mar 08	58	2.8	53.4	Mar 07	58	2.6	53.0	Mar 06
84	2.2	76.0	Mar 08	77	1.9	84.6	Mar 07	83	1.6	77.9	Mar 06
52	3.9	72.2	Dec 07	43	3.5	68.2	Dec 06	63	2.2	67.2	Dec 05
90	1.9	23.3	Apr 08	61	2.6	24.5	Apr 07	79	1.7	26.4	Apr 06
97	1.4	22.7	Dec 08	87	1.6	28.2	Dec 07	88	1.4	27.8	Dec 06
62	3.1	35.2	Sep 08	57	2.8	41.5	Sep 07	54	2.8	38.4	Sep 06
78	2.3	69.4	Mar 08	74	2.2	69.2	Mar 07	73	2.0	64.4	Mar 06
77	2.3	9.7	Mar 08	75	2.2	2.2	Mar 07	92	1.1	12.2	Mar 06
74	2.5	71.8	Mar 08	73	2.2	74.1	Apr 07	67	2.2	71.2	Apr 06
81	2.3	28.8	Dec 08	66	2.4	41.0	Dec 07	64	2.2	44.1	Dec 06
82	2.3	71.2	Jan 08	76	2.1	71.9	Jan 07	87	1.4	68.7	Jan 06
29	6.3	0.7	Mar 08	19	7.0	0.8	Mar 07	19	5.8	0.4	Mar 06
71	2.6	30.3	May 08	82	1.8	30.7	May 07	35	4.3	30.8	May 06
59	3.1	0.5	Dec 08	89	1.6	1.0	Dec 07	61	2.3	0.2	Dec 06
61	3.1	5.9	Mar 08	93	1.2	5.0	Mar 07	72	2.1	3.7	Mar 06
88	1.9	92.4	Mar 08	51	3.1	94.6	Mar 07	48	3.1	90.8	Mar 06
69	2.8	55.5	Dec 07	88	1.6	57.5	Dec 06	75	2.0	50.5	Dec 05
17	11.9	1.1	Mar 08	17	8.0	0.2	Mar 07	32	4.7	0.9	Mar 06
91	1.8	57.5	Dec 08	81	1.8	73.0	Dec 07	62	2.3	72.8	Dec 06
83	2.2	61.9	Dec 08	69	2.3	78.1	Dec 07	66	2.2	78.6	Dec 06
96	1.6	35.4	Dec 07	71	2.3	36.6	Dec 06	91	1.3	36.6	Dec 05
93	1.7	39.1	Apr 08	85	1.7	41.3	Apr 07	78	1.8	39.6	Apr 06
66	3.0	20.6	Apr 08	90	1.6	22.7	Apr 07	85	1.6	23.1	Apr 06
99	1.2	2.8	Mar 08	94	1.1	3.0	Mar 07	94	1.0	1274.0	Mar 06
20	10.5	28.6	Mar 08	45	3.3	37.7	Mar 07	86	1.5	39.3	Mar 06
80	2.3	63.1	Nov 07	86	1.7	72.4	Nov 06	70	2.2	53.2	Nov 05
51	3.9	1.4	Dec 08	53	2.9	0.8	Dec 07	77	1.8	1.6	Dec 06

3 UK and US comparison: family foundation giving 2009/10

This chapter presents updated annual figures for US giving, and compares results with those for the UK.

3.1 Comparing the UK with the US

International comparison helps to put the UK results in perspective. As our previous family foundation research revealed that the only other comparable published annual data available is for the US, this chapter focuses on a comparison between US and UK family foundation giving.¹⁷

Data on the top 100 US family foundations was supplied by the US Foundation Center, and our analysis also draws on the very comprehensive analyses that it publishes of all types of foundation giving. The table of US foundations is set out at the end of this section.¹⁸

The amount given by the largest 100 US family foundations (by giving) is around three times that given in the UK. The US has seen the emergence of a very thriving family foundation sector over the last two decades. There are now almost 39,000 family foundations in the US.¹⁹ Around one third were created after 2000, and the numbers are still growing. Family foundations showed the strongest growth in new gifts in 2009, and in combined asset value of all US foundations. There are no figures for the number of family foundations in the UK, but estimates indicate there are around 10,000 general foundations in total.²⁰

In spite of the major differences of scale, however, and some variation in the way in which published UK and US data on foundations is presented, some useful comparisons can be drawn.

3.2 Levels and share of giving, 2009 and 2010

The top 100 family foundations gave \$8.6 billion in 2009, a real growth of 4% on the previous year. The increase was, however, a more modest 2% if the increased spending of the giant Bill and Melinda Gates Foundation is excluded. Figure 8 shows the separate contributions of Gates and other family foundations over time.

¹⁷ C Pharoah and C Keidan *Family Foundation Giving 2009* Alliance Publishing Trust, London.

¹⁸ Note: a few foundations in last year's table were excluded where new data was not yet available, though the largest ones were included to avoid distorting annual comparisons.

¹⁹ Foundation Center (2011) <http://foundationcenter.org/gainknowledge/research/nationaltrends.html>

²⁰ Although it is possible to get figures from the Charity Commission Register on the number of charities that make grants as part of their operating activity, there are no figures for the number of UK foundations whose principal activity is grantmaking. Using figures first compiled in *Charity Trends 1997*, compiled by Cathy Pharoah and published by CAF, it is estimated that there are approximately 10,000 such foundations today. No more recent surveys are available.

This US finding contrasts with the fall of 8.7% in giving by UK family foundations. It is likely that part of the difference is because the UK figures are more recent. There is some evidence to support this. While full data for US family foundations in 2010 is not available yet, results for independent foundations generally (which include family foundations) show that giving fell by 0.8% in the full 2010 year.

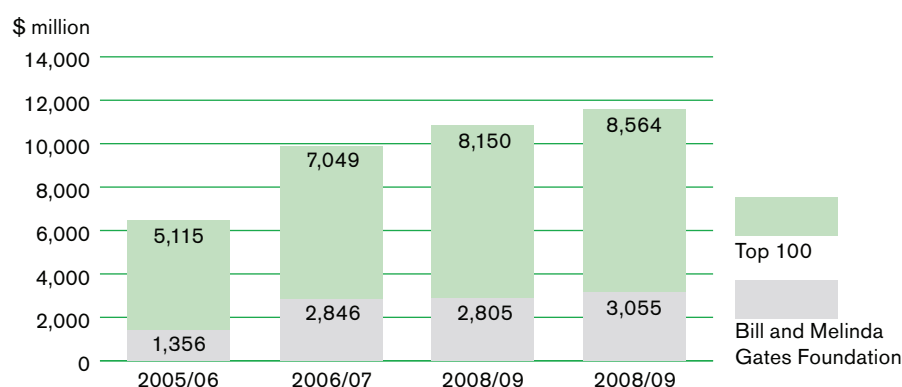
So it seems reasonable to conclude that family foundation giving fell in both the US and the UK in 2010, though it may have been harder hit in the UK.

3.3 Impact of Gates Foundation on giving figures

The Bill & Melinda Gates Foundation now accounts for 36% of the giving of the 100 largest US family foundations, a share that increased in 2009/10. The Foundation Center reports that the drop in family foundation giving in 2009 would have been 6% rather than 4% if Gates were not included.

Gates' giving has more than doubled in real terms between 2005/06 and 2009/10, as it absorbed the huge additional assets donated by Warren Buffett. The result for giving by the Gates Foundation in 2009/10 shows that it has kept to its promised payout target of more than \$3 billion per year, starting from 2009.

Figure 8
Trends in giving of Gates and of other top 100 family foundations



Note two-year gap from 2006/07.

3.4 Family foundation giving as percentage of GDP, UK and US

The drop in family foundation giving saw its value as a percentage of GDP in the UK fall from 0.1% to 0.09%, while in the US it stayed the same at 0.06%.²¹

Figure 9
Giving as a percentage of GDP

	UK £ billion	US \$ billion
Total giving, 100 largest family foundations	1.287	8.564
GDP	1,455	14,257
Giving, 100 largest family foundations, as % GDP	0.09%	0.06%

²¹ GDP data from International Monetary Fund (2010) *World Economic Outlook Database*, April 2010.

3.5 Comparison of five-year trends in UK and US

In both the US and the UK, the total value of family foundation giving grew between 2005/06 and 2009/10, by 55% and 27% respectively. Greater growth in the US was partly due to the expansion of giving by the Gates Foundation.

Family foundation giving grew within a context of general foundation growth over the period, and figures indicate that the expansion was greater in the UK, which showed a 15% increase compared with 8.5% in the US.

Figure 10 Five-year comparative trends in giving, largest 100 UK and US family foundations, 2005/2006 to 2009/10

Giving	UK £ million			US \$ million		
	2005/06	2009/10	Real change	2005/06	2009/10	Real change
Largest 100 family foundations	893	1,287	27%	5,115	8,564	55%
All foundations	2,391 ²²	3,123	15%	39,000	45,700	8.5%
Largest 100 as % of all	37%	41%		13%	19%	

3.6 Comparison of trends in UK and US family foundation assets

The asset values of the largest family foundations of both countries also followed a similar pattern over the five-year period. But while giving in both countries grew, assets showed a net fall after five years. The fall appeared steeper in the UK.

UK family foundations' share of all foundation assets fell from 83% to 74% over the five-year period, and this may underlie the steeper fall seen in their giving in 2009/10.

In the US, family foundations have continued to increase their overall share of asset value, largely as a result of the presence of the Gates Foundation.

The sharpest contrast between the two countries is the much larger share of giving and assets that family foundations in the UK represent. The main reason for this difference is the higher contribution of corporate foundations in the US.

Figure 11 Five-year comparative trends in assets, largest 100 UK and US family foundations, 2005/06 to 2009/10

Assets	UK £ million			US \$ million		
	2005/06	2009/10	Real change	2005/06	2009/10	Real change
Largest 100 family foundations	27,813	29,181	-7.3%	94,107	104,581	-2.9%
All foundations	33,500	39,409	4%	614,700	621,700	-6%
Family foundations as % of all	83%	74%		15%	17%	

²² Estimated figure based on data in C Pharoah (2008) *Charity Market Monitor 2008 Volume 2* CaritasData, London

3.7 Family foundations in other countries

As noted above, little comparable published data is available on family foundation giving in other countries, although there are many strong traditions of giving through family foundations. A new report highlighting patterns in family philanthropy in Asia was recently published, showing that while there are some long-standing family foundations, the creation of a foundation vehicle for family giving is a relatively recent interest. Corporate foundation giving vehicles play an important role in family business philanthropy.²³

The European Foundation Centre compiled data on foundations in 15 European countries in 2008, although varying definitions of foundation were used depending on practice within different countries, and type of foundation is not identified in the data.²⁴

The lack of mandatory reporting requirements, however, means that the ability to obtain and publish relevant other European data is limited. Social democratic traditions have led to a stronger political emphasis on public redistribution of wealth, and less interest in institutions such as private foundations. In the US, by contrast, there is a strong culture in which major philanthropy is expected, publicly acknowledged and celebrated. It also has the highest level of charitable tax reliefs.

Germany

A previous report in this series, carried out with European research partners, tried to provide a comparison of the largest 100 family foundations in the UK, Germany, Italy and the US.²⁵ Considerably more information was available in Germany than in Italy. The giving of the largest 100 German family foundations was estimated at €725 million for 2008, equal to 42% of the UK figure.

Italy

It was estimated that the total giving of 90 family foundations in Italy was around €90 million, through they were not necessarily the largest.

Spain

A study in Spain has identified 55 family foundations related to family business activities, the majority created by family members from one family, and not by the business.²⁶ It was not possible to collect financial data but the researchers concluded that, unusually for Spain, family foundations generally had an international outlook, and were committed to entrepreneurship and collective action.

Switzerland

The Association of Swiss Grantmaking Foundations has estimated that there are 11,000 grantmaking foundations in Switzerland, but it does not have data for different kinds of foundations. However, estimates of their finances suggest that it may be rich in relation to other countries. For example, foundations are said to distribute CHF 2 billion annually, corresponding to approximately 2% of the Swiss federal budget. This is a much higher contribution than that of foundations in the UK. It is possible that Switzerland has a large family foundation sector. Some of the Swiss family foundations operate in more than one country.²⁷

²³ UBS-INSEAD Study on Family Philanthropy in Asia UBS Philanthropy Services/ INSEAD, 2011.

²⁴ www.efc.be/NewsKnowledge/Pages/FoundationsInTheEU/ComparativeMapOfFoundationSectorEU.aspx

²⁵ C Pharoah (2009) *Family Foundation Philanthropy 2009* Alliance Publishing Trust, London.

²⁶ M Rey, N Puig (2010) *Understanding the organised philanthropic activity of entrepreneurial families* Business History Conference 2010, Spain.

²⁷ Statistics from Association of Swiss Foundations (2010), www.swissfoundations.ch/en/aktuell/kennzahlen-stiftungsszene

3.8 Table of largest 100 US family foundations (by giving), 2009/10

	<i>Foundation</i>	<i>Total Giving \$*</i>	<i>Assets \$</i>	<i>Fiscal Date</i>
1	Bill & Melinda Gates Foundation	3,055,067,596	33,912,320,600	Dec 09
2	The Susan Thompson Buffett Foundation	407,931,970	2,241,538,887	Dec 09
3	Walton Family Foundation, Inc.	360,407,050	2,275,851,898	Dec 09
4	International Medical Outreach, Inc.	308,055,014	4,809,782	Dec 09
5	The David and Lucile Packard Foundation	282,825,448	5,699,231,606	Dec 09
6	Gordon and Betty Moore Foundation	247,769,481	5,585,288,763	Dec 10
7	Lilly Endowment Inc.	210,332,045	5,184,625,647	Dec 10
8	The Annenberg Foundation	164,111,474	1,602,260,949	Jun 09
9	The Simons Foundation	149,630,897	1,547,314,964	Dec 09
10	Eli & Edythe Broad Foundation	145,971,000	1,689,097,000	Dec 10
11	Foundation to Promote Open Society	140,057,116	2,239,745,868	Dec 09
12	The Michael and Susan Dell Foundation	107,145,950	981,491,064	Dec 09
13	The Bloomberg Family Foundation, Inc.	101,068,566	2,234,800,686	Dec 09
14	The McKnight Foundation	99,074,714	1,892,752,694	Dec 09
15	Robertson Foundation	81,039,063	970,778,251	Nov 09
16	The Weill Family Foundation	80,000,000	71,582,823	Dec 09
17	Richard King Mellon Foundation	76,545,340	1,839,427,098	Dec 09
18	Conrad N. Hilton Foundation	73,080,281	1,972,613,697	Dec 09
19	The William Penn Foundation	64,270,306	4,127,571,213	Dec 09
20	John Templeton Foundation	59,804,795	1,689,804,911	Dec 09
21	The Heinz Endowments	54,551,000	1,373,427,000	Dec 09
22	The Marcus Foundation, Inc.	50,364,670	137,986,196	Dec 09
23	Bernard Osher Foundation	50,348,337	140,680,045	Dec 09
24	Barr Foundation	50,118,907	966,097,284	Dec 09
25	Turner Global Foundation, Inc.	50,000,000	179,302,406	Dec 10
26	W. M. Keck Foundation	49,638,172	1,163,000,000	Dec 10
27	Prince Charitable Trusts	49,506,240	128,327,851	Dec 09
28	Richard and Rhoda Goldman Fund	49,200,044	301,688,264	Dec 09
29	The Sherwood Foundation	48,433,845	164,255,087	Dec 09
30	The Richard and Helen DeVos Foundation	46,457,200	89,446,796	Dec 09
31	Tosa Foundation	46,051,120	495,404,135	Dec 09
32	The Robert W. Wilson Charitable Trust	44,892,458	87,002,521	Dec 09
33	NoVo Foundation	44,497,055	210,018,453	Dec 09
34	The Brown Foundation, Inc.	44,264,169	896,451,255	Jun 10
35	The Ahmanson Foundation	43,419,929	948,985,204	Oct 10
36	The Moody Foundation	42,966,654	1,322,323,251	Dec 09
37	Druckenmiller Foundation	42,157,099	864,400,291	Nov 10
38	The Esther A. & Joseph Klingenstein Fund, Inc.	41,801,110	73,237,833	Sep 09
39	Hall Family Foundation	37,334,386	743,379,530	Dec 09
40	Howard G. Buffett Foundation	37,035,628	207,444,887	Dec 09
41	The Anschutz Foundation	36,524,460	1,134,359,136	Nov 09
42	Wayne & Gladys Valley Foundation	36,069,423	510,651,317	Sep 09
43	The Marisla Foundation	34,792,400	61,912,925	Dec 09
44	Surdna Foundation, Inc.	34,033,993	754,986,525	Jun 10
45	The J. E. and L. E. Mabee Foundation, Inc.	33,420,019	725,418,002	Aug 10
46	The Skoll Foundation	33,383,519	463,297,672	Dec 09
47	The Edna McConnell Clark Foundation	33,142,635	813,159,608	Sep 10
48	O'Donnell Foundation	32,954,172	113,774,646	Nov 09
49	Evelyn and Walter Haas, Jr. Fund	32,403,848	463,985,917	Dec 09
50	The Carson Family Charitable Trust	32,286,023	24,363,729	Dec 08
51	The Flatley Foundation	30,868,350	532,475,215	Dec 09
52	Adelson Family Foundation	30,641,159	20,827	Dec 09

	<i>Foundation</i>	<i>Total Giving \$*</i>	<i>Assets \$</i>	<i>Fiscal Date</i>
53	The Oak Foundation U.S.A.	30,212,880	195,366,300	Dec 09
54	Freeman Foundation	29,517,847	270,191,588	Dec 09
55	Arnold and Mabel Beckman Foundation	28,908,930	450,605,808	Aug 09
56	The Meadows Foundation, Inc.	28,751,785	718,560,032	Dec 09
57	The Walt and Lilly Disney Foundation	28,320,000	172,262,619	Dec 09
59	Steven A. and Alexandra M. Cohen Foundation	27,014,450	281,941	Dec 09
60	S.D. Bechtel, Jr. Foundation	26,154,837	231,750,977	Dec 09
61	The Huber Foundation	25,942,000	17,409,460	Dec 10
62	Warren Alpert Foundation	25,195,500	2,241,666	Dec 09
63	Gary and Mary West Foundation	24,659,390	208,952,908	Dec 09
64	The Goizueta Foundation	22,968,538	481,490,041	Dec 09
65	Smith Richardson Foundation, Inc.	21,741,648	441,100,393	Dec 09
66	The Bolthouse Foundation	21,500,000	39,038,609	Dec 08
67	Longwood Foundation, Inc.	21,396,150	578,493,206	Sep 10
68	The Zodiac Fund, Inc.	21,316,893	45,636,760	Dec 09
69	Z. Smith Reynolds Foundation, Inc.	20,774,269	18,380,219	Dec 09
70	The Russell Berrie Foundation	20,676,733	226,531,108	Dec 09
71	The Lerner Foundation	20,556,056	24,872,173	Dec 09
72	Chartwell Charitable Foundation	20,550,177	9,618	Dec 09
73	Omidyar Network Fund, Inc.	20,513,517	249,429,410	Dec 09
74	The Ford Family Foundation	20,424,616	685,716,613	Dec 09
75	Amon G. Carter Foundation	20,352,615	432,868,649	Dec 09
76	The Beneficus Foundation	20,149,271	77,988,010	Sep 09
77	Mathile Family Foundation	20,086,768	275,708,048	Nov 10
78	Polk Bros. Foundation, Inc.	19,987,230	348,667,873	Aug 10
79	The George Gund Foundation	19,981,673	443,698,076	Dec 10
80	The Nathan Cummings Foundation	19,944,000	415,102,143	Dec 09
81	William K. Bowes, Jr. Foundation	19,791,325	276,498,378	Dec 09
82	Carl and Eloise Pohlad Family Foundation	19,563,257	100,672,844	Dec 09
83	McCune Foundation	19,241,789	386,796,182	Sep 09
84	The Thomas and Stacey Siebel Foundation	19,182,274	212,482,497	Dec 09
85	The Shaw "U.S." Foundation	19,131,250	24,315,198	Dec 09
86	The Sorenson Legacy Foundation	18,988,500	72,020	Dec 09
87	Marty and Dorothy Silverman Foundation	18,892,721	395,009,482	Jul 09
88	Reiman Foundation, Inc.	18,749,764	160,865,756	Dec 08
89	Saban Family Foundation	18,659,579	18,755,210	Dec 09
90	The Mitchell P. Rales Family Foundation	18,602,779	8,866,973	Dec 09
91	J. A. & Kathryn Albertson Foundation, Inc.	18,427,208	544,437,545	Dec 09
92	Gateway Foundation	18,270,709	53,819,872	Dec 09
93	The Meijer Foundation	18,269,168	79,091,049	Sep 09
94	F. M. Kirby Foundation, Inc.	18,142,166	434,823,954	Dec 10
95	The Grainger Foundation Inc.	18,037,746	170,193,291	Dec 10
96	Phillip and Susan Ragon Institute Foundation	18,000,000	23,901,988	Dec 09
97	Joseph & Sylvia Slifka Foundation, Inc.	17,733,333	71,476,258	Oct 09
98	Park Foundation, Inc.	17,719,762	320,897,293	Dec 09
99	Dalio Family Foundation, Inc.	17,640,233	54,561,947	Dec 09
100	Dyson Foundation	17,585,296	270,602,092	Dec 10

Source: The Foundation Center, 2011. Based on a subset of family foundations identified by the Foundation Center using subjective and objective criteria. These funders are included in independent foundation data.

* Includes grants, scholarships, and employee matching gifts; excludes set-asides, loans, PRIs, and program expenses

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4 Talking about philanthropy – eight family foundation case studies

4.1 Becoming a philanthropist

The results set out in the previous section highlight the vulnerability of existing philanthropic resources to the uncertain economic climate. If the contribution of philanthropy to society is to grow, there is a pressing need for more people with wealth to become involved. For many potential donors, however, philanthropy represents unknown territory. This section of the report focuses on examples of the individual journeys taken by family members and their foundations, as a way of encouraging others to think about beginning their own. It aims to illustrate different routes to becoming involved in philanthropy. It does not aim to evaluate family foundations' projects, processes and strategies.

Case studies represent both large and small, newer and older foundations, and include:

- A M Qattan Foundation
- The Brian Kennedy Trust
- The Emily Hughes-Hallett Fund
- Helen Hamlyn Trust
- The Hunter Foundation
- The Maurice and Vivienne Wohl Philanthropic Foundation, and the Maurice Wohl Charitable Foundation
- Pears Foundation
- Wood Family Trust

Increasing philanthropy – the challenge

Discovering 'what makes people give' is often perceived as the holy grail of giving research. Giving in the UK has been remarkably resilient,²⁸ and within the population at large it appears to represent the same share of spending as 30 years ago. The positive message is that in times of recession donations fall less than other expenditures. The more negative one is that it indicates a resistance to change, in spite of developments in charity information, and the use of new technology and media to facilitate giving. A raft of government, voluntary and private sector initiatives to encourage more major giving is under way. These include fiscal incentives, like the increase in inheritance tax relief for charitable legacies;²⁹ easy and attractive giving mechanisms such as facilities at ATMs³⁰ and the 'charity bank account' idea which the Philanthropy Review³¹ has championed; celebration of major giving; and

²⁸ CGAP/CMPO (2011) *The New State of Donation – Three Decades of Household Giving to Charity 1978–2008* Cass Business School, City University and Bristol University. [www.cgap.org.uk/uploads/reports/The new state of donation.pdf](http://www.cgap.org.uk/uploads/reports/The%20new%20state%20of%20donation.pdf)

²⁹ Cabinet Office, HM Government (2010) *Giving White Paper* Crown 2011. www.cabinetoffice.gov.uk

³⁰ Cabinet Office, 2011, *ibid.*

³¹ Philanthropy Review (2011) *A Call to Action* Philanthropy Review.

better access to information,³² as well as the growth of private bank philanthropy services. The potential effect of such initiatives on increasing giving is difficult to predict. Among UK and US households, the number who give and the amount given has grown mainly in line with increases in household wealth.³³ Moreover, the motivation to give has no single or simple explanation, and arises from the varying individual circumstances of the wealthiest people in our very diverse society. With little available research or understanding of how to increase philanthropy, this part of the report focuses on illuminating the significant starting points and approaches through which some major donors have become engaged in philanthropy.

Method

The approach was to carry out eight case studies, selected to represent compelling examples of the influences, motivations and strategies within large, medium and small family foundations. They are based on material drawn from interviews with philanthropists and family trustees of family foundations, and annual foundation reports. We are very grateful to the philanthropists and their representatives who were willing to provide interviews. The case studies look at:

- the motivation, influences and experiences behind family foundation philanthropy;
- how the family is involved in the foundation philanthropy;
- transitions and succession;
- philanthropic decision-making and management;
- the future of family foundation philanthropy.

The final section of this chapter provides an overview of the most striking themes that emerge in relation to becoming a philanthropist, similarities and differences in experience, and the role of individuality in family foundation philanthropy. The case studies are not intended to provide a typology of family philanthropists or to celebrate particular people or foundations. Rather their aim is to talk about giving and demonstrate to potential philanthropists how others in the UK have become involved in philanthropy through the creation of family foundations.

³² Cabinet Office, 2011, *ibid*.

³³ T McKenzie and C Pharoah (2011) 'How generous is the UK?' CGAP Briefing Paper 7. www.cgap.org.uk/research/research-outputs.html

4.2 A M Qattan Foundation

The mission of the A M Qattan Foundation grew out of social concerns rooted specifically in the background of its founders, Abdel Mohsin and Leila Al-Qattan, and which their experiences of life only served to deepen. The foundation itself was established in the UK in 1994 by Abdel Mohsin Al-Qattan, his wife Leila and their children, and is funded by the Al-Qattan Charitable Trust. It is an example of an operating foundation whose programme design and activities are uniquely led by its principal driving focus – in this case ‘to serve culture and education in Palestine and the Arab World’. This case study is based on a joint interview with Abdel Mohsin Al-Qattan, founder and chairman of the board, and his son Omar Al-Qattan, trustee and secretary to the board. The foundation's expenditure in 2010/11 was £2.8 million, and assets were £4.7 million.

Initiatives and projects of the A M Qattan Foundation – some examples

- Qattan Centre for Educational Research and Development.
- Qattan Centre for the Child, Gaza City.
- Culture and Arts Programme, including the Gaza Music School and the Mosaic Rooms in London.

Background to the philanthropy

From a background where a good education was not something that could be taken for granted, Abdel Mohsin, whose father was illiterate, was encouraged to study by parents who believed education would be of increasing importance in the post-war world. His own pursuit of education was interrupted when his mother and siblings became refugees of the 1948 Arab-Israeli conflict, and the need to support the family influenced his later decisions to abandon the study of politics for that of business and a business career. Financial pressures prompted a move to Kuwait, where he founded the Al-Hani Construction and Trading Company, which became one of Kuwait's largest contracting firms.

Education remained his – and his wife's – passion (both started their lives as teachers). Moreover, their belief in the importance of educational and cultural development in enabling people to address the consequences of war and injustice in order to build a flourishing society led them to support hundreds of young Palestinians to pursue their academic studies and creative endeavours. However, they did not feel this approach alone would enable them to achieve a more strategic vision. The foundation was thus set up legally as a charity in the UK in 1993, but it was not until 1998, when the Oslo Accords led to greater political stability and freedom to travel, that it was able to open an office in Ramallah. By 2000, three programmes were launched through the Qattan Centre for Educational Research and Development, the Culture and Arts Programme and the Qattan Centre for the Child in Gaza. While Abdel Mohsin and his family have always been willing to give to people in need, they are clear that the foundation's strategic purpose is to help build a stronger society through fostering the talents of young people for whom educational and developmental opportunities are one of the casualties of war and foreign occupation.

Family involvement

The board consists of family members, including himself, his wife, and three of his four children. His youngest son Omar works closely with Abdel Mohsin, who is now over 80 years old. The family are committed to their responsibility of ensuring the future of the foundation, and to providing for its long-term financial future as part of a broader financial strategy, which will also seek to bring in external funding. Abdel Mohsin has also decided to bequeath 25% of his wealth to the charity. To a founder who understood the role of financial independence in achieving personal freedom in difficult circumstances, the model of the independent foundation, with its own funding and independent governance, provides the scope and flexibility to work responsively in a volatile environment.

Philanthropic decision-making and management

For reasons of political stability and legal precedent, the foundation was registered in the UK. Its vision is comprehensive, aiming at educational development across society at all levels, and the foundation supports not only the education of children through the establishment of the Qattan Centre for the Child, Gaza, but also the development of the educators and of the field of education itself through the Qattan Centre for Educational Research and Development. It has also set up a broad culture and arts programme, providing facilities and opportunities for young Palestinian artists, writers and filmmakers and for international cultural exchange. The Mosaic Rooms, opened in 2008, aims to become an important hub of Arabic culture in London.

The board meets at least twice a year. Operating in the UK, Ramallah and Gaza, across a divided geography and under occupation, the day-to-day direction and management of the foundation is of necessity highly decentralised across its three main programmes. With geographical and political factors making communication at times very difficult, Abdel Mohsin and Omar are aware that the recruitment of high-quality staff on whom they can depend is vital to the foundation's success. They believe that an ethos of trust and an atmosphere of joint achievement have an important role in binding the necessarily disaggregated elements of the foundation together, and have the highest regard for their staff. The foundation has developed a number of international partnerships, and the French National Order of Merit was awarded to the director of the Qattan Centre for the Child in Gaza City, Reem Abu Jaber, earlier this year for her work with children.

Internal communications across the foundation are only one challenge. While the independent and private nature of the foundation model is a great strength, it also means that local trust, acceptance and legitimacy have had to be built up. Working in a difficult and changing political and social environment, the foundation emphasises the importance of a non-partisan status. In a country in which civil society institution-building of this kind is relatively new, the board wanted the foundation to be a success and honed its vision carefully. Abdel Mohsin and Omar frequently refer to 'taking time', rejecting the notion of any 'quick fix', and the foundation's initiatives were developed through local consultation and external expertise (including a seminar in Jordan in which Oxford University's Institute of Education participated). But even taking this kind of care, they have come to understand how the full picture only emerges gradually through experience on the ground, and inevitably some things fail. With characteristic modesty, they refer to the centre in Gaza coming about almost 'by accident', after several visits to explore what they could do for the children there. Developing a relationship with the local educational institutions has been a particularly important piece of the jigsaw. The foundation has emphasised that its

contribution aims to supplement existing facilities, and to help catalyse change through joint programmes, which are both needed and supported by beneficiary communities in collaboration with both local and international organisations working in culture and education.

Looking to the future

In the foundation's annual report for 2009/2010, Omar writes that the foundation is currently at a crossroads in facing the future. The family has developed the foundation to its present state, as a civil society institute with a clear vision and transparent governance. Its organisational structure, staffing and salary scales have been reviewed, developed and formalised. It now wants to 'bring external representation onto the board, build up the current 22% contribution of external funding to expenditure, and develop wider stakeholder ownership of the foundation's mission and activities. The founders believe there are limits to what it can achieve alone. Ideas for the future include the possibility of expanding into Lebanon, but this will partly depend on the capacity on the ground. The foundation is also planning to open a large cultural centre in Ramallah, using current office space to combine a headquarters and arts centre, similar to the facilities it has developed in London, which encompass the foundation's offices and the Mosaic Rooms, a spacious and light gallery available for internal and external programmes, which also generates income for the foundation's work.

In the sensitive environment in which it is working, however, any change in governance and ownership of the foundation has to be tackled carefully, and maintain the relationships, cooperation and trust that have been painstakingly put in place. Abdel Mohsin is quite certain that the transparency and independence of the foundation's funding and governance are crucial components of its ability to carry out its mission in a complex and volatile environment.

A change in the relationships between family founders and the institutions they have created is a challenging experience for any family foundation, however important for its future. This case study, however, demonstrates the particular value of, and challenges faced by, a family foundation in aiming to address the human development needs that get forgotten in times and places of ongoing crisis. In the face of the challenges, Abdel Mohsin firmly believes that 'the most enjoyable thing in life is the art of giving – talent, time, money or influence – to promote and foster those people who are most in need'.

4.3 The Brian Kennedy Trust

This case study presents an example of a new small family foundation, still embryonic and developing as the family learns more about its philanthropic options. The content is based on an interview with Linda Miles, Director of the Brian Kennedy Trust (BKT) and sister of Brian Kennedy. The foundation was set up by Brian Kennedy in 2008 using the proceeds of a company sale. Its current assets are around £750,000, and these will be built up over time, both through personal gifts and through fundraising.

Projects supported by the Brian Kennedy Trust – some examples

- Partnership with Cheshire constabulary to develop use of SHARP (School Help Advice Reporting Page) in local schools.
- Grant to The Bridge to support social enterprise in Cheshire.

Background to the philanthropy

The Brian Kennedy Trust is a new family foundation, set up and managed by family members who are relatively new to the world of philanthropy. It is still feeling its way, gradually building up a body of experience and clarifying its focus.

The route to Brian Kennedy's decision to get more involved in philanthropy and set up a foundation began partly with direct experience of the charitable activities of a close American friend and colleague. It provided Brian Kennedy with a powerful and influential example of what philanthropy could do. A friend brought him on board with a project in which the Kennedy family joined his own family in building a house for a poor Mexican family. Afterwards, Brian Kennedy felt that it was one of the best experiences he had been able to give his own children, who were privileged in benefitting from a wealthy background.

His initial vision for the foundation was based on this encounter, looking for an opportunity to develop something similar in which opportunities for affluent families to take part in development projects and widen their experience would provide an income generation stream. Although his philanthropic vision was not realised in this particular form, the personal development needs of young people, privileged or poor, remain a strong central strand in the work of the foundation as it explores opportunities to make a significant impact in an area of need.

Family involvement

The foundation has a small trustee board, of which Brian Kennedy is a member. Linda Miles became director of the foundation at a turning-point in her own career, when she had taken some time out to explore new opportunities. Brian Kennedy suggested she take on the job of getting the foundation, which was still little more than a shell, up and running. From this point on, Linda says that both she and the foundation were on steep parallel learning curves, and that her involvement in developing the philanthropy of the foundation led also to significant and unexpected personal development opportunities for herself – an experience that other donors have also said was one result of starting on a new philanthropic 'career'.

Inevitably in a family foundation, working relationships are influenced partly by pre-existing family relationships, and Linda believes that mutual trust and respect are important aspects of working together to progress the mission. She feels that she brings

commitment and organisational and communication skills to the foundation. In practice she is an employee of the foundation, and all major decision-making goes through the board.

Philanthropic decision-making and management

Knowing where to start is often a huge challenge for major donors coming into philanthropy from the beginning. Linda does not think that it is always easy for potential donors to find appropriate sources of advice and information, examples of how others have tackled it or lessons learned. The challenge is greater where the foundation still has to identify its guiding vision and passion. Linda says that they always wanted to champion an important cause around which they could build a programme that made a lasting difference, adopting the model more of an operating than a generic grantmaking body which 'looked for excuses to give money away'.

BKT began initially by exploring what was happening in their local area, and the kinds of needs and services that already existed. Contact was made with a range of local charities, hospitals and hospices, but requests for more general information usually ended in a recommendation 'to speak to someone else'. The need to narrow the approach became clear, particularly as they were a small foundation wanting to keep costs down. Linda says that they ultimately focused on their personal passions as the key philanthropic starting point. In this instance, the issue was the needs of young people at risk, particularly in relation to drugs and alcohol.

Through further local contacts, they began to see how these problems are part of a much wider range of issues such as abuse and mental health, and that a multi-agency approach is needed to tackle them. This in turn led to the development of a direct relationship between the foundation and the local public agencies involved in young people's needs, particularly the police and the schools. As a result, the foundation has established a joint venture with the Cheshire constabulary, launched in 2010, which supports the introduction of the 'SHARP' system³⁴ to local schools (School Help Advice Reporting Page), an internet-based system that provides additional links between schools, the community and the police. This gives pupils, who often do not feel confident talking about their concerns to an adult, the opportunity to express anxieties about, for example, bullying or hate crime, through a computer link. This is a medium with which many are familiar, and enables them to talk at a time that is convenient to them. It provides them with access to information, and allows them to voice their concerns about a variety of issues. In the light of the UK's experience of youth rioting and disaffection during this summer, it is a programme that could not have been more timely.

The foundation did not begin with a 'big vision', and finding its purpose has been a developmental process. Nonetheless, it has now reached a position where it is trying to roll out a large and relatively complex longer-term programme within the mainstream education system, for which partnership with other funders will be needed. SHARP was piloted in 6 Cheshire schools and is now active in 32 schools with the aim of building up to 60 sponsored by BKT, though SHARP has national coverage.

A contributing factor to the success of the foundation in developing a local partnership of this nature is the place of Brian Kennedy as a well-known figure in the local community. The project provides a real demonstration of how philanthropy can play a part in the new 'Localism' agenda, a key part of current government policy towards community integration

³⁴ www.thesharpsystem.com

and regeneration. BKT takes the view that many young people are at risk largely because of the circumstances of their environment, that they are not beyond reach, and that with some help and support they can find ways of contributing positively to society.

Looking to the foundation's future

With one major programme launched, the foundation is now considering how to develop its philanthropic ideas and programme for the future. Ideas for new directions partly reflect the varying interests of the family. As a 'self-made' businessman who did not have a privileged background himself, Brian Kennedy's vision for the future involves bringing his own entrepreneurial skills and experience to develop sustainable social enterprise, offering young people who have had problems the opportunity to earn an income and come off benefits. The foundation does not believe in being a sole funder, but in acting as the catalyst to bring other agencies and funders together, and it is working in partnership with a local consortium to look at social enterprise options.

Linda Miles, who has now trained in child counselling, is also looking at how smaller charities and younger children in their area can be supported, again focusing on making a real and tangible impact on those who, for various reasons, have little control over their lives. The foundation is also thinking about ways of helping with homelessness.

As major donors who grew up in an area of need, one of the strongest influences on how the founder and director have approached the development of their foundation's mission is their own direct, tangible contact with need. There are many donors who do not have such experience. The BKT is a model for how a foundation can work in a local area, while developing highly strategic, potentially national approaches to the problems it wants to tackle.

4.4 The Emily Hughes-Hallett Fund

This case study features the Emily Hughes-Hallett Fund, a relatively small and informal fund managed closely within the family. It provides the kind of model that might suit other families interested in starting on a more planned approach to their family philanthropy. The case study draws on an interview with Thomas Hughes-Hallett, chief executive of Marie Curie Cancer Care, chair of the independent Philanthropy Review, and formerly chairman of Robert Fleming Securities and director of Fleming Asset Management. The fund was set up around 2000 and is named after Emily Hughes-Hallett, his daughter, who died in infancy. It made grants of £106,000 in 2011. It has assets of £700,000.

Projects supported by the Emily Hughes-Hallett Fund – some examples

- Gift of £100,000 to the Suffolk Community Foundation, doubled to £200,000 through the government's Grassroots Giving matched endowment scheme.
- Gifts to the Horniman Museum and Blind in Business.

Background to the philanthropy

It is tempting to think that, as the nephew of Esmée Fairbairn (who helped establish the Women's Voluntary Service for Air Raid Precautions and Citizens' Advice Bureaux, and the trustee of the large family foundation that Ian Fairbairn established in her name), Thomas Hughes-Hallett has philanthropy in his genes. However, he does not locate the immediate entry-point to his own philanthropic involvement in the family link. As a child much of it passed him by, and he does not remember specific discussions of philanthropy at home. In the 1980s, his mother became the first female trustee of the Esmée Fairbairn Foundation.

Tom had a personal and independent route into his growing engagement with philanthropy, which has emerged partly from the way in which different strands of his personal, family and business life have come together. His own family's initial contact with the Michael Palin Centre for Stammering Children as a service-user led to Tom's subsequent involvement as trustee and then chairman. He says this 'opened the door' to his awareness of the importance of charitable donating in supporting unique and invaluable charitable services. It also led to other kinds of engagement with the charity sector. For example, he was asked to become chair of the English Churches Housing Group (ECHG) to help to steer it successfully through a difficult period of supervision. Experience of the work of ECHG widened his understanding of the care that charities like ECHG provide to some of the most vulnerable people in society, many of whom are homeless.

When Flemings was bought by Chase in 2000, the sale of his stake gave Tom the opportunity to think about investing some of the proceeds in philanthropy. It also gave him space to pause and rethink a career in which success was at times achieved at a high price in terms of its demands on family life and personal well-being. He involved his family in his decisions about both, setting up the family foundation in memory of Emily, and moving out of the City to become chief executive of Marie Curie Cancer Care. He is now deeply involved in philanthropy on many levels, as a charity manager, as a trustee on several boards, as a major donor, and as a growing advocate for the cause of philanthropy itself.

Family involvement

Tom, his wife Juliet, who is Chair of the 'Dress For Success' charity in the UK, his sister and his three children are all trustees of the Emily Hughes-Hallett Fund, along with an accountant family friend. The children were appointed to the board as they became old enough. The fund is topped up by Tom on an ongoing basis, and he wants it to be a regular beneficiary from any investment gains he makes. As for other donors at present, the current turbulent economic environment is affecting the gains available for donating, though Tom's challenge to himself is to keep giving more. The management of the fund has become an important part of their family life.

Philanthropic decision-making and management

Tom has no vote on where grants are awarded, but retains the right of veto as Chair, with extensive experience of the charity sector. Ten per cent of the value of the trust is given away every year. Each of the children in turn selects the fund's annual giving theme. As a living donor ('it's boring to give when you are dead'), Tom wants his children to participate actively in the family's philanthropy, sharing the pleasure and joy of giving, but also learning about how to give effectively. For those new to philanthropy, the challenge of giving appropriately and well can be an intimidating experience, albeit exciting.

The family is based in Suffolk, and last year decided collectively to use the whole fund to support the Suffolk Community Foundation, a gift that was eligible for matched funding from the government's Grassroots Grants scheme for building local endowments. This was a gift that the whole family could enjoy, as it brought the additional rewards of helping their own local area, and the chance to get to know it better and become more involved in the community.

The experience also brought to light how very few people, even in an area of affluence such as Suffolk, make significant local gifts of this nature. Tom believes that there are problems on both donor and charity sides. First-time donors wanting to make a reasonably big gift do not know how to decide what or whom to support, or how to do it. There is a dearth of appropriate donor advice and learning opportunities, while the charity sector itself lacks confidence and skills in approaching major donors for support.

Looking to the future

The principle of shared decision-making that the trustees of the family fund have adopted is important to their philanthropic vision. It means that the fund is an opportunity to build on family relationships, and a way for joint participation in the immediate rewards of using the family's resources to make a difference through philanthropy. Foundations established mainly as a vehicle for distributing funds derived from a founder's legacy lack this dimension.

With a strong focus on giving while living, Tom firmly believes that charitable tax reliefs have a material role in decisions to donate, through enhancing the value of money distributed in this way. A gift of shares, for example, is exempt from capital gains tax and is offset against income tax. He thinks that professional advisers could play a bigger part in alerting clients to the tax benefits associated with philanthropy.

Those who have worked hard and made a fortune through their own enterprise efforts may not necessarily feel it is right or permissible simply to give it away. Tom believes that to encourage more philanthropy, the message needs to be conveyed that once you have enough money for yourself and your family, there is a huge amount to be gained from giving it away effectively. Through philanthropy, a great deal of impact can be achieved with modest sums of money. This is particularly true of the international development arena.

Nor is charitable giving a case where virtue is its own reward. Family and individual giving brings many rewards to the donors too, and includes in the process lots of opportunities to have fun – a word with high importance in the Hughes-Hallett vision of philanthropy.

4.5 Helen Hamlyn Trust

The Helen Hamlyn Trust was established in 2001, and its chair is Helen Hamlyn. It was the successor to the Helen Hamlyn Foundation, set up in 1984 by Lord Paul Hamlyn as a gift to his wife on her fiftieth birthday, with the aim of supporting her passion for age-related design and well-being in the ageing population. One-third of the trust's income today is donated by Helen Hamlyn, and the other two-thirds comes from the endowment of Lord Hamlyn, successful publisher and founder of the Paul Hamlyn Foundation. The trust's charitable spending in 2009/10 was £2.5 million and its net assets were £4.6 million. This case study is based on an interview with Helen Hamlyn.

Projects and grants funded by the Helen Hamlyn Trust – some examples

- The 'Open Futures' trust, a flagship education project launched in 2005 to enhance skills and enquiry-based learning in primary schools in the UK and India
- A grant to Imperial College to set up the Hamlyn Centre for Robotic Surgery
- Healthy Ageing programme of grants
- Paul Hamlyn First Nights, providing subsidised tickets for opening nights in the Royal Opera House season, targeted at new audiences

Background to the philanthropy

For Helen Hamlyn, the *'consciousness that one should give'* grew particularly clear in her late teens when she went to college to study art and fashion design. She was sent by her mother to live in the Women's University Settlement, later known as the Blackfriars Settlement. She regards her mother's attempt to provide a corrective or counter-balance to her own growing focus on the elite world of haute couture with affection and respect and as the *'best thing she could have done'*. It broadened her experience of life and gave her insight into *'how difficult life could be for young people in a deprived inner urban area'*. Working with older people and youth club leaders, and teaching some drawing, Helen Hamlyn values her experience in the settlement as seminal in the development of the concern for other people which she later shared with her husband.

Lord Hamlyn had established a foundation in 1964, after selling the Hamlyn Publishing Company. The origins of the Helen Hamlyn Trust lie in the shared philanthropic commitments and interests of Helen Hamlyn and Lord Paul Hamlyn as a family. The trust is the successor to the original Helen Hamlyn 1984 Foundation. It was created after the death of Lord Hamlyn, when it incorporated the 1984 Foundation, and receives funding from the Paul Hamlyn Foundation. Like many other family foundations, its form today has evolved over time and changing circumstances. In describing the various strands of its history and current work, Helen Hamlyn, who is now in her late seventies, acknowledges that *'it is difficult to isolate the now from before'*.

The establishment of the separate Helen Hamlyn Foundation gave Helen Hamlyn the scope to develop a programme of initiatives around the issues of an ageing population, where her interest in design and her social concern came together. Her work in this area had led to the watershed 'New Design for Old' exhibition at the Victoria and Albert Museum Boilerhouse in 1986, sparking off a new awareness of age-related design. In 1991 Helen

Hamlyn founded the DesignAge programme at the Royal College of Art, and the trust later endowed the Helen Hamlyn Centre for Design at the RCA. Healthy ageing remains a strong interest of the Helen Hamlyn Trust, which also supports many other innovative initiatives.

Family involvement

The Helen Hamlyn Trust today has two family members on its board, Helen Hamlyn and her sister. It was agreed by the family that Helen Hamlyn would leave the board of the Paul Hamlyn Foundation after Lord Hamlyn died, moving over fully to the Helen Hamlyn Trust and becoming its director. Lord Hamlyn's daughter Jane became the chair of the Paul Hamlyn Foundation. Helen Hamlyn is now fully engaged in running her trust. Her niece, Lucy O'Rorke, runs the major Open Futures Trust, which is a subsidiary of the main trust. Currently the trust fully funds this initiative, but it will need to seek external funding if it is to roll out from its pilot phase more widely across the UK. Other trustees include family friends, and the board composition reflects the trust's breadth of interests.

Philanthropic decision-making and management

Helen Hamlyn is deeply engaged with the trust, which she says is '*her whole life now*'. She initiates all the projects which the trust carries out with the agreement of its trustees. Helen Hamlyn has always had a strong sense of what she wanted the trust to do. This is partly because it was set up out of respect for, and trust in, the vision she had already developed contributing to the fields of education, medical advancement, culture, design, ageing, heritage and other related issues. With a keen interest in developments in these areas, she has never found it difficult to identify projects to support. The trust's programme both maintains continuity with the activities of the Paul Hamlyn Foundation, including its interests in India where Helen Hamlyn is involved in heritage and conservation projects, and initiates new developments.

Strong features of Helen Hamlyn's philanthropic approach through the trust are backing good people and good ideas, selecting areas where the trust's input can make a difference, supporting innovation in design, research and development concepts with the potential for large-scale impact, and investing in the development of both elderly and young people. While a few large grants are focused on major projects such as the Hamlyn Centre for Robotic Surgery, and the Open Futures initiative, the trust also gives numerous small grants to smaller organisations working within its fields of interest. Currently its funding support also includes research into ocular repair and regeneration, many arts projects including the London Symphony Orchestra's young composers initiative, and a series of grants within a 'Healthy Ageing' programme.

For any independent trust the development of projects that aim at changes in mainstream service delivery, such as for young offenders, poses particular challenges. These arise from negotiating appropriate access and legitimacy, and responding to what are often rapid shifts in government policy. The rewards in terms of achieving systemic change, however, are high, and this is the kind of impact that the trust particularly values.

The trust draws on the family's wide networks to obtain expert advice and ideas. Helen Hamlyn takes a hands-on approach, regarding all the projects funded by the Trust as her 'babies' and following them through. Her relationships with the people involved in trust projects, for whom she has great admiration, are extremely important to her. Supportive trustees and close working relationships (Helen Hamlyn refers to a colleague in a project in

India as her 'Indian sister') enable the trust to achieve its objectives through Helen Hamlyn's work supplemented with a limited amount of financial and administrative help.

Looking to the future

Helen Hamlyn is full of interest in the future development of the initiatives the trust has supported and excited about the new Open Futures venture it has launched. While the trust will continue to support this, Open Futures is a subsidiary which will need to fundraise from external, and probably local, sources if it is to reach scale and roll out from a pilot group of 64 primary schools to the UK more widely. She regards this as a tough challenge, noting that *'it is much easier to give than to raise money'*. She sees her concerns to have *'come full circle'* from elderly people to embracing primary school-age children, a stage she feels is neglected yet vital for developing the skills and abilities that will affect their whole later lives. In child development Helen Hamlyn has found fertile territory for expressing her own love of creativity, talent and inventiveness in the arts, culture and science, as well as her drive to foster human potential and welfare.

4.6 The Hunter Foundation

This case study is based on an interview with Sir Tom Hunter, entrepreneur and philanthropist, and founder of the Hunter Foundation. The Hunter Foundation was founded in 1998 and has invested around £50 million since its inception in a range of programmes and activities that support the common good. Sir Tom was knighted in 2005 for services to philanthropy and entrepreneurship, and he resides in Scotland with his wife, Lady Marion, and their family.

Major projects supported by the Hunter Foundation – some examples

- Ethel Mutharika Maternity Hospital.
- Cash for Kids.
- Children in Need: The Positive Destination programme.
- Clinton Hunter Development Initiative.

Introduction

Sir Tom Hunter is a successful entrepreneur and philanthropist whose personal wealth derives from creating and growing his sports retail business Sports Division, which he sold in 1998. After selling his business, Sir Tom established the Hunter Foundation as a formal vehicle through which to manage his philanthropy. The foundation is overseen by a board of trustees that includes Sir Tom, his wife Lady Marion Hunter, Jim McMahon (Sir Tom's business partner), Ewan Hunter (no relation, and chief executive of the foundation) and Vartan Gregorian (12th president of the Carnegie Corporation of New York). Since establishing the Hunter Foundation, Sir Tom has developed a distinctive public profile in global philanthropy, through his partnership with Bill Clinton and the formation of the Clinton Hunter Development Initiative (CHDI). CHDI has pioneered ground-breaking programmes in public health and economic well-being in Rwanda and Malawi. In addition to the African agenda, Sir Tom is committed to Scotland and is passionate about creating a more entrepreneurial Scotland, supporting the development of young people through education and leadership.

Individual background

Sir Tom grew up in the small Scottish mining village of New Cumnock, in Ayrshire. He hails from an entrepreneurial family: his late father Campbell, the local grocer and baker in the village, was the fourth generation to be in business. Business was instilled in Sir Tom from an early age: it was the focus of talk around the dinner table, and as a child he and his elder sisters often helped his father in the shop. The family business was good until the miners' strikes of the 1980s and the subsequent local pit closures, which took their toll on the local community, the economy and his father's business. Sir Tom credits his exposure to the family business from a young age as being highly influential in his desire to work for himself. Equally influential to his dual career as a philanthropist is his father's influence on the act of giving back to the local community, which was instilled in Sir Tom from a young age. Giving back was something that his father Campbell felt very strongly about, and was evident in his support of the local working men's clubs and old folks' Christmas parties in the New Cumnock community. Sir Tom always knew that he wanted to work for himself and he was able to realise this ambition a few years after completing his business degree

at the University of Strathclyde, when he went on to create what was to become one of the biggest sportswear retailers in the UK. At its height of success, Sports Division was turning over £353 million and making around £35 million in profits. It was only a matter of time before the success of Sports Division would facilitate an offer from the owner of its biggest market rival JJB, an offer that Sir Tom could not refuse. Sir Tom has always had a strong sense of the responsibility that comes with personal wealth – something that he was able to more fully realise on the sale of Sports Division in 1998, which made him a multi-millionaire literally overnight and rendered him without the only job that he had ever really known. Indeed, the sale of Sports Division was a major turning point in Sir Tom's life and it facilitated his move into philanthropy in a more planned and structured way.

Engaging in and learning about philanthropy

'I had a very large cheque in the bank and I was only 37 years old. I had only really had one job in my life. I had to go and educate myself as to what the next step was going to be. I tried to look at it by saying I have got a chance to do anything I want to do now, let's go and find out what the possibilities are.'

Before the sale of Sports Division, Sir Tom had engaged in charitable giving at a local level, giving donations to local initiatives in the community. However, it was very much carried out on an ad-hoc basis and was generally reactive to approaches for help from local football teams, local charities and hospices. But this was not entirely fulfilling for Sir Tom, as he never really knew if his donations actually made a difference. However, the sudden amassing of substantial personal wealth from the sale of Sports Division placed Sir Tom on a philanthropic path that has become, in effect, a second career for the successful entrepreneur. The new-found disposable personal wealth, coupled with his new freedom of time, presented an opportunity to do something meaningful with the wealth for which he had worked hard.

The initial establishment of the Hunter Foundation was, however, credited as being a tax-efficient measure. More importantly, this deposit was to be the start of something that was to bring much personal fulfilment to Sir Tom as he was able to apply his new-found wealth in an ambitious way and draw upon the intellectual resources and drive that had supported his entrepreneurial career. Importantly, the establishment of the Hunter Foundation was with the full support and participation of Sir Tom's wife Lady Marion Hunter, who is a trustee of the foundation and equally passionate about its work.

After establishing the foundation, Sir Tom actively started to learn about philanthropy. He began with a trip to Skibo Castle, the historical home of Andrew Carnegie, where he discovered more about Carnegie and his philanthropy. He then visited the Carnegie Corporation in New York and met with Vartan Gregorian, the 12th president of the Carnegie Corporation of New York, who Sir Tom credits with being hugely influential in educating him about philanthropy and Carnegie's principles. The newly acquired knowledge and contact was to become very important in the future philanthropy of the Hunter Foundation, as Vartan Gregorian later joined the board of trustees of the Hunter Foundation and still sits on the board today. Importantly, as Sir Tom was beginning to make sense of how he would approach his philanthropy, it was his father Campbell who encouraged him to treat it like a business and to hire the best chief executive that he could find, which he did in Ewan Hunter

(no relation). Sir Tom credits Ewan with being an important influence on his philanthropy; it was Ewan who prompted him and Lady Marion to really think about what they wanted to do in their philanthropy and to consider the difference that they wanted to make. Sir Tom takes a very similar approach nowadays to helping other emerging philanthropists to really think about what they want to do, by asking them very similar questions to those posed to him and Lady Marion when they were beginning to formalise their vision of philanthropy. Such questions helped Sir Tom and Lady Marion to conclude that education was important to them, as was creating a more entrepreneurial Scotland and providing children with equal opportunities no matter where they are from. On reflection, Sir Tom links his thinking at that time back to his experience of growing up in a tight-knit community and his observation and experience of the social and economic consequences of the mining pits around his local community shutting down. Education is viewed by Sir Tom as a liberator, as is developing an entrepreneurial and can-do attitude in young people to the identification and realisation of economic opportunities, and his philanthropy focuses on these issues.

Philanthropic strategy

'We want to help people help themselves – it has to be sustainable.'

The Hunter Foundation's strategy is 'to pilot, prove and, where possible, have the relevant government or agencies adopt solutions to significant societal challenges'.³⁵ This is carried out through the development of partnerships with organisations, governments and agencies that can resource the development and implementation of educational initiatives and programmes that support social and economic development. Examples of current partnerships in the UK include Children in Need and Cash for Kids in the west of Scotland which aim to target the NEET agenda (young people not in education, employment or training). The Positive Destination programme, undertaken in partnership with Children in Need, comprises a £1.7 million grant that funds five projects across the UK. The projects are focused on improving outcomes for children and young people in the NEET category. Each project focuses on a different aspect of the NEET agenda and takes a unique and innovative approach to tackling it.

Internationally, the Hunter Foundation has partnered with the Clinton Foundation. Through the development of CHDI, the Hunter Foundation works closely with African governments to develop models of sustainable social and economic development. 'CHDI works in partnership with governments and communities to build integrated programmes that increase local incomes, reflect local realities, and are locally sustainable and replicable. Operationally, CHDI works to increase farmers' access to fertiliser, seeds, irrigation and other farming inputs, and to identify and develop new markets for agricultural outputs'.³⁶ An interesting example is how CHDI has helped 6,500 coffee farmers in Rwanda to develop their own company, Misozi Coffee Company, into a profitable business. CHDI has assisted the farmers to increase their production and sales and find a route to international sales through the creation of a new fairtrade coffee that retails in the UK.

CHDI helped the Rwandan government to buy the single largest purchase of fertiliser in Rwanda's history, which resulted in a 20% saving on the price.

³⁵ www.thehunterfoundation.co.uk/strategy/

³⁶ www.thehunterfoundation.co.uk/partnerships/clinton_foundation/

The organisation of the Hunter Foundation

True to his business acumen, Sir Tom has a lean foundation where overheads are kept to a minimum. The role of chief executive is fulfilled by Ewan Hunter, who has been pivotal to making Sir Tom's philanthropy happen and who is supported by a small staff team. The board oversees the strategy of the foundation and members typically sit down and discuss and agree the strategy; this approach ensures that Sir Tom is very hands-on in his philanthropy. The fact that the foundation is located within his venture capital business premises illustrates the symbolic partnership of wealth creation and philanthropy and supports the level of engagement that Sir Tom has in his philanthropy.

The approach

'It is a business-like approach. It is determining at the outset what you want to achieve, agreeing that with your partners, agreeing what success looks like over a time period and breaking it down into manageable chunks.'

The approach taken by Sir Tom in his philanthropy is heavily influenced by his approach to business; it serves as his frame of reference and follows the same principles. Importantly, it is not just about giving money. Sir Tom's philanthropy is about leveraging his own and his team's knowledge and learnings, contacts and money and importantly the resources of partners – it is this combination of resources that has enabled him to take risks in his philanthropy by developing and piloting programmes that can stimulate social and economic development. The portfolio of philanthropic programmes and initiatives that are supported are viewed as long-term commitments. CHDI is a ten-year-long initiative in which the Hunter Foundation has committed \$100 million over the time period. The programmes and initiatives that are supported by the Hunter Foundation are rigorously monitored and measured: when something does not work out as envisaged it is adapted or an alternative is found. There is a great deal of flexibility in the foundation's approach and Sir Tom admits philanthropy has been a learning process. While Sir Tom draws on his own experience and that of his team within his philanthropy, he acknowledges and embraces the importance of finding experts in the areas that he targets. The foundation actively looks for the best partners to work with at both a local and global level, as a mechanism to support securing the social returns that are considered pivotal to his philanthropy.

Sir Tom is hugely ambitious in his philanthropy, as he is in his entrepreneurial career. The commitment of the Hunter Foundation to education, leadership and programmes that support social and economic development both at home and abroad provide Sir Tom with great personal fulfilment. Philanthropy has become a way of life for Sir Tom and he views it as a natural extension of creating wealth. Like Andrew Carnegie, he believes that with great wealth comes great responsibility. *'It is great to make money and to make wealth but it is better to put it to good use.'*

4.7 The Maurice and Vivienne Wohl Philanthropic and Charitable Foundations

This case study features the Maurice and Vivienne Wohl Philanthropic Foundation and the Maurice Wohl Charitable Foundation, and is based on an interview with Professor David Latchman CBE, nephew of Maurice and Vivienne Wohl, trustee of both foundations, chairman of the Maurice Wohl Charitable Foundation and Master of Birkbeck College, University of London. The founder of the two family foundations was the successful property developer, Maurice Wohl CBE. The charitable foundation was originally established by Maurice Wohl in 1965, and the philanthropic foundation created by Maurice and Vivienne Wohl in 1998.

When Maurice Wohl died in 2007, aged 90, David Latchman, a close relative and a trustee for around 30 years, became Chair of the Maurice Wohl Charitable Foundation, thus ensuring ongoing family involvement. The two foundations operate in parallel, but in practice the former tends to fund projects in Israel, working closely with the American Jewish Joint Distribution Committee, and the latter focuses more on the UK. A large legacy gift was given to the philanthropic foundation when the valuable modern art collection which Maurice and Vivienne Wohl had assembled over 40 years was sold by Christie's in 2008. The foundations also inherited substantial funds from the Wohl estate. In 2010 the combined charitable expenditure of the two foundations was £4.7 million (£12.9 million the previous year due to some major large gifts), and that of the charitable foundation was £3.3 million. The combined net assets of the two foundations were over £138 million.

Major projects supported by the Wohl Foundations – some examples

- Wohl Virion Research Centre, University College, London.
- Maurice Wohl General Dental Practice Centre, King's College, London.
- Maurice Wohl Clinical Neuroscience Institute, King's College, London.*
- Maurice and Vivienne Wohl Campus, Jewish Care, London.
- The Wohl Room, National Gallery, London.
- Wohl Rose Park, Jerusalem.
- An operating room complex, Shaare Zedek Medical Center, Tel Aviv.
- Wohl Institute for Advanced Imaging, Sourasky Medical Center, Tel Aviv.

*also funded by the Wolfson Foundation

Background to the philanthropy

The Wohl foundations are quintessential examples of family foundation philanthropy which can best be understood within the direct context of family values and traditions, and the personal influence of the founder. The charitable foundation (formerly trust) was set up by Maurice Wohl (1917–2007), who became a successful property developer in London after the war, building modern offices. While Jewish faith played an important part, David Latchman emphasises that what inspired Wohl's involvement in philanthropy was the way in which religious values were embedded in, and transmitted through, his family background. Maurice followed the example of his father, who was very actively involved in charitable giving. His first projects were funded in his parents' memory, and some still receive support

from the foundations today. He did not move away from his parents' philanthropy, but developed his own out of it.

Maurice always took philanthropy seriously, and, unlike many other major donors, began to make donations from an early stage in his career rather than waiting until after achieving business success. Despite his wealth, he was known for avoiding publicity, maintaining a low profile and modest lifestyle. His interests in art, culture and science filled his later life, and he became increasingly active in making the major gifts to welfare, education, medicine, science and culture that constituted his philanthropic legacy.

Family involvement

Family involvement has always been a key feature of the foundations, and their boards today still consist of family members and close friends. Maurice Wohl's sister and brother-in-law were on the original board of the Charitable Foundation, and their son, David Latchman, joined in his late twenties. A highly influential figure was Maurice's wife, Vivienne, who brought him out as a person and played a very active part in the couple's philanthropy. The foundations were until very recently managed with Maurice Wohl as a dominant figure, directly involved in the foundations' spending during his lifetime.

Family succession

The death of the founder is a challenging time in the life of any family foundation. Because of his close involvement in the foundations' philanthropy, Maurice Wohl's death left a particular management gap that the other trustees have had to fill. In his familiar business-like way, he left a formal 'letter of wishes' setting out broad themes for the foundations' future philanthropy. Equally important to the continuity being maintained are the long-standing family relationships, friendship and trust between Maurice and his trustees. David Latchman's view is that trustees must respect the donor's wishes, but their personal understanding and experience of Maurice leads them to continue to honour his spirit and preferences, while recognising the need for some gradual change. For example, a professional chief executive was recently appointed to the foundations.

Philanthropic decision-making and management

Philanthropic decision-making is one of the most important determinants of a family foundation's contribution to social well-being. Latchman notes that in Maurice's view, money was 'much harder to give away than to make'. The extent to which successful entrepreneurs transfer their business skills to their philanthropy has been of great interest over the last few decades, as increasing numbers of major donors have derived their wealth from enterprise rather than inheritance. Latchman says that Maurice brought his business acumen and style to appraising and selecting what to support.

The expertise, enthusiasm and philanthropy of people and organisations he respected were important routes through which he identified causes he wanted to support, drawing on his wide family, social, personal and business networks.

He was a remarkably shrewd man, who sold out his businesses just before a crash in property values. But he was also known as being cautious – possibly even too risk-averse – in his business style, and he took a similar approach to philanthropy. He liked to come in at the end of projects, rather than being a 'first' funder. This can be a very effective way of operating, and means the donor gets the added satisfaction of being involved when a project is finally completed and launched. Latchman notes that the foundation still takes this approach.

With many major capital investments into significant public educational, clinical and cultural facilities in the UK and Israel, Maurice Wohl wanted some assurance that his philanthropic investments would deliver the results he expected. Even where close friends or acquaintances brought projects to his attention, he examined them in great detail himself, exploring their justification, bargaining and generally approaching them in the same way as a business appraisal. Latchman says the trustees always had huge respect for his judgement. Having supported projects, he rarely looked to monitor their progress, though he would expect proper recognition when, for example, they were completed and opened.

Although the foundations were a main route for his philanthropy, they by no means circumscribed it. When Maurice found a cause that he thought it was important to support he would if necessary often invest additional monies. He maintained a number of substantial feeder funds. He was in the lucky position where, within limits, his philanthropy could lead his spending, rather than the other way round.

Looking to the foundations' future

With such a powerful and engaged founder, it was inevitable that when he died the foundations would enter a process of transition. Latchman described the process as 'three phases' that he felt the trustees had gone through:

- The first involved deciding on the major legacy projects for the Wohls, which would be supported through money raised from the sale of their substantial modern art collection and other capital. Two large projects were selected, very much in honour of the founders: the Maurice Wohl Clinical Neuroscience Institute, and the Maurice and Vivienne Wohl Campus, Jewish Care. The trustees felt that these were projects of which the founder would have approved.
- In the second phase, the foundations had to come to terms with the implications of their greatly increased resources, when they inherited around £100 million from Maurice Wohl's estate and new possibilities were opened up.
- The third phase was to introduce some professionalisation into the foundations' management, appointing a chief executive officer, establishing a financial management policy and introducing a formalised grant-giving process to help filter applications now that the foundation had grown.

However, the trustees also want to maintain continuity with some key characteristics of the founder's approach. One is preserving personalisation in the philanthropic decision-making process, with scope for trustees to support what they consider 'really great projects'. They have not established a grants committee, and the success of the way they work still lies in informal relationships of mutual trust that they have built up over the years. Decisions have to be unanimous, a challenging criterion which can nonetheless be successful where trustees constitute a small and like-minded group. Links with Israel are another continuing element, and once a year the trustees hold a board meeting in Israel, viewing major projects that have been supported. Latchman notes that a risk for family-run foundations is that of getting distracted by the responsibilities and processes rather than the benefits of their philanthropy. A particular pleasure on his trips to Israel is the opportunity to visit the 19-acre Wohl Rose Park. The visits are not to check that an important foundation gift is being properly looked after, but to enjoy the garden along with other city-dwellers, and remember a valued and loved relative, and the philanthropy that characterised him.

4.8 Pears Foundation

This case study is based on an interview with Trevor Pears, Executive Chair of Pears Foundation, founded together with his brothers Mark and David. The foundation was registered in 1991, funded through grants from the William Pears group of companies. It was little more than a shell at first, until Trevor decided to stand back from the business to devote more time to developing the family's engagement in philanthropy. An initial commitment of 10 per cent of his work time to philanthropy rapidly increased to a more than full-time job. The foundation has grown steadily. In 2005 the foundation expended £2 million, a commitment which has increased to £7.2 million in 2010, in spite of the recessionary environment. Its net assets are £14.5 million.

Pears Foundations partnerships – some examples

- School Linking Network – working with the Department for Education to facilitate links between schools in England.
- Shared Futures programme, in partnership with the Three Faiths Forum to foster meaningful relationships between Christian, Muslim, Jewish and other faith schools.
- Duke of Edinburgh's Award – partners since 2003, including a major research project on the impact of the award on the personal development of young people.
- Marie Curie Cancer Care – a partnership to support end-of-life care nurses in the UK and help map palliative care services.
- Pears Business Schools Partnership – a collaboration between Cranfield School of Management, London Business School, Saïd Business School and Pears Foundation to promote sustainable and responsible business in society through the development, publication and teaching of case studies.

Background to the philanthropy

Pears Foundation is a relatively young family foundation. The foundation provides its founders with a platform to take an active role in defining and implementing social change. In exploring its development, it is not possible to separate out the foundation from the founders. For Trevor Pears in particular, his role in the foundation has developed as a second 'career', and taken him to the heart of some of society's most challenging issues. The Pears family had always tried to be generous and responsive to appeals, and the foundation is proud of its roots in Jewish identity and values. However, a conscious approach to philanthropy was not so much the cause of Pears' involvement in establishing a family foundation as the result.

Trevor Pears describes himself as 'a full-time philanthropist by accident'. His journey of discovery and growing awareness of the challenge of effective philanthropy led him to commit increasing personal time and resources to the foundation. He says it took three or four years to identify the 'interconnectedness' between disparate aspects of the family's philanthropic interests and commitments, which have coalesced around the themes of citizenship, identity and young people. With the foundation established, Trevor is an active contributor to working on and around the difficult issues which the foundation is addressing, and in which he is passionately involved. Beyond finance, he believes that at

this stage in his life he should not 'leave things to others' and that his own time, energy and concern are the biggest gifts he can make. He also believes that many other people are in a position to follow this route.

Family involvement

Pears Foundation is strongly embedded within a family context. Trevor and his two brothers, Mark and David, are all trustees of the foundation, with Trevor as executive chair. The fourth member of the board is a family friend and colleague. When Trevor decided to reduce his involvement in the family business to develop his interests in philanthropy, it was with the full support of his brothers, both also directors of the William Pears Group. As in their business lives, their relationship as family trustees is characterised by trust, and Trevor Pears' lead role in the foundation's decision-making is respected and supported. The trustees also share family values and a sense of responsibility towards the foundation's future growth and its long-term philanthropic aims.

Philanthropic decision-making and management

As other donors have found, deeper immersion in philanthropy can at first be an overwhelming experience, and Trevor talks of 'the blinkers coming off'. The realisation that philanthropy has a huge canvas only heightens how difficult but imperative it is for a foundation to focus its objectives. With a thematic philanthropy programme emerging, a full-time director was appointed in 2004 to help build the foundation, and gradually a small professional staff team was put in place.

The foundation's management and governance structure has evolved to suit its approach to philanthropy. Unusually in the foundation world, it has both a full-time director and a highly engaged full-time executive chair. This means the foundation has capacity to work strategically and more holistically on key issues, developing some long-term partnerships. It functions more as an operating than as a generic grantmaking trust. The director and deputy director are responsible for the management of all the foundation's operations, and as executive chair Trevor is directly involved in achieving the foundation's strategic objectives.

The foundation works both proactively and reactively. Its annual report 2010 notes that 'the foundation also takes its own initiative where new thinking is required or where there are important unexplored opportunities'. This underpins the questioning stance expressed in the executive chair's website letter: 'I believe that philanthropy does not start with having the right answers, but by asking the right questions. Finding the right questions is not as easy as you might think and frustratingly, often leads to further questions . . .'

In practical terms, a more questioning approach has led the foundation to place a high importance on research and evaluation, as well as to playing a more active part in research and debate about the role of philanthropy itself than many other charitable organisations do.

The foundation's mission and objectives are also challenging, and at times lead it into controversy. Its programmes address key and sensitive issues for the modern world, encompassing citizenship, identity, faith, the role of business in society and the Jewish contribution to all of this. The foundation looked for gaps where its investment could add real value and has, for example, picked out the role of early education and dialogue in the formation of identity, and helping build respect and understanding between people of different faiths and backgrounds. Trevor's own questioning philosophy is important to the foundation's approach to such issues. He does not regard effective social intervention as

a skill that can be easily transferred from business or professional worlds, and is wary of those who claim to be able to 'change lives'.

Looking to the foundation's future

The foundation's interests and programmes are still growing, and there are ambitious plans for its future financial growth. Building the general scale and effectiveness of philanthropy itself has also become an important objective. Trevor was a founder member of the recent Philanthropy Review, which aimed to increase giving, and is a part of the impending 'Give More' campaign.

The foundation will continue to place huge importance on evaluating the impact of its work, and on a high engagement and risk-sharing model of working. It regards the extensive collective experience of its networks of partners, colleagues, contacts and friends as an important test-bed for developing new ideas and projects, and intends to keep professional management lean.

Trevor is often self-critical and, as a strategic giver, the foundation is also demanding of itself. While Trevor recognises the differences between the worlds of business and philanthropy, the foundation's approach is undoubtedly highly business-like, and it aims to bring a rigour of which unsuspecting potential partners and grantees should possibly be warned in advance!

4.9 Wood Family Trust

This case study is based on an interview with Sir Ian Wood, entrepreneur and philanthropist and co-founder of the Wood Family Trust. The Wood Family Trust was founded in 2007 by Sir Ian and his immediate family with an initial endowment of £50 million. The Wood Family Trust has two main areas of focus: the first is to reduce poverty in Sub-Saharan Africa through making markets work for the poor; the second is to encourage young people in the UK to be enterprising, tolerant and caring members of society. Sir Ian is Chairman of the Wood Group and resides in Scotland with his family.

Major projects supported and operated by the Wood Family Trust – some examples

- Chai – Kwa Mandeleo ya Tanzania (Tea – For the Development of Tanzania).
- Imbarutso (Catalyst) – Win Win for Rwanda Tea.
- Youth Philanthropy Initiative.
- Enterprise Education Pilot Programme.
- The Prince's Trust – Get Into.
- Global Xchange (VSO).

Introduction

Sir Ian Wood is a successful entrepreneur and philanthropist whose personal wealth derives from the success of the family business, which he took over the reins of over 40 years ago. Sir Ian has led and developed the Wood Group, which now employs over 35,000 people around the world, to become a global leader in the oil, gas and power generation sectors. Since establishing the Wood Family Trust in 2007, Sir Ian and his immediate family have embraced philanthropy and embarked on developing an international agenda that focuses on poverty reduction in Sub-Saharan Africa and a domestic agenda that focuses on the development of young people in the UK. The trust is overseen by a board of trustees which includes Sir Ian's wife, Lady Helen, and his youngest son Garreth.

Individual background

Sir Ian is from the north-east of Scotland and hails from a family business background. The family business founded by Sir Ian's grandfather was a ship repair and marine engineering firm and dates back to 1912.³⁷ Before joining the family business Sir Ian studied psychology at university, gaining a first class honours degree, and considered studying for a PhD. However, he joined his father in the family business in 1964 and has remained in the business since that time. At the time that Sir Ian joined the family business there were 40 employees; through his entrepreneurial endeavours the company has strategically grown to become a global leader in engineering and service provision in the oil, gas and power generation sectors.

The company history and its path of growth with Sir Ian at the helm are nothing short of impressive. The Wood Group remains headquartered in Aberdeen but is a global company operating in 50 countries around the world. Worldwide, the business now provides a portfolio of services including engineering, procurement and construction management, facility operations and management and the repair and overhaul of turbine and other

³⁷ www.woodgroup.com/about-us/our-heritage/pages/default.aspx

high rotation equipment. Sir Ian credits the growth of the company to his ability to think strategically and to recruiting teams of quality people in his business. The global nature of the Wood Group has meant that Sir Ian has spent a third of his life overseas, and through his travels he has observed huge inequities around the world. It is the combination of Sir Ian's business expertise and his personal experience and observations while travelling all over the world that have become important factors in his commitment and approach to philanthropy.

Engaging in and learning about philanthropy

Sir Ian has always been involved in charitable giving and, like so many other leading philanthropists, he began in a small localised way, giving to initiatives in his local community. However, in 2006 Sir Ian stepped back from the role of chief executive of the Wood Group; this freed up some time and provided him with an opportunity to become engaged more formally in philanthropy. Sir Ian always knew that at the right time he and the family would become engaged in philanthropy in a planned and organised way, and that to support this they would need to establish a formal organisation for their philanthropy. Sir Ian has always had a strong sense of social responsibility and his philanthropy recognises that responsibility, but even if he did not have the wealth that facilitates his philanthropy today there is a strong sense that he would have found a way to help people in different ways.

In 2007, the Wood Family Trust was formed with a sizeable donation of £50 million. Sir Ian felt that, in order to approach philanthropy properly, he needed to develop a small team to resource the trust. This approach is similar to his approach in business, and he has recruited a small team of excellent people to the trust, led by chief executive Jo Mackie, David Knopp in Africa and Ali MacLachlan in the UK. Importantly, his wife Lady Helen and son Garreth are heavily involved in the trust in their role as trustees. Lady Helen is particularly interested in the Youth Philanthropy Initiative in the UK and his son Garreth has a particular interest in the work of the trust in Africa. The three members of the Wood family are joined on the board of trustees by Graham Good, who is a long-standing colleague of Sir Ian. At present, Sir Ian gives around 15% of his time to trust activities and, given that he still works a seven-day week, this ensures he is closely involved. The Wood Family Trust is now in its fourth year of operation and for Sir Ian it is still very much a learning process. Over the four years since the trust was established, his approach to philanthropy has evolved from a purely funding-only approach to an engaged 'venture philanthropy' approach. The trust now has a number of programmes that it leads operationally, with strategic partners such as Gatsby Charitable Foundation in Africa, and other projects in which it takes a supporting role.

Philanthropy strategy

The Wood Family Trust's strategy in the UK is to improve tolerance and citizenship values and encourage enterprise in young people with the aim they will become independent, contributing and caring members of society.³⁸ In Africa the strategy is to help people to help themselves through supporting economic, community and enterprise activities. More specifically, the objective is to facilitate an increase in trade and employment through supporting markets in growth sectors. In Africa, the trust has a strategic partner in Lord David Sainsbury's Gatsby Charitable Foundation whom they work with on the Chai Project – a collaborative project with the Tanzanian tea sector, where the primary focus is

³⁸ www.woodfamilytrust.org/investment-programmes/scottish-charities.php

increasing the tea yields from the smallholder farmers and strengthening the value chain. More recently the partnership has embarked on a second 'making markets work' project in Rwanda, again in the tea sector. Both of the aforementioned projects have the aim of sustainably increasing the net margins of smallholder tea farmers, of which between both countries there are circa 60,000, as well as increasing the competitiveness of the sector. The strategic partnership with Gatsby enables the Wood Family Trust to combine its resources and expertise with another leading philanthropic foundation that is established in Sub-Saharan Africa.

The Wood Family Trust's primary project in the UK is the Youth Philanthropy Initiative (YPI). The trust has partnered with the Toskan Casale Foundation in Canada and now leads and manages the citizenship education programme in Scotland. The programme is an interactive citizenship programme that is delivered in schools by teachers with the support of YPI staff, and encourages students to identify the needs of their local community and identify grassroot social service charities that can meet those needs.³⁹ Students then have the opportunity to interact with charities and to learn about their operations and management; from such interaction, students present why their chosen charity deserves to be a winner in their school. The winning student group receives £3000 to award to their chosen charity.

Important also is the ability of the Wood Family Trust to pilot programmes such as the Enterprise Education programme recently piloted in the north-east of Scotland. The programme is delivered in conjunction with local schools and their local authorities, building on the Scottish government's 'Determined to Succeed Strategy' and supporting schools to embed and independently sustain entrepreneurial learning. The programme was launched in 2010 and is now in its second year of the pilot phase. The overarching aim of this programme is to create a critical mass of business activity in participating schools and to create a more entrepreneurial ethos within the students, teachers and the wider local community.⁴⁰

The approach

'We are applying business principles in our philanthropy.'

The approach taken by Sir Ian in his philanthropy is influenced by his business experience. The key resource for Sir Ian is the small team of individuals that he has working with him, where there is a clear mix of business and development expertise. Such a combination of knowledge ensures that the Wood Family Trust team can approach philanthropy in an organised and investigative way. The importance of this cannot be underestimated – it is the combination of expertise and money that is fundamental to the 'venture philanthropy' approach adopted by Sir Ian. In the context of Africa, this approach supports the activities of the Wood Family Trust and its partner Gatsby Charitable Foundation to undertake analysis of sector value chains and to identify how key constraints can be unblocked. However, of interest is the emphasis that is placed by Sir Ian on developing an understanding of, and being sensitive to, the local context of the regions and countries that his philanthropy is focused on.

'We believe we will only effect change by helping local people and communities to help themselves in a way that is consistent with their culture and way of life. Money alone cannot

³⁹ As detailed in the Wood Family Trust annual report 2011

⁴⁰ As detailed in the Wood Family Trust annual report 2011.

buy vision, but the effective application of market analysis, quality minds, effective delivery partners and local private enterprise will, we believe, create sustainable change.⁴¹

Important also in the approach of the Wood Family Trust is the commitment to support programmes over a long period of time. The Chai Project in Tanzania has a commitment of US\$9 million over a six-year period. Similarly, the 'making markets work' project that was launched in Rwanda earlier this year also has a commitment of US\$9 million over a six-year period. The Wood Family Trust researches, analyses, monitors and measures the programmes that they support and therefore the rigour of business is evident in Sir Ian's philanthropy. However, flexibility is also considered by Sir Ian to be important to his philanthropy and the fact that the Wood Family Trust has a small high-quality team of people ensures that the organisation can respond quickly and flexibly when challenges arise, as they invariably do.

Sir Ian is under no illusion that he can solve all the ills of the world; in his own words, he knows that his philanthropy in Africa is a drop in the ocean but his commitment, entrepreneurial drive and passion for using his wealth to make a difference both in the UK and in Africa is highly evident and sincere.

⁴¹ Statement taken from the Wood Family Trust annual report 2011.

4.10 Overview

The aim behind these case studies of a very diverse set of founders and family foundations was to illuminate the routes they took into philanthropy, in the hope that this would encourage others to think about shaping their own. The approach was open-ended, allowing individual accounts to be told in their own way. This final section of the report identifies some of the common themes as well as the most significant areas of diversity and individuality which emerged, and the messages for those who want to encourage the growth of philanthropy in the UK.

Diversity of starting points and routes

For anyone thinking about how to approach philanthropy, the cases presented examples of very different starting points. They showed that there is no one way, or single motivating path. For some, a tradition of philanthropy in the family was important. Faith, values and family example can play a crucial role. As one or two founders said, 'we were a family that gave'. Some founders came from backgrounds where they had direct experience of social needs, or had parents who saw exposure to need as an important part of family upbringing. One said that 'involving us in voluntary work was the best thing my mother could ever have done . . . my interest in philanthropy began right there. Every young person should do this.'

For some founders this background was later reinforced by their own life experiences, while for others the drive to become philanthropic was led more by their own individual life experiences. The accumulation of sufficient wealth to feel that their own and their families' needs were met was an important stage in giving philanthropists the freedom to take a more structured and planned approach to philanthropy. For many founders the starting point arose when important events in their lives came together in a particular way. One founder said that after a particularly difficult time with his business he thought 'I've had enough of business, now it's time to devote myself to my life's dream'.

The sudden accumulation of wealth, or a windfall, provided the freedom to think about other directions and choices, to give time to areas which had posed challenges, brought great satisfaction or caused particular pain in their own or their family's lives. One interviewee commented 'my wife said to me that I was far happier when I was involved in my philanthropic activities than in my day job, so why not just make philanthropy the day job?' Previous research has shown that feelings of financial security and a passion for a cause are important in prompting wealthy donors to give.⁴²

Family relationships and trust

For all of the examples given here, the commitment to philanthropy, once taken, was a serious and permanent one, and so it became very important for founders to engage their families. As one said: 'It's boring to give when you are dead, so my family must join in the pleasure. That's the quid pro quo.'

Family-based philanthropy presents quite new challenges for the way in which family members relate to each other. Several founders mentioned how drawing on existing family

⁴² T Lloyd (2004) *Why Rich People Give Philanthropy UK*/Association of Charitable Foundations.

relationships and trust was crucial to the success of developing family philanthropy and foundations. One said ‘we share the same values around philanthropy, the same sense of our responsibilities as part of society and of the duty towards private money for public good’. Another said of their foundation philanthropy: ‘It’s an important part of family life now.’

A further powerful aspect of family philanthropy is that trusting family relationships can lead a founder to establish further foundations specifically for other family members, and while this is often for wives, it can also be for siblings, children or siblings’ children. This widens the reach and remit of a family’s philanthropy, which can often also embrace close family friends.

Challenges of becoming a philanthropist

Whatever the route into philanthropy, however, most founders discovered they were in a world of immense new challenge. As one said, ‘hand on heart, it was not easy – we were rebels without a cause’. They embarked on a steep learning curve, for which previous business success and experience only partly prepared them. The way forward was not always clear, and most acknowledged the time taken to develop a coherent vision and strategy. Another interviewee commented ‘I felt I could do something, but it was as if I had set sail without a rudder, nothing particular in focus, and was all over the place’. One interviewee talked of looking fruitlessly for advice and information, of ‘everyone recommending someone else’, and of ‘becoming worried about irritating people by keeping on going back with more questions’.

The ideas and initiatives of peers, family, friends and colleagues can play a key role in how founders develop their vision and mission. Three founders mentioned that it was in the more developed US philanthropic culture that they found an identity as a philanthropist; one talked of his amazement that ‘someone could speak so openly and honestly about their philanthropy . . . their family foundation . . . it was normal conversation and they wanted to talk about these things’. They found examples and experience in the US that they wanted to incorporate in their own lives. One said ‘it was really that contact (in the US) with people who had experience of hands-on involvement in projects helping disadvantaged people which was the inspiration to do something similar here’.

Business, social and personal contacts have a significant role in opening up routes into philanthropy. This might include other types of involvement in voluntary activities, for example, as a trustee. One talked of initial experience as a charity board member as ‘opening the door’ to much more active engagement in the voluntary sector. Many founders identify projects to fund or test out their ideas amongst their colleagues and friends.

Transferring skills and experience

The transferability of business and entrepreneurial skills to philanthropy is hotly debated. Some of the case studies present examples where successful businessmen explicitly set out to bring their entrepreneurial skills and experience to tackling economic disadvantage, or to develop sustainable income-generation activities to support philanthropy. What also emerges, however, is that the most important qualities brought from a successful business career are the ability to develop a focus and analyse problems, to think strategically and

long-term, to bring in relevant knowledge and expertise, and the determination and drive to see complex projects through and make a success of them. Business acumen, as much as a business model, equips entrepreneurs to turn to complex social challenges.

Management and succession

The case studies featured in this report showed high founder and family engagement in family philanthropy, but also importantly the need to be aware that this is only the first chapter of the family foundation story. There are further chapters where the death of a founder, or the scaling up of the foundation's activities, mean that the trustees need to employ external and professional expertise to manage the foundation. Professional family relations became crucial to the effective running of the foundation. Questions such as loyalty to the founders' wishes and the opportunities to move into new fields arise, in what can be a challenging transitional stage.

New challenges, satisfaction and joy

Several founders talked of their philanthropy as 'opening their eyes', or their 'second career'. But however seriously philanthropy is taken, for some founders it is the joy and 'fun' of giving, the satisfaction of the impact they can achieve with relatively modest but well-used sums of money, which prompts them to grow their philanthropy and involve others in it. Pleasure comes in different ways. Some founders are most actively involved at the point of choosing what to support and how to support it. Others look for ongoing engagement in their philanthropic initiatives, and see their own efforts very much as part of them. As one founder said: 'We follow closely everything we get involved in, and this means we have marvellous relationships with what we do; we grow our projects and we stay with them.'

Foundations as a vehicle for modern family giving

The case studies illustrate the immensely diverse and individual ways in which families use the charitable foundation model. Aspects of this include:

- funds are put in, or spent, according to the timescales which suit personal circumstances and preferred styles of philanthropy;
- there is huge variation in the level and type of family member involvement, including founders' children joining the board as they become old enough;
- governance styles develop and evolve in different ways, for example with shared decision-making or with one family member in the lead;
- styles, types and topics of philanthropy vary;
- rewards, satisfaction and pleasure are derived at different stages of the process.

This variation occurs within very different kinds of foundations, and the range covered in the case studies illustrated:

- relatively small and informal funds managed closely within the family;
- embryonic family foundations, developing and building their vision and activities;

- separate foundations set up by a main family founder for individual family members and individual interests;
- general grantmaking foundations rooted in the founder and his family's personal values, beliefs and traditions;
- operating foundations which specialise in the main area of interest of the founder and establish their own programmes of activities;
- mixed foundations combining grantmaking with operating their own programmes within a narrow or specialised set of interests;
- foundations acting as catalysts for leveraging knowledge, partnerships, funding and other resources for long-term social change initiatives.

These various elements are not exclusive of each other, and can be combined within one family's philanthropy. They show modern family philanthropists using the charitable foundation as a diverse and flexible vehicle for developing their own individualised and sustainable approaches to philanthropy.

Developing a culture of philanthropy

The case studies reveal there is no single way of becoming a philanthropist, and that charitable family foundations are a structured vehicle for immense diversity and individuality of giving. Regardless of motivation, most potential philanthropists need to find a route or a bridge into philanthropy. Previous family involvement might pave the way for some, but for many it is a new and challenging world. The case study accounts show the importance and influence of personal contacts with trusted friends, and admired colleagues and acquaintances in providing routes into philanthropy, and the examples and learning that peers provided. This suggests that philanthropy would grow if knowledge, awareness and practice of it became more embedded in key business, professional, social and political networks. There has to be more opportunity for debate, discussion and 'philanthropic networking'. Charities need to go beyond fundraising, and professional advisers need to develop expertise beyond advice-giving on mainly fiduciary issues. The best are already creating genuine peer learning opportunities and networks within which philanthropists can safely share their knowledge, experiences, successes and failures. It is these that ultimately enable philanthropists to develop their voice and play a growing role in addressing some of the major social issues of the day.

Appendix 1

Historical background, scale and scope of charitable foundations today

Concept of foundations

All registered charities in the UK – whatever their name (eg ‘foundation’), funding source or activities – have the same legal character, that of the ‘charitable trust’. They represent donations made in perpetuity for charitable purposes which, rooted in common law traditions, were defined in the 1601 Charitable Uses Act. They have since been modified but never fundamentally changed. UK foundations do not have a distinct legal identity or constitution, and are subject to the same public benefit tests, governance and accounting requirements and Charity Commission regulation as all other charities.

Although the term ‘foundation’ tends to be used in the UK for charities with endowments and whose principal activity is grantmaking, many of the earliest foundations in the UK were operating, not grantmaking – such as the almshouses that date from the 10th century. Examples that are both grantmaking and operating are the large medical research foundations and charities. The Carnegie UK Trust is an endowed trust which is entirely operating today.

US foundations began to be formed in the early 20th century, on the back of wealth made during the industrial revolution. Andrew Carnegie’s philanthropic activities were highly influential. In 1917, tax deductions for charitable contributions were established. US law places more constraints on foundations than are seen in the UK, the most significant being the Tax Reform Act of 1969 which imposed mandatory annual payout rates on private foundations that make grants.

European foundations have different and specific legal structures, and are part of a civil law in which legal categories of foundations and their assets have not distinguished sharply between public and private sectors. Nonetheless, research carried out by the European Foundation Centre across 15 European countries found that the large majority of foundations were established by an individual from his/her personal wealth, or by the joint initiative of several individuals – 73% of foundations in Belgium and 46% in France in 2001 respectively. Individuals have accounted for 65% of foundations’ founders in Germany since the 1950s.

Development of foundation philanthropy in the UK

Nineteenth-century philanthropists began to focus on the problems of society as opposed to individuals, and the era of ‘scientific philanthropy’ saw concepts of ‘charitable handouts’ abandoned in favour of major investments in programmes enabling self-improvement, addressing the root causes of poverty and the social impact of urbanisation and industrialisation. The philanthropy of the great UK social reformers such as Robert Owen,

Joseph Rowntree and Barrow Cadbury (like Ernst Abbe of the Carl Zeiss Foundation in Germany) aimed to improve the welfare and working and living conditions of their employees. Their charitable foundations were established to protect or take forward this work. For example, in 1900 a trust was established to maintain the model Bourneville village created by Cadbury, with ownership of the estate and 313 houses invested in the trustees.

As in other countries, the emergence of the major charitable foundations in the UK is linked to issues of corporate succession planning. Henry Wellcome's will created the Wellcome Trust, which owned the Wellcome Foundation Limited, the huge drug company that he had built up; the process of separation began formally in 1986 when the courts amended the will to allow the foundation to become a public limited company and float its shares. The Wellcome Trust increasingly diversified its shareholding, and during the 1980s and 1990s built up the investment portfolio that funds its charitable work today. To protect the trustees, the Wellcome Trust Ltd was created as sole trustee of the trust, and the trustees become governors responsible for the trust, but without liability for its assets.

A modern example of a close relationship between personal, business and philanthropic activities is the Children's Investment Fund Foundation (CIFF), set up by Chris and Jamie Cooper-Hohn, who have transferred into CIFF a large portion of the assets acquired through TCI, the hedge-fund firm he established in 2003; these assets were then largely reinvested in TCI, to generate funding for the foundation.

Successive waves of immigration into the UK have also driven the growth of family foundation philanthropy in the UK, as successful community figures established foundations to help their compatriots, often with a mix of social welfare and faith-based objects. Grantmaking foundations established by and for the Jewish community have particularly helped to shape the UK family foundation world. Many of these have a local focus on areas where Jewish people have settled, such as east London. An increasing number of large charitable foundations are being established in the UK by the Muslim community, as well as Hindu and Buddhist foundations.

Scale and scope

US	There were more than 76,000 US foundations in 2010. Their assets were worth \$590 billion, and the total value of their giving was almost \$45.7 billion. ⁴³
UK	It has been estimated that there are around 10,000 UK foundations whose main purpose is grantmaking. ⁴⁴ The total 2009/10 giving of the largest 500 of these, which accounts for the vast majority of giving through foundations, was £3.1 billion. The assets of the largest 500 are worth around £37 billion. ⁴⁵
Continental Europe	Less data is available on continental Europe's foundations, but estimates suggest that there are around 80,000 to 90,000 grantmaking foundations in Western Europe, and 110,000–

⁴³ Foundation Center (2011) *Foundation Growth and Giving Estimates 2011 Edition*, <http://foundationcenter.org/gainknowledge/research/nationaltrends.html>

⁴⁴ Although it is possible to get figures from the Charity Commission Register on the number of charities that make grants as part of their operating activity, there are no figures for the number of UK foundations whose principal activity is grantmaking. Using figures first compiled in *Charity Trends 1997*, compiled by Cathy Pharoah and published by CAF, it is estimated that there are approximately 10,000 such foundations today. No more recent surveys are available.

⁴⁵ C Pharoah (2011) *Charity Market Monitor 2011 CaritasData*. London.

130,000 if Central and Eastern Europe are included⁴⁶. The EFC's top 50 foundations across 13 countries (Belgium, Estonia, Finland, France, Germany, Hungary, Italy, Luxembourg, Slovenia, Slovakia, Spain, Sweden and the UK) represent a pool of assets of €88 billion, which accounts for 37% of the total assets of foundations in these countries.

Family foundations

The US Foundation Center⁴⁷ reports continuing growth in the numbers of family foundations in the US, reaching more than 38,000 in 2009, with total giving of \$20 billion. The UK too has seen the establishment of many new charitable family foundations, though there is no data on this; their names bear witness to the philanthropy of the modern era, including Sainsbury, Foyle, Paul Hamlyn, Peter De Haan, Hunter, Volant, Shirley, Sutton, Vardy and Pears, among others. The Charity Commission reported that 60 new family foundations were set up in 2006 alone.

⁴⁶ H Anheier (2001) *Foundations in Europe: A Comparative perspective* Civil Society Working Paper 18, <http://eprints.lse.ac.uk/8498/>

⁴⁷ Foundation Center (2011) Key facts on family foundations. <http://foundationcenter.org/gainknowledge/research/nationaltrends.html>

Appendix 2

Definitional note

This note sets out the standard definitions used in carrying out the research. A fuller account of working criteria for use in selecting and preparing comparative international data within the European context is set out in a previous publication.⁴⁸

Definition of foundations

Although varying considerably in origins and purpose, the defining features of a charitable foundation as an institution are taken as:

- a non-membership-based organisation;
- institutionally detached from government/public agencies in terms of autonomy;
- a non-profit-distributing entity;
- a self-governing entity;
- accepted as serving a charitable public purpose.

Charitable family foundations

A broad research classification commonly used in the US and Europe identifies foundations into several types according to the nature of their funding, governance and operation, as set out below:

Figure 15
Types of foundations

<i>Type of foundation</i>	<i>Type of funding</i>
Public	Mainly funded from government sources
Private/ independent	Independent funding from individual, family or family business
Corporate	Funded by a company to carry out its giving
Community	A community 'pot' funded from a number of sources
Operating	Funded by endowments or by fundraising for running their own programmes as distinct from making grants to others

Charitable family foundations are in the category of private/independent foundations. A good approach for identifying family foundations is that of the Foundation Center in New York, which uses a number of objective and subjective criteria to help identify a family foundation, including:

- independent foundations that have a 'family' or 'families' in their name, or a living donor whose surname matches the foundation name, or
- at least two foundation surnames that match a living or deceased donor's name, or

⁴⁸ C Pharoah et al (2009) *Family Foundation Philanthropy 2009* Alliance Publishing Trust, London.

- any independent foundations that self-identify as family foundations on annual Foundation Center surveys.

More recently this typology has been challenged by the European Foundation Centre (EFC), which states that 'developing a (common) typology (of foundations) for Europe as a whole presents a challenge. This is due to the many languages and cultures, the different legal/fiscal environments from one nation to the next.' It notes that any typology will result in 'some degree of distortion'. The EFC argues that it is as important, if not more important, to understand foundations by their comparative impact as by the origins of their funding.

About CGAP



The ESRC Centre for Charitable Giving and Philanthropy (CGAP) is the first academic centre in the UK dedicated to research on charitable giving and philanthropy. Three main research strands focus on individual and business giving, social redistribution and charitable activity, and the institutions of giving. CGAP is a consortium including the University of Strathclyde Business School, University of Southampton, University of Kent, University of Edinburgh Business School, Cass Business School and NCVO. CGAP's coordinating 'hub' is based at Cass Business School. CGAP is funded by the ESRC, the Office for Civil Society, the Scottish Government and Carnegie UK Trust.

For further information on CGAP, visit www.cgap.org.uk

About Pears Foundation



Pears Foundation is a British family foundation rooted in Jewish values. Its work is concerned with positive identity and citizenship.

The foundation has built a partnership with CGAP to provide reliable, accessible and transparent data to inform public debate about the role of philanthropy in society and encourage increased and more strategic giving. Similarly, the Pears Business Schools Partnership, a collaboration between Cranfield School of Management, London Business School, Saïd Business School and Pears Foundation, aims to promote sustainable and responsible business in society by engaging and inspiring the next generation of business leaders.

For further information, please see www.pearsfoundation.org.uk

About University of Strathclyde Business School



Founded in 1947, University of Strathclyde Business School (SBS) is one of four faculties forming the University of Strathclyde in Glasgow. SBS is a triple-accredited business school, with full accreditation from the international bodies AMBA, AACSB and EQUIS, and works with all levels from undergraduates through to senior executives. The school has an established reputation for research excellence. Most recently, in the 2008 Research Assessment Exercise, Strathclyde Business School was rated 7th in the UK for its 'world-leading and internationally excellent' research. International in its outlook, SBS has long-standing and established links with partner institutions around the world, including universities in Australia, Canada, Europe, Asia and the USA. In addition, SBS operates nine international satellite centres in Europe, south-east Asia and the Middle East, and has recently established a branch campus in India.

For further information on the University of Strathclyde Business School, please visit www.strath.ac.uk/business

Family Foundation Philanthropy 2009



The Bill and Melinda Gates Foundation currently provides the most concerted challenge to government approaches to tackling problems of global health. At the same time, the foundation set up by business billionaire Hans-Werner Hector made, in 2008, the largest single donation ever to a German state university, causing national controversy over the status of so-called 'elite universities'. In the light of these and other strategic initiatives, the influential role of family foundation philanthropy in social policy and practice has never been more topical.

Family Foundation Philanthropy 2009 updates and compares trends in the charitable spending of major family foundations in the UK and US. It also presents new data on family foundations in two contrasting continental European countries, Germany and Italy. The historical, legal and political contexts in which such foundations operate in these countries are shown to be significantly different, yet in spite of these differences philanthropy of this kind has constantly found ways to re-emerge and reconfigure itself.

The research presented here demonstrates the strength of family foundation philanthropy and the extent to which it has become a vehicle for successful entrepreneurs and other donors not only to support, but often to strategically influence, the scientific, cultural, social and economic progress of their time. The study also raises questions about the common themes and overarching motivations which give family foundation philanthropy a continuing role under sometimes difficult conditions and in different times, contexts and places.

Family Foundation Giving Trends 2010



Just as we are experiencing severe reductions in public expenditure, and the wealthy are being urged to give more back to society, this report provides timely data on the charitable giving and activities of major family foundations. It attempts to draw the 'big picture' of family foundation giving in the 21st century.

Family Foundation Giving Trends 2010 is a collaboration between academics and practitioners in philanthropy, and the third report in a new annual series. It updates figures for the giving of the UK's family foundations in 2008/09, providing a table of the largest 100, analysing the impact of recent economic turbulence and comparing trends with those in the US.

With many new family foundations established by the successful entrepreneurs of an era of expanding global markets and capital flows, including, for example, the Waterloo Trust, set up by the founders of Admiral Insurance, and the Volant Trust, set up by J K Rowling, the research shows that family foundation giving has been remarkably resilient in recent difficult times.

The report provides many examples of foundations, founders and funding awards, revealing significant national investment in education, science, culture and the environment. It shows foundation leadership and innovation in approaches to some of society's most intractable problems, and highlights how foundations mobilize resources by working in partnership with civil society, government and business.

Giving, however, is often driven by personal vision and thinly stretched over a breathtakingly wide range of need. In showing how much has been attempted with limited resources, the report aims to encourage others to give more, and give effectively.



In a climate of reduced government spending and weak economic growth, the need to increase the contribution of philanthropy is ever more pressing. But UK giving has faltered over the last few decades: for many wealthy people philanthropy is still unknown territory. What is it? Where do you start? How can you give hard-earned wealth away effectively?

Family Foundation Giving Trends 2011 is the fourth report in a new series tracking trends in the annual value of family giving through foundations. This year's edition focuses particularly on illustrating the hugely varied routes into philanthropy of today's major donors. It is not a 'how-to' guide, but presents compelling examples of founders and their charitable foundations — small, large, new and established — in the hope that this will encourage others to find their own way.

Case studies include the Hunter Foundation, the Helen Hamlyn Trust, the Wood Family Trust, the A M Qattan Foundation, the Brian Kennedy Trust, the Emily Hughes-Hallett Fund, the Maurice Wohl Charitable Foundation and Pears Foundation.

The examples reveal the many different starting points for those with sufficient wealth to give some away. They show the challenges of replacing business targets with philanthropic goals, of bringing families and friends on board, and the joy of giving in an effective way. Family foundations are as individual as the donors who created them. The report calls on charities, professional advisers and policymakers to develop imaginative and supportive ways for potential donors to share experiences and learning.

About the authors

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