The Beacon Collaborative

# The Beacon Philanthropy and Impact Forum 2025

## Summary and Key Findings

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# SECTION 1: Executive Summary

## Introduction

On 12th February 2025, The Beacon Collaborative hosted the fifth Beacon Philanthropy & Impact Forum at the Guildhall in London. The invitation-only event brought together 251 participants from across the philanthropy and impact communities and included philanthropists, impact investors, sector leaders, charity leaders, policy makers, academics, think tanks, regulators and media.

The purpose of the day was to bring together cross-disciplinary expertise to answer the question: **What actions are needed to maximise the potential for all forms of impact-led finance to drive positive change in our communities and on wider issues of growth and sustainability?**

During the day, attendees heard presentations and panel discussions from:

- **Neil Heslop -** CEO, Charities Aid Foundation
- **Stephanie Peacock -** Minister for Sport, Media, Civil Society and Youth
- **Andy Charles** - Director of the Blackpool Pride of Place Partnership
- **Emma de Closset -** CEO, UKCF
- **Nicky Twemlow –** Community and Partnerships Director, YMCA North Staffordshire
- **Nathan Gamester** - Managing Director, CSJ Foundation
- **Sonal Patel** - CEO, GMSP Foundation
- **Paolo Fresia** - Principal, 100% Sustainability
- **Olivia Chowdry** - Founder of Atlas Impact
- **Lady Edwina Grosvenor -** One Small Thing
- **The Rt Hon. Baroness Prashar -** Global Philanthropic Advisory Board
- **David Holdsworth** - CEO, The Charity Commission
- **Cath Dovey CBE –** Co-founder of The Beacon Collaborative

Participants also took part in 60 challenging roundtable discussions during which they swapped experiences, stories, insights and wisdom as they examined how to overcome financial pressures, fragmented funding structures, and policy uncertainties to unlock greater impact. Experts explored:

- **The Role of Social Outcomes Contracts (SOCs):** How these mechanisms can drive accountability, foster collaboration, and enable prevention-focused solutions, particularly for complex social challenges such as homelessness and youth unemployment.
- **Philanthropy's Role in the Social Economy:** How philanthropy can go beyond grant-making to build capacity, de-risk investments, and pre-finance services, and whether a mandatory payout for foundations would enhance or hinder long-term sustainability.

- **The Need for Greater Coordination and Transparency:** How better data sharing, centralised funding mechanisms, and knowledge exchange can improve efficiency and impact measurement.
- **The Future of UK Philanthropy Policy:** How a national philanthropy strategy, , or stronger government incentives, or even a Royal Foundation for Philanthropy could drive more effective giving while maintaining the sector's independence.
- **Balancing Flexibility and Accountability:** Exploring hybrid funding approaches, the role of corporate and place-based philanthropy, and how to align investment strategies with social impact goals.

The day's discussions reinforced the extent to which unlocking the full potential of philanthropy and social investment requires collaboration across government, investors, foundations, and frontline organisations.

By aligning key stakeholders and adopting innovative, transparent, and impact-driven approaches, the sector can mobilise greater resources to tackle the UK's most pressing social challenges.

As with previous forums, this year saw a rich exchange of ideas, dynamic discussions, valuable networking and potential future collaborations.

None of it could have happened without our volunteer facilitators and note-takers, as well as the generous sponsors, supporters and partners.

## Executive summary

During the roundtables, the points of discussion were captured and the key findings have been extracted and formulated here into one continuous narrative.

More detailed insights, quotes and questions from each roundtable can be found in the roundtable summaries in Section 2.

## Unlocking the potential of philanthropy and social investment

The UK's philanthropy, and social investment and impact investment landscape is at a critical juncture, facing both financial pressures and opportunities for reform.

At a national level, there is growing focus on the UK's need for a coordinated philanthropy strategy to drive long-term, systemic change. Proposals discussed at the Forum included the creation of a national philanthropic framework, a Royal Foundation on Philanthropy, or a cross-party parliamentary committee to champion giving.

Additionally, government could play a more active role in facilitating philanthropy through fiscal incentives, policy reforms, and greater integration with public financial planning (e.g., including philanthropy in the Spending Review). However, any government involvement must carefully balance supporting philanthropy while preserving its independence.

To strengthen the philanthropy, social investment and impact investment  ecosystem, key priorities include:

- Leveraging new investment vehicles (such as the £100m Social Impact Investment Fund) to co-finance social outcomes initiatives.
- Making the economic case clearer by demonstrating how every £1 in philanthropic or government outcome payments can generate significant fiscal savings and broader economic benefits.
- Improving sector-wide transparency and accountability through better data sharing, public reporting of foundation payout rates, and knowledge exchange on effective and ineffective models.
- Exploring hybrid funding approaches that balance flexibility, impact, and long-term financial sustainability.
- Encouraging corporate and place-based philanthropy to drive more inclusive and regionally distributed funding.

Not surprisingly, in this era of constrained public funding, Social Outcomes Contracts (SOCs) have gained traction as a mechanism to deliver long-term, prevention-focused solutions through cross-sector collaboration.

These contracts are particularly well-suited for complex social challenges, such as homelessness and youth unemployment, where the cost of inaction is high and measurable impact is achievable. However, key structural and operational barriers remain, including fragmented government funding, the complexities of impact measurement, and limited transparency on what works and what doesn't.

To unlock the full potential of SOCs, a centralised co-payment fund is needed to align funding across government departments, alongside greater investment in sector-wide data infrastructure and learning platforms.

Philanthropy plays a crucial role in supporting SOCs and the broader social impact economy. Beyond direct funding, philanthropy can enable innovation by building capacity, pre-financing services, and de-risking investment for more traditional funders.

The sector continues to press for initiatives that will unlock greater philanthropic flows. One issue that came to the fore at this Forum was whether mandatory payout requirements for charitable foundations would be beneficial. Advocates argue that a modest mandatory payout (e.g., 3-5%) would significantly increase the flow of capital to social issues, prevent excessive endowment accumulation, and reinforce philanthropy's role in the social contract. A mandatory payout would likely also increase the risk appetite among foundations for more innovative social finance structures, such as SOCs.

Others contend that such mandates could threaten long-term sustainability, create perverse incentives, and open the door to greater government intervention in philanthropic decision-making. Instead, greater transparency and voluntary commitments may offer a more effective approach to increasing flows of philanthropic capital without rigid regulation.

In microcosm, this debate highlighted the principal theme that emerged from all the Forum discussions: innovation is needed to unlock the capacity and the potential for impact-led finance.

That innovation needs to be championed by, and delivered through, strategic collaboration between government, foundations, investors, and frontline organisations. By aligning key stakeholders and adopting innovative, transparent, and impact-driven approaches, the sector can unlock greater resources to tackle the UK's current and future social challenges.

## Key themes and critical questions

At the heart of the roundtable discussions was the recognition that existing funding models, whether government-driven, philanthropic, or social investment-based, must evolve to meet growing societal challenges.

Delegates tackled this complex question of innovation from multiple angles, each raising critical questions about how to maximise the capacity of impact-led capital through multi-stakeholder engagement collaboration.

This section summarises the key questions that emerged during the discussions

### 1. The Role of Social Outcomes Contracts (SOCs) in a Tight Fiscal Environment

SOCs offer a results-based funding model that fosters multi-agency coordination, long-term investment, and prevention-focused interventions. However, barriers such as fragmented government funding, burdensome impact measurement, and limited transparency continue to hinder their potential.

- How can government departments better align their budgets to co-fund SOCs effectively?
- What infrastructure is needed to improve impact measurement and reduce administrative burdens on service providers?
- How can philanthropy and social investors support the scaling of SOCs while ensuring the structures are accountable to multiple funder types and end-users simultaneously?

### 2. Rethinking Philanthropy's Role in Crisis and Beyond

The debate over mandatory payout requirements for charitable foundations reflects broader concerns about the effective distribution of philanthropic resources. While some advocate for a baseline payout (e.g., 3-5%) to prevent excessive endowment accumulation and increase capital flow, others warn of long-term sustainability risks and potential government overreach.

- Should foundations be required to distribute a minimum percentage of their assets annually?
- How can philanthropy balance long-term financial sustainability with immediate social needs?
- Would greater transparency and voluntary commitments be more effective than regulation in increasing giving?

### 3. Strengthening the National Approach to Philanthropy

There is growing interest in whether the UK should develop a formal philanthropy strategy to guide and amplify giving. Roundtable participants generally agreed that the UK would benefit from a stronger national philanthropic identity. However, the mechanisms that were proposed to develop that identity were varied ranging from a cross-party parliamentary committee through to a Royal Foundation on Philanthropy that could provide strategic, non-political, leadership. Key questions discussed at the roundtable were:

- Should the UK develop a national philanthropy strategy, and if so, who should lead it?
- How can government support philanthropy through fiscal incentives and policy reforms without undermining its independence?
- What role could cross-sector partnerships play in advancing philanthropy at both the local and national levels?

**4. Transparency, Influence, and Public Trust in Philanthropy**

Critiques about wealth concentration, donor influence, and the lack of public accountability have put philanthropy under increasing scrutiny. In response, there is growing momentum behind greater transparency and reporting requirements to demonstrate how philanthropic funds are allocated.

- Should foundations be required to disclose payout rates and impact metrics to build public trust?
- How can philanthropy become more inclusive and participatory, ensuring that funding decisions reflect diverse community needs?
- Could mandatory transparency measures help normalise and encourage higher levels of giving?

**5. Unlocking More Capital for Social Good**

As funding pressures mount, attention is shifting toward new financial models and incentives that could unlock more capital from individuals, corporates, and impact investors.

- What tax and policy incentives could encourage greater giving from individuals and corporations?
- Should investment committees be required to align foundation investment strategies with social impact goals?
- How can corporate philanthropy be revitalised, particularly at a local, place-based level?

## Moving Forward: Aligning stakeholders for greater impact

The future of the impact economy and philanthropy in the UK depends on strategic collaboration between government, charitable foundations, investors, and frontline organisations.

To maximise impact, philanthropy must evolve beyond traditional grant-making and embrace flexible, transparent, and data-driven approaches.

By asking the right questions and exploring innovative funding models, the sector can ensure that more capital is deployed where it is needed most, when it is needed most, and in ways that create long-term social change.

# SECTION 2: Roundtable notes

## Roundtable topic: Building consensus around a National Strategy for Philanthropy

### Key Themes

#### 1. The Rise of the Impact Economy & the Role of Philanthropy

- Philanthropy is evolving within a broader impact economy, where government, business, and social investors are breaking down silos to create systemic change.
- Philanthropy's unique value lies in its independence from government, allowing for flexible, risk-taking capital that can respond to emerging needs.
- However, the sector lacks the imperative for forward momentum. - There is greater clarity in the US about the role philanthropic capital plays in the wider impact spectrum, but in the UK there is not yet a distinct philanthropic identity that could create the momentum for innovation.

#### 2. The Role of Government: Enabler vs. Controller

- Government's role is to support philanthropy rather than directing it - its role should be to create an enabling environment by removing barriers, advocating for giving, and providing strategic infrastructure.
- Concerns exist that government (including Labour) does not fully understand philanthropy's role, and that philanthropy risks being considered as a gap filler for public services, rather than being seen as a complementary force that reaches the people and the places that public services can't or won't reach.
- If we want to harness the potential for philanthropic capital to work alongside government priorities, government has to take the initiative. Philanthropy primarily sits within the DCMS portfolio. However, DCMS lacks the power to drive change. Treasury involvement is crucial for embedding philanthropy into long-term fiscal policy.
- A cross-party parliamentary group or House of Lords advocacy body could help make philanthropy a higher political priority.

#### 3. The Need for a National Strategy & Infrastructure

- Place-based giving is important but should be supported by a national framework to ensure alignment, scalability, and long-term impact.
- There is a tension between national and local government roles to support and enable philanthropy. How should roles and responsibilities be structured at national and local level to ensure philanthropic capital engaged most effectively? Philanthropic capital is typically centred on bottom-up needs (the needs of people and places) rather than meeting the top-down agendas of national and local government. This means government needs to be engaged, supportive and responsive, but not directive.
- Successful mechanisms that have been used to align philanthropic capital around specific objectives include:

  - BIG GIVE (redistributing wealth through thematic campaigns)
  - PROPEL Funds (collaborative funding based on shared understanding)
  - Integrated Care Systems (ICS) (aligning philanthropy with NHS priorities)
  - Ireland & Australia's regional philanthropy leads (localised engagement with national backing)

### 4. Donors as role models to help improve the visibility of philanthropy

- More visibility is needed - philanthropy is often kept private or low-profile, but public champions of giving could help normalise and encourage participation.
- However, we also need to be aware that there is public scepticism towards philanthropy, with concerns over elitism, corporate influence, and lack of transparency.
- Major donors also often want control over programme design, which can conflict with impact-led, beneficiary-driven approaches that align philanthropy with societal needs.
- It is also challenging for philanthropists to align with political priorities, not least because short political cycles create uncertainty for donors; it is unclear if government has the capacity to commit to shared agendas for the long-term.

### 5. Strengthening the Philanthropic Ecosystem

- Match funding should be central to any plan to strengthen the philanthropy ecosystem – the case for philanthropy is strengthened when government, businesses, and donors are seen as co-investors in social impact.
- More data and research would help make the case for match funding as an incentive.
- There is an urgent need to highlight declining giving levels, especially among young people to drive awareness and policy change.
- Corporate philanthropy is declining as ESG and DEI narratives take priority - how can businesses be re-engaged?
- Professionalising philanthropy and wealth advisory - the UK sector is largely amateur compared to the US. Introducing qualifications and professional standards for philanthropy professionals could improve practice.

### 6. Unlocking More Philanthropic Capital

- Encouraging foundations to spend more - a large proportion of philanthropic capital is tied up in endowments, and small policy changes could incentivise greater disbursement.
- Clarifying tax incentives - UK donors lack clarity on the UK tax benefits, which have the potential to be a valuable incentive. The US and other systems have been more effective in promoting the incentives for individual donors.
- Pension reform and other structural financial changes could help activate large pools of capital for philanthropy.

**Questions:**

- How can the impact economy be better coordinated across sectors to drive long-term change?
- Should the UK develop a national philanthropic identity or framework, and what existing models could inform it?

- What role should government play in supporting philanthropy while ensuring philanthropy maintains its independence?
- Should philanthropy be included in the Spending Review, and could a cross-party committee or political champion help advance its role?
- How can national and local governments collaborate effectively on philanthropic initiatives?
- What mechanisms can ensure philanthropy remains inclusive, transparent, and responsive to public concerns?
- How can donors, including wealth advisers and philanthropy professionals, be better educated on best practices?
- Could a Royal Foundation on Philanthropy provide a non-political way to champion giving?
- How can match funding, corporate giving, and collaborative models expand philanthropy's impact?
- What policies, tax incentives, or spending requirements could unlock more giving from individuals, corporations, and charitable foundations?

## Roundtable topic: Disruptive Philanthropy: driving innovation for transformative change

### Key Themes

#### 1. The Urgency of Systemic Change

- Philanthropy must move beyond addressing symptoms and focus on changing systems that cause these issues in the first place.
- This work cannot be done alone - it requires collaboration across funders, communities, government, and the private sector.
- Conceptual frameworks that simplify complex issues and help to identify root causes can help philanthropists focus their efforts effectively.

#### 2. The Need for Experimentation & Risk-Taking

- True disruptive philanthropy requires a spirit of experimentation, acknowledging that there may be no clear outcomes and that failure is part of learning.
- The philanthropy sector often claims to be risk capital but is risk-averse in practice - this must change.
- Disruption doesn't need to be loud - it can be done quietly through small shifts in behaviour that create ripple effects.

#### 3. Power, Control, and the Role of Funders

- Too often, funders fear losing control, while venture capitalists achieve success by investing in strong leaders and stepping back.
- There is a moral tension between funding immediate needs (saving people from drowning) and investing in systemic change (preventing people from falling in).

- Overheads matter - funders must invest in leadership, community engagement, and the long-term infrastructure needed for transformative change.

#### 4. Reframing Philanthropy's Narrative

- The dominant stories in philanthropy focus on despair, crisis, and scandal, but there is a need for narratives around joy, progress, and hope.
- Disruptive change happens at all levels - not just through big funding shifts but also in small everyday behaviours and approaches.

#### 5. The Role of Technology in Disruptive Philanthropy

- Tech should be leveraged to transform both how charities operate and how philanthropy functions.
- Open data, knowledge-sharing, and transparency are crucial to enabling more effective funding and collaboration.
- A "UCAS-style" vetting system for charities could streamline due diligence, making funding decisions more efficient and equitable.

#### Questions

- How can philanthropy create more space for experimentation and accept failure as part of progress?
- What mechanisms can ensure communities are leading the disruptive agendas rather than being passive recipients?
- How can technology and data transparency be used to streamline and democratise philanthropic decision-making?
- Can philanthropy truly become a driver of radical, long-term change rather than just a safety net for broken systems?

## Roundtable topic: How Tax, Wealth Creation, and Philanthropy Intersect

### Key Themes

#### 1. The Role of Tax Incentives in Driving Philanthropy

- Tax incentives are critical in encouraging charitable giving, yet lack of awareness prevents them from being fully utilised.
- While some debated whether tax relief creates a stigma around philanthropy, the overwhelming consensus was that removing incentives would be counterproductive. Instead, better education and clearer communication could drive more funds into charities.
- A global comparison highlighted the disparities in philanthropic incentives:
  - US: More sophisticated structures, such as split-interest giving, encourage philanthropy.
  - UK: Incentives exist but are often underutilised due to complexity and lack of awareness.

  - Ireland: No donor tax relief or incentives, limiting philanthropic potential.

**2. How Source of Wealth Influences Giving Behaviour**

- The source of an individual's wealth shapes their approach to philanthropy:
  - Unexpected wealth (e.g., windfalls) often leads to more spontaneous charitable donations.
  - Inherited wealth tends to be viewed as an asset to steward for future generations, making large-scale giving less common.

**3. Choosing Between Charitable Trusts and Donor-Advised Funds (DAFs)**

- Charitable Trusts offer greater control but require more administration.
- DAFs provide flexibility and tax efficiency but may limit direct donor influence.
- Key considerations included control, accessibility, and long-term impact on philanthropic goals.

**4. The Need for Greater Charity Collaboration**

- Charities should focus more on collaboration rather than competition to maximise donor contributions.
- Donor referrals between charities could increase overall sector funding.
- Strategic partnerships that maximise the efficiency of resources would make philanthropic investments more efficient and impactful.

**5. Strengthening Philanthropy Education on Tax Incentives**

- A major barrier to effective philanthropy is the lack of knowledge about tax-efficient giving. Suggestions to improve this included:
  - A leading philanthropy body (e.g., an "Institute of Philanthropy") spearheading a public education campaign.
  - Wealth advisers incorporating philanthropy education into their professional certifications to ensure donors receive proper guidance.

**6. Reforming Gift Aid: Opt-Out vs. Opt-In System**

- Inspired by pension auto-enrolment, discussion emerged around whether Gift Aid should be automatic unless donors explicitly opt out.
- Potential benefits include:
  - Increasing Gift Aid uptake, reducing the amount of unclaimed funds.
  - Simplifying the process by linking Gift Aid to taxpayers' National Insurance (NI) numbers.
- Challenges:
  - If unclaimed Gift Aid were redirected to charities, it would require government funding beyond tax relief, which is politically and fiscally sensitive.

**Key Questions**

- How can we increase awareness and accessibility of existing tax incentives to drive more funds to charities?
- Should tax incentives be reformed or expanded to further encourage philanthropy?

- How can we foster greater collaboration among charities to maximise funding efficiency?
- Should Gift Aid be made opt-out rather than opt-in, and what are the policy implications?
- What role should wealth advisers and financial professionals play in educating donors about philanthropy?

## Roundtable topic: The Future of Impact Investing in Wealth Management

### Key Themes

#### 1. The Current Wealth Management System

- The industry is rooted in tradition, privacy, and wealth preservation, with a primary focus on financial objectives rather than values-based investment.
- Wealth managers and advisers lack knowledge about impact investing and continue to hold outdated assumptions, such as the myth of concessionary returns.
- Regulatory frameworks and incentives reinforce a focus on liquid markets and financial returns, making it difficult to prioritise sustainability or impact alongside wealth preservation.

#### 2. Innovations in Wealth Management

- The industry is slowly evolving as clients demand more values-based and holistic advice.
- Sustainability and financial returns are being increasingly balanced, with more products and dedicated wealth managers emerging.
- ESG and impact investing are politicised, with some viewing sustainability efforts as profit-driven rather than value-driven.
- Impact measurement remains inconsistent and overly reliant on financial frameworks, making it difficult to drive real change in capital allocation.
- While new products and firms have emerged, some question whether they are genuinely innovative or simply rebranded versions of existing financial products.

#### 3. The Future of Wealth Management

- Younger generations and female inheritors see financial and impact goals as interwoven, demanding a more radical approach to wealth management.
- Technology and AI may disrupt traditional wealth advisers, offering personalised impact-focused investment strategies without the need for human intermediaries.
- In this scenario, there is potential for a non-capitalist model of wealth management to emerge, prioritising:
    - Radical transparency around investments

    - "Fair share" returns rather than maximum profit
    - Blended finance approaches, integrating financial and impact goals
- Advisers will need to adapt to these shifting client expectations or face a real risk of becoming obsolete for impact-minded clients.

**Questions**

- Will traditional wealth managers upskill to meet growing client demand for sustainability and impact investing, or will they be replaced by new firms, advisers, or technology?
- How can the industry respond to client expectations for transparency, personalisation, and alignment with impact goals?
- Will the younger generation maintain their commitment to sustainable wealth management, or will they shift priorities once they inherit assets and responsibilities?
- How can innovative approaches to wealth management avoid being absorbed or diluted by the existing system?
- Could a social contract be integrated into wealth management to encourage better client outcomes and faster adoption of impact investing?

## Roundtable topic: Leading the world as an impact economy

### Key Themes

**1. Translating Strategy into Community Impact**

- A national impact strategy must demonstrate clear, tangible benefits at the community level, ensuring it drives more funding to local initiatives.
- The strategy must integrate with ongoing devolution efforts, balancing national frameworks with locally driven decision-making.
- The role of the Pro Bono Economics paper within the Impact Economy Collective needs to be clarified to ensure alignment and avoid duplication of efforts.

**2. Top-Down vs. Bottom-Up Approaches**

- While a systems-level approach is necessary for structural change, inclusive growth requires careful consideration of how decisions are made and who is involved.
- Effective collaboration does not mean every stakeholder must have a seat at every table - clear organisation and governance structures are crucial for success.
- What we measure defines what we value. Developing robust, meaningful impact metrics is essential to drive accountability and effectiveness.

**3. Recognising Diverse Roles in the Ecosystem**

- Different actors - government, philanthropy, business, and civil society - each play unique roles in the impact economy. Valuing these distinct contributions is key to a cohesive strategy.
- London faces systemic urban challenges that are mirrored in other global cities. Identifying common issues can support knowledge-sharing and coordinated solutions.

- National and local stakeholders often operate with different languages, cultures, and priorities. Aligning these perspectives is crucial for effective collaboration.

**Questions**

- How can we ensure that national impact strategies translate into meaningful local change?
- What role should devolution play in shaping and delivering the UK's impact economy?
- How do we create the right balance between top-down strategy and bottom-up innovation?
- What are the best ways to define and measure impact at both national and local levels?
- How can we learn from and collaborate with other global cities facing similar challenges?

## Roundtable topic: Promoting and Celebrating Philanthropy

### Key Themes

#### 1. Closing the "Giving Gap"

- The UK faces a £5 billion shortfall in philanthropy compared to other advanced economies (Pro Bono Economics). Research suggests that wealthy Britons are willing to give more, but barriers prevent them from doing so.
- Public attitudes toward philanthropy are broadly positive, but perceptions of individual philanthropists are more mixed (Beth Breeze research).
- Addressing public scepticism and showcasing philanthropy's impact could help bridge this giving gap.

#### 2. The Power of Local Giving

- Place-based philanthropy is an underutilised opportunity.
- Many philanthropists have strong regional ties and may be more willing to give locally. However, some donors seek visibility, while others prefer discretion due to concerns about security, privacy, or additional funding requests.
- Recognising and celebrating regional giving could encourage broader participation and strengthen public trust.

#### 3. Overcoming Media and Cultural Barriers

- The UK's culture of discretion around wealth affects the visibility of philanthropy.
- Negative media coverage often focuses on philanthropy scandals rather than its impact.
- Unlike the US, the UK lacks well-known philanthropic role models, limiting inspiration for future givers.
- To normalise philanthropy, better storytelling and positive media representation are needed.

#### 4. Education and Early Exposure

- Philanthropy is not embedded in UK school curricula, missing a key opportunity to cultivate a giving culture.
- Teaching philanthropy from an early age could foster long-term giving habits.
- Public trust in philanthropy is easily damaged by high-profile controversies (e.g., Captain Tom Foundation), underscoring the need for greater transparency and education.

### 5. Making Philanthropy More Inclusive and Accessible

- Language and framing matter. Terms like "philanthropy" can feel elitist or inaccessible.
- Messaging should emphasise philanthropy as a joyful, impactful act, rather than a moral obligation.
- A one-size-fits-all approach to promoting philanthropy risks missing the mark - messaging should be tailored to different audiences.

### 6. The Role of National and Collective Efforts

- A more coordinated national approach to philanthropy promotion could increase visibility and engagement:

1. National giving campaigns (e.g., The Big Give) can generate momentum.
2. A centralised national campaign could be more effective than fragmented efforts. However, any national initiative should be flexible, allowing charities to adapt messaging to their own communities.

### 7. Key challenges and actions

- Reframing philanthropy as positive and inspiring, rather than elitist or self-serving.
- Striking a balance between recognising philanthropy and respecting donor privacy.
- Encouraging philanthropists to share their stories, despite their reluctance.
- Finding the right language to engage diverse audiences.
- Creating stronger connections between philanthropists and charities for more direct engagement.
- Encouraging philanthropists to share their stories - storytelling can inspire additional giving and leverage. .
- Developing a national giving focus that is clear, adaptable, and inclusive, rather than fragmented across multiple initiatives.
- Charities should create more direct engagement opportunities between philanthropists and the causes they support.
- Use accessible, relatable language when discussing philanthropy to engage a broader audience.
- Position philanthropy as a source of joy and impact, rather than obligation or duty.

**Questions**

- How can philanthropy be reframed to shift public perception and overcome scepticism?
- What kind of national campaign would be most effective in celebrating philanthropy?

- How can philanthropists be encouraged to share their giving stories while maintaining privacy?
- What practical steps can charities take to better connect with philanthropists and facilitate meaningful engagement?
- How can philanthropy be made more inclusive and accessible to people of different backgrounds and income levels?

## Roundtable topic: Total Impact: how trusts, foundations and individuals are combining philanthropy and impact investing to achieve their impact goals

### Key Themes

**1. The Shift from Philanthropy to Impact Investing**

- A growing number of trusts and foundations are exploring impact investing alongside traditional philanthropy to drive long-term social change. However, regulatory barriers, outdated policies, and a lack of clarity around fiduciary duty create hesitation.
- Many charity-related investment rules were designed before impact investing became a recognised tool.
- The sector needs clearer guidance, including shifting trustee responsibilities from justifying impact investment to justifying its absence.

**2. The Role of Government**

- The sector must be specific in its requests to central and local government. Key asks include:
  - Clarifying fiduciary duty rules for trustees regarding impact investing.
  - Allowing greater flexibility in aligning impact investments with charitable objects.
  - Implementing policies like the Better Business Act to support social impact.
  - Reducing complexity in government grant-making.
  - Improving transparency on public spending to enable better philanthropic alignment.

**3. Community-Based Philanthropy – A Missing Link**

- Place-based philanthropy holds immense potential but lacks the financial and structural support to scale.
- While government wants to connect philanthropic investment with high-need areas, large funders often struggle to engage at grassroots level.
- Many communities lack the resources to coordinate philanthropic initiatives.
- It is unclear who should lead local philanthropic efforts - local government, charities, think tanks, or grassroots organisations.

- The best conveners are often embedded community-based non-profits, such as Made in Stoke, Kindred in Liverpool City Region, and BBRC in Bristol/Bath.
- Stakeholders should be brought together around specific local issues, using pilot projects as a focal point.

### 4. The Right Structures for Social Enterprises

- Social entrepreneurs often default to Community Interest Companies (CICs), despite these sometimes being an unsuitable option.
- Better awareness is needed around hybrid structures (e.g., non-profits owning operating companies) to allow access to diverse funding sources.
- Mission lock mechanisms, such as a significant charitable shareholding in a for-profit entity, can balance social purpose with financial sustainability.

### 5. Grants vs. Impact Investing

- Many trustees are comfortable giving grants but hesitant about repayable grants or social loans.
- Both grants and impact investments should be seen as forms of capital deployment, requiring equal levels of due diligence, impact assessment, and financial scrutiny.
- Some enterprises are better suited to impact investment rather than long-term dependency on grants.
- Regardless of whether funding comes from grants or investment, all stakeholders are ultimately working towards the same social outcomes. Effective storytelling can bridge the gap between different funding sources.

**Questions**

- How can we modernise the understanding of acceptable practices in philanthropy and impact investing for charity endowments?
- How can we increase resources, visibility, and priority for community-based philanthropy?
- Who is best positioned to convene diverse stakeholders in place-based philanthropy?
- How do we better educate the sector on the full range of financing options available today?

## Roundtable topic: Re-imagining the future role of wealth advisers in the impact economy

### Key Themes

### 1. The Expanding Role of Wealth Advisers

- Wealth advisers must move beyond traditional financial advice to incorporate philanthropy and impact investing into their services.

- Clients are increasingly interested in legacy, values-based investing, and social good, but need guidance to navigate these choices.
- Philanthropy should not be an afterthought - it should be integrated into holistic wealth management.

### 2. Barriers & Challenges for Advisers

- Lack of confidence and knowledge - many advisers worry about not knowing enough about philanthropy or asking the wrong questions.
- Incentives aren't aligned - firms still reward advisers based on assets under management (AuM) rather than relationship depth and impact outcomes.
- Philanthropy is often seen as separate - there is a need to bridge the gap between impact investing and charitable giving.
- Language and framing issues - traditional investment language does not always align with social impact narratives, creating a disconnect.
- Consumer Duty and regulations - new compliance rules create both an opportunity and a barrier for integrating philanthropy.

### 3. The Next Generation & Client Expectations

- Next-gen investors have different priorities - they expect wealth management to include sustainability, philanthropy, and impact-driven strategies.
- Clients want to know where their money is invested and how it contributes to positive change.
- There is a need for storytelling and case studies to make philanthropy and impact investing more engaging and relatable.

### 4. The Role of Technology & Data

- A centralised giving platform for charitable gifts and philanthropy could help streamline due diligence.
- Digital transformation is needed in wealth management to offer more transparency, automation, and personalised impact portfolios.
- Open data and impact measurement tools should be developed to help clients track the real-world effects of their investments.

### 5. Key Actions & Solutions

- Train wealth advisers: ensure they have the skills and confidence to discuss philanthropy and impact investing.
- Shift incentives: reward advisers for building deeper, long-term client relationships rather than just financial returns.
- Encourage safe spaces: clients need trusted environments to discuss philanthropy without pressure or sales motives.
- Develop a UK-based philanthropy platform: a giving website that helps clients discover, vet, and support charities efficiently.

- Integrate impact investing and philanthropy: advisers must be able to guide clients across both financial and social return strategies.
- Leverage the next generation: younger investors are more open to impact investing and philanthropy, creating a momentum shift in wealth management.
- Enhance transparency: better data and impact tracking tools can help clients feel more connected to their giving and investments.

**Questions**

- How can wealth advisers confidently integrate philanthropy and impact investing into their services without feeling out of their depth?
- What new business models will emerge to serve next-generation investors who demand values-aligned wealth management?
- How can technology be used to simplify philanthropic giving and make it as accessible as financial investing?
- Will regulatory changes help or hinder the integration of impact-focused advising?
- Can the wealth management industry redefine success beyond financial returns to include social and environmental impact?

## Roundtable topic: What does the government need from the philanthropy and impact sectors to build an effective partnership?

### Key Themes

#### 1. Breakdown in Trust & Misalignment

- Trust between government and the sector has eroded over time, making collaboration difficult.
- Government funding is fragmented - departments (health, education, etc.) operate in silos rather than in a coordinated way.
- Language and priorities are misaligned - the sector and government don't always speak the same language or have shared goals.
- There is tension between local and national government - unclear how national strategies translate into local action.

#### 2. Structural Barriers to Effective Philanthropy & Funding

- No 'front door' to government - charities and funders struggle to navigate government structures and funding opportunities.
- Philanthropy incentives are misaligned - wealth managers lack motivation to encourage social impact investing.
- Regulatory challenges - current legislation does not incentivise trustees to align investments with social outcomes.

- Tax inefficiencies - UK giving structures (like Gift Aid) are complex and could be improved to unlock more philanthropy.
- Mismatch between 'depth vs breadth' approaches - some stakeholders prioritise deep, long-term impact, while others focus on scaling solutions widely.

### 3. The Need for Stronger Multi-Stakeholder Collaboration

- Multi-stakeholder partnerships have worked well in some cases (e.g., Life Choice Fund), but examples are not widely shared or replicated.
- Government sees charities as filling gaps rather than as strategic partners.
- There is potential for more match-funding initiatives to leverage private giving alongside government support.
- Data and technology could play a greater role in improving coordination and efficiency.

### 4. Changing the Narrative & Celebrating Philanthropy

- The sector struggles with a culture of mistrust and criticism rather than celebration.
- Public perception of philanthropy is often negative, focusing on power imbalances rather than its positive impact.
- Ireland is seen as having a more effective model - lessons could be learned from their approach.

**Questions**

- How can trust between government and the sector be rebuilt?
- How can a 'front door' to government be established to simplify engagement for funders and charities?
- What policy or regulatory changes could incentivise more philanthropic giving?
- How can wealth managers be better educated and incentivised to integrate social impact investing?
- How can funding structures balance deep, localised impact with the need for scalable solutions?
- What mechanisms can improve communication and alignment of priorities?
- How can national policies be translated effectively into local action?
- How can philanthropy be better celebrated to shift public and government perception?
- What role can storytelling play in promoting the impact of philanthropy?
- How can government and the sector work together to create a more enabling environment for philanthropy?
- How can successful multi-stakeholder partnerships be better showcased and replicated?
- What role should government play in supporting, rather than controlling, the charity sector?
- How can match-funding initiatives be expanded to unlock more giving?

- What data and technology solutions could help streamline collaboration and funding allocation?

## Roundtable topic: The charity tech frontier

### Key Themes

1. **Lack of Infrastructure Investment**
    - The charity sector lacks dedicated funding and support for technology infrastructure, which limits its ability to scale and innovate. Relying on commercial tech solutions alone is insufficient, as they are not always adapted to the sector's needs.
    - The absence of standardised charity data makes due diligence difficult and slows technological advancements such as AI.
    - A central repository for charity data could improve transparency, decision-making, and impact tracking.
    - The lack of outcome data hinders impact investing, as investors struggle to measure effectiveness.
2. **Wealth Advisers as Untapped Stakeholders**
    - Wealth advisers have significant influence over philanthropic giving but are currently not aligned with advancing the philanthropic agenda.
    - They lack access to a reliable, central database to guide their advisory work.
    - Encouraging wealth managers to engage more actively in philanthropy could unlock new funding streams.
3. **Fragmentation in the Sector**
    - Efforts to develop philanthropy technologies are happening independently rather than collaboratively.
    - A lack of coordination among stakeholders prevents a unified approach to innovation and investment in tech solutions.
    - An independent broker, not reliant on charities or donors, could help facilitate a more cohesive digital system.
4. **Overcoming Cultural and Structural Barriers**
    - The outdated perception that infrastructure and overhead costs are "wasteful" discourages necessary investment in tech.
    - Smaller charities struggle to be visible in the digital space, as larger charities dominate with bigger communications budgets.
    - The sector is risk-averse and hesitant to adopt new technological solutions, making innovation slow and inconsistent.
5. **The Role of Technology in Philanthropy**
    - Tech can democratise philanthropy by making giving more accessible across different wealth levels.
    - Fintech and commercial giving platforms are growing, but they may not always align with the best interests of charities.

- AI, while promising, is not yet viable due to weak data infrastructure. Cryptocurrency and digital assets remain underexplored.
- Technology must inspire the heart behind giving, not just provide data-driven solutions - storytelling and immersive experiences can help.

**Questions**

- How can the sector secure sustainable funding for technology infrastructure?
- What steps can be taken to standardise charity data and create a central repository?
- How can wealth advisers be better engaged in philanthropy?
- What mechanisms can be introduced to facilitate greater collaboration and reduce fragmentation in charity tech efforts?
- How can the sector build an appetite for risk-taking and innovation in digital transformation?
- How can technology be used not only to optimise giving but also to inspire deeper philanthropic engagement?

## Roundtable topic: What is the true opportunity for Blended Finance?

### Key Themes

1. **Philanthropy as a Lever for Blended Finance**
   - Philanthropy has the potential to unlock greater impact by de-risking investments and attracting additional funding through blended finance structures.
   - This model can bring in private capital for initiatives that may not be commercially viable on their own.
2. **Funding Less "Exciting" but Critical Areas**
   - Blended finance presents an opportunity to channel investment into underfunded yet essential areas, such as infrastructure.
   - Traditional philanthropy often prioritises direct social interventions, while blended finance could help address systemic gaps.
3. **Barriers to Adoption**
   - Scale: many blended finance models are small and struggle to attract institutional investors.
   - Liquidity: ensuring that impact investments can provide reasonable returns while maintaining flexibility.
   - Investor alignment: balancing risk and return expectations between philanthropic funders and private investors.
   - Trustee hesitance: trustees often view impact investing as high-risk and may be reluctant to move away from traditional grant-making.
4. **Successful Case Studies**

- The group highlighted the Life Chances Fund, which uses outcomes-based contracts to support social projects.
- Fair By Design was another example, demonstrating how blended finance can tackle structural issues like the poverty premium.

5. **Need for Greater Awareness and Resources**

- There was a strong appetite to learn more about blended finance models and practical implementation.
- Participants expressed interest in accessing additional resources to support their journey into blended finance.
- Useful resources include the Blended Finance Collective and Good Finance, which provide insights, case studies, and guidance on structuring blended finance deals.

**Questions**

- How can philanthropy best be used to de-risk and attract further investment in blended finance structures?
- What steps can be taken to scale blended finance initiatives and improve liquidity?
- How can trustees and investors be better educated and supported to embrace blended finance?
- What policy or regulatory changes could help facilitate the growth of blended finance in the UK?
- How can blended finance be directed towards long-term infrastructure and systems change, rather than just short-term interventions?

## Roundtable topic: Making use of local connection

**Key themes:**

- A focus on place can break down silos between organisations in places thus contributing to a more collective effort to drive change.
- Wealth advisers have an important role to play in engaging donors and helping them to understand the opportunities in places.
- Match funding is the best incentive.
- Football clubs can have a powerful role to play as they contribute to a powerful sense of local identity.

**Key challenges:**

- Capacity to develop place-based approaches is patchy.
- Too much of local giving is down to luck – we need to move away from that.
- Mid-sized, regional charities fall between two stools – often excluded from thinking.

- Local authorities don't have the capacity to drive this.

**Actions that will drive change forward:**

- Engage businesses in places so they focus on community investment.
- Do more participatory grantmaking – that is about giving up power.
- Ensure funding for capacity is long term and across political cycles.
- Build up endowments locally.
- Make sure none of this substitutes for what the state should be doing.

**Questions:**

- How do we build entrepreneurial spirit locally?

## Roundtable topic: Trusts & foundations - the pros and cons of payout ratios

### Key Themes

#### 1. The Ethical, Practical, and Logistical Dimensions of the Debate

- While a funding crisis exists, the question remains: is a mandatory payout the right solution?
- The discussion is not just about funding efficiently, but also about the moral and ethical obligations of foundations.
- The model could increase available funds, but concerns exist about unintended consequences and long-term sustainability.

#### 2. Addressing the Funding Crisis Head-On

- The scale of the crisis justifies bold action, challenging the status quo and pushing for greater distribution.
- Some believe foundations prioritise preserving their endowments over distributing funds where they are urgently needed.
- Given the tax benefits they receive, some argue that foundations have a duty to distribute a baseline amount.

#### 3. Strengthening the Foundation Model

- A modest mandatory payout (e.g., 3-5%) could pre-empt more radical proposals (e.g., 15-20%).
- A mandated payout could actually reinforce the foundation model, demonstrating its role in the social contract.
- Over time, foundation assets have grown, while grant-making has not kept pace, leading to concerns about wealth concentration.

#### 4. Economic Considerations

- Some argue that foundations should increase giving during downturns, rather than withdrawing in uncertain times.
- Ensuring a consistent payout rate could provide greater financial stability for the charity sector.

**5. Are Current Payout Rates Already Sufficient?**

- UK foundations already distribute an average of 5.5% of their assets annually.
- Unlike the US, Canada, or Australia, the UK has strong charity regulations, ensuring accountability without rigid mandates.
- The Charity Commission has authority to prevent excessive capital accumulation, making further regulation unnecessary.

**6. The Challenge of Diverse Investment Portfolios**

- A fixed payout rate may not be feasible for foundations with illiquid assets (e.g., property, farmland).
- Should foundations with illiquid assets be exempt from a mandatory payout?
- Some foundations operate on a flexible model, adjusting their giving based on strategic priorities.
- How can flexibility be maintained, while still ensuring sufficient funds reach charities?

**7. Potential Negative Consequences of a Fixed Payout Rate**

- International comparisons may not be applicable, as the UK's foundation sector has a unique structure.
- In the US, some foundations inflate their payout rates by including administrative costs, fees, and transfers to DAFs.
- A rigid annual payout could undermine long-term strategies, particularly for those shifting toward multi-year, unrestricted grants.

**8. The Risk of Government Overreach in Philanthropy**

- Some fear that if the government mandates payout rates, it could start dictating where and how funds should be spent.
- Trustees' independence is a key feature of the UK's foundation sector, allowing for long-term, mission-driven funding.

**9. Increasing Transparency & Voluntary Commitments**

- Instead of a mandate, foundations could be required to report their payout rates (e.g., using a three-year rolling average).
- Enhanced reporting would allow foundations to demonstrate their public benefit while maintaining flexibility.

**10. Leveraging All Assets for Social Good**

- Beyond grant-making, foundations should consider how their investments align with their mission.
- Some argue that harmful investments may undermine the positive impact of grants.

**Questions:**

- Should foundations be required to distribute a minimum percentage of their assets annually, or is voluntary giving sufficient?
- Would a mandatory payout enhance impact, or could it risk undermining long-term sustainability and flexibility?
- Are foundations distributing resources effectively, particularly in times of crisis and economic downturns?
- Should endowment growth be capped, directing surplus income toward grants, and should investment strategies be more aligned with social impact goals?
- How can foundations ensure transparency and accountability while preserving their independence from excessive regulation or government control?
- Could a mandatory payout create unintended consequences, such as inflated reporting, short-term decision-making, or reduced long-term commitments?
- Would greater transparency in reporting encourage more foundation giving, and how can voluntary commitments be structured for meaningful impact?
- Should Donor-Advised Funds (DAFs) be included in this debate, and how can the sector encourage more responsible and impactful giving?
- Could a hybrid approach, such as a flexible threshold, strike a balance between accountability, independence, and long-term sustainability?

## Roundtable topic: Barriers to reaching the grassroots

### Key Themes

**1. Loss of Infrastructure**

- Many of the critical support structures for grassroots organisations have disappeared due to funders withdrawing from infrastructure funding.
- This has left many grassroots groups without the necessary support to grow, sustain impact, and navigate funding landscapes.

**2. Perception vs. Reality**

- Some funders assume there is no shortage of grassroots organisations to support. However, the real issue is that many of these organisations remain severely underfunded.
- There is a need to shift the conversation from "finding" grassroots organisations to ensuring they receive adequate and sustained funding.

**3. Funders Can Be "Hard to Reach" Too**

- There is often a narrative that grassroots organisations are "hard to reach," when in reality, many funders have rigid, complex, or inaccessible processes that make engagement difficult.
- Grassroots groups may lack the capacity to navigate multiple, highly varied application and reporting requirements.

4. **Funding Burden on Grassroots Organisations**
   - Many grassroots groups must engage with multiple funders, each with different reporting requirements, impact metrics, and processes.
   - This creates a significant administrative burden that takes time and resources away from delivering impact.
5. **Opportunities for Change**
   - Funders as infrastructure providers: some funders could take on the role of providing infrastructure support for grassroots organisations, helping them navigate funding landscapes, build resilience, and access long-term opportunities.
   - The role of proximate intermediaries: intermediary organisations that are deeply embedded in communities can act as a bridge between funders and grassroots groups.
   - By pooling funds from multiple sources, proximate intermediaries can create longer-term funding relationships that are more sustainable and less administratively burdensome for grassroots groups.
6. **Lessons from the COVID-19 Response**
   - During the pandemic, funders demonstrated greater collaboration, flexibility, and alignment in their funding approaches, reducing bureaucratic hurdles and responding to urgent needs.
   - Much of this progress has since been lost - there is an opportunity to reinstate and formalise these collaborative practices.
7. **Openness, Transparency, and Collaboration**
   - Sharing market intelligence, due diligence, and evaluation data can help reduce duplication and streamline funding processes.
   - Greater transparency from funders can also empower grassroots organisations to make informed decisions about where to seek support.
8. **Smarter Capacity-Building Strategies**
   - Grassroots organisations cannot be expected to develop every capacity that funders might seek.
   - Instead, a more strategic approach is needed - building capacity at the sector or regional level, using intermediaries and platforms that are close to communities and responsive to their needs.

**Questions**

- How can funders shift their mindset from “hard-to-reach” organisations to recognising when they themselves are inaccessible?
- What role can intermediaries play in ensuring sustainable funding flows to grassroots organisations?
- How can the flexibility and collaboration seen during COVID-19 be embedded into long-term funding models?

- What new approaches to capacity-building can be explored to reduce the burden on individual grassroots organisations?
- How can funders improve transparency and knowledge-sharing to strengthen the overall ecosystem?

## Roundtable topic: Supporting more impact by companies and in workplaces

### Key Themes

1. **The Shift from Traditional CSR to Purpose-Driven Approaches**
    - Many companies are moving beyond basic Corporate Social Responsibility (CSR) models toward purpose-driven approaches that integrate profit, people, and planet (e.g., Regenerate's model).
    - However, without strong leadership buy-in, these initiatives risk being deprioritised during leadership changes or corporate reorganisations.
2. **Diverse Corporate Approaches to Philanthropy**
    - Some companies operate standalone foundations, while others support charities on short-term cycles (e.g., 1-2 years).
    - The scale of support varies: e.g., Lloyds Banking Group focuses on small local charities, while Fidelity supports medium/large charity infrastructure.
3. **Balancing Corporate and Employee Giving Preferences**
    - Companies must strike a balance between corporate-led causes and employee-driven giving.
    - Payroll giving could be a key mechanism, but awareness and uptake remain low.
    - Incorporating payroll giving into employee onboarding/induction could help normalise it.
4. **Economic Pressures Limiting Corporate Giving**
    - Post-Budget constraints, cost pressures (e.g., rising National Insurance rates), and economic uncertainty make percentage-of-profit pledges challenging.
    - Corporate giving structures need to be adaptable to economic conditions.
5. **Lack of Visibility and Coordination in Corporate Giving**
    - Payroll giving and Gift Aid remain underutilised despite being effective tools.
    - Government initiatives like the apprenticeship levy have not always succeeded in fostering strong corporate-charity connections.
    - Pro bono support from corporates is available but suffers from inconsistent processes, a lack of transparency, and variable quality.
6. **Challenges in Engaging SMEs**
    - With 800,000 SMEs across the UK, the quality of corporate philanthropy remains uneven.

- Many SME-charity relationships are brokered rather than organic, and smaller businesses often lack the resources to engage meaningfully.

7. **Regulatory and Reporting Considerations**

- ESG reporting and other regulatory frameworks can be leveraged to drive corporate social impact.
- Many companies are adopting broader impact reporting, in part this is because it supports brand enhancement.
- The B Corp movement is pushing more companies to consider social responsibility, but the certification process remains complex.

8. **Opportunities for Action**

- Improving awareness and communication of existing tools.
- There is a need to better communicate the benefits and processes of payroll giving, matched funding, and Gift Aid.
- February's "Payroll Giving Month" could be more effectively promoted to drive participation.

9. **Leveraging ESG and Impact Reporting**

- Companies can use ESG and broader impact reporting to structure and highlight their philanthropic contributions.
- Businesses should be guided on how B Corp and other initiatives can align with corporate giving and impact measurement.

10. **Enhancing Corporate-Charity Connections**

- UK Community Foundations (UKCF) and the 47 regional community foundations could play a stronger role in connecting businesses with local charities.
- More transparency and streamlined processes are needed to make pro bono corporate support more accessible and effective.

11. **Encouraging SME and Startup Participation**

- Startups and SMEs can be encouraged to pledge a percentage of exit capital to philanthropy.
- Private equity firms could play a role in embedding social impact into exit strategies.

12. **Expanding Corporate Support for Charity Infrastructure and Social Enterprises**

- Companies could support not just direct charitable work but also the infrastructure that enables charities to function effectively.
- Corporates can explore supporting social enterprises and trading businesses linked to charities as part of their social impact strategies.

**Questions**

- How can corporate giving structures be made more resilient to leadership changes and economic fluctuations?

- What strategies can improve engagement with SMEs and startups in corporate philanthropy?
- How can payroll giving, Gift Aid, and match funding be made more mainstream and accessible?
- What role can ESG reporting and regulatory frameworks play in advancing corporate philanthropy?
- How can corporates better leverage pro bono support to provide meaningful impact to charities?

## Roundtable topic: Social outcomes - what is the future for innovation in UK social finance?

### Key Themes

#### 1. The Growing Relevance of Social Outcomes Contracts (SOCs)

- In the current fiscal environment, SOCs offer greater accountability, collaboration, and long-term impact in public funding.
- They are best suited for:
  - Complex, multi-agency issues (e.g., homelessness, youth unemployment).
  - Areas where the cost of inaction is high.
  - Initiatives with measurable, long-term impact.
- Big Society Capital is leading investment in SOCs, with £44m deployed to date.
- Philanthropy's role in SOCs includes capacity-building, pre-financing services, de-risking investments, and co-funding outcomes alongside government.

#### 2. Fragmented Government Funding Structures

- Government funding is siloed, with departments prioritising their own budgets rather than cross-cutting benefits.
- The lack of aligned funding makes SOC implementation difficult.
- A centralised co-payment pot could pool resources and ensure shared investment across departments.

#### 3. The Burden of Impact Measurement & Coordination

- Extensive data tracking and reporting requirements place a heavy burden on charities and social enterprises.
- Coordination challenges arise when multiple delivery partners (often 10+) are involved, reducing efficiency.
- There is a need to streamline contract design to focus on delivery rather than excessive oversight.

#### 4. Transparency & Learning from Failures

- The sector lacks openness about what hasn't worked, preventing valuable lessons from being shared.

- A shared learning hub could help scale successful models and avoid repeated mistakes.

**5. The Role of Investors – Necessary or Overly Complicated?**

- Some question whether bringing in private investors adds unnecessary complexity to SOCs.
- An alternative could be results-based finance, where funding is tied directly to measurable social impact.
- Hybrid models may offer a balance between accountability and efficiency.

**6. Shifting Power to Charities & Social Enterprises**

- SOCs are currently driven by government commissioners, limiting the role of frontline charities in contract design.
- Those implementing the contracts should have more say in shaping them.

**7. Strengthening the Economic Case for SOCs**

- Recent research shows:
  - £1 in outcome payments generates £3 in fiscal savings for the government.
  - Creates £10 in broader economic benefits.
- Better communication of these financial benefits could encourage more government and investor engagement.

**8. Aligning Key Stakeholders for Maximum Impact**

- A successful SOC ecosystem requires clear roles for each stakeholder:
  - Charities & Social Enterprises: experts in service delivery.
  - Government: provider of stable funding and policy support.
  - Philanthropy & Impact Investors: flexible capital to enable innovation and de-risk investment.

**Questions:**

- How can SOCs be expanded to tackle more social issues while maintaining impact accountability?
- What role should philanthropy and impact investors play in strengthening SOC delivery?
- How should a centralised co-payment fund be structured to encourage cross-department collaboration?
- What incentives could help shift government thinking towards shared funding responsibility for SOCs?
- How can impact measurement be simplified while maintaining accountability?
- What public good infrastructure could be developed to support sector-wide data sharing and best practice evaluation?
- How can SOCs promote more transparency about both successes and failures?
- Would a sector-wide repository for SOC performance data improve learning and efficiency?

- Should results-based finance be explored as an alternative or complement to investor-backed SOCs?
- How can hybrid models be structured to maintain accountability without excessive complexity?
- How can the economic case for SOCs be more effectively communicated to government and investors?
- What policy levers could increase public and private sector investment in SOCs?
- How can different stakeholders collaborate more effectively in SOCs?
- Should there be a formal coordination body to align efforts across government, philanthropy, and investors?

## Roundtable topic: Driving cultural regeneration

### Key Themes

1. **Defining Culture in Regeneration**
    - Culture is more than just arts and heritage; it includes local identity, traditions, and community values.
    - It is essential to understand what 'development' and 'regeneration' mean to local communities - are they being uplifted or pushed out?
2. **The Power of Narrative in Engagement**
    - Storytelling is key to securing support, particularly in times of social change.
    - The economic (e.g., contribution to GDP) and social (e.g., social prescribing) benefits of culture must be better articulated to attract funding.
3. **Strategy and Models for Cultural Regeneration**
    - Discussions linked to Arts Council England's (ACE) 'Let's Create' strategy, which focuses on community-driven and individual engagement.
    - Figurative's role in exploring new funding models to sustain the sector.
4. **Examples of Successful Cultural Regeneration**
    - Plymouth Ocean Studios / Plymouth Culture – supported by ACE and philanthropy, driving a place-based creative economy.
    - Sunderland Culture / Fire Station – philanthropic engagement funding Culture Start, which provides creative opportunities for children alongside essentials like breakfast.
5. **Challenges to Long-Term Cultural Regeneration**
    - There's a need for long-term legacy building rather than short-term interventions focused on publicity.
    - Power dynamics in regeneration projects can impact who gets heard and who benefits.
    - Smaller arts organisations struggle with:

- Limited philanthropic fundraising capacity.
- Lack of core funding, making collaboration difficult.

6. **The Political Dimension of Local Arts Funding**

- Arts funding needs to remain non-political, even though local issues are often politicised.
- Arts can be a powerful tool for storytelling, helping communities express their identity and navigate change.

**Questions**

- How can cultural regeneration ensure communities are included rather than displaced?
- How can we better communicate the economic and social benefits of culture to attract investment?
- How do we support smaller arts organisations in accessing philanthropic funding?
- What models can ensure long-term cultural projects rather than short-lived initiatives?
- How can arts funding remain neutral while still engaging with key social issues?

Book Recommendation:

- *Catch the Fire* – Peggy Taylor, exploring how the arts can unlock human potential.

## Roundtable topic: The Role of intermediary funders to reach the grassroots

### Key Themes

1. **Intermediaries as Bridges & Brokers**

- Intermediaries play a vital role in connecting funders with grassroots organisations, providing holistic support beyond just funding.
- Their convening power is crucial in bringing together donors, charities, and other stakeholders to build stronger ecosystems.
- They can create charity portfolios to help funders support multiple organisations more strategically.
- Some charities with incomes over £10m are ineligible for DAF (Donor-Advised Fund) funding - intermediaries need to advocate for and facilitate funding access.

**2. Structural Barriers & the Role of Policy**

- Tax incentives could help unlock more DAF funding for grassroots initiatives.
- Family foundations should be encouraged to have a defined lifespan, rather than existing indefinitely, to ensure active and impactful giving.
- There is debate about whether charity mergers should be facilitated to improve efficiency and impact.
- The system is often bureaucratic and risk-averse, creating unnecessary red tape that prevents funding from reaching grassroots organisations effectively.

### 3. The Need for Long-Term, Trust-Based Funding

- There is a need to move away from short-term, project-based funding towards long-term, trust-based investment.
- Funders often have a low-risk appetite, which can prevent innovative and community-led approaches from being funded.
- The sector must prioritise trust, respectability, and accountability in funding relationships.

**Questions:**

- How can intermediaries be more effective as bridges between donors and grassroots organisations?
- What additional capacity-building support should intermediaries provide beyond funding?
- How can intermediaries ensure they are enabling, rather than controlling, the flow of funds?
- What tax policy changes would help unlock more funding for grassroots initiatives?
- Should family foundations have a defined lifespan to maximise impact?
- How can charity mergers be facilitated where they strengthen impact, without forcing unnecessary consolidation?
- What are the biggest bureaucratic barriers that prevent effective funding, and how can they be removed?
- How can funders be encouraged to take a long-term view and move away from short-term grants?
- How can funders develop a greater risk appetite to support grassroots innovation?
- What role should intermediaries play in building trust and accountability between funders and grassroots organisations?

## Roundtable topic: Engaging the Next Generation of Philanthropists

### Key Themes

### 1. Understanding "Next Generation" Philanthropists

- While common traits exist - such as a sense of responsibility and increased concern for environmental and social issues - the term "next generation" is too broad to be useful.
- Rather than assuming all next-gen donors share the same mindset (radical, progressive, or reckless with money), it is more helpful to focus on who actually makes the wealth decisions in a family.
- Intergenerational cross-pollination is key - balancing respect for family wisdom and traditions with the need for innovation and change in philanthropy.
- Philanthropy is most powerful when it is part of one's identity, rather than just being associated with wealth itself.

**2. Family Influence & the Emotional Complexity of Inheritance**

- Family discussions, exposure to causes, and early engagement with giving and community involvement are major influences on next-gen philanthropists.
- Inheriting wealth can feel paralysing, particularly due to the weight of responsibility and fear of making poor decisions.
- Many assume giving as a family will be unifying, but in reality, autonomy and discretionary decision-making often lead to better outcomes.
- Philanthropy should be framed as a journey - where experimentation, failure, and learning are accepted as natural parts of giving.

**3. Key Challenges & Potential Solutions**

- The generational divide: Older generations often expect the next generation to solve issues like climate change, which can be an unfair burden.
- Overcoming inaction: Wealth inheritors often experience decision paralysis - structures that allow for autonomy, trial and error, and collaboration can help move them forward.
- Collaboration is essential: Trusted peers, advisers, and donor networks provide crucial support and accountability, helping next-gen donors give more effectively and confidently. Exposure to community leaders and experienced donors helps bridge the gap between wealth and real-world impact.
- Stronger governance: Implementing independent trustees with fixed-term limits can help bring fresh perspectives and energy to family foundations.
- A shift in mindset is needed: More messaging should focus on purpose, contribution, action, and learning from failure, rather than perfectionism or paralysis in giving.

**Questions**

- How do we create supportive structures that encourage action rather than paralysis among next-gen philanthropists?
- How can philanthropy education be integrated earlier in life, so that giving is a natural and informed part of wealth management?
- What role do peer networks, governance structures, and mentorship programmes play in empowering next-gen donors?
- How can the narrative around wealth inheritance and responsibility shift to make philanthropy more accessible and fulfilling, rather than overwhelming and paralysing?

## Roundtable topic: Making space for the voice of the major donors and impact investors

### Key Themes

**1. Simplifying Philanthropy to Engage More Donors**

- Wealth managers and advisers need to remove complex jargon (e.g., theory of change, landscape analysis, systems change) that alienates potential donors.

- Angel investing has succeeded in attracting new investors through energising storytelling - philanthropy could learn from this approach.

2. **Shifting Generational Attitudes Toward Giving**

    - Next-generation donors, particularly women, are dissatisfied with the advice they receive or that was given to their parents and are seeking new, values-aligned relationships.
    - Stat from one attendee: *80% of female inheritors in the US fire their financial advisers within the first year.*

3. **The Role of Values-Based Conversations**

    - Philanthropy conversations can serve as a "super charger" in client/adviser relationships, deepening engagement beyond financial returns.
    - Charities and giving collectives play a role in shaping donor behaviour and encouraging better philanthropy.

4. **The UK's Philanthropy Culture: A Lack of Visibility?**

    - Unlike the US, the UK does not publicly celebrate philanthropy, leading to fewer high-profile donors and a more reserved culture of giving.
    - Some argued that the UK *does* have a strong culture of giving but in less tangible forms - e.g., advocacy, volunteering, and non-monetary support (time, treasure, talent, ties).

5. **Trust-Based Philanthropy vs. Impact Measurement**

    - A key tension exists: should philanthropy focus on impact measurement or should it be trust-based, empowering proximate leaders and those with lived experience?
    - Impact investing requires measurable outcomes, whereas philanthropy is often driven more by intentionality than data.

6. **Transparency vs. Privacy in Philanthropy**

    - Many philanthropy conversations happen behind closed doors, which can limit knowledge-sharing and innovation.
    - Some attendees felt that private banks contribute to this secrecy, while others emphasised the need for a safe space for donors to discuss giving without public scrutiny.
    - Acknowledged that access to trusted advisory spaces (e.g., private banks, donor networks) is itself a privilege, making philanthropy an exclusive sector.

**Questions**

- How can we simplify philanthropy discussions to make them more accessible to new and potential donors?
- How can advisers better engage next-generation philanthropists, particularly women, in ways that resonate with their values?
- Should we focus more on impact measurement or embrace a trust-based giving model?

- How can we create more public dialogue about philanthropy without making donors uncomfortable about discussing wealth?
- What role can charities and collectives play in educating and influencing major donors?
- How do we balance the need for privacy in philanthropy with the benefits of transparency and knowledge-sharing?

## Next steps

We hope these notes serve not only as a reminder of what was discussed on the day but live beyond the Forum, and offer a summary for those who were unable to attend.

Please use these contributions as a learning tool to provide deeper insights into your work, to tackle problems or foster ways of working together.

Perhaps you see areas that you would like to research further or include in your planning or policy formulation. Ultimately, we hope that by exploring some of these ideas and themes further it will inspire more collaboration between sectors and crystallise these insights into opportunities and action.