



**5 September 2019, Calouste
Gulbenkian Foundation**

Dawn Austwick

Good morning ladies and gentlemen.

It is a great pleasure to be here today and I'd like to thank the Calouste Gulbenkian

Foundation for inviting me to join you to mark the 150th anniversary of Calouste Gulbenkian's birth. I'd particularly like to thank Martin Essayan, as I think it is his doing that I am here today, for inviting me to share some reflections on how we at the National Lottery Community Fund in the UK are responding to the challenges of the day, which have been so well set out by Rien.

I was lucky enough to arrive in Portugal a few days ago and have been in Setubal, which is about 30 kilometres from here. On Sunday I found myself gazing out at the vast expanse of the Atlantic Ocean from the cliffs of Cabo Espichel; I was reminded of a similar occasion a few years ago in a somewhat colder clime when I was at St. Andrews in Scotland, looking out towards Norway across the North Sea. Imagine my surprise when I discovered that the University in St. Andrews was founded in 1410, the same year that a vision of the Virgin Mary appeared at Caob Espichel, beginning centuries of pilgrimage. Thousands of miles apart, at similar moments, our forefathers – and mothers – were contemplating their place in the universe and in so doing, shaping our European history and culture today.

I like birthdays, as they give cause for reflection both into the past and the future, so I would also like to thank Gerry and his colleagues at the EFC, which is itself celebrating its 30th birthday, and has assembled a fascinating collection of blogs reflecting on the role of European Foundations over that period. Indeed, I have them to thank for the title of this talk, for in one of these blogs I found a reference to a paper by David Callahan entitled, ‘Powerless: How Top Foundations failed to defend their values – and now risk losing everything’. The paper references the vigour and determination of a group of politically-minded foundations and philanthropists who, from the late ‘80s onwards, resolutely invested in the causes they believed in, leading (according to the paper) to the growth of populism and allied ideologies in the US and beyond. Further, it suggests that the so-called progressive foundations failed to recognise this or respond with like-minded grit and so lost their way.

I would like to suggest that there is another approach that may be more fitting for all of us in the 21st century, or in words from the foreword to this excellent Gulbenkian book:

‘The celebrations in 2019 of the 150th anniversary of Calouste Gulbenkian’s birth are an opportunity to present new narratives.’

And perhaps, a narrative in which rather than providing answers ourselves, we move aside and enable others to shape our futures. I am viscerally reminded of this when I think of an event in London I spoke at earlier this summer. It was the launch of a report by a young woman called Baljeet Sandhu who has championed the role, voice and leadership of those with lived experience in the not-for-profit sector. By ‘lived experience’ I mean people who have direct lived expertise – be that as a disabled person, a person of colour, a homeless person, a lonely person, I could go on – and that as such their experience, analysis and ideas need to be brought to the table and setting the agenda in problem-solving and seeking opportunities.

This is at the heart of our own strategic approach, ‘People in the Lead’, at the National Lottery Community Fund. At that launch event I was confronted by a

group of young leaders with energy, vision, professionalism, idealism, and creativity. We witnessed a performance by a young man who had arrived in the UK as child refugee with no documentation, we heard from Paula Harriott who journeyed from prison to the Prison Reform Trust, and we listened to the performance poems of a young black woman, a grant maker herself: she showed us what it is to be young and black in London – afraid of knives, afraid of the police, stereotyped in education. Their talent was manifest; their access to power was not.

How, then, do we re-calibrate our practice to create space for these youngsters and the myriad others who have so much to offer the world? Before moving into our own story, I wanted to hold up a mirror to us all for a few moments and to consider the notion that we are powerless. This quote from Audre Lord:

‘those of us who stand outside the circle of this society’s definition of acceptable women; those of us who have been forged in the crucibles of difference – those of us who are poor, who are lesbians, who are Black, who are older – know that survival is not an academic skill. It is learning how to take our differences and make them strengths. For the master’s tools will never dismantle the master’s house’

suggests that we have to do more than make a bit of space at the back of the room for those we let through our carefully selective entry points.

If we look for one moment at the shape of our own philanthropic world: our market structure is concentrated with a small number of large players. In the UK, we at the National Lottery, the Wellcome Trust (I’m not sure whether Jeremy is here), and CIFF operate at a scale that few others do. The Italian banking foundations hold half of all Italian philanthropic assets and a fifth of all European assets. There is a similar market structure in Germany.

I have spent much of my career in the museum sector, at the Tate and the British Museum, both institutions that have been dogged by artistic protest about BP sponsorship and more recently Sackler donations. At the National Lottery I am

acutely aware of the risks of problem gambling that we must avoid straying into. When I ran the Esmée Fairbairn Foundation we had to ask ourselves some tough questions about our investment portfolio, sitting alongside our avowed commitment to funding in the environment. I am not suggesting that not-for-profits should not take money from oil companies – that is for the individual organisation to decide – but I am suggesting that we should always be asking ourselves: are we part of the problem or part of the solution? (or perhaps a bit of both if we are honest!)

And we also need to look at where we spend our money. Coutts survey of HNWI £1 million+ gifts from 2007-2017 makes for interesting reading. Over that period, out of a total spend of £15 billion, £10 billion was spent in London, just under £5 billion on elite universities, and £1 billion on cultural institutions (mainly nationals based in London). What is the impact of this pattern of distribution? Are we at risk of enriching the already well-resourced?

Robert Reich has an instructive tale on this. He sent his children to their local school, a state school in an affluent area of California. A fine school where the children arrive with all the assets that come with a privileged background. The school asked parents for regular donations to improve the quality of their education even further. Professor Reich refused as he could see that this would simply further increase the disparity between those with money and those without. As you can imagine, he is not very popular at parents' evening!

As a final example, the tale of two fires: Grenfell and Notre Dame. Within 24 hours of the fire in Paris, €600 million had been pledged by philanthropists; two years after Grenfell a total of just under £30 million has been raised. I am not arguing that we should not support the repair of our cultural and historic heritage – how could I, given my own background? But I do worry that because we don't always know how best to help, or who to speak to, or what networks to utilise, we choose the path that is familiar. Making change, building trust, finding new avenues, making new friends from strangers – it can all be exhausting work but our fear of getting it wrong should not result in doing nothing at all.

So what do we do about all this? Well, I went back to history, which is often a useful place to start – even if history itself is highly subjective. I did look for a quote from Calouste Gulbenkian but I have had to settle for Andrew Carnegie. This seems to me to be a highly generous approach to the problem of inequality and wealth creation and exemplary in its own fashion. I would just ask whether it is any longer sufficient to assume that the person of wealth is in a position to make the best judgements about how that philanthropic capital should be spent. I go back to those young leaders with so much to offer and so little access to assets – be they financial, time, knowledge or networks. How much more powerful and more enriched would we be with their voices at our tables?

So the fundamental challenge that I would like to lay before you is this: how do we move ourselves from centre stage and be content with a place in the wings, so that others can assume their full power?

At the National Lottery Community Fund we have a very simple ambition: to help people and communities thrive; and a very simple ‘Theory of Change’: When people are in the lead, communities thrive. For some, this is just motherhood and apple pie; for others it’s too threatening, too radical, involving too great a loss of control. It’s not for everyone but I can assure you it isn’t easy. Realising these ambitions challenges most of the assumptions many of us have grown up with in our social and professional lives.

There are three key elements that lie behind People in the Lead.

Firstly, when talking to those we want to support, instead of asking ‘What’s the matter with you?’, in other words, ‘what’s wrong with you, how can we poke and prod at your problems and then ride in and solve them for you?’, we should be asking, ‘What matters to you?’, i.e. what’s important? What would you like to build on? Where would you like to go and how can we help you? It’s a different state of mind.

Secondly, and this needs a bit of concentration: ‘nothing about us without us is for us’. We are guests at the table of those we fund; it is their table, not ours and they need to be in the driving seat, with advice and support and sometimes a bit of a nudge.

And thirdly, to operate in this way, we have to learn to become generous leaders, whether as individuals or organisations. Generous leaders have three characteristics: they are highly mission driven, always with their focus on what difference they want to make. In being so, they recognise that they are part of a complex ecology; just like biodiversity, that ecology is interconnected and interdependent. And generous leaders understand what part they can play in that ecology, for good or ill, so they know how to operate collaboratively and as porous organisations.

Just before I start to share some of the changes we have made to help us move in this direction I thought I would give you a quick pen portrait of the National Lottery Community Fund. We make around 11,000 grants to the value of about £600 million year across the UK. Of those 11,000 grants, 10,000 are for less than £10,000. We want to be supporting society at a very local level as well as with national strategic programmes. Our funding covers the health, education, environment, and charity sectors. We also run funding programmes for partners to the tune of about £100 million each year.

In everything we do at the Fund we are guided by six principles, which were developed in 2014/15 with a seventh added – for everyone – last year when we reviewed how we were doing. The principles were developed by staff across the organisation and at every induction for new staff I ask our new colleagues to pick up the baton that their predecessors created.

Why is this so important? Because culture eats strategy for breakfast. I can’t remember who said this but if I have learnt anything over the last 6 years it is that culture makes or breaks success.

I love this quote from David Bowie: ‘Tomorrow belongs to those who can hear it coming’ because it is an urgent reminder to all of us to keep moving, keep questioning. This urgency, which I hope is manifest as curiosity, has helped us reformulate our approach to grant making. We were a fairly typical product of late twentieth century machine bureaucracy; where we are trying to get to is to become a platform that operates freely across a range of networks and constellations.

In practice this has meant that we have moved ‘from screen to field’. In the past, most of our funding teams operated from paper and screen-based information, away from the communities we served. Now, most of our funding staff across the UK have a patch – an area – for which they are responsible. They are based in that community, operating from home or a community centre or a café, and coming into the office perhaps once a week.

We have streamlined our funding offer around three products: small grants to communities, multi-year grants to charities, and partnership funding. On the latter two products we are moving away from application forms and towards a conversation-based, customised approach. We are asking staff to work with principles and case law rather than rules.

And in all of this we have utilised user-centred design and regular customer survey data to help us simplify and streamline. To give you one example, our National Lottery Awards for All grants used to have a 20-page application form, with 13 pages of guidance; now there are about 4 questions and it is an 8-click end-to-end digital process.

What difference has this made? We are supporting more micro and small organisations, average grant size has reduced, and we are funding more new applicants and a wider range of applicants. These outcomes were all part of our ambition but so far we have less than one full year of data, so it is early days.

We want to respond to big issues at a strategic level, as well as responsively, but we

want to do so through a 'People in the Lead' lens. We see ourselves as the curator, or editor, of a constant stream of intelligence and feedback from our broad funding that helps us to identify areas of importance where we think we might get some traction.

I thought I would highlight three areas where we have recently funded strategically, starting with the Climate Action Fund, not least because its launch was one of my proudest moments at the Fund. The Climate Action Fund is a £100 million fund to support communities to take action to address climate change. It is for action; not for campaigning, and for the first time we are using our funding to help to build a movement for change. In the first instance, we will fund a small number of catalyst communities who can bring together local players to deliver high impact change. The change could be about transport, or food systems, or energy, or biodiversity, or indeed a blend of all of these. These catalyst communities must also sign up to becoming part of a cohort who can share and encourage others to take action through sharing learning, coaching, and supporting – facilitated by small grants that we will offer. Then in a year or two we will run another round of significant funding.

Secondly, our Digital Fund is on a smaller scale (£15 million) and is targeted at helping civil society organisations adapt to, and prosper, in the digital age. It is part of our overall package of support to help civil society flourish in the 21st century. The key element I wanted to highlight here is that we have tried to run the Fund in a more transparent way than we might normally. So for example, the head of the Fund has published week notes every week getting on for a year now, telling the story of how the programme is going, warts and all. It hasn't always been pretty but we have always been honest! We were hugely oversubscribed so the team has run workshops around the country to receive and share feedback about applicants' experience and how they might succeed another time. Finally, we are using our own learning to develop and coach our wider funding teams on what great digital practice looks like.

The third area I want to talk about is inclusion. This is tough stuff and I wanted to share this slide with you to illustrate how we are trying to move from thinking about

equality to thinking about equity. Some of you are probably familiar with it. In essence, the picture shows that with equality everyone gets equal support to help them look over the fence but of course that approach does not recognise that not everyone is the same height – some folk need a bigger block to stand on!

We are looking at inclusion across everything that we do – from who we fund, how we fund, how we organise ourselves, right through to how we support those we fund.

I mentioned earlier that we are increasing the range of people that we fund and attracting new applicants. Later in the autumn we will be celebrating our 25th birthday and will launch a time-limited micro grant fund deliberately aimed at people who might never have applied to the National Lottery before. We are using the data from our new approach to customer surveys to pinpoint particular weaknesses in our approach for applicants. For example, feedback tells us that particular groups find the process of applying to us more stressful than others and they often have lower success rates. The next step is to find out why this is and what we can do differently.

When we moved to more localised working we looked to change the profile of our workforce: to recruit from a broader range of backgrounds, to increase our BAME profile and so on. We are also participating in a programme called Ten Years Time, which is trying to change the class profile of foundation staff in the UK, and in Change 100, which offers paid internships to students with a disability. And in supporting civil society to change, we have run a pilot Leaders with Lived Experience programme, as well as a place based leadership programme in Hull, in Yorkshire.

A great example where all this comes together is our Fulfilling Lives programme, which, with £100 million of support over 8 years, aims to improve outcomes for those with multiple and complex needs – this means people who have experience of mental health difficulties, addiction, homelessness, and the criminal justice system. The programme is shaped by participants, alongside professionals. Through this we have supported the development of a National Expert Citizens group, which has been invited into the Treasury and to advise MPs in Parliament, and which ran a national

campaign ‘See the Full Picture’ reaching 1.8 million people. These are some of the most impressive individuals I have met in my life; their response to adversity is humbling.

But this is not sufficient for the troubled times that we live in. We are the National Lottery Community Fund: we are in the business of helping communities to thrive. A friend recently posted on Facebook that Brexit is all about immigration and racism; I don’t think it is. I think it is about loss of hope, loss of trust, feeling excluded and dismissed. This is why I think the Cormac Russell quote: ‘Never go faster than the speed of trust’ is so insightful.

So one of our major priorities at the moment is what we call Bringing People Together. You will see on the slide a selection of comments from citizens about what community means to them. This is drawn from agency research we have recently commissioned as we develop our Celebrate25 programme. We had to double the budget for our previous celebrate programme to mark the Queen’s 90th birthday, because we had so many applicants. One example of a grant: a community centre in Sheffield which had been re-furbished by people working community service; the local community wanted an opening party to which they could all be invited – bridges not walls. Each year we support the Big Lunch – over one weekend in June, people come together to break bread. Nine million people participated this year and the statistics suggest that, against expectation, those from poorer communities and from Muslim communities have higher participation levels.

But building bridges not walls also involves navigating difficult issues and creating safe spaces for dialogue. We found ourselves in some hot water earlier this year through our funding of an organisation that supports youngsters and their families who are questioning their gender identity. What we learnt was how we are losing the capacity in our country to have meaningful and constructive conversation with people we may disagree with. The lost art of listening urgently needs to be re-discovered.

I was Neil Macgregor’s Deputy at the British Museum and many of you will be

familiar with Neil's description of the British Museum as 'a museum of the world for the world': a safe place for many and different citizens to come together to explore cultures and identity through the museum collection. I'm delighted that The Gulbenkian in London has been exploring this role further through its 'arts as civic space' but I would like to suggest that this is a role that foundations also play – to be a neutral place. And indeed, there are examples such as the work of Joseph Rowntree in Northern Ireland over decades, building bridges towards peace.

And finally, the next stages of our journey are to develop our approach to participatory grant making. We have been piloting different approaches: Our Empowering Young People programme in Northern Ireland has been co-designed and produced by youngsters; decision-making is shared between them and our committee members. In Somerset, we have pre-qualified applications and held a public meeting with local folk voting on which projects should be funded. This had the added bonus of driving up our subsequent applications from this part of the world. Over the next 12 months we will be looking to identify what we see as best practice in participatory grant making.

So I can hear the voices saying, 'Well, what about the evidence? Does any of this work?' We have been developing a model for evaluating both our own impact and that of those we fund; we are working with the What Works Centre for Well Being and have drawn together data and methodologies from a wide range of academic and other sources to support this model. This work is being led by Tamsin Shuker, our Head of Evaluation, and I would be delighted to introduce any of you who want to learn more about this to her.

At the heart of the model is People in the Lead, as you can see from the diagram, with three key areas of definition: places and spaces, individual well being and resilience, and relationships and connections. Sitting behind all of these is a taxonomy of, on the one hand, indices (measures to give us data) and on the other, levers (the actions or activities that make a difference).

We are, without question, on a journey. We get loads of things wrong and are always interested in sharing ideas and approaches with others. Fundamentally however, we are not the story; it is not our voice that matters; we have to help others tell their stories. In the words of Chimamanda Ngozi Adichie:

‘I’ve always felt that it is impossible to engage properly with a place or a person without engaging with all of the stories of that place and that person. The consequence of the single story is this: It robs people of dignity. It emphasises how we are different rather than how we are similar.’

And by moving off-stage to make space for others, we fulfil the wise words of James Baldwin:

‘In order to learn your name you are going to have to learn mine.’

Thank you very much.