

# The Changing Funding Landscape in London

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# What is London Funders?

London Funders is the membership network for funders and investors in London's civil society. We provide a safe place for funders to think, share, learn and act together.

**Our mission** – to strengthen and support funders and promote effective funding practices, to meet the needs of Londoners

We do this by:

- Providing a space for learning and collaboration between funders
- Being a voice for funders
- Identifying and promoting effective funding models

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# Our members

We are unique in bringing all 33 boroughs and London Councils together with independent trusts and foundations (large and small, local and national), social and corporate investors, lottery funders, corporate givers, housing associations and others.

Our members:

- Are passionate about London and Londoners
- Fund and invest through a number of channels
- Fund and invest in every aspect of London's life

# London 2015 and beyond

London is a complex city and its funding landscape is changing dramatically.

Some challenges facing our members are:

## 1) The shrinking and changing State

- The relationship with the state
- A devolution deal for London
- The boundary between independent funding and statutory funding



Challenges in navigating a messier, more locally governed world, and challenges for locally based organisations in having the capacity and scale to take advantage of the changes

# London 2015 and beyond

## 2) Changing demographics

- A rising and aging population nationally
- A London population of almost 9 million by 2031
- Younger population in London than elsewhere
- Continuing diversity



Challenges for the infrastructure of London, school places, housing and care services, and also the voluntary sector and volunteering.

- This could lead to people working and volunteering in different ways e.g. micro volunteering or part time volunteering as a transition to retirement

# London 2015 and beyond

## 3) The Age of Austerity

- Will radically reshape and redraw our environment
- There is less money, but increasing expectations for funders and commissioners to do more
- Changes to the labour market – insecure, greater in-work poverty (combined with rising property market and increased renting and insecure housing in London)



How do funders work together to maintain a minimum network of services for particular locality or group?

- May mean exploring new forms of finance and investment e.g. social investment or micro finance initiatives
- A “ financing economy of purchasing, contracts and social investment”

# London 2015 and beyond

## 4) What works is what matters – not who delivers

- The focus has to be on the ultimate beneficiaries – the citizens of London, and not (necessarily) which organisation is providing the service
- Public sector funders are accountable to the public (and independent funders driven by their own charitable missions) – so keen to see impact and demonstrate outcomes

# What does this mean for London's Voluntary sector?

## **Change**

- This may mean change in what we do, who we work with and the ways that we work with them
- Change is happening so we need to embrace it

## **Complexity**

- Complexity of both the operating environment and also of the needs we are trying to meet.



# What does this mean for London's Voluntary sector?

## Challenge

- No one organisation or funder has all the answers and resources
- We MUST find new ways of working together in partnership

## Clarity

- For providers this means clarity of your mission, your purpose and the outcomes you are seeking to achieve
- For funders – clarity about who to commission or fund, clarity about your reporting requirements
- For everyone – clarity about the vision for people in London and the strategy and resources needed to achieve it

# Some reflections to finish...

- ✓ **Leadership matters**

We need to develop shared models of leadership, and place the people of London at the centre of our thinking

- ✓ **Realistic expectations are needed**

We need to be realistic about managing expectations about what funders can do, about what providers can provide and about what Londoners can expect

- ✓ **Honesty matters!**

We need an honest and constructive on-going dialogue together about what is and isn't working

# Thank you

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