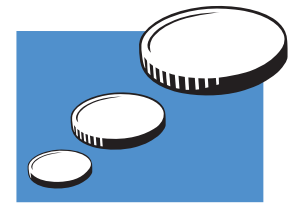


Looking ahead



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Reviewing the strategy of an occupational benevolent fund

The Bankers Benevolent Fund is a London-based charity that aims to help individuals who work or have worked in the banking sector and their dependants across the UK.

The Fund aims to help current employees, ex-employees and their families, who are experiencing poverty, sickness or disability; and help children from low-income families achieve their educational potential.

Drawing on the return from its reserves, the Fund makes grants in response to applications from eligible people in need. Most applicants find out about the Fund through the human resources or pension departments of their (ex-)employers or through other charities. Some beneficiaries receive regular grants from the Fund, while others receive grants for a specific purpose or in response to a particular crisis.

Box 1: About the Fund

The origins of the Fund date back to 1883, when a group of bankers came together to establish an orphanage for the children of deceased bank officers and clerks or those who were mentally or physically ill.

The charity has since evolved. In 1963, it had over 66,000 supporters and over 1,000 children in its care, the greatest number in its history. Overall, 3,917 children had been educated since the Bank Clerks' Orphanage was founded.

The charity's merger with the Bankers Benevolent Society in 1985 added older people with low income and people with disabilities to those aims to help. It also brought a new name, 'The Bankers Benevolent Fund'.

Reviewing its strategy

In 2008, the trustees of the Fund decided to review its strategy with the aim of improving the support the Fund provides to the community it benefits.

The Fund had already tested some incremental changes to how it operated. For instance, it partnered with the National Autistic Society to reach a new segment of its community and offer information and advice, as well as financial support. It also trialled print and web advertisements as new channels for attracting applicants, and discussed with frontline organisations how they might help the Fund expand its support. These incremental changes helped the Fund realise that moving beyond its traditional role as a reactive grant-maker could allow it to better support its community.

Objectives

The aim of the review was to develop a strategic framework to guide how the Fund decides which groups to support and what approach to take in delivering this support.

Process

The trustees established a sub-group, the Strategy Development group (SDG), to undertake the review and report back to the full trustee board.

The SDG posed the following questions:

- Who should the Fund support? What are their unmet needs? How can the Fund's expertise and resources be deployed to best meet these needs?
- How should the Fund prioritise and focus within its community? What information does it need to make these decisions?

- Who should the Fund partner with and how? How can it track the impact of its work and that of its partners?

The SDG asked New Philanthropy Capital (NPC) to work with it to provide research and strategic guidance to answer these questions and to facilitate discussions among the SDG and the trustee board.

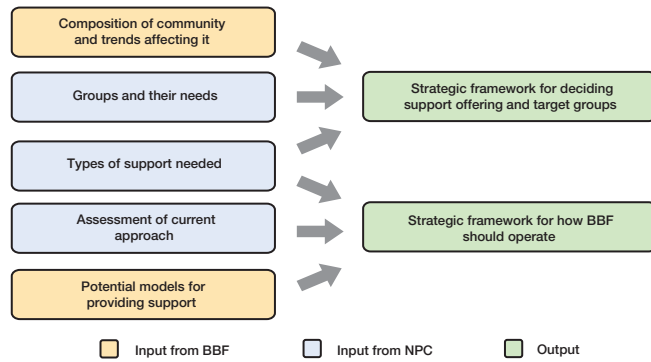
Approach

The Fund's community contained a number of groups with very different needs. The ways in which the Fund needed to attract applications differed depending on the groups it wished to target. Current employees and their families could be contacted through the HR departments of banks but pensioners and ex-employees of working age were more challenging to reach.

NPC worked with the chief executive, staff and members of the SDG to review the strategy. The Fund's staff had already conducted research on the composition of its community and the trends that will affect it over the coming years. NPC then conducted research on the different groups within this community and their needs, and provided examples of the range of support they needed. NPC also undertook an assessment of the Fund's current grant-making approach to identify strengths and areas for improvement. It then drew on work that the Fund's staff had undertaken to explore other models for how the Fund could deliver support. Figure 1 illustrates how NPC used research and analysis to support trustees in their decision-making.

At the start of the strategy review process NPC set out a plan to develop an initial strategic framework in two workshops with the SDG (see Figure 2). The ideas and discussions from these workshops were then presented to the full trustee board during an away day.

Figure 1: Analysis framework



Research on needs and types of support

NPC produced a research paper on the needs of the Fund’s community and the types of support that could address these needs. The purpose of the paper was to inform discussions among the SDG and trustees. The research was also intended to serve as a useful platform for making decisions about how the Fund should focus its support.

The paper, which is available on [NPC’s website](#) and the [Bankers Benevolent Fund’s website](#), provided an overview of poverty, health and education in the UK, the Fund’s three focus areas. It also included a description of the full range of needs within these areas, and illustrations of the type of financial and non-financial support required by individuals affected.

The paper explored the needs of ten groups within the Fund’s community:

Health:

- Children with disabilities and life-limited conditions;
- Adults with disabilities and life-limited conditions;
- Adults at the end of their lives;

- Children and adults with mental health problems; and
- Specific conditions: eg, cancer.

Poverty (financial hardship):

- Children living in poverty;
- Older people living in poverty;
- People in housing difficulty; and
- People with problem debt.

Education:

- Children in education.

The paper then highlighted the types of support these groups need, broken down into five categories:

- Financial support: grants to individuals
- Information: websites, leaflets, books or phone information lines
- Advice and casework: one-to-one advice to individuals
- Services: practical support provided by charities or other agencies, such as help with household tasks
- Other support: forms of support that do not fall into the above categories, such as building a peer support group

This research was also summarised into a diagram showing groups and types of support, which is shown in Figure 3.

The Fund’s community

The Fund estimates that there are approximately 1.9 million people that fall within its community. Of those, 53,000 or more could be eligible for support based on an estimate of there being 20,000 low income pensioners and 33,000 with disabilities. This count does not include those facing crisis situations, short-term illness, or children in low-income families.

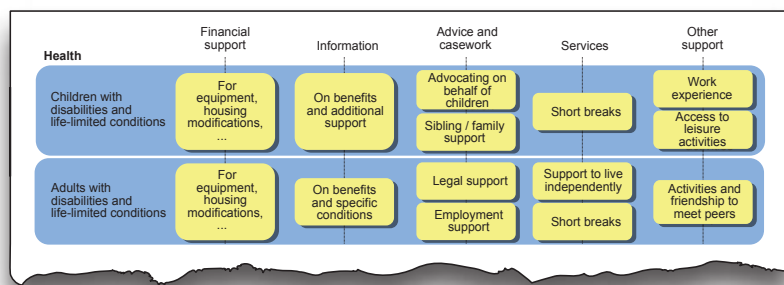
The trustees identified a number of trends affecting its community, which indicate that the demand for the Fund’s support could increase over the long term. These include:

- An aging UK population
- Increasing pressure on statutory benefits, in particular state pensions
- Short-term economic difficulties leading to increased redundancies
- Pensioners and savers dependent on shares, especially those in banking, facing a drop in capital values and income. Those with savings linked to interest rates will also suffer
- Changing employment structure in banks and wider employment patterns meaning that workers have a lower tenure
- Banks providing fewer benefits through welfare programmes as the relationship with their employees changes
- Public perception of banks being damaged due to the financial crisis of 2008/09

Figure 2: Facilitating decision-making

	SDG meeting one	SDG meeting two	Trustee away day
Purpose	<ul style="list-style-type: none"> • Explore the composition of the community and their needs 	<ul style="list-style-type: none"> • Explore types of support the Fund could provide and possible approaches to deliver them 	<ul style="list-style-type: none"> • Build an understanding among trustees of the research and decide on a path for the Fund to move forward.
Inputs	<ul style="list-style-type: none"> • Research on the makeup of the Fund’s community (produced by the Fund) • Research on needs and types of support (produced by NPC) 	<ul style="list-style-type: none"> • Assessment of the Fund’s current approach (produced by NPC) • Exploration of models for providing support (produced by the Fund) 	<ul style="list-style-type: none"> • Initial proposals and ideas from the SDG (produced by NPC and the Fund).

Figure 3: Map of needs of the Fund's community (extract)



In addition to this likely increase in demand, NPC's research identified that the Fund's community includes a wide range of needs.

The Fund currently meets some of these needs through financial support and, in some cases, provides advice and information through case-work, for example, helping pensioners to claim their full benefit entitlement.

Through its pilot with the National Autistic Society, the Fund additionally meets the needs of families affected by autism by providing advice, information and support. It plans to provide similar support to adults with disabilities through a partnership with Leonard Cheshire Disability. Beyond this, the Fund does not provide non-financial support.

The Fund's current approach

As well as understanding how to focus within its community, the Fund also considered as part of this review how best to meet these needs.

To provide a starting point for the discussion, NPC undertook an assessment of the Fund's current grant-making approach against principles of good practice. As part of this NPC identified strengths and areas of development in how the Fund attracts and selects applicants, how it supports grant recipients and how it monitors and learns from its grant-making.

The assessment highlighted that the Fund's current approach to grant-making was sound overall, and particularly strong in how it selects applicants, and in deciding what types of grants to award. However, based on the Fund's estimates about the size of its community, the assessment showed it is unlikely to be reaching as many people as it could. Further, NPC found that the Fund should invest more in monitoring and evaluating its grants portfolio, in order to learn from its approach and improve practice.

Setting a future funding focus

NPC facilitated discussions among the trustees as to how the Fund should meet the diverse needs of its community in the face of increased demand. The trustees agreed that the Fund should focus its efforts on the areas where the need is greatest, and where the Fund can make the greatest difference given its particular strengths.

They decided on the following criteria for choosing which groups and types of support to prioritise.

The need:

- **Opportunity for greatest impact:** where can the Fund make the greatest difference with its support?
- **No other place to go:** what support can the Fund provide which applicants will not be able to access elsewhere?
- **Severity:** which issues have the greatest impact on the lives of those they affect?

The Fund's position in addressing it:

- **Practicality:** how feasible is it for the Fund to address this need, either itself or through partners?
- **Sign-posting and partnering:** what potential is there to direct applicants to other providers who can support them? Could the Fund partner with others to enable them to provide support to its community?
- **Views of stakeholders:** how do banks and other supporters view the need?

NPC mapped two of these criteria— 'opportunity for greatest impact' and 'no other place to go'—on to the map of needs summarising its research (see Figure 3). This provided an illustration of where these criteria would suggest the Fund should focus (see Figure 5).

On the map, areas of very high need are shown in red, and areas of very low need in white. Areas in between the two extremes are displayed in three shades of orange to indicate a low, medium or high area of need.

The resulting 'heat map' reinforces the value of the financial support that the Fund offers to people living in poverty, in particular children and older people. It also highlights new areas where the Fund could develop its work; namely, advice, casework and other services for children and adults with disabilities; and advice and casework for older people (expanding on its current provision).

The trustees agreed that providing these types of non-financial support could enable the Fund to have a more sustained impact on people's lives than financial grants alone.

However, the trustees did not want to use the map to restrict the areas in which they worked, as there could be individual cases meriting help within any of the areas highlighted. Instead, it was agreed that the map should be used to guide the Fund's decisions about how to attract new applicants and the types of support to offer.

Adopting the best way of working

In order to meet more needs of its community, the trustees recognised that the Fund would need to move beyond financial support in some cases, to provide information, advice and services. This presented an operational challenge to the Fund. Rather than providing this support itself, the Fund decided it should work in partnership with other organisations with the best skills and resources to meet the needs.

The Fund developed two models for delivering such support to its community in future. These models are described in Figure 6, and are compared against the 'traditional' model of grant-making currently employed by the Fund.

The trustees concluded that, in deciding how to address a particular need, the Fund should be flexible in adopting whichever model makes most sense in the context of that specific need. It was decided that in choosing a model the Fund should consider:

- The extent to which it stimulates demand and is effective in meeting people's needs
- Its cost effectiveness and scalability in response to differing levels of demand

- The management implications, including the ability to retain oversight over decision making
- The quality and stability of the organisations that the Fund partners with
- The implications for the Fund's profile with its stakeholders

Next steps

The trustees agreed with the broad principles that had been explored by the SDG, and decided that the Fund should:

- Look into developing new offerings based on the needs highlighted by the 'heat map';
- Develop key performance indicators and approaches to measuring success;
- Explore how to generate new demand.

The Fund is now moving forward with these steps.

Figure 5: Map of need indicating potential prioritisation

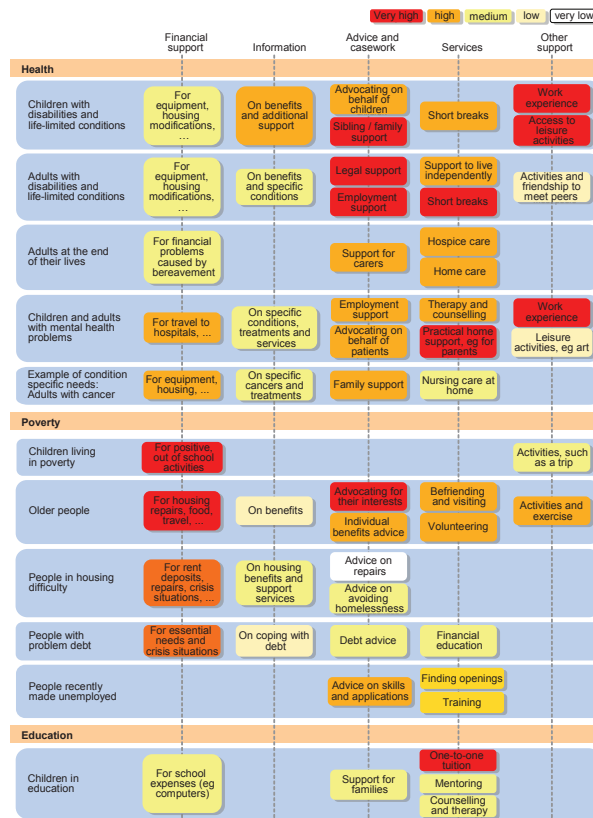


Figure 6: Models for how the Fund might operate

Part of process	Model 1: <i>Partners in delivery</i>	Model 2: <i>Referral to associates</i>	Model 3: <i>'Traditional' model</i>
<i>Sourcing applicants</i>	Applicants approach the Fund through partners, referrals and to a lesser extent directly	Applicants approach the Fund directly or through ad-hoc referrals by other organisations	Applicants approach the Fund directly or through ad-hoc referrals by other organisations
<i>Assessment of eligibility and need</i>	Assessment conducted by case workers in partner organisations	Assessment conducted in-house by the Fund or potentially outsourced to another organisation	Assessment conducted in-house by the Fund
<i>Designing support</i>	Support needs diagnosed by partner organisations, and individual support packages designed to respond to them	Support needs diagnosed by the Fund or outsourced organisations	The Fund decides on type of support for applicant
<i>Providing support</i>	The Fund commissions partner organisations to provide support services such as advice or mentoring	The Fund provides financial support or refers to associate organisations to which it makes contributions	The Fund gives grants to eligible applicants
<i>Monitoring and reviewing impact</i>	Information is gathered on impact on beneficiaries and performance of partners	There is a difficulty in requiring associate organisations to provide information on outcomes of clients	Little information on impact is gathered

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