



Alive Activities, Bristol who received a £5000 grant for intergenerational activities at their dementia friendly allotment

FUNDING CHALLENGES AND HOW TO OVERCOME THEM

McCARTHY STONE FOUNDATION

1. A QUICK INTRODUCTION
2. THE CHALLENGES I SEE
3. A CROWDED MARKET
4. BLURRED BOUNDARIES GET YOUR GOVERNANCE RIGHT
5. UNDERSTANDING THE CHANGES YOU CREATE
6. MAKING YOUR CASE
7. LOOKING BEYOND DONATIONS
8. MEASURING WHAT YOU MANAGE
9. QUESTIONS?

McCARTHY STONE
FOUNDATION

A QUICK INTRODUCTION

Our *vision* is a society where older people are valued, connected and engaged with their communities.

Our *mission* is to help grassroots charities and community groups support older people by engaging the McCarthy Stone Group, People, Customers, and Partners.



Our *Values*...

We are positive about ageing

We are transparent and accountable

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The work of our foundation has the potential to create positive impact across the entire business.

- Enables the delivery of social value alongside business value
- Improves brand equity and customer perception
- 87% of UK consumers expect companies to consider their impact on society as much as their own business interests and 92% are more likely to trust a company that supports social or environmental issues.
- Positively impacts employee morale, builds identity with our values, and connects our people to our purpose. 72% of employees want purpose to receive more weight than profit.
- Is a tangible demonstration of how the organisation also supports wider societal issues, helping attract and retain talent. 87% of millennials believe companies should address urgent social and environmental issues and want to be proud of where they work.
- Contributes to each of our strategic pillars, driving performance, engaging our people, and delighting our customers.

The recent GPTW survey demonstrated a tangible uplift in how our employees feel

about the company's contribution to community. The foundation is one tangible driver of that, creating a clear way for our people to give something back and connect with our social purpose.



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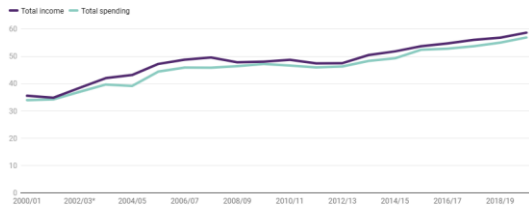
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- A CHALLENGING MARKET WITH LOTS OF GREAT ORGANISATIONS DOING VERY SIMILAR WORK
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- SHOWING HOW FUNDING WILL MAKE A DIFFERENCE AND WHO TO – DEMONSTRATING SOCIAL VALUE
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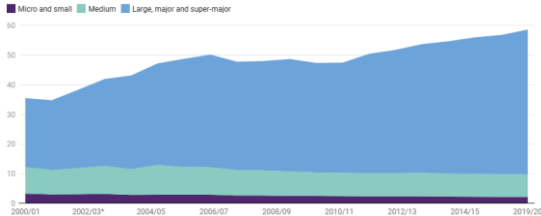
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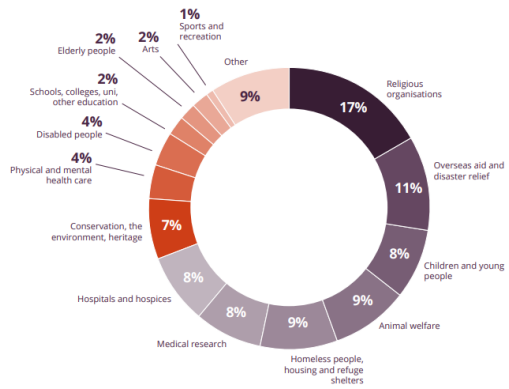
Total income and spending, 2000/01 to 2019/20 (£bn, 2019/20 prices)



Income by size, 2000/01 to 2019/20 (£bn, 2019/20 prices)



Source: CAF Giving Report 2022



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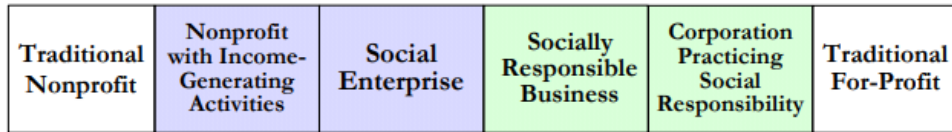
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- Income from the public and investment have risen, while government income has fallen. National Lottery income was £950m in 2000/1 and has halved to £502m, where income from the public has grown from £15bn to £30bn. However, recent data suggests a significant decline in the numbers of people donating.
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- More income is derived from 'earned' (contracts/memberships/fees etc) than 'unearned' (donations/grants/sponsorship etc) routes

THE BOUNDARIES ARE BECOMING BLURRED...

Hybrid Spectrum



- Mission Motive •
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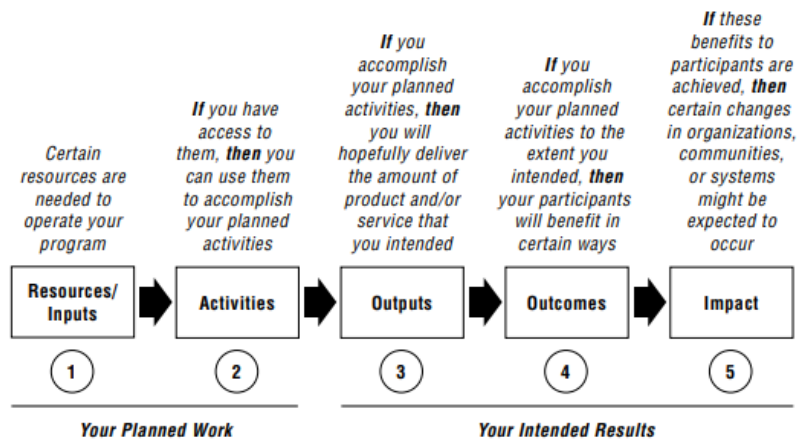
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- Picking the right model can have implications later, particularly in how you access/obtain capital.
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UNDERSTANDING THE CHANGES YOU CREATE, AND HOW...



Source: WK Kellogg Logic Model Guide

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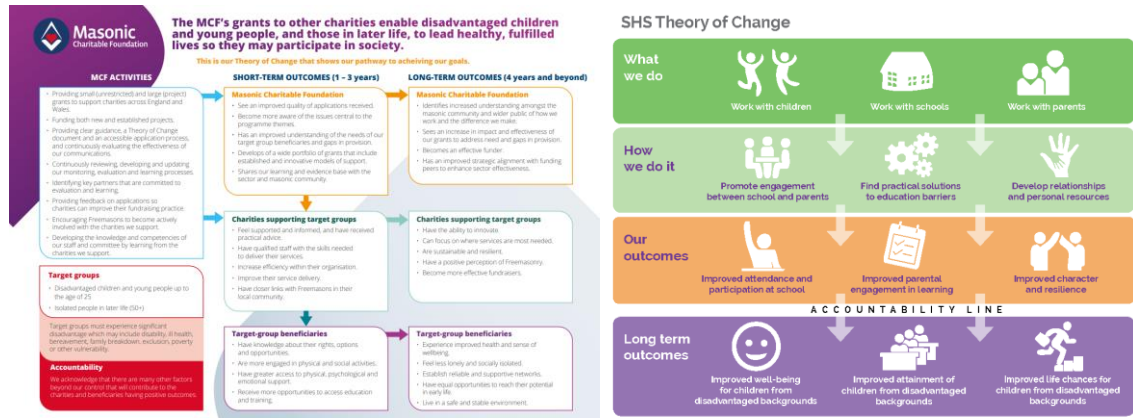


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EXAMPLE THEORY OF CHANGE GRAPHICS

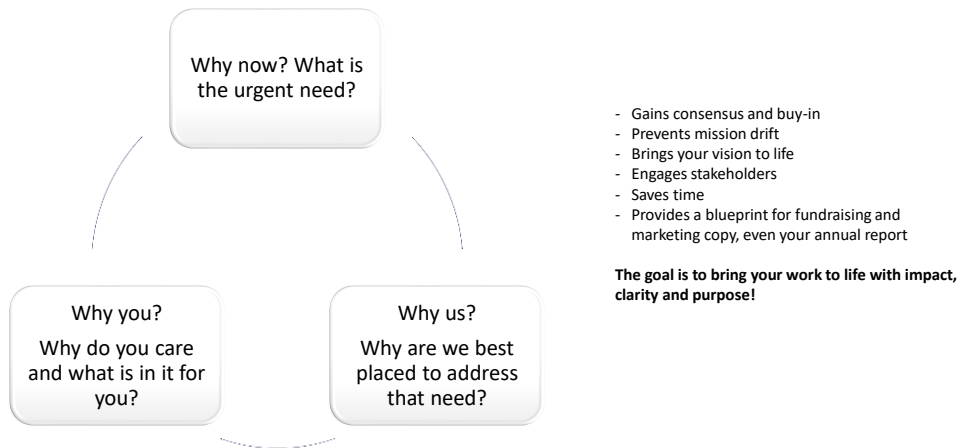


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BUILDING YOUR CASE FOR SUPPORT



Source: Panas, 2014; Ahern, 2012, 2020

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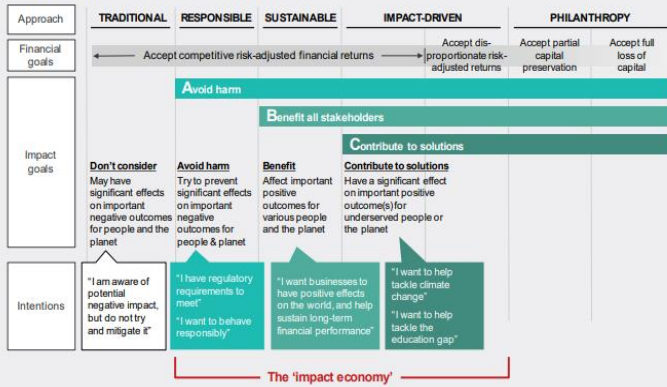
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FINDING FUNDING – BEYOND DONATIONS

Figure 2: The spectrum of impact

Intentions and goals of organisations in the impact economy



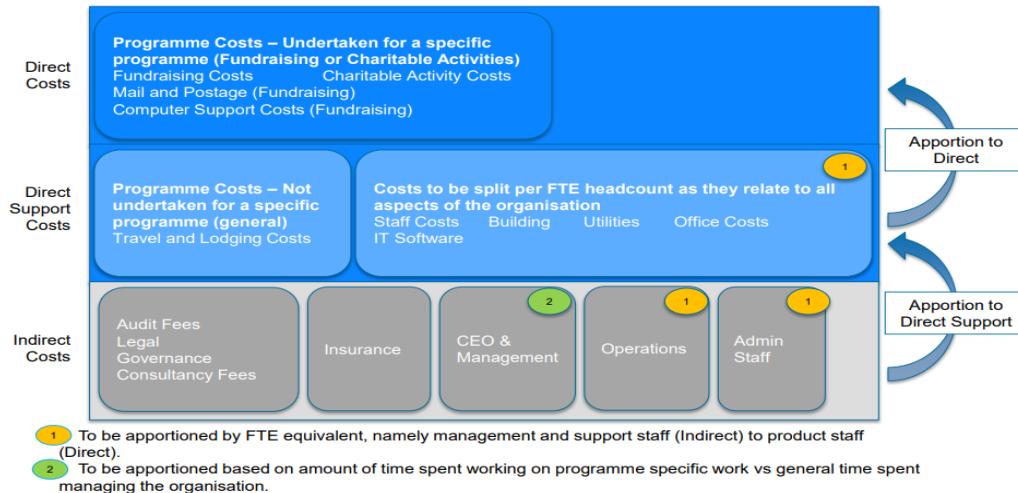
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FINDING FUNDING – COST RECOVERY BUDGETING



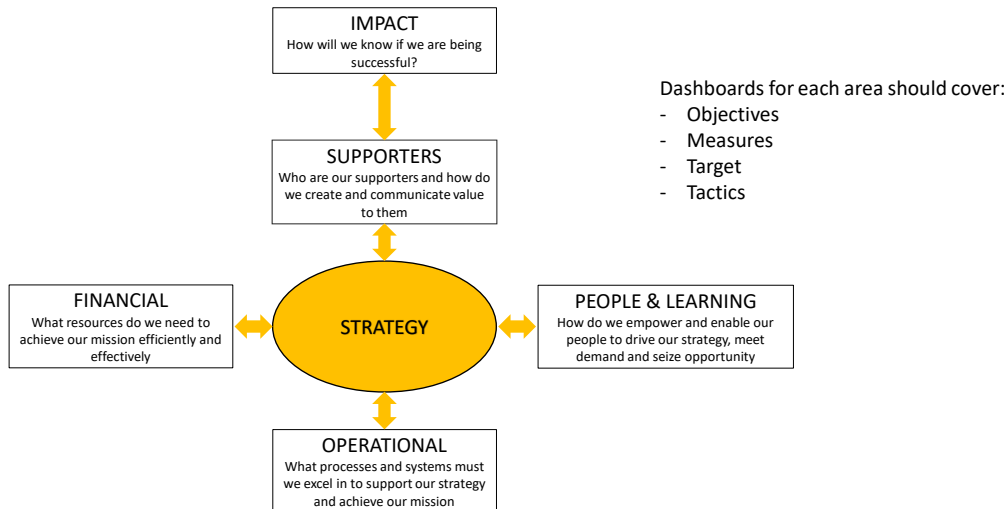
Source: Moore Kingston Smith (2022)

This excellent guide from the Centre for Charity Excellence gives you all you need to produce cost recovery budgeting. [CCE Cost Recovery Guide-Final-Version.pdf \(city.ac.uk\)](#)

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- Charities lose between 5 – 10% of all programme costs through poor cost recovery practice (Salway, 2022)
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MONITORING AND EVALUATION – A BALANCED SCORECARD APPROACH



Adapted from Niven (2003). See also work by Kaplan and Norton, and Hudson (2017)

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The Balanced Scorecard approach isn't about reporting on performance, it is about driving it forwards.

THE ANNUAL REPORT AND ACCOUNTS – MORE THAN JUST COMPLIANCE



- There are almost 12 million views of the charity register each year.
- Only 71% of larger charities provided accurate analyses of all four parts of their accounts.
- Only 62% of small charities (under £25k) income and expenditure agreed to the accounts.
- Funders will often look at the annual report and in particular the narrative. It is a great opportunity to showcase your work and provide a higher level of transparency.

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WRAPPING UP – AND A CAVEAT, FUNDERS NEED TO DO BETTER

- Keep things simple and concise, it aids understanding, accessibility, and impact
- There is no perfect solution, find what works for you
- Just like strategy, this is all emergent – reflect and adjust course as you go, but remember your destination!
- Give feedback and build collaboration – it is a major sector advantage
- Funders need to do better too. The more we work together, the better potential for success.
- Stay positive, there have always been challenges – recessions, conflict etc. If there wasn't challenges, we wouldn't need charities. You are making a difference, celebrate that.

- Thank you! Thank you for listening, sharing my passion, and for all the work you do! Please feel free to contact me for source materials graeme.marsh@mccarthyandstone-foundation.org.uk

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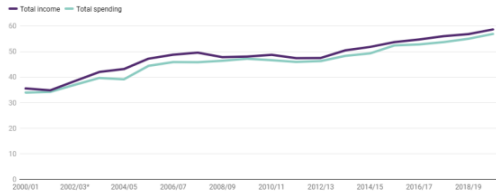
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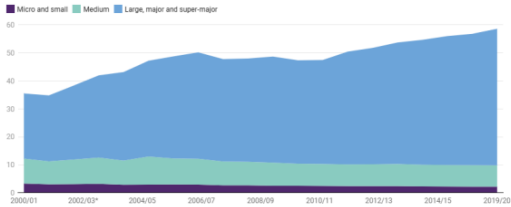
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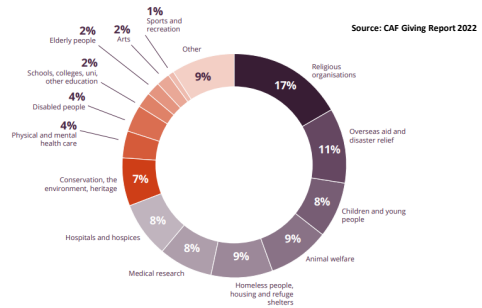
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Source: NCVO Civil Society Almanac 2022



Base: all adults 16+ who have donated/sponsored in the last four weeks (n=3,325)

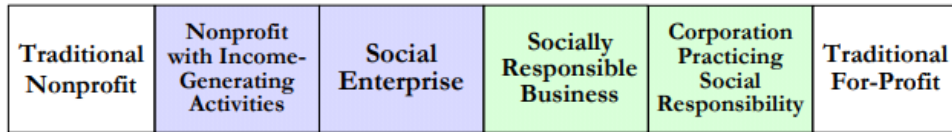
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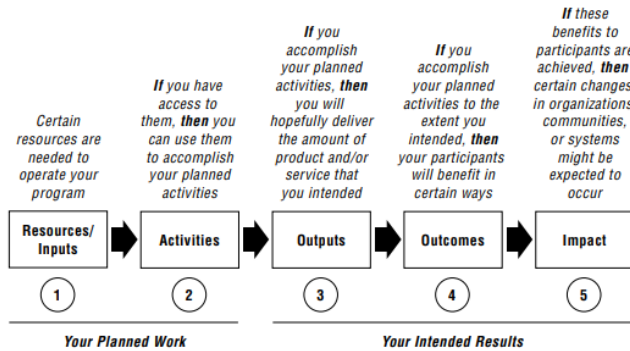
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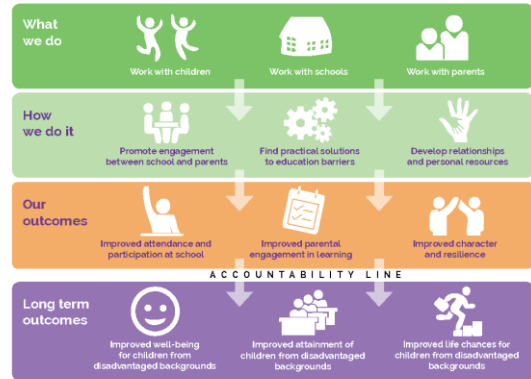
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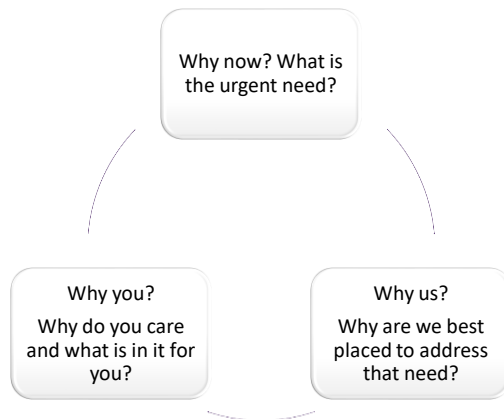
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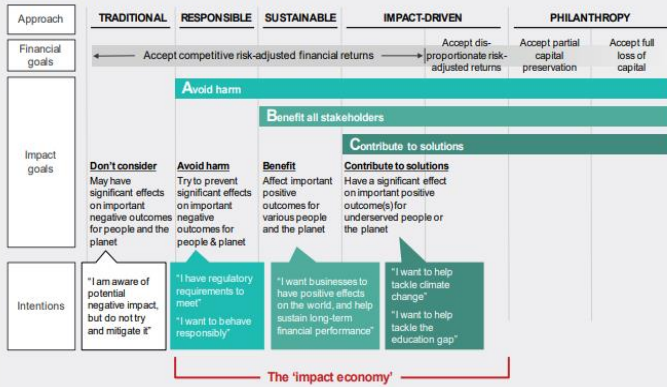
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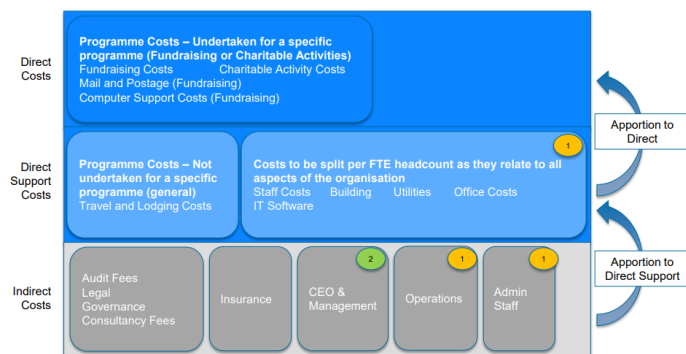
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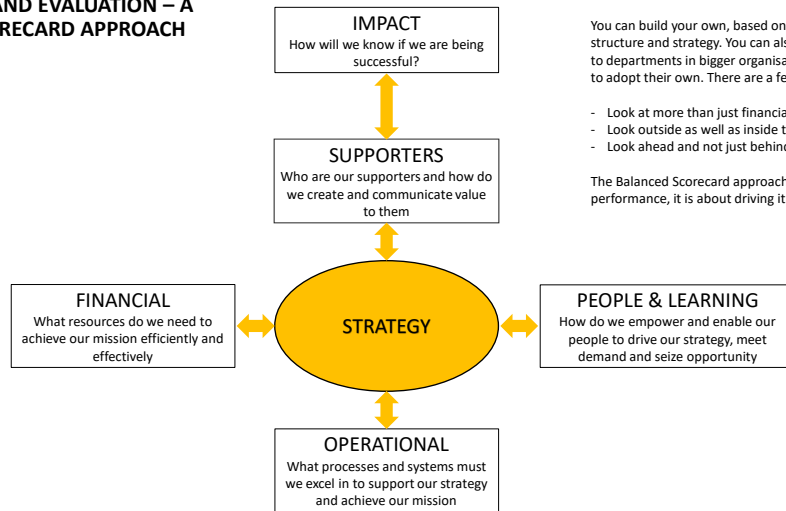
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- Just like strategy, this is all emergent – reflect and adjust course as you go, but remember your destination!
- Give feedback and build collaboration – it is a major sector advantage
- Funders need to do better too, we are trying but we face some of the same challenges you do. The more we work together, the better potential for success.
- Stay positive, there have always been challenges – recessions, conflict etc. If there wasn't challenges, we wouldn't need charities. You are making a difference, celebrate that.
- Thank you! Thank you for listening, sharing my passion, and for all the work you do! Please feel free to contact me for source materials graeme.marsh@mccarthyandstone-foundation.org.uk

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