

IMPACT SEP 2015: TRANSFORMING GRANT-MAKING IN AUSTRALIA



PERPETUAL IMPACT
01/09/2015

PHOTO: Big hART fosters community engagement and transformation through the arts, and has received one of eight 2015 IMPACT Philanthropy Partnership grants.

NEW IMPACT PHILANTHROPY PARTNERSHIP INITIATIVE IS TRANSFORMING GRANT-MAKING IN AUSTRALIA

Perpetual's inaugural IMPACT Philanthropy Partnership grants provide rare support for capacity-building projects based on a track record of excellence.

A diverse range of projects and organisations are represented among eight IMPACT Philanthropy Partners, which have each received a grant of up to \$1 million for a project of their choice, to be used over one to five years.

The Partners have been singled out from a group of high achieving organisations invited by Perpetual to apply for this industry-first initiative.

To qualify, organisations had to have excelled across the criteria of Governance, Leadership, Capability and Outcomes over a three year period, as assessed through Perpetual's annual IMPACT Philanthropy Application Process.

WHY PARTNERSHIPS?

"We wanted to design a process that recognised consistently high performing organisations regardless of their size and invite them to apply for resources for

anything they needed in order to have an impact,” explains Caitriona Fay, National Manager of Philanthropy and Non-Profit Services at Perpetual. “The only caveat placed on the applications is that funding could not be retrospective.”

Totalling \$6.2 million, the 2015 grants were distributed by Perpetual, as trustee, on behalf of our clients, many of whom entrusted Perpetual as their sole trustee.

“We take the trusteeship role incredibly seriously and appreciate the responsibility we’ve been given, especially by those clients no longer alive to witness the impact of their philanthropy,” says Caitriona. “Part of our crucial role is to ensure those funds are used for maximum community benefit and we believe that for many organisations the IMPACT Philanthropy Partnerships will help to achieve this.”

CLIENTS KEEN TO CO-FUND CAPACITY PROJECTS

Many of Perpetual’s living and active philanthropic clients are also excited about the Partnerships as they present an opportunity to fund in a different and collaborative manner. Co-funding represented nearly \$1 million of the grant pool, which is an indication of the strong appetite to improve philanthropy and achieve greater impact.

The inaugural IMPACT Philanthropy Partners operate across a broad spectrum of community areas from human rights law to medical research. Regardless of the sector they came from, many of the organisations invited to apply had the same kind of needs with technology infrastructure and broader organisation capacity support at the top of the list.

“It’s pretty clear there’s not a lot of resources out in the non-profit sector to enable organisations to do what they need to do – not only better, but more efficiently.”

Catriona Fay - National Manager, Philanthropy and Non-Profit Services, Perpetual Ltd.

"Philanthropic funds that can be used to support technology upgrades and security, fundraising and even legal costs associated with mergers, can be difficult to find. Thankfully we’ve got a great client base who understands why those funds are really important and we’ve recognised this through the Partnership grants," says Caitriona.

DATA MANAGEMENT– THE KEY TO SUSTAINABILITY AND EFFECTIVENESS: THE SMITH FAMILY

The commitment to taking whatever funding approach is necessary in order to produce impactful outcomes is at the heart of the IMPACT Philanthropy Partnerships initiative. The Smith Family, for example, has received close to \$1 million to advance its Enterprise Information Platform project. This platform will transform its data management and reporting, providing a single, centralised overview of the organisation. The rich data that will emerge over time will enhance the organisation’s analysis of its program outcomes in the community, so programs can be more efficiently adjusted to improve student outcomes. It will also enhance donor engagement and revenue generation.



PHOTO: Supporting more disadvantaged young people to succeed in school is the ultimate outcome for the IMPACT Philanthropy Partnership grant received by The Smith Family.

The Smith Family currently supports the education of 34,000 disadvantaged children and young people through long-term financial sponsorships, and another 70,000 students through targeted learning programs.

“To be able to significantly increase our reach, it is critical that we have the right data management systems in place,” explains Dr Lisa O’Brien, CEO of The Smith Family. “The Enterprise Information Platform project will help inform our primary research, increasing our knowledge of effective interventions. In the long-term, it will also enable us to leverage additional government, private and philanthropic funding to further expand our reach into disadvantaged communities and schools across Australia,” she says.

Lisa is pleased to see capacity-building grants being embraced in Australia, which is catching up to a trend that has been growing in the US and UK for a number of years.

“These types of strategic investments that focus on not-for-profit organisational sustainability and effectiveness are still relatively rare here, despite being critical to building a robust non-government sector. I am thankful for the recognition of how important this support is for The Smith Family– to facilitate our growth strategy and ultimately help us to help more disadvantaged young people to succeed at school.”

ENTERPRISE MODEL TO WEATHER THE ARTS FUNDING DROUGHT: BIG HART

Tasmania-based Big hART was also acknowledged for its strong track record and future vision for community engagement and transformation through the arts.

In the past, Big hART’s success has been achieved through piecemeal project-based funding, susceptible to the whims and changing priorities of governments. The recent cuts to Federal funding for the arts sector has again highlighted the real danger to not-for-profits, including established players like Big hART with a history of delivering high-impact work.

“Project-by-project funding puts you on a perpetual treadmill, causing burnout in workers and the loss of corporate knowledge,” explains Scott Rankin, Creative Director and Executive Producer of Big hART.

“To continue to deliver impact in the current political context and future-proof our organisation, we must diversify our funding sources by introducing a self-funded or social enterprise stream,” he says.

To this end, Big hART has developed SK8 – a multimedia theatre work based on movement rather than language. The proposed production, which will also integrate

the theatrics of skateboarding, has great commercial potential across global markets.

Perpetual's IMPACT Philanthropy Partnership grant will support the organisation through the process of commercialising the SK8 concept; the core of a capacity-building strategy which will move Big hART towards financial sustainability.

“It has become almost impossible to attract funding to innovative, capacity-building projects like SK8, despite our 25 years of credibility. In an increasingly risk averse environment, funding mediocrity to mediate risk has become the norm.”

Scott Rankin - Creative Director and Executive Producer, Big hART.

“The IMPACT Philanthropy Partnership grants are an exception to this norm. There is a real trust-value in the way this funding is being distributed and we are really excited by that,” he says.

The IMPACT Philanthropy Partnership grants are one stream of the IMPACT Philanthropy Application Program, which has distributed over \$24 million this year with the aim of creating long-lasting community impact. The total pool of philanthropic funds distributed by Perpetual clients in the last financial year comes to over \$85 million.

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