

Local Philanthropy and Community Foundations in European Capital Cities

challenges and opportunities



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SUSTAINABLE DEVELOPMENT GOALS



Summary

Capital cities are generally large and complex, presenting specific challenges and opportunities in respect of local development and philanthropy. Their dynamics, status and role as political centres open a myriad of possibilities with associated business and cultural activities but expose greater social schisms. They often are characterised by extremes in terms of wealth, economic opportunity, inclusiveness, and infrastructure. They host those with power and the powerless; they can display affluence but have hidden needs; they have a common identity with multiple identities within; they have historic permanence and are permanently transient. This creates a unique operating environment for foundations.

Hosted by Fondazione Charlemagne in collaboration with ECFI, this peer learning exchange brought together people from foundations based in or with an interest in capital cities, and community foundation / philanthropy support organisations and other relevant stakeholders, to share knowledge and experience in relation to challenges and opportunities.

Rome and the work of Fondazione Charlemagne, with Periferia Capitale program, not only provided a good space for discussion but brought its experience and story of how the foundation grew out of community programme to engage in grant-making, active listening, dialogue, partnership building, participatory approaches and acting as a catalyst within the city while also having a national and international remit. Participants brought diverse experiences from Belgrade, Berlin, Bucharest, Edinburgh, Kyiv, Madrid, Milan, London, Paris, Prague, Rome, Sarajevo, and Warsaw of both foundations and support organisations. This report highlights learnings from consideration of case presentations and discussions around three dilemmas prompted by input from participants.

Key challenges and opportunities identified were:

Challenges
Scale and complexity (where to start - multitude of issues, spaces, assets)
Lack of proximity of services, isolation within a metropolis (in particular on the periphery)
Dominant role of public sector and short-termism driven by political cycles
Dealing with historical, inherited structures and systems
Reaching deep into diverse local communities
Creating a sense of belonging (in particular with a transient population)
Creating meaningful partnerships (in particular with a large public administration)
Insufficient resources to address needs at scale and to devote to upstream thinking / action
Uncovering hidden issues / needs and understanding complex intersectionalities

Opportunities
Release the potential of proximity (density of services available to local communities) - create a healthy local socio-economic biodiversity
Possibility of establishing connections with a diverse range of people and organisations in a rich ecosystem e.g. from urban planners and sociologists to entrepreneurs and investors (bringing knowledge, ideas, resources, influence) with the community foundation playing an important role as a platform / convenor i.e. as a key, highly dynamic and adaptable, part of socio-economic infrastructure, rather than a merely a resource provider / philanthropic intermediary
Possibility of building relationships with leaders and national organisations headquartered in the capital
Ease of establishing international recognition and connections
Access to wide range of assets and potential for leverage at city and national level - attracting new donors, partners, changemakers
Greater potential in a dynamic environment to promote social innovation, with co-creation and co-production, through demonstration projects, and for strategic multi-sectoral collaboration and demonstration of role of philanthropy (and, in particular, community foundations) - based around a longer term 'city vision'.
Potential for new actors to emerge and new ideas to be tested and quickly amplified (e.g. in social investment)
Access to a strong, diverse and proactive civil society sector
Greater potential to work both downstream (at the sharp end tackling issues) and upstream to address causes
Ability to have an impact on nationally significant issues e.g. climate, civic engagement / democracy, inequality.
Access to city and national media

A tale of two cities - lessons from case presentations

Bucharest: The evolution of Bucharest Community Foundation

- Begin with a 'start-up' attitude and establish the 'minimum viable product'
- Fail fast, fail forward
- Learn from others
- Invest in small islands (neighbourhoods) but connect them with each other and into a strategy for the city
- Earn the right to be strategic, by taking steps that are big enough to matter but small enough to achieve, and scale up at the speed of trust - building a coalition of the willing along the way

- Take a lead where others are not (e.g. Bucharest Prepared - earthquake resilience planning, Bucharest Environment Platform)
- Pay attention to communications and relationships with the media
- Assess and highlight collective impact (with an appropriate 'backbone' organization)

Rome: Periferia Capitale- Fondazione Charlemagne

- Analyse and understand the city (MappaRoma) - look behind the data (invisible Rome)
- Be present in local communities - engage and listen
- Build in stages
- Give voice to local communities
- Be prepared to work with informal groups
- Collaborate with municipalities (exec teams), establishing Memorandums of Understanding where appropriate to set out common purpose and roles
- Involve other foundations, organisations that can provide capacity building, and academia (for analysis and action research)

Three dilemmas

Dilemma 1: National v city - how to strike the balance of interest / responsibility

Discussion prompted by Giles Ruck, Foundation Scotland

There is a concentration of resource in capital which the foundation can become aligned with - for good and ill. Interestingly, while Foundation Scotland no longer has a physical presence in Edinburgh - the vast majority of its funding goes to organisations based there (many with a national remit), and it is perceived to be located there.

Connections in the capital, in particular with financial / wealth advisers, headquarters of national organisations, and with national policy informers enables significant leverage of resources.

A national community foundation based in / connected with the capital, can however bring expertise and financial resources (and innovative processes and financing mechanisms) to other parts of the country and to remote communities.

There is a need to demonstrate agility, to be multi-skilled and to be able to work in different spaces (from community halls to city halls) and to connect with all sections of the community and relevant stakeholders (from the most excluded to those holding power and resources).

Dilemma 2: Connecting with city and neighbourhood communities - collaborating with those best placed to reach local communities

Discussion prompted by Prof. Salvatore Monni, Municipality of Rome, Roma Tre University

It is essential to reach into and work with local communities', be present there and enable conversations, generate empathy and trust, demonstrate commitment through small visible actions e.g. in physical spaces, cultural activities etc., leading to the creation of a more permanent capacity to act.

The issue of proximity to services and economic opportunities is a particular challenge. The concept of the the 15 minute city, where nobody would be more than a short walk from essential services like doctors, shops or even their job has had some traction but also critics (or

conspiracy theories) around suggestions that it is an attempt 'kettle' communities and control movement, or worse, perpetuate disparities.

Creating a healthy local socio-economic biodiversity (weaving connections, identifying synergies, and investing) can contribute to releasing the potential of proximity (density of services available to local communities), applying collective insight, and unlocking local 'social venture capital'. This takes time and requires building trusted relationships.

Particular attention should be paid to participatory approaches and empowerment, e.g. by investing long term in organisations with unrestricted funding such as the Regenerative Futures Fund, a new 10-year, unrestricted fund for the social sector in Edinburgh to work upstream towards big transformational change. This aligns with the city's ambitions of ending relative poverty and reaching net zero and being climate ready by 2030.

Community foundations and those with an interest in local area-based work offer solutions which can be attractive to partners, notably municipalities. They are well placed to deal with complexity and multi-dimensional issues (acting as 'sense-makers' of their localities), however they need to build a coalition of the willing with an interest in the locality.

Issues that are hidden need to be exposed, voice given to those communities, and attention paid to an appropriate communications strategy to ensure actions / solutions are visible and can inform policy makers and practitioners. It is important not to get drawn into the role of a firefighter but rather maintain that of a gardener. Create an environment for communities to flourish - invest in bonding, bridging and linking social capital.

There is also the question - are foundations less influential / impactful in capital and other large cities because of the density and power of other actors in the public and private sector (that may be driven by the prevailing public policy or economic opportunity, rather than a vision shared with civil society).

Dilemma 3: Influence and / or action - addressing needs directly or advocating for change

Discussion prompted by issues arising from dilemmas 1 and 2

It is not necessarily a case of one or the other, influence or action. Actions can provide evidence to influence policy. Acting in the public sector sphere can be done without substitution or assuming a public sector responsibility, it can be an enabler. As shown by an example in a remote part of Scotland, community-led action can ensure that public duty is met (in this case in respect of education) with the community building and owning (with community shares) the asset of the school and then generating income by renting it to the local authority.

Adopt an Upstream Mindset and work along a spectrum from local action addressing immediate need to getting to the causes and tackling systems change. This requires thinking strategically with a long term commitment. Support organisations can play a role to identify, connect and learn from actions implemented and supported by community foundations along the spectrum (downstream - midstream - upstream) in order to help promote and contribute to the application of an upstream mindset with their knowledge, resources, and connections - notably their ability to bridge between sectors.

Embrace foresight and apply scenario thinking to imagine new futures and to create a shared vision and bring about social transformation - as shown by the example of the Teple Misto Platform in Ukraine.

Concluding remarks and next steps

It was agreed that the context of capital cities and the particular challenges and opportunities could be applicable in other major cities, and that continued conversations should not be restricted to national capitals.

Follow up action will include:

- Connecting foundations, support organisations, and other stakeholders with and interest in capital / large cities
- Sharing of relevant processes and practices (relating to the challenges and opportunities identified in this report)
- Facilitation of online meetings to engage others and to reach further and more deeply into challenges and opportunities

Participants



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