



Evidence submitted to the International Development Committee Inquiry on Private Foundations

September 2011

Summary

1. This submission describes the international work of the Nuffield Foundation as an example of a private foundation's policy and practice in international work. The Foundation, together with its subsidiary Trust, the Commonwealth Relations Trust, has provided £5.5 million over the past ten years to build professional and academic capacity in Eastern and Southern Africa.
2. The Nuffield Foundation is one of a group of around 50 mid-sized UK foundations supporting international work, with spending in the range between £50K and £10M per annum. The focus of support for most of this group is on NGOs and the voluntary sector. The Foundation's support of professional and/or academic capacity building projects is unusual.
3. The members of this group have accumulated considerable experience and expertise in defined areas. The Nuffield Foundation, with other UK foundations, has commissioned studies to map UK private foundations' support for international funding. The latest study, due for completion in October, has been summarised in a separate submission to the Select Committee from its author Professor Cathy Pharoah of Cass Business School.
4. UK foundations are a very diverse group with different interests and objectives. This, coupled with their independence, results in them being able to fund in ways not open to public funders in terms of style and topic. They tend to support international work that complements work supported by DFID and multilateral organisations – by focussing on smaller scale initiatives or issues not addressed by these larger funders.
5. Increased dialogue between foundations and DFID could benefit both parties' knowledge and understanding of each others' funded work and modus operandi. There is also potential for collaboration.

1 The Nuffield Foundation and International Development

The Nuffield Foundation

6. The Nuffield Foundation is a charitable trust established in 1943 by William Morris, Lord Nuffield, the founder of Morris Motors. The Foundation works to improve social well-being by funding research and innovation in education and social policy and by increasing research and professional skills – both in science and social sciences – through its capacity building programmes. The Foundation focuses its resources on issues that it considers will benefit from independent scrutiny and support. Current priority areas include Science and Mathematics Education, Children and Families, and Law in Society. It seeks to maximise the impact of its direct grant making by facilitating seminars and meetings to disseminate outcomes to policy makers and practitioners and by networking and liaising with key stakeholders.
7. The Foundation spends around £11M per annum. It works mainly in the UK, but also in Europe and in Eastern and Southern Africa. Its income comes from the return on its investments – it does not fundraise or receive funding from the Government – and it is therefore financially and politically independent – but it does fund collaboratively with other foundations and sometimes research councils.

8. The Foundation is governed by a board of seven trustees who are all eminent academic and public figures. It employs some forty staff who work on its grant programmes and in-house projects.
9. As a private charitable foundation Nuffield is regulated by the Charity Commission. The submission to the Committee from the Association of Charitable Foundations gives further details on the legal status and accountability of foundations.

The Nuffield Foundation's support for international development

10. The Nuffield Foundation believes that all countries need qualified professional personnel for the development of their economies and the delivery of health, education and other services. In Africa, skills and knowledge are essential if countries are to find their own solutions to their own problems in areas such as health, food security and energy. With scientific skills and knowledge, African countries can begin to make the most of their natural resources, and utilise technology to accelerate economic growth. And with the development and implementation of good policies for service delivery, based on evidence of what works and what does not, essential basic services can be provided for all.
11. The funding needed to support this scale of human resource development is huge, and what the Foundation can contribute is very small. But by focusing on a level of expertise that few other funders currently support, the Foundation believes we can directly increase expertise in targeted areas. The Foundation seeks to draw in further support by working collaboratively with other funders wherever possible and disseminating the outcomes of this investment.
12. The Nuffield Foundation has supported professional capacity building internationally since its inception in 1944 and has focused its efforts in Eastern and Southern Africa since 1990. Its international programme funds projects with the potential to deliver long term development of expertise in health, education and social welfare within the country/region concerned. The key principle of this international programme is partnership; these projects are developed and implemented by UK and African universities and NGOs working in partnership, often together with African government departments.
13. From 2000 to 2008, most of the funding was distributed through a competitive scheme run every two years. Towards the end of this period the Foundation also embarked on an initiative with four other European Foundations to jointly fund research capacity building for African scientists in neglected tropical diseases. (See para 15).
14. In 2009 the Foundation commissioned an independent review of the previous eight years grantmaking. The full review, *Capacity for Change*, can be *downloaded* here. In comparing the Nuffield Foundation's international work with that supported by other funders the review found that the Foundation's support of professional and/or academic capacity building projects was unusual. Amongst UK foundations the focus tends to be on the work of NGOs and the voluntary sector. Other key findings - on the need for a more candid theory of change, a more focussed thematic area and clearer criteria based on the indicators of success identified by the review - resulted in the re-framing of the programme. Our current programme maintains the focus on Southern or Eastern Africa but now concentrates on capacity building in health, science, engineering, technology and mathematics. And the positive experience from funding in collaboration with other European foundations has encouraged the Foundation to seek further opportunities for such collaboration.

Work funded by the Foundation over the past ten years

15. Over the past ten years the Foundation has made grants to 32 projects, 9 of which are currently active. Totalling £5.5 million, this funding has supported work in 11 African countries. The following three examples have been chosen particularly to illustrate partnerships between funders and stakeholders.

- To address the dire shortages of psychiatrists and psychiatric nurses in Kenya, the WHO Collaborating Centre, at Kings College London's Institute of Psychiatry, in partnership with the Kenyan Ministry of Health, the Kenya Medical Training College (KMTC) and the Kenyan Psychiatric Association developed a programme to train primary care workers to provide mental health care. More than 2000 primary care workers plus their medical supervisors have been trained and the curriculum has been embedded into pre-service training. A randomised control trial funded jointly with DfID shows a statistically significant shift in knowledge in those trained and further surveys demonstrated the positive impact of the training on the treatment of patients.
- To address the severe shortage of doctors, Malawi relies heavily on paramedical officers to provide the bulk of healthcare. The Tropical Health and Education Trust worked with Queen Elizabeth Central Hospital in Malawi to establish a Clinical Orthopaedics Diploma course in Malawi. Jointly funded with DFID, by 2007 117 orthopaedic clinical officers had been trained, of whom 82 were in clinical practice. The course is now funded by the Malawian Ministry of Health.
- Together with four other European foundations, the Foundation founded the European Foundation Initiative for Neglected Tropical Diseases Fellowships Programme aimed at building a group of African researchers in neglected tropical diseases and strengthening African research institutions in the process. The other foundations in the consortium are The Calouste Gulbenkian Foundation, Cariplo Foundation, Fondation Merieux, and Volkswagen Foundation. The 19 postdoctoral researchers funded under two grantmaking rounds are involved in biomedical or related public health projects that address urgent and important translational research questions and are based on African needs and priorities, rather than northern research interests. Although their projects are not yet completed, to date these researchers have produced 25 internationally peer reviewed papers. A third round of grants will be made in early 2012.

Monitoring and Evaluation

16. The Foundation has several ways of monitoring its international grants, ensuring that funds are spent for the purposes agreed and that all is going to plan; firstly through the annual self-reporting required by grantees, but also through the regular, less formal, contact between Foundation staff and grantees that allows for discussion and change as and when any difficulties arise. The Foundation is working with applicants and grantees at early stages of the work to help them identify ways of measuring the effectiveness of the work.

2 The Role of Private Foundations in development

UK foundations

17. In 2006 the Foundation, together with Paul Hamlyn and Baring Foundations, commissioned New Philanthropy Capital to review for the first time the work of foundations in the UK on international development. This was published under the title *Going Global*. This is being updated in a new publication (commissioned by the same funders) and has been summarised in advance of publication in a separate submission to the Select Committee from its author Professor Cathy Pharoah of Cass Business School. Professor Pharoah's research shows that collectively, foundations are major funders of work by civil society. It is likely that private foundations in the UK are contributing well over £250 million per annum. The great majority of this will be to civil society organisations.
18. A number of large foundations have developed considerable expertise in funding international development, and are globally important players in the field. A handful, such as CIFF, Gates and Wellcome Trust, has become very well-known. Beyond these familiar names, there are many other foundations operating on a smaller scale but contributing in different ways to the overall impact of private foundation financial support for international development.
19. Foundations are a very diverse group with different interests and objectives. This, coupled with their independence, results in them sometimes funding in very different ways to public funders in terms of both style and issue. They have more flexibility to respond to the need for changes in planning and timetabling, can fund on a smaller scale and support work that might be politically difficult or outside the mainstream. Their trustees decide what should be funded, the only restriction being the terms of their Trust deed.
20. Many, probably most, UK Foundations fund their international work through NGOs – either INGOs or, less likely but increasingly so, in-country NGOs. Much of this work is likely to be on too small a scale for DFID to consider and Foundations can therefore play a significant role in fostering the diversity of small advocacy or service delivery organisations that might otherwise be unable to function.
21. The Nuffield Foundation's Africa Programme Head, together with the Director of the Baring Foundation jointly convenes ACF's interest group on international development, organising meetings on specific operational or thematic issues. The submission from the Association gives further details. Several of the group's meetings have been addressed by ministers.

European Foundations

22. Through the European Foundation Centre (an umbrella body representing some 300 European Foundations) the Foundation Director and the Africa Programme Head meet regularly with other European Foundations supporting international development. The picture of foundations across the rest of Europe is broadly similar to the UK. We are aware that the European Commission and several European governments, including France and Portugal, have expressed interest in exploring relationships with foundations. The Nuffield Foundation is currently part of a small group responding to an EC request to scope the scale and nature of European Foundations' involvement in international development.

3 Relationship with DFID

23. For all the differences between the Foundations and DFID, they share the same fundamental aims. Both are trying to improve well-being of people in poor countries – and, as some of the Nuffield Foundation’s grant examples have shown, they are sometimes funding the same work.
24. Where work is receiving funding from both from foundations and DFID or other bilateral or multilateral organisations it is usually because the organisation has sought and secured funding separately from the respective bodies – rather than as a result of active planned collaboration between the funders from the outset. While we do not think this leads to duplication of funding we think there would be advantage if there were better communication and cooperation between different funders.
25. Further to this, while there is contact between DFID and the larger foundations such as Gates and Wellcome, there is at present little liaison between DFID and the mid sized Foundations. We believe that both sides would gain from better contact. For example, most Foundations do not have an in-country presence and could benefit greatly from DFID’s technical expertise. Similarly, DFID could find reports from work that the Foundations are funding of interest.
26. The Nuffield Foundation recommends that DFID explore with a wider group of private foundations how they might share information about their respective work and plans. It further recommends that DFID should explore collaborative funding opportunities with foundations – particularly where foundations have the human resources to manage funding too small for DFID to administer.