

Dawn Austwick talking about how we work
Giving away substantial amounts of money to good causes is a very satisfying occupation. But it's also a big responsibility.

That's why in 2007 we undertook a review of our grant-making. We came up with ways to make ourselves more open to others ideas by developing a new approach to funding for 2008 and beyond.

During this period of transition for Esmée Fairbairn, we also maintained the Foundation's grant-making momentum. In 2007 we committed about £25 million to organisations that are working to improve the quality of life for people in this country both today and in the future.

This annual report looks at the changes we made in 2007 and the projects we've supported; focussing in particular on a few that are typical of our approach to grant-making.

Last year saw some major shifts in the world economy and in Britain's. As a result, money became tighter in both the private and public sectors. This had an inevitable impact on the areas we fund and the types of organisations we support. Among the hardest hit have been those who want support for projects that don't provide quick fixes, but do take risks and pose uncomfortable questions. Just the sort of work that Esmée Fairbairn exists to fund.

These developments occurred at a time when we were already committed to re-thinking how we could improve the way we work. So, in a structured process, we devoted much of the first half of 2007 to assessing the situation. A key part of this activity involved running a series of workshops throughout the UK for practitioners in the areas we fund.

We asked them what troubled them. And what inspired them. And we gained a better understanding of how we could work to help solve or lessen the problems that such organisations face. We also commissioned focus groups and examined what other foundations and grant-making bodies were doing.

We evaluated what we learned and developed the concept of a Main Fund that would be responsive to requests for support across the entire spectrum of our interests. To complement this Main Fund, we also initiated the idea of more modestly funded strands to address specific issues that we think are important or have a particular interest in. We've also been exploring non-grant finance – focussing in particular on loans, guarantees and soft equity investments by running a pilot programme which will now convert to a separate funding strand.

There are other changes at Esmée Fairbairn. Creation of the new position of finance and investment director recognises the size and complexity of our investment portfolio. Since that's the fount of all that we do, it's important to husband our financial assets carefully, so that we can continue to fund such diverse work as the Development Trust Association's Rural Community Enterprise Challenge Fund, the Zoological Society of London's survey of endangered invertebrates, the Siobahn Davies Dance Company's links with the visual arts and Cambridge University's Primary Education Review.

These grants, all of which feature in this Annual Report, are exemplars of the sort of work that has excited us in the recent past.

2008 will also see the final year of our seven year Rethinking Crime & Punishment Programme which has explored alternatives to prison. We will be looking to maximise the impact of the programme and our learning during this final year and to reporting on the final outcome in more detail next year.

And what about the future?

Where are we heading?

One answer to that is we are looking to move from our current office at Park Place. As part of 2007's review, we decided that smaller premises in central London would suit us best, while still remaining easily accessible to the organisations we support throughout the UK.

Wherever we are, I hope we'll continue to take on the big issues; tackling the topics that go to the heart of our society. We are committed to funding the organisations that ask the difficult questions about life in the UK and how it can be improved. The passion and intellectual curiosity that have driven the Foundation in the past remain our guiding principles.

Dawn Austwick,
Chief Executive

