

Giving in Local Communities

By Marcelle Speller



After a B.Sc in Environmental Sciences, Marcelle's career began with ten years in advertising agencies in London and Amsterdam. She then took an MBA at INSEAD, and spent ten years in senior marketing positions with companies including American Express, Heineken and Inter-Continental Hotels. In 1996 she co-founded Holiday-Rentals.com which became Europe's leading web site for advertising privately owned holiday homes. The company was sold to Homeaway Inc. in 2005, and she left the company shortly afterwards. Since completing The Philanthropy Workshop in 2008, Marcelle has founded a new web site Localgiving.com, in conjunction with the UK's Community Foundation Network. Localgiving.com gives small local charities their own web pages with simple content management, the ability to receive online donations and the automatic payment of Gift Aid – even for charities that are too small to be registered with the Charity Commission. Localgiving.com enables donors to find and support small, local charities that meet their criteria for giving in terms of location, issue and beneficiary. As every local charity on Localgiving.com has been vetted by their local Community Foundation donors can give in total confidence. Localgiving.com has been described in a Policy Exchange report as “a unique and significant step forward in the use of the web for philanthropy.” After a successful pilot in 2010, it will be rolled out across the UK in early 2011.

Giving is more an attitude than something you only do when you have money. It's easiest if you learn it young. My parents were not well off, but my mother ran the Dutch consulate in Manchester in the 1950s. She often brought stranded or distressed Dutch people home for a few nights while she helped sort them out. And going to a convent school meant we were always collecting money for some cause or other – but it usually went to the new school building fund! So I was always aware of those less fortunate than me and gave what I could.

It was only when I made more money than I had expected, that I really started to think about how I could give in the most effective way – and at least not do harm. I helped a charity building schools in Nepal, and then took the Institute for Philanthropy Workshop. That showed me the concept of the difference between charity and philanthropy, and the tools to be strategic in my giving. I also realised that I wanted to do more than just write cheques. I wanted to get engaged in the charities I was giving to, and leverage my giving. Wherever I went, I was attracted to small charities working at the rock face of problems in their communities. Passionate people doing amazing work, but totally overstretched, with an aversion to administration, and unaware of the power of the internet to raise awareness of their work. Then I had a “light bulb moment.” Holiday-Rentals.com, the company that I had co-founded in 1996 and whose sale had provided my wealth, advertised privately-owned holiday homes on the internet, allowing these individuals to compete on the web with large villa

companies. I could do the same for small local charities. By pure serendipity, the problem of how to contact these local charities, was solved by the fact that Matthew Bowcock, who chairs the Community Foundation Network was on the same Institute of Philanthropy Workshop. The 47 Community Foundations across the UK vet about 20,000 small local charities each year.

I did some research and discovered that only larger charities who are registered with the Charity Commission can raise funds on the existing online giving sites. As online giving is growing at about 50% per year, this means that small local charities and community groups, who already get less than their fair share of donations, are even more disadvantaged. I also realised that I wasn't alone in wanting to get engaged with the charities I gave to, many people felt disconnected from large charities, and, especially in troubled economic times, wanted to help their community – but didn't know how to. Also, only Registered Charities claim Gift Aid. Smaller charities either can't or don't know how to – thus losing the 28 per cent addition to all donations.

So I spent three years setting up Localgiving.com – building the systems, sorting out the payment mechanisms, persuading each Community Foundation (they are all independent charities) to invest time and resources in the program, providing automatic claiming of Gift Aid for local charities on the site. It's finally taking off. We are currently in about a quarter of the country, but will be national by the spring of 2011.

It's been tremendously hard work, but hugely satisfying. I can genuinely claim that I have been strategic in my giving, and hopefully I will leverage the investment of time and money that I have put into it. Nonetheless, what still really excites me is seeing the local charities and community groups that we will be helping. I insist that all Localgiving.com employees visit a local charity at least once a year.

And the great thing is that anyone and everyone will be able to go onto Localgiving.com and find a small charity or community group that operates in their area and get in touch. Of course we'd like them to donate online, but they can also go and volunteer (we'll be adding a volunteer search soon) or support them in other ways.

This was really brought home to me when I was a "Secret Millionaire" this summer. I have to admit that I didn't find the charities I visited in Plymouth on Localgiving.com, as we hadn't launched in Devon when I was filmed. But I went to five charities, on at least three occasions each and really got to understand what they are doing and the effect they have on their community. More importantly it was hugely rewarding to just go there and be part of them.

There are plenty of great examples of what Secret Millionaire Gifttees are doing with my donation

1. Jeremiah's Journey – setting up “Stepping Stones” working with the oncologists at Darrington Hospital to prepare children who are about to lose a parent due to cancer. This program will be used across the country. It came about because a lady with cancer at the hospital asked them why they could only help her children after she was dead.
2. Friends and Families of Special Children – setting up a new service to train parents of older special children to support and counsel parents of newly diagnosed disabled children. Kay O'Shaunessey, the founder of Friends and Families has a daughter, Amy who is disabled with severe cerebral palsy. Just after Amy was born a doctor just told Kay and walked away, leaving her with her world torn apart. This project will give help to parents in this terrible situation from people who have gone through it – and survived.
3. Glynis is doing it slowly – she's getting a new fridge for the Welcome Hall kitchen for her Over 50's lunch club and Bright Little Sparks and some cupboards.
4. Craig and Jon are using it just to help cover their core costs – keeping the lights on and general maintenance. So important for charities, as donors often only like to fund projects
5. Diggin It – the money is being used to help set up another Diggin It project for disabled people in Devonport.

This all proves that people working on the rock face know what the problems – and the solutions are in their area. It's good for them to share ideas (what to learn, what to avoid) with others who work in their field – and we'll be setting up social networks of local charities on Localgiving.com – but only they really know what will work in their area.

Although I don't live in Plymouth, I've been going back every couple of months and am frequently in touch with Dave, Glynis, Joanne, Craig and Kay. We often meet together, and it's good to see how they support and inform each other. It gives me huge joy and great satisfaction to be able to help them. But most of all, it makes me feel very humble to see their extraordinary dedication and care for their communities.

I have some specific suggestion for government.

1. What can the government do to help and encourage community giving?

The first thing is to make sure that local people, and not central government or centralised quangos, decide where and how government grants are spent. If particular issues are centrally promoted and funded, it means that charities apply for money for that issue, even if they know there is a much more pressing issue in their area.

Government should provide the information to help local people make a difference in their community – but not make the decisions for them.

2. What should the groups themselves do?

One surprise from our pilot of Localgiving.com was the large proportion of the local charities who were afraid of technology. They must realise its power and how much more cost-effective the internet can be in fund raising and building awareness for their causes and activities. We are developing training programs and marketing guides for them, and we're setting up a scheme for corporate volunteers to train a local charity on how to make the most of the marketing opportunities of Localgiving.com.

3. What should Community Foundations do?

Community Foundations have been supporting communities for the last 25 years. They know about local philanthropists as they have a couple of thousand of them with an average of £80k each in donor advised funds. And the Community Foundations vet over 20,000 small charities each year. I've given 50% of the shares in Localgiving.com to the Community Foundation Network, and Matthew Bowcock, their Chairman, and Stephen Hammersley, their Chief Executive are highly valued members of our Board. I'm really grateful that through Localgiving.com the Community Foundations are enabling everyone in the country to benefit from their unique local knowledge and experience.

4. What can other philanthropists do?

We're trying to keep the cost of Localgiving.com as low as possible. We charge the local charities £60 per year (amazing value for a fully content-manageable web site, online donations and automatic gift aid processing.) But, with one in six of small charities seriously wondering whether they can survive, some are so strapped for cash that this is too much for them. And, of course, as it's a new site, we can't guarantee how much money they are likely to raise. The Community Foundations are asking local philanthropists to fund some of these charities to go onto Localgiving.com. Just £40 (the Community Foundation will waive their share of the fee) will help a local charity become sustainable and go on providing their unique services. That's leverage, that's philanthropy.

5. "Normal" donors and volunteers?

Without being predictable – anyone can just go onto Localgiving.com and find a charity that works in their area on an issue or beneficiary that is near to their heart and volunteer their time and give them a donation.