



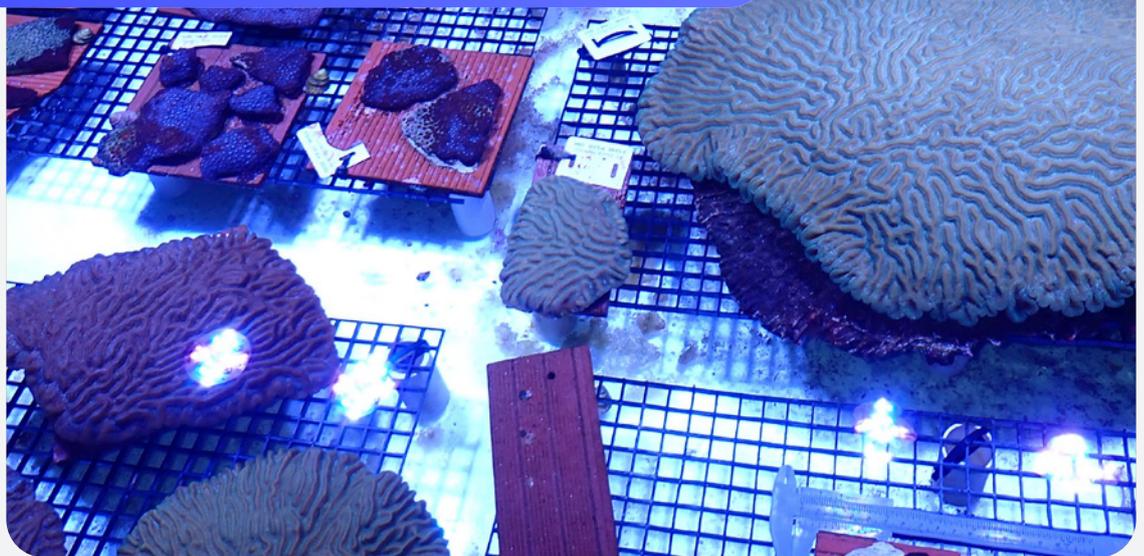
John Ellerman Foundation

IMPACT FRAMEWORK

Advancing wellbeing with 100% of our assets

Background to the Impact Framework

In November 2023, John Ellerman Foundation approved an Impact Framework to underpin our strategic commitment to make progress on our aim to advance wellbeing for people, society and the natural world with 100% of our assets. The Impact Framework builds upon, and complements, [our strategy for 2022-25](#) and our [Investment Policy](#).



What is the Impact Framework for?

We know that institutional philanthropic organisations like ours have an important role to play in working with others to respond to the nature and climate crises, alongside political, economic, cultural and societal challenges and opportunities.

This Impact Framework is the culmination of research into what impact, wellbeing and dominant and emergent systems mean in relation to our grantmaking, investing and wider operations, as well as the learning we have taken from our work in the last few years, including through the implementation of our strategy to-date.

By committing to this Impact Framework, we can better understand and share the difference we make and the progress we are making in relation to our aim to advance wellbeing for people, society and the natural world. This will help us to be bolder and more ambitious in the work we do and the decisions we take as a Foundation in the coming years. Our Impact Framework is also a tool for us to be accountable to those we work with, namely our grant-holders, applicants, sector membership bodies, peer funders and grantmakers, institutional and impact investors, and policymakers.

Our Impact Framework supports us to:

- Better understand and articulate our impact and contribution within a wider ecosystem of funders.
- Make decisions and respond more strategically to opportunities (based on a deeper understanding of our contribution to wellbeing, and our learning and impact).

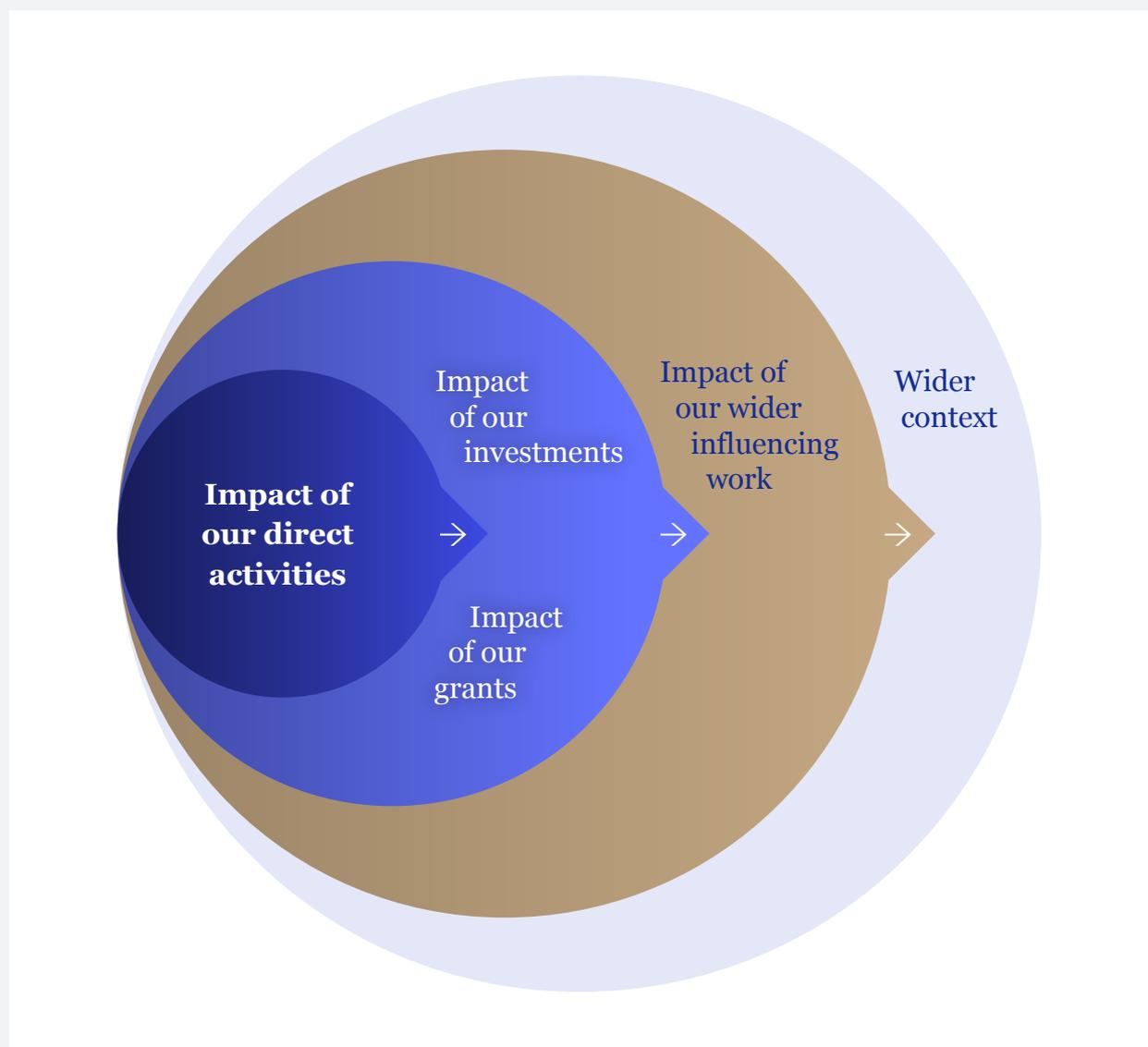
What has informed the Impact Framework?

We have used the Association of Charitable Foundations definition of impact as a starting point.

Impact is ‘the positive and negative effects of a foundation’s resources, activities and behaviours, and the extent to which these effects contribute to its charitable mission’.

In further strengthening our focus on impact, we commit to the following principles to:

- Be values-led (responsive, discerning, flexible, personal touch, and connected)
- Ground our approach in evidence and collect this in a transparent, proportionate and flexible way which reflects our funding approach
- Give credence to both qualitative and quantitative methods, using both where helpful
- Emphasise contribution over attribution in a way that appreciates and accounts for complexity
- Recognise that change happens in an emergent, not a linear, way
- Allow space for reflection and adaptation – on what we are doing well and what we could improve
- Add value, which includes being able to determine where there is need and opportunity for us to do more
- Contribute to and promote sector-wide learning.



We have an impact through our own activities, through and grants and investments that we make and through our influence within our wider ecosystem of actors. The Impact Framework considers and captures impact across these areas – recognising that we have direct control over our own activities, but the impact of our investments and grants are not within our direct control nor is the influence that it has on the wider ecosystems we operate in. The Impact Framework also recognises that the wider context within which we operate helps and hinders impact. We have also sought to bring greater definition to what advancing wellbeing means to us. In doing so,

we learned from wider thinking and learning around wellbeing and regenerative economics, doughnut economics, the Dasgupta review, the Just Transition Investment Framework, the Sustainable Development Goals, indigenous definitions of wellbeing and Carnegie UK's work on wellbeing economies. Our Impact Framework recognises how thinking about dominant and emergent systems can help funders to think systemically and strategically about their role in change. We have been informed by Donella Meadows work on leverage points, Bill Sharpe's Three Horizons model and the Berkana Institutes Two Loops model.

Our aim is to advance the wellbeing of people, society and the natural world.

How do we deliver our aim...

...Through our strategy

- **Our funding offer**, ensuring that we embrace and deliver best and promising practice

- **Our investment policy**, ensuring that we invest in ways that are aligned to our aim, values and funding categories

- **Our work with others**, ensuring that we understand our stakeholders and can work with them to deliver our work together more effectively

- **Our commitment to accountability**, ensuring that we make further progress on diversity, equity and inclusion, transparency and impact and learning

...Through our work and living our values

- **Funding charities** for work that has national significance in the fields of the arts, environment and social action (our funding categories). We believe these areas can make an important contribution to wellbeing

- **Investing and managing our funds** in such a way that balances the desire to maintain grantmaking capacity, operating in the long-term, and seeking to ensure that our investment activities are not poorly aligned to our aim and values

- **Being values-led** (responsive, discerning, flexible, personal touch, and connected)

We will consider the impact of our funding offer and our investing through assessing our progress against our four interdependent wellbeing themes



Community – This means nourishing the networks and relationships that support communities to pursue lasting and positive change.



Access – This means championing the vital role that access to: enriching and pioneering arts and cultural activities; a healthy, restored and sustainably used natural world; and political, economic and social systems that are thriving and effective plays in ensuring our collective wellbeing.



Sustainability – This means building and nurturing healthier social, economic and environmental systems, caring for our natural world, including by stewarding and restoring what is already there, and safeguarding these systems for current and future generations.



Equity – This means pursuing human rights, social justice, equality of opportunity, and centring the expertise and insights of those with personal experience of and expertise on the issues being tackled.

These four themes operate **interdependently**, meaning that we do not consider them to be independent or standalone, with the work we are doing likely to touch on more than one theme.

We will use the impact measures in relation to our funding offer and our investing in order to understand the progress we are making under each of our interdependent wellbeing themes.

Our funding offer



Community

- We will commit to increasing support for organisations that demonstrate that they are open, collaborative and connected, and understand their role in relation to others.
- We will advocate for and amplify the work of our grant-holders.
- We will actively seek out opportunities to connect grant-holders with each other and our wider networks, in order to pursue change, shared goals, learning and growth.



Access

- We will back organisations that identify and remove barriers to pioneering arts and cultural activities, to our natural world, and to systems that promote and ensure our collective wellbeing.
- We will support grant-holders to ensure that the work they do and their organisations are accessible and inclusive.



Sustainability

- We will support emergent work, identifying champions that nurture and protect a liveable planet for current and future generations and advocate for the rights of nature.
- We will strengthen the sector's work to safeguard and nurture the systems that promote our collective wellbeing and collective response to the nature and climate crises and their detrimental impacts on people, society and our natural world.



Equity

- We will apply rights based approaches in order to tackle divisions and inequity, in pursuit of human rights, social justice and a thriving planet.
- We will back the work happening to reform dominant systems, and/or pursue new emergent systems, in pursuit of transformational change and the just transition.

We will use the impact measures in relation to our funding offer and our investing in order to understand the progress we are making under each of our interdependent wellbeing themes.

Our investing



Community

- We will lead on and support collective action aimed at improving fund manager practice, working with these systems stabilisers in response to the nature and climate emergencies.
- We will shape and participate in communities of practice within sector networks on improving the effectiveness of ESG investing through engagement, as well as seeking out and shaping other investment approaches that recognise the systemic changes required to advance wellbeing.



Access

- We will use our access to charity and other types of institutional investors to influence more investors to consider environmental sustainability in their practices.
- We will engage with financial markets and decision-makers within the sectors and companies we invest in to review their role in supporting, or not, our collective wellbeing, advocating for improvements where needed.



Sustainability

- We will continue to invest responsibly for financial return in order to continue our grantmaking into the long-term.
- We will commit to understanding the environmental impacts of our current investing approach and promote more sustainable investments that reduce harm to people, society and the natural world.



Equity

- We will commit to achieving our total return target through a range of investment approaches like traditional, responsible, sustainable, and impact investing.
- We will work with our fund managers and investing networks on just transition initiatives.

Implementing our Impact Framework

Our Impact Framework supports us to take a more structured approach to determining our impact as an organisation.

In the coming months we will build on our existing experience and knowledge of monitoring our impact by further defining qualitative and quantitative data points and indicators for each aspect of our Impact Framework. Where we do not yet collect the data we need, we will work on processes for rectifying this. In doing so, we will be able to compare our progress across each of our impact measures with internal and externally available baselines and benchmarks, and where appropriate we will set targets for the future. By understanding our impact in this way, we will be able to determine the different ways in which we can truly add value within the ecosystem in which we operate, made up of civil society groups, funders, financial actors, local and central government, and the wider public.

Furthermore, by better understanding our impact and the difference we are making, we will begin to improve and expand on various internal organisational capabilities and see these becoming more central in supporting our decision making and direction of travel as an organisation. These capabilities can be summarised as follows:

1. Being strategically responsive

This means working more collaboratively with stakeholders and the pioneers and stabilisers in our networks to advance wellbeing through our funding offer, investing and wider operations. Where it makes sense for us to do so, we will take a strategic leadership role in some areas of our work, for example we do this already through our work to encourage other funders to support environmental work in the UK Overseas Territories.

2. Sensemaking

This means seeking to understand organisational and systemic operating contexts. This is a continuous process where we will seek to develop a deeper understanding of our operating context, through observations, data, experiences, conversations and analyses. It also requires us to iterate and to be open to applying different and new frameworks or models.

3. Visioning and inventing

This means creating a compelling picture of the future, becoming less linear in our thinking and embracing uncertainty and complexity, by building trusting relationships within and across existing and new organisations and networks, and creating spaces where diverse views and ideas can be shared, to understand the ways in which we are part of interdependent systems and sectors. At any given time, we will likely be considering multiple working hypotheses from work happening in the UK and well beyond, in pursuit of our organisational aim.

4. Making judgements and decisions

This means moving to a place of confidence in the reasoning and judgements we make. This includes having absolute clarity on the ways in which we are prioritising advancing wellbeing for people, society and the natural world in all that we do.

We do not have any expectations that our applicants use the Impact Framework to develop their first and second stage applications to us. Applicants should continue using our funding guidelines only for this. The Impact Framework has very much been designed for us to use as a tool to apply to our work, as opposed to others feeling compelled to apply it to their work.