

northern rock foundation



annual review 2008

About Northern Rock Foundation

Northern Rock Foundation is a charity and company limited by guarantee with an independent Board of Trustees that makes all decisions on governance, finance and policy. Our aims are to tackle disadvantage and improve quality of life in North East England and Cumbria. We do this by investing money, time and expertise in charitable activities using several tools including grants, loans, training, research and demonstration work. We gather and share learning from the activities we fund and, where appropriate, we seek to inform and influence wider policies and practice. Our work is carried out by a staff team of 13 based in Gosforth, Newcastle upon Tyne.

The Foundation was established when Northern Rock demutualised in 1997. Up to December 2007, the bank gave, by covenant, 5% of its annual pre-tax profits to the Foundation, totalling more than £190 million. The Foundation will receive a minimum of £15 million a year in 2008, 2009 and 2010 from Northern Rock plc, as part of the arrangement under which the bank was taken into temporary public ownership. Maintaining this arrangement is a condition of any sale of the bank in that period. The Government has asked the bank's board to identify a viable long-term future for the Foundation.

This review includes a summary of the Foundation's accounts for 2008. A full set of our audited accounts is available from our office, or on the Foundation's website.

Information about our current grant programmes and other activities is shown on page 44; further information is available on our website, or by contacting our office.

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Cover image: the Choices project, run by Helix Arts in partnership with Newcastle ISSP, delivered by National Urban Circus Theatre (pictured) and Tommy Anderson. Funded under Building Positive Lives (see p11).

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Chairman's statement

During 2008, we lived through interesting times. Following Northern Rock plc's move into temporary public ownership, and the Chancellor's provision for the future of the Northern Rock Foundation in February, the Trustees committed



Alastair Balls

themselves to refocusing our grant-giving programmes on the success and reputation which the Foundation had already established over the previous decade. Alistair Darling announced that Northern Rock plc would provide the Foundation with a minimum income of £15 million each year in 2008, 2009 and 2010 to continue its work. The Chancellor also stated that the new board of the bank would be asked to identify a viable long-term future for the Foundation. We are pleased to note that we have now been able to establish a good relationship with the new Board and management of Northern Rock who show the same keen interest in the Foundation's activities.

We, the Trustees, were most grateful for this recognition of the value of what we do. We proceeded to make plans accordingly to maintain our work, albeit at a level reduced from recent years, but nevertheless sufficient to enable us to continue to make a significant contribution. We chose to concentrate our resources on three grant programmes that dealt with matters of social justice, directly targeting the needs of some of our area's most disadvantaged people.

People with mental health problems, people with learning disabilities, older people and carers are the focus of our **Independence and Choice** programme. The organisations we fund, like Sunderland Art Studio which supports people with mental ill-health, put their service users at the heart of their work and enhance their quality of life.

Young people at risk, homeless people, substance misusers and groups that face prejudice and discrimination are the priority in the **Building Positive Lives** programme. The work done by Northern Learning Trust provides an excellent example of the kind of personalised support we think works best to help such disadvantaged groups overcome barriers and achieve goals others take for granted.

Tackling domestic and sexual violence, abuse and hate crimes is the aim of the **Safety and Justice** programme. We make grants to help victims of these crimes, as in the case of Middlesbrough's Women's Support Network, but also for research to better understand how to prevent them.

In addition to these three areas of work, we sought to nurture and promote the region's creative talent, through our fund for **Culture and Heritage**.

Across all four programmes, we continued our policy of funding fewer, better grants, and ensuring our staff worked closely with applicants and grant-holders to help them maximise their effectiveness. Trustees also set aside amounts for policy and research activities, and for continuing programmes of excellent governance and management training for the voluntary sector.

We have also published a number of key reports in the year, such as *Social Capital in the North East – How do we measure up?* published under our *Think* banner. We have used this type of work to open up dialogue with public authorities both in the region and nationally with the aim of bringing benefit to the groups concerned.

In November 2008, the Trustees announced that our Director, Fiona Ellis, was to leave after 11 years' service. Fiona has made an outstanding contribution to the Foundation, taking it from a standing start to where it is today. She has established a reputation for the organisation as one of the foremost, innovative grant-giving bodies in the UK, winning a number of awards

and much affection and respect in the northern community. Whilst we are very sad to see her go, it has given us an opportunity to choose someone to lead the Foundation into its next phase. Accordingly, we have recruited Penny Wilkinson, formerly the chief executive of MLA North East.

Finally, the Trustees and I would like to show our appreciation to the huge number of politicians, local and national, directors of national charities, representatives of local charities, good causes, community and business support groups in the North, who came out so vociferously in our support during Northern Rock plc's troubled period, citing the bank's and our record in philanthropy, and unequivocally endorsing and supporting the Foundation's record in effective grant-giving. It is without doubt the case that this public (and private) support was the major factor in persuading the Chancellor to pledge continuing assistance to the Foundation from Northern Rock, and to such a generous degree. We thank you for this and hope by our continuing efforts to go some way to justify your confidence in us.



Foundation Director's review of the year

'...if you're doing an experiment, you should report everything that you think might make it invalid – not only what you think is right about it... Details that could throw doubt on your interpretation must be given, if you know them.'

Richard Feynman, Cargo Cult Science in 'Surely You're Joking, Mr. Feynman!'



Fiona Ellis

I am writing this in the middle of the gloomiest forecast for world economics that most – perhaps any – of us have lived through. This time last year, Northern Rock plc and Northern Rock Foundation were apparently alone in their misery as our twinned financial situation became

publicly pored over. How different it all looks now. The Foundation at least has reason to be grateful, thanks to the Chancellor of the Exchequer and to Northern Rock's hard working board and staff. The Foundation remains a comparatively large funder, able to make the grants described in this review and to look forward to a long-term future.

The work of independent grant-makers like us is all the more important in times of hardship. Not only does a foundation of our scale assist with immediate needs and problems as our many grants to frontline organisations show, but we have the opportunity, ability and, in my view, responsibility to look further and make strategic investments that address future needs and circumstances. That is why we have joined others to conduct research, for example into the best programmes for perpetrators of domestic violence.

Foundations learn from across-the-board grant-making and from keeping an eagle-eye view on topics and sectors. Our expertise is not as great as that of those delivering services, but our ability to stand back and compare a breadth of organisations leads to our own repository of knowledge. Not to share such knowledge is to miss an opportunity. Yet consolidating the experience of our staff and those in whom we invest is more difficult than it sounds.

We especially want to emphasise to grant-holders the importance of honest analysis and of the value of learning from mistakes and surprising results. That is why I have quoted Richard Feynman, the Nobel Prize winning physicist and champion of honesty in experimentation, at the opening of this piece. We know how nervous grant-holders are about admitting that everything does not go according to plan – we Foundation staff share their apprehension when we have to tell Trustees that something we argued for turned out unexpectedly. But that's what risk and experiment are for. 'If we knew what we were doing, it wouldn't be called research, would it?' – Einstein this time!

We tried this year to set a good example by criticising ourselves – constructively of course. At this year's Association of Charitable Foundations conference we gave a workshop about one of our largest investments. We looked at what we did and what we wish we had done differently;



Surface Area Dance, funded under Culture and Heritage (see p19). © Simon Veit-Wilson

what we assumed and how we would question all assumptions next time; and how we hoped organisations and people would behave in contrast to how they actually did. The audience of fellow grant-makers nodded knowingly throughout. If we just brush our mistakes, assumptions and pious hopes out of our history and pretend that everything is a triumph we will learn nothing. We intend to go on sharing our knowledge in the hope that others will learn with us and that they will give us and our grant-holders the respect transparency deserves.

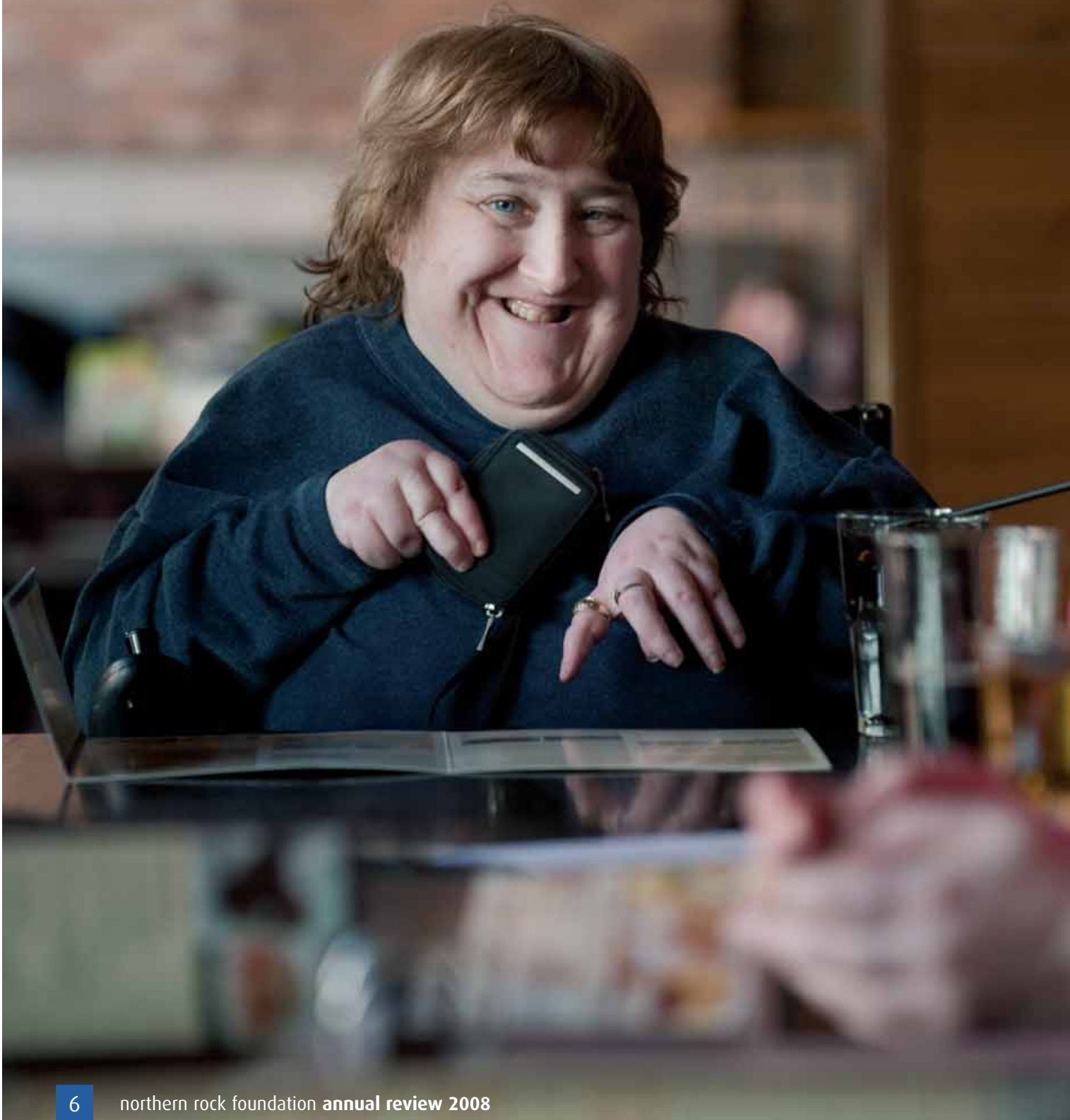
This is the eleventh and last annual review that I shall write for the Foundation, so I hope you will forgive a few brief thanks and reflections. I have loved (almost) every minute of the job and felt privileged to do it. I was new to the North East when I took up the post; I am now a confirmed 'new Northumbrian' and hope to remain here with the fine people of the region, whom I love and respect. Chief among these have been a superb staff team, current and past – all credit for what we have been doing goes to them; most of the errors have been my responsibility. The Trustees have given us leeway to experiment and to be adventurous;

some very good results have come from that freedom. Most of all I have enjoyed working with inspiring and supportive colleagues in the voluntary, community and public sectors. There are too many to mention – I hope they know who they are, even the shy ones. We have all in our different ways sought the same goal – a better life for people in the North East and Cumbria.

Richard Feynman talked often about freedom to experiment and the duty of transparency that it brought. I think his closing words in Cargo Cult Science (his address to the graduating class of Caltech students 1974) could equally apply to the wonderful, eccentric philanthropic trusts whose Directors I count as true thinkers and friends, and also to the excellent team I am leaving behind at the Foundation:

'...I have just one wish for you – the good luck to be somewhere where you are free to maintain the kind of integrity I have described, and where you do not feel forced by a need to maintain your position in the organisation, or financial support, or so on, to lose your integrity. May you have that freedom.'

*'Ladies wot lunch' – an initiative
of West Cumbria People's First.
© Simon Veit-Wilson*



Independence and Choice

Although the projects that we fund in this programme provide different types of support to people with mental health problems, people with learning disabilities, older people and carers, they all enhance the independence of the individuals involved. That might be by assisting someone to go shopping and choose what they want to buy (rather than having shopping done for them by someone else), helping an individual to get their point across in an important meeting, or supporting an older person to access the welfare benefits to which they are entitled.

Some of the projects we fund are small and volunteer-run; others are part of large national charities. All of them put the people who use their services at the heart of what they do and involve them in the running of the organisation. Organisations might encourage people who use services to become trustees, or they might ask for feedback on the type and quality of services on offer and, crucially, make changes to services as a result. Some of the projects we fund are new and innovative; however, we continue to believe in the usefulness of tried and tested work. We funded both new and established services in 2008.

During the year, the programme expanded to incorporate advice and targeted benefit take-up campaigns for older people. This strand of work was previously funded under the Money and Jobs programme which closed in 2007. Trustees decided that older people had the greatest need for welfare benefits advice and that it was important to continue to support projects working in this area. Research has shown that older people living in deprived neighbourhoods live on lower incomes than other age groups. In addition, many older people are struggling to make ends meet with the increasing costs of energy, food, water and Council Tax. One of the projects that the Foundation funded was Darlington Age Concern,

which provides benefits advice from its offices and by visiting older people at home.

As well as the targeted work on benefits, the Foundation continued to fund a range of projects providing more general support to help older people live independently. One of them was Wansbeck Council for Voluntary Service (WCVS), which received a grant to enable it to continue run a weekly shopping trip and provide volunteers to support older people to attend appointments and access leisure facilities. In addition to our grants, under the policy strand the Foundation contributed towards the costs of a research project by IPPR looking into the well-being of older people. Part of the research will be carried out in the North East and IPPR will be holding two events in the region in 2009 to gather views.

In 2008, the Foundation once again made the most grants in this programme to organisations working with people with mental health problems. One project funded was Sunderland Art Studio (SAS), which offers people with mental health problems (members) a safe, friendly environment to express their creativity. Some members have gone on to develop their skills by taking courses at local universities and SAS recently held an exhibition at Sunderland Glass Centre. One measure of the success of



A pampering day with Carers Northumberland.
© Simon Veit-Wilson

the project is that members are choosing to use their Direct Payments from local authorities to access support from SAS, with some travelling from other parts of the region to access SAS's services.

Another grant that the Foundation made was to South Tees Advocacy in Mental Health Project (STAMP). STAMP is a user-led organisation that provides self-advocacy and advocacy support to people with mental health problems. The grant was to continue to employ a full-time advocate to support people with complex needs and people in crisis.

Projects working with carers received the greatest proportion of programme funds. Carers Northumberland received a grant which enabled it to plug a gap in service provision by offering information and advice to carers across the county for the first time. As well as generalist carers' projects, the Foundation also funded a number of specialist services. Grants were made to Gateshead Crossroads to support young carers and to Contact a Family to continue to support the carers of children with disabilities in the North East and to expand its work into Cumbria. Contact a Family provides practical information, advice and support to parent carers and it is working closely with local authorities to develop new consultation mechanisms, which meet the needs of parent carers. There are an increasing number of carers in the UK and fewer cared-for people are now eligible to receive support from local authorities, which means that carers

are providing more support to the person they care for. We were pleased to be able to meet this increasing need by providing more support to carers' projects in 2008.

In 2008, we received our first application and we funded our first project to support people with learning disabilities who do not communicate verbally: West Cumbria People First (WCPF). WCPF will continue to develop techniques for working with people who do not communicate verbally and it will share its learning by providing training for statutory and voluntary organisations. We think that the needs of people with learning disabilities who do not communicate verbally can often be forgotten, so we hope that this project will increase the visibility of this group of people and will encourage more and better support services for them from statutory and voluntary organisations.

In our 2007 review, I wrote that 2008 promised to be another year of change for organisations working with vulnerable people. I think 2009 promises yet more change. 2008 saw the publication of the Government's Carers strategy, which promised more funding to support carers. In 2009, the Government will publish its dementia strategy, which we hope will provide more support to people with dementia and their carers. The Government will also produce a green paper on the future of care and support. We think that the green paper could have a major impact on the type of services that are available and the way that those services are funded in the future. It will be really important that people who use services and their carers are supported to engage in this debate and that their views are taken on board.

Louise Telford





Building Positive Lives

People are complicated and some are more complicated than others. Providing help to the most vulnerable requires more than a quick fix, a pill or a bandage. You can sweat the alcohol out of an alcoholic in a couple of weeks – stopping them drinking again is a much more complex process. You can't just provide a home to a homeless teenager and expect them to be a model tenant if they haven't got the skills to live on their own, and you can't expect someone without any self-confidence or self-worth to hold down a job.

The thinking behind the Building Positive Lives programme came from the hours spent by one of our former colleagues, Pauline Johnson, looking at a growing body of evidence from previous grants the Foundation had made to provide help to the most vulnerable people living in North East England and Cumbria. It was clear that any solution the Foundation funded should place the vulnerable person at the centre and help them to build a positive view of themselves, to build lasting, loving relationships and to find a safe place to live. Without these fundamental building blocks in place, vulnerable people are unlikely to move forward or, if they do, they will lack the resilience to resist future challenges when they come along.

The programme targets four groups: disadvantaged young people; homeless people; people facing prejudice and discrimination; and people who misuse substances. They were chosen because they represent some of the most disadvantaged groups in the North East and Cumbria.

In 2008, the greatest numbers of grants were made to support work with young people. The Foundation supported detached youth work, mentoring projects, projects using the arts to engage and challenge young people and

personal development programmes. One of the organisations that received support was the Northern Learning Trust (NLT). NLT runs a mentoring scheme for young offenders in South Tyneside. It recruits and trains adult volunteers to mentor young offenders over a period of six months. Currently, the Sandwriter Project, as the mentoring scheme is known, has 38 volunteer mentors from South Tyneside, Gateshead and Newcastle, many of whom are trained in basic skills learning support for their young mentees. In the year to July 2008, it received 140 referrals and 92 young people have successfully completed the programme.

Mentor and mentee complete a self-assessment survey at the start of their relationship and set targets specific to the needs and wishes of the young person. Sometimes that includes mentors helping young people to keep to the conditions of their court orders. The mentoring relationship lasts just six months as this has proved to be effective in meeting agreed targets and discourages the young person from developing a dependent relationship on their mentor. Mentor and mentee complete a further self-assessment survey at the end of the mentoring period to see what the mentee has achieved. Since July 2008, 78% of the young people taking part in the programme have not reoffended.



Project John helps homeless young people find a home. © Simon Veit-Wilson

The Sandwriter Project illustrates the thinking that lies behind the programme. The help given to the young person through their relationship with their mentor is tailored to their individual needs. The young people are at the very centre of the project. In addition, the Sandwriter Project has developed an evaluation process that can show this happening and that demonstrates the benefits such an approach can bring.

The needs of vulnerable young people run throughout the programme. The majority of awards to tackle the problem of homelessness were made to organisations working with homeless young people. Young people become or remain homeless for a number of reasons including family breakdown, a parent's new partner, a lack of space, insufficient money and a lack of independent living skills. Once homeless, these young people are at severe

risk of getting involved in criminal activity or being exploited.

Project John (PJ) was set up in 1992 by Community Action Furness to tackle the growing numbers of homeless young people in Barrow-in-Furness in Cumbria. It owns nine one-bedroom flats and 10 two-bedroom houses and provides supported accommodation for young people aged 16 and over. The project's work is with some of the most disadvantaged young people in the country. Around half of those it supports are very young mothers – often with more than one child. Many will have left local authority care or be involved with social services or the criminal justice system. The organisation provides practical support to help them to cope with the difficult situation they find themselves in and runs a personal development programme. The

staff are caring, committed and knowledgeable and act as positive role models. Given the very chaotic lives these young people lead, the project provides a structure through which they can be helped to try to address the many and varied problems that affect them.

One of the most disadvantaged and vulnerable groups in the region is refugees and asylum seekers fleeing violence and torture. Arriving in the UK, victims must contend with unfamiliar surroundings while struggling with their past experiences. Treating a torture victim therefore requires a holistic approach that responds to their physical, emotional and practical needs.

In 2004, the Medical Foundation (MF) for the Care of Victims of Torture established a regional office in Newcastle to improve the support available to the victims of torture in the North East. MF estimates that approximately 20% of refugees and asylum seekers in the UK have been the victims of organised violence and torture. There are at least 7,000 asylum seekers in the North East; conservative estimates would suggest that at least 1,400 will have been tortured.

In its first year of operation, MF ran an outreach service while it identified a suitable base to accommodate its therapeutic work. These sessions continue in Stockton, Sunderland and South Shields. At the end of July 2007, MF moved into new premises in the centre of Newcastle. There are an increasing number of people living in the North East who are the survivors of torture and MF's referral rate is double what it was last year. These are an extremely vulnerable group of people who need highly specialised support and a safe place to deal with extreme trauma. The Foundation has supported MF since 2005.

Receiving support from the Medical Foundation for the Care of Victims of Torture. © Simon Veit-Wilson

The Foundation is interested in the consequences of the work it funds. We expect applicants to be clear about the changes they are trying to make and how they think they can bring them about. We also expect them to be able to measure and document their results. For some voluntary organisations, providing this evidence has proved very challenging. The grants programme is still young. However, the evidence that is beginning to build from reports and monitoring visits continues to underline the value of the basic principles that underpin the Building Positive Lives programme: people are people not problems; we all need food and shelter and friendship and a sense of self-worth. Without those building blocks in place, no one will thrive.

Richard Walton



*Dilys Davy of the Women's Support Network at Middlesbrough Crown Court, with Crown Prosecution Service Barrister Jolyon Perks.
© Simon Veit-Wilson*



Safety and Justice

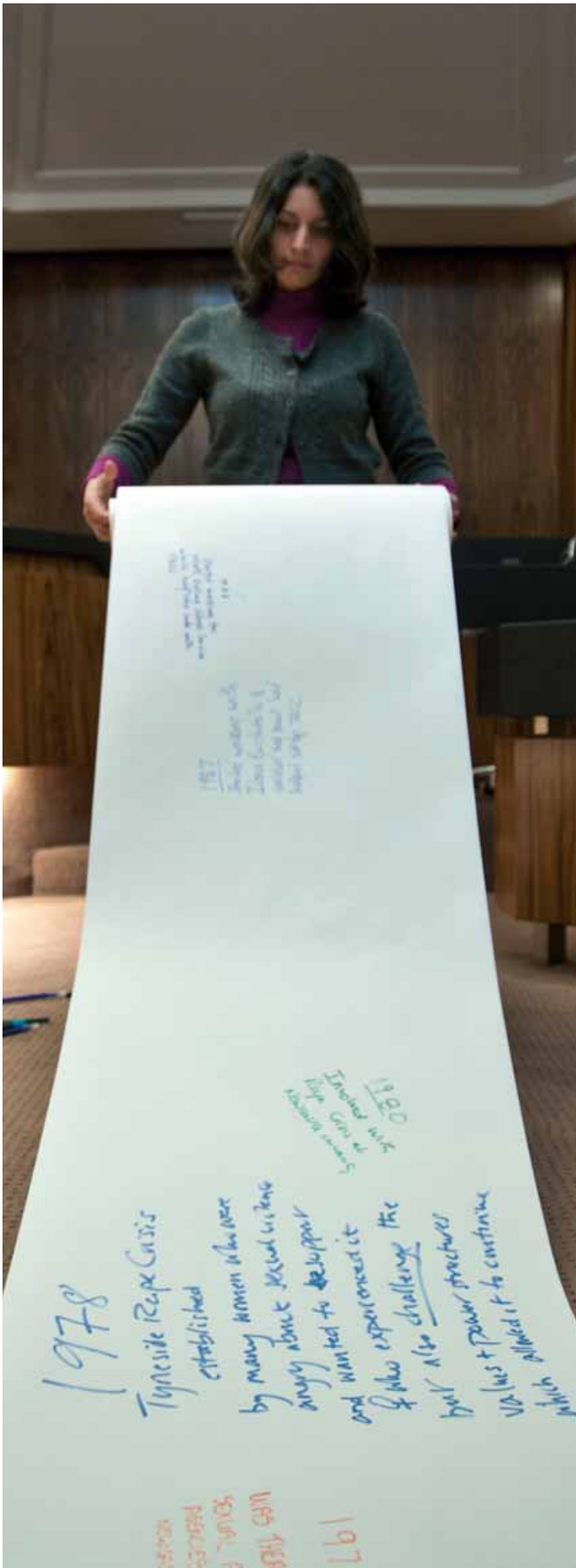
The Safety and Justice programme grew out of the Foundation's long-standing interest in domestic abuse and focuses on the related issues of sexual violence, sexual exploitation, child abuse, hate crime and domestic abuse. These crimes share many characteristics – high levels of repeat victimisation, low levels of reporting and poor conviction rates. They also have an enormous impact on victims, many of whom are already particularly vulnerable, and who struggle to access appropriate support.

Across these crimes, victims often experience multiple forms of abuse. Children who grow up in violent homes are more likely to be abused themselves; women involved in prostitution are more likely to be victims of sexual violence. In the programme's second year, our aim was to increase and sustain services for victims/survivors whilst continuing to improve our own and others' understanding of the impact of these crimes and how best to prevent them.

In the North East and Cumbria there are a number of services which provide support to help victims of sexual violence to recover from their experiences, most of which the Foundation funds. But there are still major gaps in provision. In 2008, we were pleased to make a grant to Sunderland Counselling Service, enabling it to establish a specialist women's service to provide support to victims of sexual violence. Rape Crisis Centres have been at the forefront of this work over the last 30 years, but many have struggled to survive due to lack of funding. Securing stable income from the statutory sector has proved a particular challenge, so we have asked Durham University to work with the Rape Crisis groups in our area to develop user-friendly evaluation tools which they can use to demonstrate the impact of their work and thus improve their chances of obtaining statutory funding.

Many victims of rape and sexual violence do not report what has happened to them. For those who do, the experience of the criminal justice system can leave them feeling as if they have been victimised all over again. Women's Support Network (WSN) in Middlesbrough is one of the first organisations in the country to employ Independent Sexual Violence Advisors to provide intensive support and advocacy to victims. Early indications are that this type of support enables victims to work with the criminal justice agencies, increasing the successful prosecution of perpetrators. The Foundation supported WSN's core costs in 2008, increasing its capacity both to deliver direct support to victims and to work strategically with other agencies on Teesside.

We continued to support a number of different organisations working to tackle domestic abuse. We were particularly pleased to fund an outreach worker at Panah, the refuge for black and minority ethnic women, which has recently entered into a partnership with Stonham Housing, giving it opportunities to further develop its services to meet the particular needs of these communities. Whilst the majority of grants made to address domestic abuse were given to specialist organisations in this field, we were also pleased to support some excellent proposals



from organisations such as Relate Northumbria and Impact Family Services. The main focus of these organisations is not domestic abuse, but both recognised that it is a major problem for a high proportion of their users and have developed robust new approaches to ensure the services they offer are safe and effective.

There is still much about domestic abuse that is still not fully understood. In January 2008, Professor Marianne Hester gave early findings from work funded by the Foundation on the gender of domestic abuse perpetrators at a national conference, *Does Gender Matter?*, held in Gateshead. We also funded DISC and East Durham Domestic Violence Forum to undertake research and development work looking at the relationship between domestic abuse and substance misuse in County Durham.

Sexual exploitation initiatives which we funded in 2007, such as Tyneside Cyrenians' GAP project, continue to make an enormous contribution to a wider debate about how to engage with vulnerable people caught up in the region's sex markets. The study undertaken by Barefoot Research into the scope and nature of sex markets in Northumbria continues to inform developing policy and practice. A fuller version of this report will be published in 2009, along with a guide for other agencies wishing to undertake a similar study in their area. Meanwhile, we have been working with voluntary and statutory agencies with an interest in this issue and we plan to hold a conference in autumn 2009 to share lessons from research and practice in our region.

Foundation-funded projects, such as SECOS in Middlesbrough and SCARPA in Newcastle, have led the way in developing work with children

Tyneside Rape Crisis Centre timeline.
© Simon Veit-Wilson

and young people at risk of sexual exploitation. These projects work closely with statutory and voluntary sector partners, sharing both their expertise and the intelligence that they gather to keep children and young people safe and to disrupt perpetrators' activities. We also funded Barnardo's to look into the internal trafficking of children and young people from the North East and Cumbria for the purposes of sexual exploitation. We tend to think of trafficking as relating to people being brought in to the country from abroad but there is emerging evidence of UK adults and children being moved around the UK against their will and this study will add to that body of knowledge. A large proportion of child sexual abuse is perpetrated by other children. Studies of adults who were sexually abused as children show that in 30-40% of cases their abuser was aged 10-19, and 50% of adult sex offenders began sexual offending in their adolescence. Although there are pockets of interesting work in this field, there is an almost complete absence of any strategic approach, at either a regional or national level. The Derwent Initiative will

work with local agencies active in this field, encouraging the sharing of best practice and developing a strategic approach.

2008 saw the launch of Show Racism the Red Card's new DVD and education pack to tackle Islamophobia; these resources will be used with schools and youth groups across the region and will help address the prejudice which can lead to hate crime. The Foundation also funded Better Days, an organisation led by people with learning disabilities. Fear of hate crime can inhibit many people with learning disabilities from going out and about. The Better Days team delivers sessions to learning disabled groups on how to stay safe and how to report hate crime if they experience it.

Our priorities in 2009 will remain the same, with an emphasis on sharing the good practice which local agencies are developing and encouraging new work to meet gaps in provision.

Cullagh Warnock



A Better Days session on the criminal justice system. © Simon Veit-Wilson

SAMA festival in Gateshead.
© Peter Atkinson



Culture and Heritage

The 1948 UN Declaration of Human Rights states that *Everyone has the right freely to participate in the cultural life of the community and to enjoy the arts.* The latest Arts Council England research shows that this ideal is far from reality as yet, but over the last few years, our region has experienced some exciting, high-quality cultural events, catering for a very wide range of interests and enthusiasms. The Foundation has enjoyed working with other significant funders and talented cultural professionals, to foster a lively and diverse programme of events and professional support, appealing to wide audiences.

The Trustees reintroduced the Culture and Heritage programme in May 2008. They wanted people in North East England and Cumbria to have the opportunity to experience the best work in our region and were particularly keen to support those organisations that have good audience development and outreach programmes. SoundWave, based in Workington in Cumbria, is one of these. The organisation has been running two major music programmes for some years, involving children and young people. "Sing Up Cumbria" and the Youth Music Action Zone projects have involved 4,000 young people in music-making. Last year SoundWave approached us with an idea to develop the Workington Soundfield. This is the only such space in the United Kingdom, and the organisation is keen to experiment with the kind of opportunities that it offers musicians to develop 3D sound in public spaces. We will be interested to hear about the events that take place.

Street theatre and outdoor events are one of the easiest and most enjoyable ways to experience the arts. Through our continuing support of Culture 10, the Trustees have supported a series of free performances. The Newcastle Winter Festival featured the popular Enchanted Parks, where Saltwell Park

in Gateshead became animated with magical lights and trees wrapped up in their jumpers! Yoko Ono was one of the contributors to the walk through a very cold but delightful – and enchanting – landscape. During the summer, Bambucco constructed a bamboo bridge that joined the two sides of the Tyne together and the SAMA festival gave audiences a glimpse of the talents of artists, writers and dancers from South East Asia. Evolution has become a regular date in the annual music calendar. The festival attracts a growing audience of all ages, and was awarded the gold standard by the North East Tourism Board. The Trustees were also delighted that the "Juice" festival, a series of events specifically for children and young people, had been so well received. The festival will be developed further in 2009.

The National Glass Centre presents some of the best work in glass by contemporary artists and designers. These have included Lynette Wallworth and an exhibition of Snowdomes. Plans for the future include the work of stained glass artist Harry Clarke and an interesting collaboration with the Institute of Ageing and Health. The project will culminate in an ambitious international touring exhibition called "The Glass Delusion", which will offer visitors an exploration of the human brain.



Enchanted Parks: Yoko Ono – Wish Trees.
© Peter Atkinson

Alongside this work, the Centre will continue offering a lively programme of workshops and demonstrations to children and young people, which will demonstrate the skill of the artists and the beauty and versatility of glass.

All these cultural events depend on work of a very high quality. Whilst it used to be true that many talented professionals would migrate to London and the South East, our region is increasingly becoming a lively place for them to flourish. Part of the reason for this is the increase in professional development opportunities, to which the Foundation is an important contributor. In 2008, Trustees commissioned Mark Butcher to run a course for emerging cultural managers – “Waving, not Drowning”. Amongst those attending were young managers from Signal Films, embarking on a major capital project in Barrow in Furness,

and Evolution’s manager, Jim Maudsley. Cumbria Cultural Skills Partnership offers a mixture of skills for cultural professionals, including networking and skills development seminars. The chance to exchange experiences and ideas can lead to exciting new creative possibilities. The Foundation recognises that cultural organisations are under great financial pressures and we were pleased to award Mission, Models, Money a grant to help creative professionals try out new and more resilient ways of sustaining organisations.

The Foundation maintains an interest in supporting projects which remind us of the heritage of the region. In Cumbria, we awarded a grant to the North of England Civic Trust to employ a development officer to support voluntary heritage groups. The county has a wealth of fascinating buildings in need of care and attention. The new worker will advise and help volunteers to restore them appropriately. The Trustees also awarded a grant to Sunderland Museums and Winter Gardens towards an exhibition illustrating the legacy of George Hudson and the Victorian industrialists.

There are still too many people who don’t take part in an arts or cultural event, and too many people who think the arts are not for them. Gradually, this is changing and the Foundation is delighted that there is such a wide range of interests catered for in the North East and Cumbria. We have much to be proud of – now we need to concentrate on making sure that everyone can take advantage of the opportunities to see the quality of work they deserve.

Penny Vowles

*Dave Camlin of Soundwave,
with the Soundfield.
© Simon Veit-Wilson*



Policy and research

In 2008, the Trustees determined to continue policy and research work relevant to the Foundation's priorities and area of benefit, despite their reduced budget. During the year, we focused much of our attention on making sure the projects to which we'd already committed got done, but we also opened up some new areas of enquiry and strengthened our relationships with colleagues with similar interests elsewhere in the UK.

Our biggest commitment continues to be the Third Sector Trends Study, which Trustees commissioned at the end of 2007. The study will provide, for the first time, robust and nuanced information about the scale, characteristics and key dynamics of the sector in the North East and Cumbria. Our team, led by Professors John Mohan, Tony Chapman and Fred Robinson, and including colleagues at Guidestar UK and NCVO, spent most of 2008 on the hard task of gathering in meticulous detail the data we'll need. We expect to begin sharing findings in the first half of 2009.

We were especially pleased in 2008 to form a partnership with the Yorkshire and Humber Regional Forum that means the quantitative elements of the study will be extended to cover our neighbours there. Everyone is looking forward to the richness of data that will result from having two northern regions, plus Cumbria, included in the study's scope. Meanwhile, Cathy Pharoah, the study's chair and chief advisor, continues to help us ensure the research adds value to national developments. And we now have a dedicated website:

www.nr-foundation.org.uk/thirdsectortrends

Just as ambitious was the Trustees' investment in a national evaluation of the impact of programmes designed to change the behaviour

of those who perpetrate domestic violence. Our partners in this are Lankelly Chase Foundation and Respect, the national charity focusing on increasing the safety of domestic violence victims through work with perpetrators. No statistically significant evaluation of the relative effectiveness of perpetrator programmes has previously been done in the UK. We are hoping evidence will guide future practice and funding. It is extremely rare for the Foundation to invest in national initiatives, but where we share strong interests with others, as in this case, joint working is a useful tool for us. We can also ensure the benefits are brought back to policy-makers and practitioners in our region.

Another national project supported in 2008 was IPPR's programme on the well-being of older people. One of the biggest issues facing the country is our ageing population, and the North East's is set to age at a faster rate than that of other parts of the UK. Beyond the pensions debate, little thinking or planning has been done on how an increasing number of older people can not only have their physical needs met, but also be enabled to live independent and fulfilling lives. IPPR's work will stimulate debate amongst policy-makers, politicians, government bodies and voluntary organisations, and it aims to make the voices of older people heard throughout. The research,



Professor Robert Putnam of Harvard University, keynote speaker at the *Healthy, Wealthy and Wise* conference on social capital. © Allan Glenwright

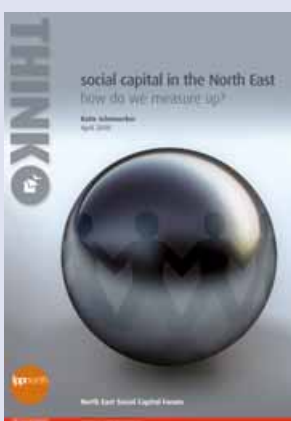
which will include evidence from the North East, should provide a robust case for more investment in and support for older people.

2008 was also about sharing findings from earlier projects. We launched the third in our *Think* series, which focused on social capital in the North East, at a conference partly funded by the Foundation and organised by colleagues at the Community Foundation serving Tyne and Wear and Northumberland. The keynote speaker was Professor Robert Putnam, whose work on social capital is internationally renowned, and whose contributions captivated

the diverse audience gathered for the event. We also produced the first in a new series, *Insight*, which will describe learning from grants we have made. *Insight 1* details the results of work on tackling reoffending carried out by Nacro, DePaul Trust and ROTA (reducing offending through advice), a partnership of Citizens Advice, HM Prison Service and the Legal Services Commission.

The year ahead will be a busy one. We will be publishing evidence from Third Sector Trends, publishing more *Think* and *Insight* reports, and running a conference on tackling sexual exploitation. We are also hoping for interesting new projects and ideas for policy roles the Foundation can play in the North East and Cumbria, and in bringing lessons from what works here to national and international audiences.

Rob Williamson



VCS Training and Development

In recent years, the voluntary and community sector's own analysis of its needs and the investment of government funds through schemes like Capacitybuilders have led to a burgeoning of training and consultancy providers and opportunities to burnish old skills and learn new ones. But not all that has been offered is tailor-made or of consistent quality. Taking advantage of our small population and familiarity with VCS organisations, the Foundation has, for most of its years, tried to provide customised and excellent training and development opportunities for organisations in our region.

Initially, we brought trainers from London but over the years local providers have developed, some with our help and encouragement. We have been fortunate in finding and nurturing, for example, P3 and Mark Butcher Associates. Their highly rated courses have resulted in clearer and more confident discussions with and applications from participants.

We also retain the Learning Team and Circuit Riders to advise or troubleshoot on management, governance and IT issues. Users value these services enormously. These organisations are the biggest items in our support toolbox. But our box has many other ways of helping organisations be more effective. We maintain a register of consultants and advisers who can be brought in to add specialist advice from time to time. And we can sometimes assist grant-holders who need to attend conferences or events that will

deepen their ability to work for beneficiaries of their services.

While we have been delighted with the providers of our training services – and this includes Project North East which did some excellent work for us in 2007 – the Trustees are constantly striving to ensure that we make the best and most appropriate provision. Therefore, they have asked Carol Meredith to evaluate the training we have commissioned. They have also invited potential future providers nationwide to tender for the work of giving excellent guidance to North East and Cumbrian bodies. At the time of writing, both processes are underway. We hope, as a consequence, to continue to provide some excellent courses for a range of VCS organisations in 2009.

Fiona Ellis

Staff matched giving

The staff matched giving scheme continued in 2008 with the Foundation's Trustees matching £1 for every £1 donated by Northern Rock plc employees. Including GAYE, employees raised a total of £166,694, meaning the charities of their choice received £0.3 million.

Throughout 2008, staff have continued to be active fundraisers, setting challenges for themselves from walking Hadrian's Wall, completing the Pennine Challenge or the Coast to Coast bike ride, running the London Marathon or the Great North Run, to being beaten in a boxing ring or finishing a sponsored bounce! This year, match donations have been awarded to national charities including the Leukaemia Research Fund, BBC Children in Need and Amnesty International, but a large amount remained in the region, going to the local children's heart unit, sports clubs, schools and churches.

Marie Curie Cancer Care was Northern Rock plc's corporate charity in 2008 and much hard work and enthusiasm went into organising and taking part in events to raise money which amounted to over £53,000 for the year. The bank has announced that Marie Curie will continue to be the corporate charity for 2009.

At the end of 2008, the total amount raised and matched since the scheme was introduced is £4.7 million, a terrific amount reflecting the generosity and commitment of Northern Rock staff to the causes they support. Long may it continue.

Rachel Kyle

Northern Rock staff have a 'Blooming Great Tea Party' for Marie Curie Cancer Care. © Allan Glenwright

Top ten supported charities 2008

Organisation	Total awarded £
Marie Curie Cancer Care	53,251
Cancer Research UK	8,057
Macmillan Cancer Relief	5,015
Children's Heart Unit Fund	5,002
Charities Trust	3,290
Cystic Fibrosis Trust	3,184
North Shields Juniors AFC	2,550
The Children's Foundation	2,399
St Oswald's Hospice	1,961
Sara's Hope Foundation	1,948



2008 approved grants, commissions and loans

ORGANISATION	DESCRIPTION	YEARS	GRANT
Independence and Choice			
Contact a Family Incorporated	Towards the salaries of two posts to support parent carers of children with disabilities in the North East and Cumbria.	3	£233,252
West Cumbria People First Ltd	To support people with learning disabilities in Allerdale, Copeland and Carlisle Districts who do not communicate verbally to express themselves.	3	£132,051
North Tyneside Carers Centre	To employ one full-time carer support worker and one part-time information worker.	3	£123,071
Age Concern Newcastle	Towards the core costs of the information and advice service.	3	£120,000
Aapna Carers Group	To employ a full-time advocacy caseworker for people with mental health problems, people with learning disabilities, older people and carers in Middlesbrough.	3	£107,173
Age Concern Darlington	To employ an information and advice worker.	3	£104,284
Bell View (Belford) Ltd	To continue to employ a service development manager for the organisation, which supports older people in and around Belford, in north Northumberland.	3	£103,960
Washington Mind	For a full-time development worker and towards the core costs of the organisation, which supports people with mental health problems in Washington, Tyne and Wear.	3	£102,085
Gateshead People	Towards the core costs of this self-advocacy organisation run by and for people with learning disabilities.	3	£100,710
Alzheimer's Society – Furness Branch	Towards the core costs of the organisation, which supports people with dementia and their carers in Barrow-in-Furness, Cumbria.	3	£91,027
Equal Arts	To provide core funding for an organisation which engages older people across the North East through high-quality arts projects.	3	£90,000
Newcastle and Gateshead Arts Studio Ltd	Towards the core costs of the organisation, which runs an arts studio for people with mental health problems.	3	£90,000
South Area Parent Support (SAPS)	Towards the project manager's salary for this community-based project working with families and carers in south Sunderland who are affected by substance use.	3	£90,000
South Tees Advocacy in Mental Health Project	For staff and towards the running costs of the organisation, which provides self, case and citizen advocacy support to people with mental health problems on Teesside and in County Durham.	3	£83,843
Derwentside MIND	Towards core costs, staff and volunteer training costs for the organisation, which supports people with mental health problems in Derwentside, County Durham.	3	£79,109

ORGANISATION	DESCRIPTION	YEARS	GRANT
Age Concern Northwest Cumbria	Towards the cost of employing a full-time advice worker to provide benefits and financial advice to older people in Allerdale and Copeland Districts.	3	£75,543
Carers Northumberland	For an information officer's post and towards the core costs of the organisation.	3	£75,000
Age Concern Northumberland	Towards the running and development costs of an existing befriending service for older people.	3	£64,580
Headway Theatre	To employ a development worker for Seven Stars Theatre group for people with learning disabilities, based in Blyth, Northumberland.	3	£62,540
South Lakeland Alzheimer's Society	To employ a part-time worker to support people with dementia and their carers in South Lakeland, Cumbria, and towards the core costs of the organisation.	3	£62,273
Tees Valley Asian Welfare Forum Limited	Towards supporting Asian older people.	3	£60,000
The Art Studio	Towards the core costs of the organisation, which runs an arts studio for people with mental health problems in Sunderland.	3	£60,000
Workbase	Towards the core costs of the organisation, which supports people with mental health problems in South Lakeland, Cumbria, who run a print shop and a craft workshop.	3	£60,000
Gateway Wheelers	Towards the core costs of this organisation which provides cycling opportunities to adults with learning disabilities across the North East.	3	£59,097
Redcar and Cleveland Mind	Towards the director's salary and the core costs of the organisation, which supports people with mental health problems.	3	£57,873
Haswell & District Mencap	To support the inclusion of learning disabled people in a project aimed at developing social capital in Haswell, County Durham.	3	£55,390
The Botanic Centre Middlesbrough Limited	To enable an environmental charity to provide a programme of personalised support, basic skills training and work experience for volunteers with mental health problems and learning disabilities.	3	£55,000
Durham Area Disability Leisure Group	To fund the post of project co-ordinator for children and young people with learning disabilities.	3	£48,267
Daisy Chain Project (Teesside)	Towards the salary and support costs for a care manager at the project in Stockton-on-Tees.	2	£45,000
Wansbeck Centre for Voluntary Service	Towards the costs of an enabling project to improve the quality of life of older people in Wansbeck, Northumberland.	3	£45,000
Teesdale Disability Access Forum	To re-start a creative group for isolated older people and people with learning disabilities in Teesdale, County Durham.	3	£42,900

ORGANISATION	DESCRIPTION	YEARS	GRANT
Gateshead Crossroads	For a part-time worker to provide social and recreational opportunities for young carers.	2	£38,775
Newton Aycliffe Mind	Towards the core costs of this organisation which supports people living in Sedgefield, County Durham, who experience mental health problems.	3	£38,461
Waddington Street Centre Ltd	To continue to fund the post of development worker, based at the centre for people with mental health problems in Durham.	1	£29,000
Sunderland Mind	Towards the cost of employing a full-time administrator for the organisation, which supports people with mental health problems.	2	£25,000
Postnatal Wellbeing (Cumbria)	Towards the core costs of the organisation which supports women with postnatal illness and their families in Barrow and South Lakeland.	1	£19,071
Learning Library	Towards the costs of an outreach worker for the Learning Library in Wheatley Hill, Easington, County Durham, which loans toys and specialist equipment to adults and children with learning disabilities.	3	£17,511
The Speaking Up Groups in County Durham	Towards the running costs of a self-advocacy charity run by and for people with learning disabilities.	1	£10,000
Haig Colliery Mining Museum	To develop a reminiscence project for older people in Cumbria about mining and its associated heritage and culture.	1	£8,000
Independence and Choice total 39 grants			£2,764,846

Safety and Justice

GRANTS

Women's Support Network	Towards the manager's salary and related costs of this project in Middlesbrough supporting victims of sexual violence.	3	£147,777
Home Group Ltd (Stonham)	To provide an outreach service to black and minority ethnic women and children on Tyneside affected by domestic violence.	3	£134,632
South Cumbria Rape and Abuse Service	Towards staff and running costs for this service offering support to victims of sexual violence.	3	£132,667
Tyneside Rape Crisis Centre	For the salary and related costs of a development worker for this sexual violence project.	3	£126,224
My Sister's Place	To provide a support service for victims of domestic violence in Middlesbrough.	3	£126,095
SixtyEightyThirty	Towards the core costs of this organisation providing advice and support to women and children affected by domestic abuse in Tynedale, Northumberland.	3	£122,549

ORGANISATION	DESCRIPTION	YEARS	GRANT
Sunderland Counselling Services	To provide counselling for women who have experienced rape or childhood sexual abuse.	3	£115,500
Impact Family Services	To support mothers who are victims of domestic violence and whose children attend a child contact centre in Sunderland or South Tyneside.	3	£109,069
West Cumbria Rape Crisis Ltd	Towards the core costs of this organisation which supports victims of sexual violence in the north and west of Cumbria.	3	£108,031
West Cumbria Domestic Violence Support	Towards the core costs of this organisation which supports victims of domestic abuse.	3	£94,566
Eva Women's Aid Ltd	Towards the staff costs of the advocacy and outreach service, based within this domestic abuse agency in Redcar.	3	£90,000
DISC	Towards a project to explore the links between substance misuse and domestic violence and improve multi-agency responses across County Durham.	2	£83,023
Barnardo's SECOS Project	To undertake research and identify young victims of internal and external trafficking in the North East and Cumbria.	1	£80,020
Show Racism The Red Card	To create and deliver a film and teachers' pack on Islamophobia for use with young people aged 10+ across the North East.	3	£61,000
Women's Aid Federation	To pilot and evaluate the Women's Aid training programme for professionals working in domestic and sexual violence in the North East.	1	£45,665
Durham University	To develop tools to measure the impact of rape crisis interventions in the North East and Cumbria on the health of victims.	2	£45,189
Open Clasp Theatre Company	Towards the Herstory Told project which will use drama to look at the impact of sexual exploitation and losing or giving up children on young women in the North East.	1	£40,000
The Derwent Initiative Ltd	Towards developing a strategic approach to the prevention and management of sexual offending by young people in the North East.	1	£40,000
Society for the Promotion and Advancement of Romany Culture	Towards the running costs of the organisation's work in tackling hate crime targeted against Gypsies and Travellers in the Tees Valley area.	3	£20,000
Relate Northumberland and Tyneside	To provide free counselling to those experiencing domestic violence but who are unable to afford to pay for the service.	3	£18,000
Better Days	To deliver training sessions in Tyne and Wear and encourage learning disabled people to keep safe and report hate crimes.	2	£17,390
CAADA	To subsidise domestic abuse advocacy training for staff from North East and Cumbria voluntary organisations.	1	£15,250
Redcar & Cleveland Domestic Violence Reduction Partnership	To develop a Tees-wide service user group for survivors of domestic abuse.	3	£13,178

ORGANISATION	DESCRIPTION	YEARS	GRANT
Survivors of Domestic Abuse	To enable this survivor-led group to support victims of domestic abuse in Redcar.	1	£5,000
Total grants	26 grants		£1,790,825
COMMISSIONS			
Barefoot Research and Evaluation	For a second phase of research building evidence about and understanding of sexual exploitation in the Northumbria Police area.	1	£10,736
University of Bristol	To extend the analysis of Northumbria police domestic violence data to learn more about the gender of domestic abuse perpetrators.	1	£10,000
Total commissions	2 commissions		£20,736
Safety and Justice total	28 grants and commissions		£1,811,561

Building Positive Lives

Keyfund Federation Limited	To fund a development programme for young people in the North East and Cumbria.	3	£210,000
Depaul Trust	To support young offenders in the North East who will be homeless upon release to find and keep a home.	3	£205,500
Norcare Ltd	Towards supporting vulnerable and excluded individuals in the North East with their emotional and physical well-being.	2	£160,000
Fairbridge in Tyne and Wear	To provide personal development programmes to disadvantaged young people aged between 18 and 25.	3	£142,313
Mobex North East	To run development programmes for disadvantaged young people in and around Tyneside using outdoor activities.	3	£132,096
Benwell Young People's Development Group	Towards the running costs of a detached youth work project in the west end of Newcastle.	3	£120,000
Medical Foundation for the Care of Victims of Torture	To contribute towards the centre manager's salary in Newcastle.	3	£120,000
Northern Learning Trust	Towards the continuation of a mentoring project for disadvantaged young people in Tyne and Wear.	3	£117,910
South Tyneside Churches' Key Project	To work with young people, preventing them becoming homeless.	3	£113,696
The People's Kitchen	Towards volunteer training and recruitment, core costs, and towards work with the Cyrenians to support homeless people in crisis in Newcastle.	3	£105,000
Project John Ltd	To employ a full-time trainer to provide practical support to the residents of a young people's housing project in Barrow-in-Furness, Cumbria.	3	£101,027
Northumbria Coalition Against Crime	Towards a mentoring project supporting young people at risk of offending in Northumberland and Tyne and Wear.	3	£99,786

ORGANISATION	DESCRIPTION	YEARS	GRANT
Impact Housing Association Ltd	To employ a co-ordinator to promote the work of Carlisle Homelessness Improvement Partnership.	3	£98,606
Bishop Auckland Community Partnership	Towards a detached youth work project working with hard to reach and homeless young people in Bishop Auckland, County Durham.	2	£95,410
Hexham and Newcastle Diocesan Trust	To continue to employ a project worker to run an asylum seeker and refugee project in four locations in Newcastle and Stockton.	3	£90,000
Phoenix Detached Youth Project	Towards the project manager's salary at a youth project in North Shields.	3	£90,000
Apna Ghar Minority Ethnic Women's Centre	For the co-ordinator's salary and running costs for this minority ethnic women's centre in South Tyneside.	3	£89,369
Parents in Need of Support	Towards the project manager's salary and a contribution towards the core costs of this organisation tackling substance misuse in Hartlepool.	3	£87,000
African Community Advice North East	To employ a full-time support worker who will assist the Development Manager with the one-to-one support of service users for this Newcastle-based regional organisation.	3	£86,260
Groundwork East Durham	Towards a mentoring programme for disadvantaged young people living in Sunderland, East Durham and Hartlepool.	3	£74,092
Finchale Training College	To continue a resettlement programme for ex-offenders in the North East with mental health problems.	3	£71,442
Care In Durham	Towards the salary of a part-time youth worker, administrator and running costs of a project supporting young people in care.	2	£66,276
Methodist Church Cumbria District	To employ a volunteer co-ordinator to recruit, train and manage volunteers to provide help two projects trying to reduce rates of reoffending among young people.	3	£65,000
Trinity Youth Association	To support work with lesbian, gay and bisexual young people in south-east Northumberland.	2	£64,592
Links Housing Advice and Support for Young People	Towards a project providing support for homeless young people in Hexham, Northumberland.	3	£60,000
Manor Residents' Association	To provide one-to-one intensive support, advice and mentoring to young people in Hartlepool.	2	£56,863
Laurel Avenue Community Association	Towards the salary of a full-time youth and community worker for this organisation working with young people on the outskirts of Durham City.	3	£50,500
Blue Sky Trust	To improve the self-confidence and well-being of women with HIV in North East England by providing a weekly drop-in with planned activities.	3	£45,000
Teesside Homeless Action Group	Towards a bond guarantee scheme and to employ part-time worker to work with private landlords a in the Tees Valley.	3	£44,559

ORGANISATION	DESCRIPTION	YEARS	GRANT
The Irene Taylor Trust 'Music in Prisons'	For a series of creative music projects to provide positive opportunities for young offenders in the North East.	3	£39,000
DiGS (Cumbria) Ltd	Towards the salary and training costs of a manager for this accommodation deposit guarantee scheme.	3	£36,000
Media 19	To work with young parents in the North East through a digital self-portrait project.	1	£34,847
Helix Arts	To fund a programme of quality arts activities for young offenders in Newcastle and Sunderland.	1	£19,962
Women 4 Women	To develop befriending support for isolated lesbians and bisexual women across the North East.	3	£9,000
Building Positive Lives total	34 grants		£3,001,106

Culture and Heritage

GRANTS

Kendal Brewery Arts Centre	Towards the costs of employing staff to develop the Women's Arts International festival in Kendal, Cumbria.	3	£200,000
National Glass Centre	Towards a programme of exhibitions, attracting a wide audience, at the National Glass Centre in Sunderland.	2	£150,000
The Avison Charitable Trust	Towards the core costs of the organisation, delivering the tercentenary celebrations of the composer in the North East.	3	£150,000
The Wordsworth Trust	Towards the costs of a three-year exhibition programme at the Wordsworth Trust, Grasmere, Cumbria.	3	£150,000
MMM/Deft	Towards the collaborative working and intelligent funding strands of the MMM:Deft project for cultural organisations in the North East.	2	£130,000
North of England Civic Trust	To expand, with the support of Cumbria County Council, the Heritage Skills network of events and projects into Cumbria.	2	£129,432
NTC Touring Theatre Company	To continue to offer a professional development opportunities to young performing arts graduates in the region.	2	£120,000
SoundWave	Towards employing a technical producer and programme leader, developing music opportunities in west Cumbria.	3	£120,000
Signal Film & Media Limited	To support core staff costs to develop a creative film and media centre in Barrow-in-Furness, Cumbria, and run a Film Insiders Talent Festival.	2	£113,550
The Lit & Phil and the North of England Institute of Mining and Mechanical Engineers (MI)	Towards the core costs of the North East Institute in Newcastle.	2	£102,000
Kendal Arts International	Towards the core costs of the organisation, developing a programme of Cumbria-wide outdoor events.	3	£100,000

ORGANISATION	DESCRIPTION	YEARS	GRANT
Tees Valley Arts	Towards the Programme Director's fees and a programme of high-quality music events at Worldfest in Middlesbrough.	3	£75,000
Hexham Book Festival	Towards the Director's salary and fees of the speakers at a festival in Northumberland.	3	£64,000
Workplace Gallery	Towards the staff costs of the organisation, based in Gateshead.	2	£63,000
Durham County Council	To develop an enhanced visual arts programme, which will attract wider audiences, at the DLI Museum and Durham Art Gallery.	3	£60,000
Northumberland Strategic Partnership	Towards a series of sound and light installations in Northumberland during the winter.	1	£50,000
Surface Area Dance Theatre CIC	Towards the core costs of this contemporary dance company based in Newcastle.	2	£50,000
Cumbria Cultural Skills Partnership	Towards core costs.	1	£39,310
European Players	To develop and produce a theatre project at the Literary and Philosophical Society, Newcastle to celebrate the 90th anniversary of the end of the First World War.	1	£20,000
The Heron Corn Mill Beetham Trust	Towards the costs of employing the Project Development Manager at Heron Mill, Cumbria.	1	£20,000
Tullie House Museum & Art Gallery	Towards the UK premiere of Keith Tyson's new work at Tullie House Gallery, Carlisle.	1	£20,000
Aune Head Arts	Towards a series of contemporary artworks, featuring artists from the North East and Cumbria, to be exhibited in Northumberland National Park.	1	£19,500
University of Central Lancashire	To work in partnership and compare three innovative new model arts institutions (Grizedale in Cumbria, Manchester Cornerhouse and Artangel Interaction) to identify mechanisms and effects of individual and community engagement.	2	£18,851
Sunderland Museums and Winter Gardens	Towards an exhibition exploring the significance of the Victorian period in the history of Sunderland.	1	£10,000
University of Durham	Towards an exhibition of Jane Alexander's work, part of Durham University's Institute of Advanced Study's 'Being Human' theme.	1	£10,000
Felling Brass Band	Towards professional development for members of the Gateshead-based brass band.	3	£7,300
Total grants	26 grants		£1,991,943
COMMISSIONS			
Mark Butcher Associates	To provide a management development programme for arts and cultural organisations in the North East and Cumbria.	1	£29,258
Total commissions	1 commission		£29,258
Culture and Heritage total	27 grants and commissions		£2,021,201

ORGANISATION	DESCRIPTION	YEARS	GRANT
Policy and Influence			
GRANTS			
Respect	Towards the cost of a national multi-site impact evaluation of programmes for perpetrators of domestic violence.	4	£250,000
IPPR	Towards the cost of a piece of research, including the cost of carrying out case study research work in the North East. The research is called the politics of ageing: older people and emotional well-being.	1	£74,705
BasicNeeds	This concludes an unusual grant made by the Trustees following the Tsunami disaster and offers useful lessons for aid workers.	1	£7,150
Community Foundation	Towards the costs of a conference being organised by the North East Social Capital Forum, with Robert Putnam as a keynote speaker.	1	£5,000
Total grants	4 grants		£336,855
COMMISSIONS			
Third Sector Prospect	To continue acting as chief advisor to the Foundation on its Third Sector Trends Study.	1	£12,338
Total commissions	1 commission		£12,338
Policy and Influence total	5 grants and commissions		£349,193

Training and Development Initiatives

GRANTS			
Community IT Academy	Towards providing IT support to organisations working in the North East.	1	£42,557
Learning and Support	20 grants to help organisations address management or governance issues, or to engage in learning.		£37,107
Total grants	21 grants		£79,664
COMMISSIONS			
p3 Associates Ltd	To provide leadership training and support to potential leaders encouraging them to become actively involved in strategic planning on behalf of the sector across the North East and Cumbria.	1	£80,000
Mark Butcher Associates	Towards the costs of a high-quality training programme focusing on leadership and sustainability.	1	£79,960
The Learning Team	To provide support or personal development to organisations experiencing difficulties.	1	£60,000

ORGANISATION	DESCRIPTION	YEARS	GRANT
The Learning Team	To continue the work of mentoring and supporting VCS organisations through change and development.	1	£20,000
The County Durham Foundation	To provide training and mentoring to increase organisations' capacity and sustainability.	1	£19,897
Total commissions	5 commissions		£259,857
Training and Development total 26 grants and commissions			£339,521

Exceptional

You CHoose (North East) Ltd	Towards supporting activities for young people in custody designed to challenge offending behaviour in young offenders institutes in the North East.	1	£30,000
Exceptional total	1 grant		£30,000

Summary

Total main grants, policy grants, training grants, exceptional	151 grants		£9,995,239
Total commissions	9 commissions		£322,189
Total grants and commissions			£10,317,428

2008 grant analysis

Summary of applications received

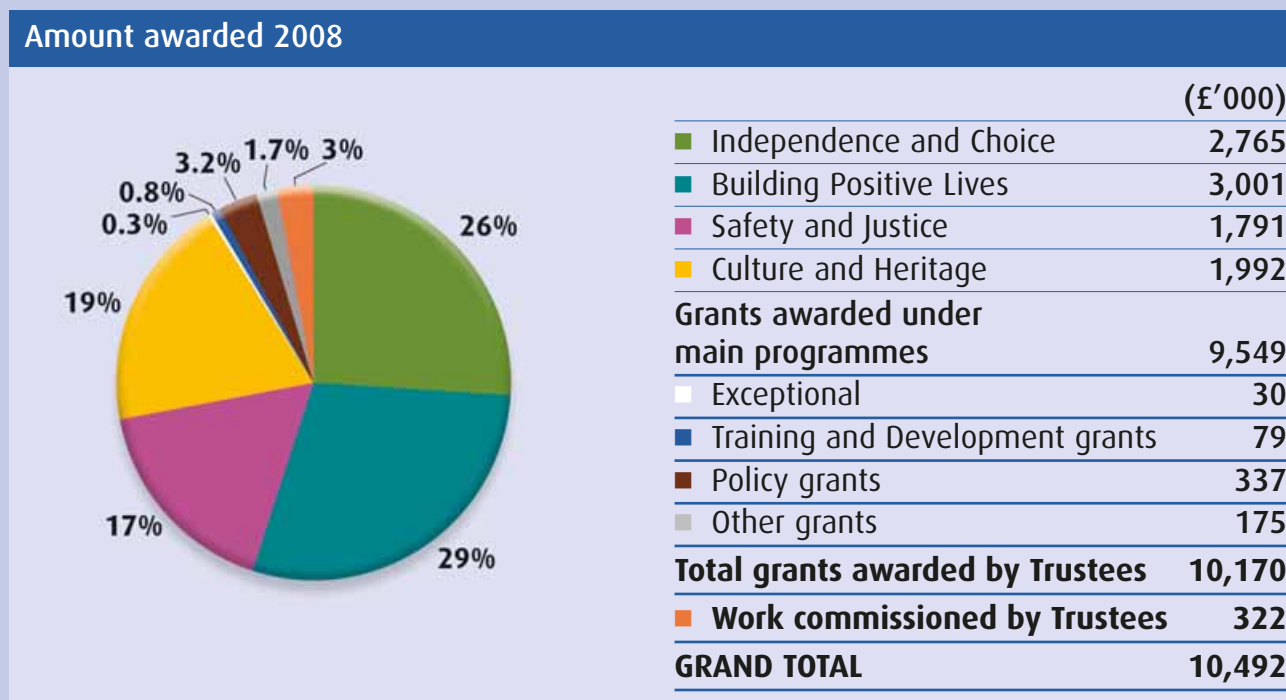
At the end of 2007, the Foundation closed four of its grants programmes (although Culture and Heritage was reintroduced in May 2008). This, and the uncertainties in the early part of 2008 about the Foundation's future, led to a decline in applications. However, by the end of the year, the Foundation had received 439 new requests for grants and there were 42 pending applications at the end of 2007. Of these 481 requests, 142 were ineligible for funding or were withdrawn by applicants. Of the eligible requests, 148 were successful, 91 were rejected by Trustees and 100 were pending at the end of the year.

Amount awarded in 2008

The total invested by the Foundation through grants and commissioned work in 2008 was £10.5 million. The Trustees awarded £9.5 million in grants through their four main programmes, and a further £446,519 in grants for policy and training work and under the Exceptional category. £166,694 was awarded through the staff matched giving scheme and £8,350 through a discretionary fund managed by Northern Rock plc which has now closed.

As well as these grants, the Trustees directly commissioned work to support their programme, training and policy objectives totalling £322,000.

All grants and commissions are listed under the relevant programme/activity area in the previous section.



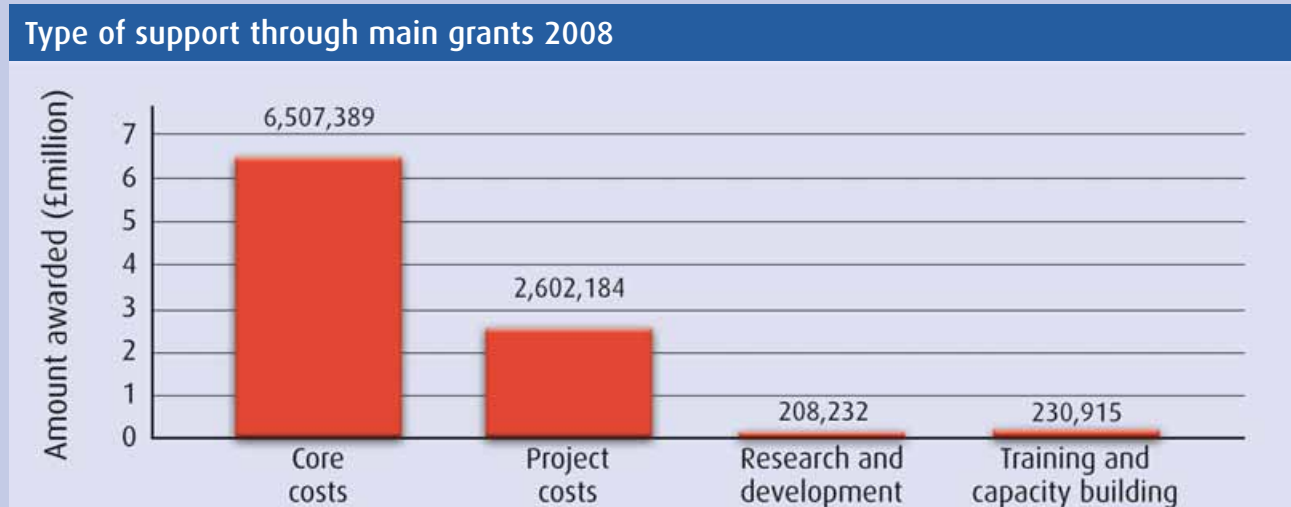
2008 main grants by region and per capita

Per capita, in 2008, the Foundation spent £3.12 per head averaged across the whole region (2007: £5.57). The long-term trend of the majority of grants being made to groups in Tyne and Wear continued (the area has over a third of our region's population). However, spending per head was highest in Cumbria, one of our more rural areas. We spent the least amount per head in County Durham, from where we consistently receive fewer applications, and where there is a lower success rate of eligible applications.

2008 main grants approved by region and per capita (North East and Cumbria area wide refers to grants that benefit people in more than one county in our area).						
Geographical area	Approved amount (£'000)	Number of grants	% of amount approved (%)	Success rate of eligible applications (%)	Population (2007 mid-year estimate) ('000)	Amount approved per capita (£)
Cumbria	1,865	23	20	55	497	3.75
Durham	757	15	8	33	505	1.50
Northumberland	732	11	8	46	311	2.35
Tees Valley	1,179	17	12	46	660	1.79
Tyne and Wear	2,687	32	28	53	1,089	2.47
<i>North East and Cumbria area-wide</i>	<i>2,329</i>	<i>25</i>	<i>24</i>	<i>57</i>	<i>3,062</i>	<i>0.76</i>
Total	9,549	123	100	55	3,062	3.12

2008 main grants by type of support

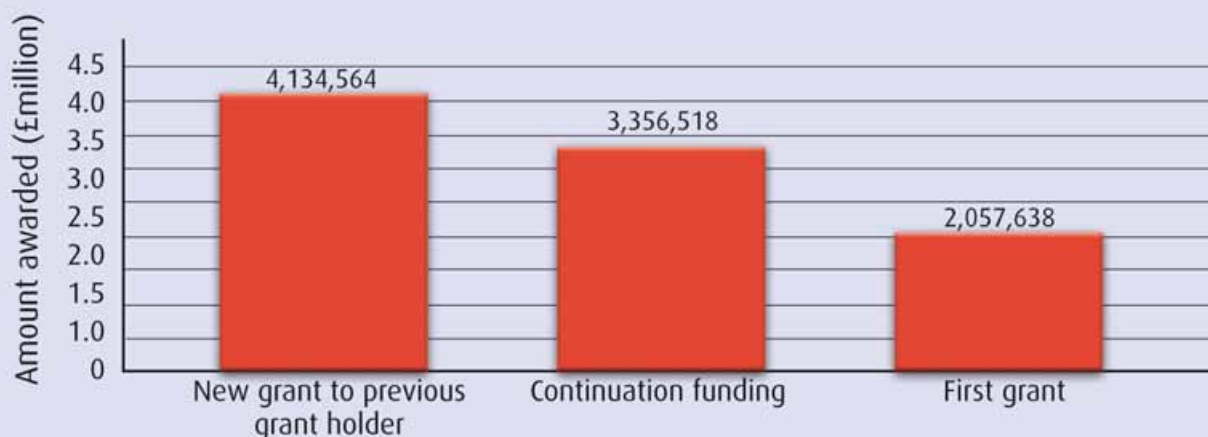
The majority of the Foundation's grants, and the bulk of the total amount awarded, supports organisations' core costs. At the end of 2007, the Foundation closed its programme for buildings, meaning no capital awards were made in 2008 (2007: £1.9m).



2008 main grants – repeat funding

In 2008, 74% of our grants were to organisations with which we had a prior funding relationship. Nearly a third of grants were made specifically to continue the work funded under a previous grant. However, we also made grants to 32 organisations which we had not supported before.

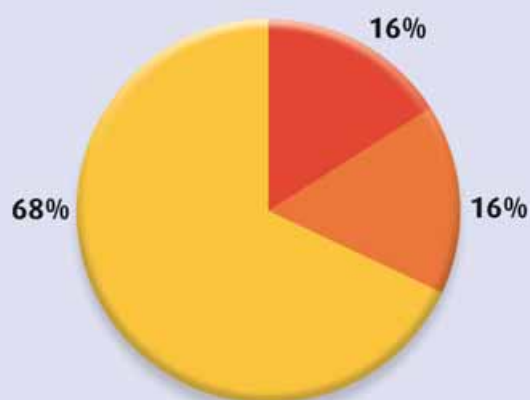
Repeat funding through main grants 2008



Length of main grants 2008

In 2008, 68% of grants made were for a term of three years (2007: 53%). The Foundation stopped making capital grants at the end of 2007, which were usually paid in a single lump sum and so categorised as having one-year terms. This accounts for the reduction in one-year grants to 20% of the total (2007: 35%).

Length of grants 2008



	Number of awards	(£'000)
■ 1 Year	20	535,625
■ 2 Year	20	1,574,351
■ 3 Year	83	7,438,744
TOTAL	123	9,548,720

Independent auditors' statement to the trustees of the Northern Rock Foundation

We have examined the summarised financial statements of the Northern Rock Foundation

This statement is made solely to the trustees, as a body in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the trustees those matters we have agreed to state to them in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our work, for this statement, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees are responsible for preparing the summarised financial statements in accordance with the recommendations of the Charities SORP.

Our responsibility is to report to you our opinion on the consistency of the summarised financial statements with the full financial statements and trustees' report. We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statement' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summarised financial statements are consistent with the full financial statements and the trustees' report of the Northern Rock Foundation for the year ended 31 December 2008.

PKF (UK) LLP

London, UK

Registered auditors

12 May 2009

2008 summary financial statements

Statement of Financial Activities

(incorporating an Income and Expenditure Account) for the year ended 31 December 2008

	Total funds 2008 £'000	Total funds 2007 £'000
Incoming Resources		
Covenant from Northern Rock plc	15,000	14,803
<i>Incoming resources from generated funds:</i>		
Investment Income	1,441	1,634
<i>Other incoming resources:</i>		
Other Income	228	60
Total Incoming Resources	16,669	16,497
Resources Expended		
<i>Cost of generating funds:</i>		
Investment management costs	71	69
<i>Charitable activities</i>	10,505	23,937
<i>Governance costs</i>	165	207
Total Resources Expended	10,741	24,213
Net Income/(Expenditure)	5,928	(7,716)
Other Recognised Gains and Losses		
Realised gain on Investments	35	115
Unrealised gain on Investments	(5,186)	767
	(5,151)	882
Net Movements in Funds	777	(6,834)
Balances brought forward 1 January	29,334	36,168
Balances carried forward 31 December	30,111	29,334

All of the above results are derived from continuing activities.

The Trustees consider that all of the Foundation's funds are unrestricted.

Balance Sheet

at 31 December 2008

	2008 £'000	2007 £'000
Fixed Assets		
Investment in Northern Rock plc	–	–
Tangible Fixed Assets	987	1,006
Investments under fund management	20,841	25,690
Programme-related investments	3,941	3,754
	25,769	30,450
Current Assets		
Debtors	275	75
Short-term deposits	22,050	24,197
Investments	–	–
Cash at bank and in hand	342	335
	22,667	24,607
Creditors: amounts falling due within one year	(11,940)	(17,874)
Net Current Assets	10,727	6,733
Total Assets less Current Liabilities	36,496	37,183
Creditors: amounts falling due after more than one year		
Grants authorised and not yet paid	(6,385)	(7,849)
Net Assets	30,111	29,334
Unrestricted Funds		
General Reserve	34,590	28,135
Revaluation Reserve	(4,479)	1,199
Income Funds	30,111	29,334

The above information is a summary of the financial transactions of the Northern Rock Foundation for the year ended 31 December 2008 and does not purport to be full or audited accounts. Our auditors PKF (UK) LLP have given an unqualified audit report to the accounts, which are available to download from our website www.nr-foundation.org.uk or by contacting our office.

The financial statements were approved by the Trustees on 12 May 2009.

Trustees and staff

Trustees

Alastair Balls (Chair)

David Chapman

David Faulkner

Jackie Fisher

Tony Henfrey

Christopher Jobe

Lorna Moran

Frank Nicholson

Barbara (Mo) O'Toole

Julie Shipley

Sally Thomas

(resigned February 2009)

(From left) Frank Nicholson, David Chapman, Jackie Fisher, Alastair Balls, Sally Thomas, David Faulkner, Mo O'Toole, Christopher Jobe, Julie Shipley, Tony Henfrey.





(From left) Rachel Kyle, Louise Telford, Penny Vowles, Rob Williamson, Shirley Carling, David Allan, Fiona Ellis, Kerry Gent, Gemma Appleby, Richard Walton, Cullagh Warnock, Alison Graham. Both © Simon Veit-Wilson

Foundation staff at March 2009

Fiona Ellis
*Foundation Director
(to 31 March)*

Rob Williamson
*Director of Policy and
Communications*

Alison Graham
*Director of Finance and
Resources/Company Secretary*

Ian Rutter
*Acting Director of Finance and
Resources/Company Secretary*

Louise Telford
Programme Manager

Penny Vowles
Programme Manager

Richard Walton
Programme Manager

Cullagh Warnock
Programme Manager

Rachel Kyle
Office Administrator

David Allan
IT and Building Administrator

Gemma Appleby
Programme Assistant

Caroline Percy
Finance Assistant

Shirley Carling
*Senior Administration
Assistant*

Kerry Gent
Administration Assistant

Consultants and freelance staff

Phyllida Shaw
*Rock Reports and Insight
journalist*

Carol Meredith
Grants assessor/evaluator

Hilary Florek
PR consultant

2009 grant programmes and other initiatives

Grant programmes

- **Independence and Choice**
Giving people with mental health problems, people with learning disabilities, older people and carers a choice of excellent services that help them to become or remain independent.
- **Building Positive Lives**
Helping people who lack self-confidence or motivation, or who face discrimination, to have the individual support they need to lead more positive and fulfilling lives.
- **Safety and Justice**
Reducing the incidence and impact of domestic abuse, sexual violence, prostitution, child abuse and hate crimes, by investing in better support for victims.
- **Culture and Heritage**
Inspiring, enjoyable and diverse culture programmes and events that raise our region's profile and make it a better place for everyone to live and enjoy life.

Other activities

- **Policy** work informs and influences the environment in which the activities we support take place. As a neutral body, we also provide independent research and analysis, and space for organisations to learn from each other.
- **VCS training and development** aims to increase the effectiveness of the voluntary sector through leadership and management training and through capacity building support.
- **Special initiatives** concentrate on particular issues in depth. They allow us to develop work and test new approaches alongside evaluation and advocacy of emerging good practice.
- **Loans** and other investments provide alternative tools for supporting charitable activities.

More information about all aspects of the Foundation's work can be found on our website www.nr-foundation.org.uk

*The Avison Ensemble, funded under
Culture and Heritage (p19).
© Simon Veit-Wilson*



Registered office:

The Old Chapel, Woodbine Road, Gosforth
Newcastle upon Tyne NE3 1DD

Registered charity:

Number 1063906

Company limited by guarantee:

Number 3416658

Independent auditors:

PKF (UK) LLP, Farringdon Place
20 Farringdon Road, London EC1M 3AP

Bankers:

Lloyds Bank plc, Lloyds TSB, City Office
PO Box 72, Bailey Drive
Gillingham Business Park, Kent ME8 0LS

Northern Rock plc, Northern Rock House
Gosforth, Newcastle upon Tyne NE3 4PL

Solicitors:

Ward Hadaway Solicitors, Sandgate House
102 Quayside, Newcastle upon Tyne NE1 3DX

Farrer & Co LLP, 66 Lincoln's Inn Fields
London WC2A 3LH

Short Richardson & Forth LLP, 4 Mosley Street
Newcastle upon Tyne NE1 1DE

Investment managers:

Aberdeen Asset Managers Limited
Donaldson House, 97 Haymarket Terrace
Edinburgh EH12 5HD

Financial advisors:

Europa Partners Limited
33 St James's Square, London SW1Y 4JS
(until March 2008)

Northern Rock Foundation

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