

# Responsive grant-making

Any funder devising a funding programme needs to make a series of critical decisions – about what it is aiming to achieve, with whom and how. Together, the impact of these decisions forms the architecture of the grant making programme, and critically influences both the sorts of grants made and the relationships established. As the practice of grant making has evolved, so too has the range of available grant making models which allow for considerable differentiation in levels of engagement, collaboration and approach.

Wellcome has an outcome-based Public Engagement (PE) strategy. Its ‘response mode’ Public Engagement Fund supports the implementation of the strategy by enabling individuals and organisations to use creative approaches in engaging the public with health research. It asks the applicant to demonstrate how it meets the outcomes of its broader PE strategy, but puts few boundaries on the method, user group or applicant organisation. Whilst there is no standard definition of response mode funding, the Framing Paper for the 2017 IVAR Evaluation Roundtable (a network of 45 UK trusts and foundations) in 2017 described a responsive grant maker as ‘one whose leaning is to have grantees largely driving agendas. This includes accepting unsolicited proposals as well as having flexible project designs, proposal formats, and reporting’<sup>1</sup>. Typically, a responsive grant maker will define to some extent what is to be addressed, but allow significant latitude for how that issue will be tackled, taking the view that a funder’s role is to support action in a particular area, or at the grassroots, rather than working towards any particular outcome, and placing an emphasis on the relationship between funder and funded organisation. A significant number of funders in the UK can be described as ‘responsive’ grant makers across all or some of their grant making portfolios.

The Public Engagement Fund aligns in part with this definition. It is open to all and allows applicants considerable scope to shape the approach to the problem or issue that is to be tackled. But like many funders, whilst it has sourced many good ideas, Wellcome has struggled to manage the high numbers of applications to the Fund and ensure alignment to its overall outcomes. This results in low success rates – a common concern for applicants and funders alike. And the project-by-project focus that is often a feature of responsive grant making can also reduce the coherence of the funding portfolio and limit the ability to discern overall outcomes from grant making or learn from experience.

Responsive grant makers, particularly those without more tightly bound programme/initiative strategies, recognise these challenges and are exploring ways to address them. Questions include: how can we encourage appropriate applications but prevent applicants from wasting their precious time in applying when they are unlikely to be funded? Do our responsive grant making processes help or hinder applicants? How can we make the most of the data available, when that data is being gathered or offered from quite diverse settings and contexts? Drawing on earlier IVAR research relevant to the issue, and from conversations with high volume funders, we highlight some of the ways in which funders are addressing these questions.

Responsive funders frequently articulate their desire to reduce the number of ineligible applications or improve their quality without narrowing the focus of their programme or excluding certain applicants. Clear guidelines and criteria can help, but often do not fully address the problem. Other ideas and actions are needed. Esmée Fairbairn Foundation has tackled this specific issue by upgrading its website to include an eligibility quiz co-designed with applicants, and developed tighter guidelines and explanations of what it does and doesn’t fund. This has resulted in a drop of 27% of applications from 2,755 in 2016 to 2,023 in 2017<sup>2</sup>.

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<sup>1</sup> IVAR (2017) *Evaluation Roundtable Framing Paper*, London: IVAR

<sup>2</sup> Caroline Mason, Esmée Fairbairn Annual Review 2018, CEO report

IVAR's 2018 report, *The Possible, not the Perfect: Learning from funder responses to emergencies*<sup>3</sup> suggests that some of the ways of doing things that proved possible in an emergency could influence how funders behave in their day-to-day work. It reports that the funders involved felt that complex processes had become a deliberate, if unspoken, part of a strategy to manage application volumes but without proven effect on turn-down rates. The research found that simple supportive application processes brought benefits to applicants and funders alike. This was achieved through active outreach; a simplified application process; relationship building and conversation. Whilst these characteristics of emergency grant making may not be suitable for all forms of responsive grant making, there is value in funders reviewing how they may be able to develop more meaningful discussions and better-informed decision-making, without undermining accountability.

Whilst responsive grant making is framed as open to all, the reality for many funders is that without extending reach deep into communities they serve, applicants may not be as diverse as hoped for. Some larger funders wishing to retain response mode funding but recognising they may be too distant from the groups and organisations they seek to attract, are working collaboratively with local grant makers to reach their intended audience. Comic Relief, for example, provides access to an open programme throughout the UK by devolving its funds to several local grant makers to ensure better and more diverse reach and decision-making closer to the ground.

Engaging with applicants early can also help manage the demands of high-volume, responsive grant makers. In 2018 the National Lottery Community Fund (then Big Lottery Fund) announced its intent to become a better connected and more flexible funder, moving to a more conversational assessment process and building deeper, early relationships with applicants and grantees. It now offers applicants the opportunity to begin the application process with a conversation. Feedback suggests that being able to talk to potential funders at the application stage helps build applicants' confidence in a process and their ability to ask for what they need to do a good job. It can also help to ensure that applications are eligible and align well with the overall objectives, thus reducing time and effort on both sides. As can be seen with the NLCF, these benefits need not be confined to funders with tight geographical or subject boundaries. Progress can be made in developing relationships by stepping out from behind process and actively promoting cultures and practices that put more power into the hands of applicants and grantees.

Enabling organisations to determine the agenda through responsive grant making is an empowering act. But it is not without challenge. Responsive grant making needs a proactive strategy to ensure reach, and a set of target outcomes to ensure alignment with funder's objectives. Without these, application numbers can become unmanageable, ineligible applications waste time, those outside the usual funding networks may be disadvantaged and there are fewer big questions around which more focused learning (and thus data collection) can be hung. As part of that, the relationship with grantees is critical: *'Responsiveness should not be just a passive philosophical stance – "the partner always knows best" – but rather be characterized by dialogue, willingness to learn, and an ability to observe and to identify and correct assumptions. Agendas should be explicit but flexible, with room for adjustment based on learning.'*<sup>4</sup>

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<sup>3</sup> IVAR (2018) *The possible, not the perfect: Learning from funder responses to emergencies*, London: IVAR

<sup>4</sup> Ibid 1