



Looking beyond London

**UK and international
perspectives on
place-based funding**





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FOREWORD

London Funders commissioned Renaisi to produce this report as part of our ambition to support effective place-based funding in the capital.

London Funders is the network for funders and investors in London's civil society. We're here to enable funders from all sectors to be effective. We're focused on collaboration – convening funders to connect, contribute and cooperate, to help people across London's communities to live better lives.

The paper builds on an essay published in 2021 in which Renaisi explored the relevance of place for London's funding landscape. This coincided with a new Advisory Group on Place, convened by London Funders, to help us re-examine what place means to London's communities in light of the covid-19 pandemic, and generate new thinking about the opportunities and challenges this may bring. When is place the right approach to take, and what are its limitations? How can we understand the real power dynamics in a place, and how can we re-think the way we use ours? Is scale an issue, or a distraction? There are many aspects to place that we want to explore further.

At London Funders we are keen to learn from practice beyond the capital. We commissioned this report to help us understand how funders in other cities have brought a place-lens to their work. We hope these examples from colleagues in other parts of the UK, Canada and the US will inform, inspire and challenge as we think about how London's funding community can support effective and equitable place-based work in the future.



INTRODUCTION

London is often looked to for examples of good practice. It is viewed as a city of progress and innovation, an incubator for ideas and institutions which have been used as models all around the world, such as our transport system and the early welfare state.

Recently, this perception of London as a city of success and prosperity is leading to a conscious effort to switch focus away from the capital in public policy. This was reflected in the recent Levelling Up White Paper where commitments promised to bring services in other areas up to “London-like” levels, and the headline for how this agenda would impact London was described as: “London is already benefiting from investments to boost living standards, spread opportunity, restore local pride and empower local leaders”.

But this is only a very small part of the London story. Alongside being home to some of the most profitable businesses and developed infrastructure in the world, London has the highest poverty, highest inequality and second highest unemployment levels in the UK. The fifth richest city in the world is also one in which more than one in three children live in poverty.

In this context, it is increasingly important that those investing in London take an intentional focus on understanding the drivers of inequality. A lack of social mobility in London is not rooted in poor infrastructure, or a lack of proximity to employment opportunities, as it can be elsewhere, but a lack of connection between economic growth and the places in which that occurs. Understanding and navigating place can present many challenges in London. Communities are transient and diverse with intersecting and polarising interests and identities. Boundaries between neighbourhoods are unclear and the scale at which one approaches working with a place cannot be defined by geography alone.

The distinctiveness and complexity of London can often lead us to become insular in learning from elsewhere. “It wouldn’t work in London” is often the default response when offered examples of successes in other places. This report aims to move past this, to support funders to engage with learning from other settlements on how to approach working, funding and collaborating around place. We have started by looking elsewhere for examples of good practice, searching for case studies which showcase how a place-based approach can enable funders to:

1. Build collaborative relationships with other funders, the public sector and local people and community organisations operating in a place
2. Navigate power dynamics to bring about more equitable relationships with the communities who define and experience a place

In this work, we define a place-based approach as rooted in the experiences and relationships that exist within a geographic area (for more details on definitions of place, see Renaisi’s essay on the relevance of place in London [here](#)). In the context of community development this means that place-based approaches are not rooted in singular solutions to isolated needs. They account for the effects of changing relationships within the place on the outcomes experienced by all and acknowledge that community ownership of impact requires long-term commitments.

The report will begin with a summary of the approaches taken by each place, then move onto an exploration of commonalities discovered across the case studies and the influence the funders were able to have on the systems they operate in. Recommendations, reflections and questions for discussion are highlighted throughout, to support you to use this report as a tool for learning across your team as you explore how to implement a place-lens in your work.

Whether you already describe yourself as a place-based funder, or are exploring place for the first time, we encourage you to reflect on how these relate to the place you are in and work to support it in London, taking the lessons learnt by others in the field to build an understanding of why and how place might be a useful frame for your work.

HOW ARE FUNDERS USING PLACE?



The case studies included in this report were selected to tease out a range of approaches and motivations for using a place-lens as a funder. Rather than providing a comprehensive review of approaches to place-based funding, building case studies via interviews with those leading work in place have allowed us to provoke reflections around key themes relevant to the London funding community, and understand the value gained via a place-based approach from the perspective of those developing, testing and practicing this work.

CASE STUDY 1

New York Community Trust's collaborative funds

The New York Community Trust (NYCT) hosts collaborative funds which bring together funders and other key stakeholders to develop a targeted approach to specific issues faced by communities in New York City. This has included programmes aiming to support low-income New Yorkers access the labour market, boost voter turnout and civic participation in underrepresented groups and help new immigrants navigate their journey to citizenship. The model for delivering the pooled funds is specific to each programme, with grant-making often only being one aspect of the work. It often takes the form of an application process open to an invited list of agencies whose primary work falls within the fund's objectives. NYCT aims to use collaboratives to target the system within the place through funding research and advocacy alongside building the capacity and resource of both grassroots voluntary infrastructure organisations and frontline providers to deliver collaborative change.



CASE STUDY 2

Foundation Scotland's Community Benefit Funds

As part of its wider work as Scotland's community foundation, Foundation Scotland supports donors and communities to set up and run place-based Community Benefit Funds. Linked to commercial renewables projects, these funds provide a unique income opportunity to those within the benefitting area as their tradition has been to involve communities in design and decision making from the outset. Over 15 years, Foundation Scotland has accumulated expertise in how these funds can be harnessed as opportunities for communities to develop long-term plans. While activities are dependent on the interests of the donor and community, Foundation Scotland's support provision to places can include:

- Assisting communities to commission a Community Action Plan.
- Developing a fund strategy in line with the Community Action Plan, detailing how to make funding available in that community (such as via open grant-making or strategic grants).
- Designing and running processes to support fund distribution activity.
- Reviewing grant applications, speaking with grantees and providing assessment reports.
- Holding the fund on a community's behalf and administering the fund.
- Convening local decision-making panels and arrangements.
- Monitoring and impact evaluation.

The Communities team brings experience gained through working with both funders and community development organisations to encourage places to think about how different tools and approaches beyond, and alongside, launching a competitive small grants offer could help them deliver their Community Action Plan. This can include ideas such as asset purchasing, commissioning infrastructure development, providing strategic grants to local anchor organisations, engaging in social investment and a range of other ways to “distribute differently.”

CASE STUDY 3

The Collective Impact Project in Montreal

The Collective Impact Project (CIP) emerged out of a conversations between two funders debating how to make a larger impact in reducing poverty in Montreal. The partnership includes the United Way (or Centraide), three strategic partners, the Neighbourhood Roundtables Coalition, City of Montreal and the Public Health Department, and eight other philanthropic funders who have come together to leverage their resources and influence to reduce poverty in Montreal. The United Way hosts the partnership by holding and distributing finances alongside proving a singular point of contact for the project.

The CIP funds and supports local consultation bodies called neighbourhood roundtables, which actively bring together local residents and stakeholders from schools, businesses, policing, health provision, and other local agencies who work together on creating neighbourhood plans and implementing local collective impact projects. In Phase 1 of the initiative, the CIP supported 17 roundtables through providing flexible funding, convening peer-to-peer learning and running workshops on strategy development and evaluation practices.



CASE STUDY 4

Give Bradford

GiveBradford is a place-based initiative managed by Leeds Community Foundation, which aims to eventually establish a community foundation for the district of Bradford. The establishment of GiveBradford as a brand to fundraise specifically for Bradford was motivated by concerns around:

- The quantity of philanthropic funding: Bradford receives a disproportionately low amount of philanthropic funding relative to the population, with few place-based trusts, individuals, or corporate donors targeting the area.
- The quality of funding: The voluntary sector's dependence on statutory funding has led to a severe lack of the flexible core cost funding needed to give communities the space and flexibility to drive their own change.

The Bradford Fund is the first step by GiveBradford to plug this gap by providing microgrants of unrestricted funding to cover the core costs of emerging, community organisations in Bradford to support sustainability, and encourage them to plan for the future alongside daily delivery.



Guidance and Criteria

Examples of development areas the programme can support:

Purpose	Developing/articulating the organisation's mission, vision, values, culture
Awareness	Dedicated time to increase awareness of the political, economic local and national context. Time to horizon-scan for challenges, threats and opportunities.
Effective Leadership	Strategy and planning work, reviewing and rebalancing governance model/arrangements, training and development needs analysis, organisational restructuring.
Network	Mapping existing networks and opportunities, identifying and developing new partnerships and collaboration
Finance and operations	Getting a grip on the organisation's financial position, reshaping/diversifying the funding model, financial planning and budget-setting Developing/changing delivery/operating models, adapting ways of working to increase sustainability, developing new services, training and development needs analysis and planning, staff restructure.
Impact	Measuring activity and impact, demonstrating value, using monitoring and evaluation as a learning tool to drive future change

Questions for the London funding community

1. What excites you about the case studies?
2. Do you see any practices that map to your work? And that of the funding community around you?

Place during Covid-19...

Scotland: Many Community Benefit Funds switched to funding Covid-19 response efforts in the pandemic, with anchor organisations established via the funds playing a key role in supporting co-ordinated response.

Alongside this, peer learning across places has become a more natural way of working during Covid-19, driven by the ongoing uncertainty all faced and facilitated by the move to online events.

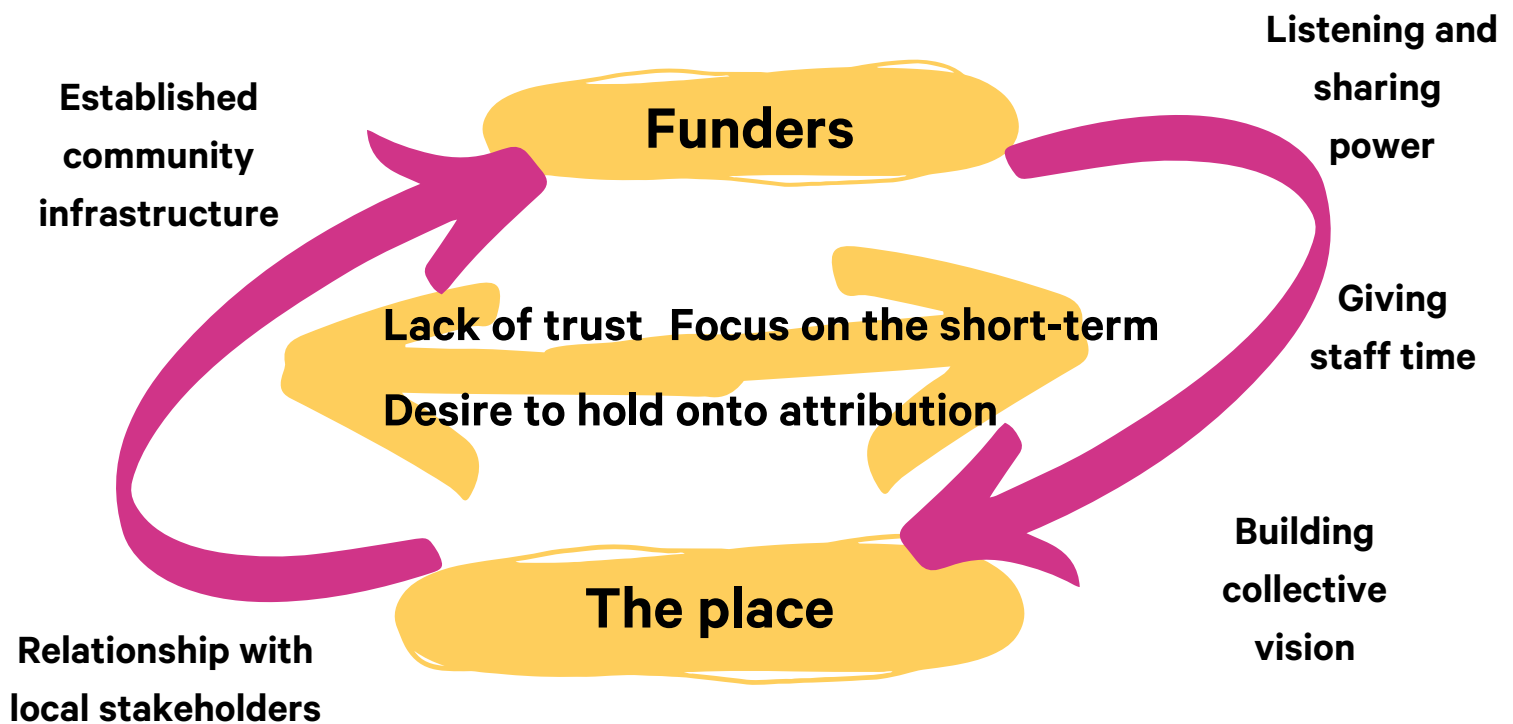
New York City: Their work hosting collaborative funds and responding to crises made them well placed and trusted to deliver Covid-19 response funding. Within one week of lockdown, they had pulled together 17 foundations and corporations, written their request for proposals, and began taking applications.

Montreal: In their most recent Activity Report, the CIP highlighted that their investment in neighbourhoods has developed strengths that helped to alleviate the pandemic's impacts through focusing on outreach to the vulnerable, developing mechanisms to constantly adapt to needs on the ground, keeping people involved in action, establishing strong intersectoral partnerships and working with existing food infrastructure.

Bradford: The relationships and dialogue established through the Forum allowed funders to highlight where particular local organisations might require multiple grants to deliver work and share insights around which groups one might target to respond to rapidly changing needs across the district

WHAT IS NEEDED TO WORK EFFECTIVELY IN PLACE?

As with any place-based approach, there are characteristics of this work that are unique to the history and identity of the place and communities in it. However, the conversations we have had with those driving and engaging with these approaches have brought out common foundations, drivers, and obstacles which unite these approaches. This section explores how and why these are important for working in place.





Foundations

Across the four case studies, funders are able to play a role as 'convenor' because of the relationships present in that place. These relationships are essential 'foundations' for effective place-based work.

Working with community infrastructure

In Montreal, the CIP connected to place through the neighbourhood roundtables, many of which the United Way has supported for over 20 years. Engaging the Neighbourhood Roundtable Coalition, which supports and convenes the independent organisations, meant that the partnership contained two organisations with strong, historic relationships and deep knowledge of the personalities, functions and dynamics within community infrastructure. This enabled them to ensure that the CIP was designed to support how change was already being driven at the neighbourhood level.

“There's a strong grassroots tradition in Montreal that we are building upon”



Foundations

When engaging with a place linked to a community benefit fund, Foundation Scotland will initially often work with and through the local community council (a statutory body similar to a parish council in England). Community councils come in many different shapes, sizes and capabilities and have mixed success at being truly representative of their communities. Foundation Scotland is mindful of this and will tread carefully and lightly, navigating the often challenging waters of local community politics and personalities whilst also trying to ensure the incoming money is presented as a whole community opportunity. They will seek to learn about the ecosystem of community activity and work to ensure that any unresolved tensions do not creep into community benefit fund discussions. Sometimes this involves facing into those tensions even when they are historic and disconnected from the opportunity that has emerged with a community benefit fund landing in the community.

“It's really delicate how we then navigate that, and we have to do it on a case-by-case basis...It's how we listen. It's how we project ourselves. It's how we respect and pay attention. It's that softer good community development practice that we need to exhibit”

Historic relationships with stakeholders

Operating as the community foundation in New York City for over 100 years means that the New York Community Trust is an established expert in funding in the city. They are a trusted partner with community groups, donors and other foundations, allowing them to convene all three to design collaborative funds.

In Bradford, relationships with the local voluntary sector were developed through a history of funding the place; distributing national funding via Leeds Community Foundation. As part of their ambition to leverage funding, influence and expertise to “create a city of opportunity for all” in Bradford, GiveBradford also convenes the Bradford Funders Forum. This informal group has focused on establishing a space for shared learning and insights to support a more strategic and joined up approach across those interested in supporting the Bradford voluntary sector.

Deep Dive: Community Action Planning in Glenkens, Dumfries and Galloway

Community action planning is regularly used to direct the delivery of community benefit funds. Developing a Community Action Plan can take a number of forms, but often includes a process of field research via interviews, surveys, workshops, and other facilitated consultation exercises to capture community perspectives on key themes and local priorities. This process can capture a range of views, build a shared understanding of community-driven change and engage new parts of the community in the work of the fund. With the support of a community action planner, the Glenkens Development Trust has four main aspirations in the community: to be connected, asset-rich, economically flourishing, and carbon neutral. Alongside this, community action planning brought out values and principles to guide the implementation of the plan:

- Respect for the special environment and rural landscape.
- Partnership and collaboration between all sections of the community will be key elements in projects.
- Inclusion – a diverse community will include and welcome people of all ages, abilities, and ethnicities, and all will be invited to put forward project proposals.
- Sustainability – projects supported will be outward-looking, flexible, and unafraid to take on new challenges. They will provide continuing benefits to the community and show awareness of the value of community self-reliance.

Discuss: What tools do you use to understand place and why?



Drivers

While each case study showcased a unique approach to working in place, the main practices which strengthened their approaches are outlined below.

Staff relationships

In New York, each programme officer oversees funding in a thematic area and is responsible for developing relationships with the community infrastructure and groups working in that space. Staff prioritise spending time being physically present with the groups working in the area that they specialise in via events and visits. They are often hired specifically because they have previously worked for a community organisation focused on a mission relating to that thematic area and aim to be part of these networks themselves, with an ear to the ground to identify specific issues which could be targeted more effectively through a collaborative fund.

Similarly, GiveBradford has intentionally changed the way staff deliver grants, engage with donors, and are managed and appraised to allow them to connect to place and community.

This has included:

- Providing staff with the capacity to build relationships with groups.
- Funding small organisations rooted in community.
- Providing strategic grants to infrastructure organisations to support broadened reach.
- Exploring barriers to funding.
- Building pride in and connection to place within the trustees and donors.

“We have a diverse staff, in terms of age, race, ethnicity and geography. Our programme officers know these communities from Queens to Manhattan as residents, as parents, as volunteers. They’ve spent their careers working in these particular sectors”

“We have made significant investment in becoming a more relational funder”

Drivers

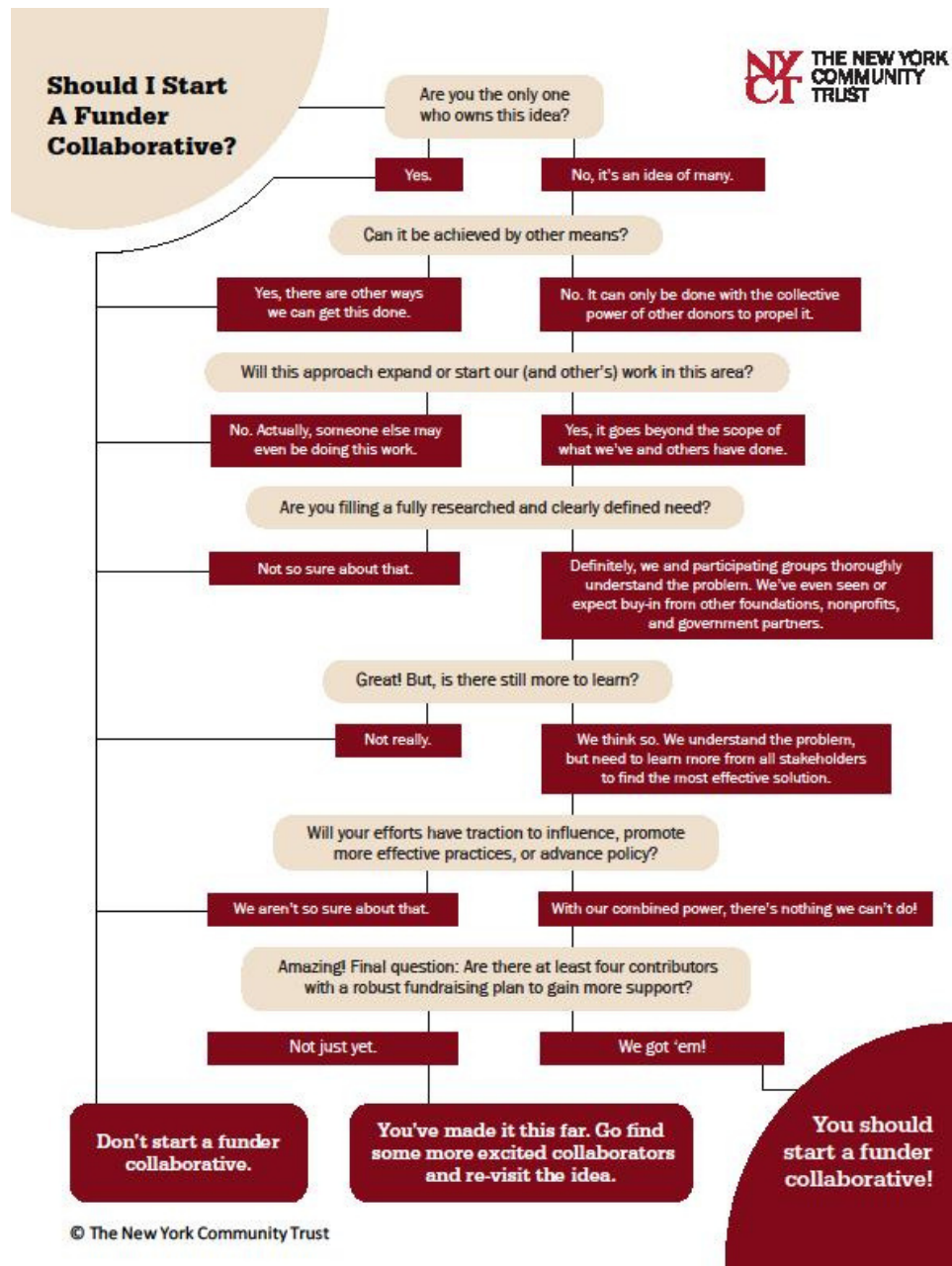
Shared vision

In their work building place-based philanthropy, GiveBradford has learnt that being able to effectively bridge the gap between donors and the community requires articulating a long-term vision for the place, through developing a strong identity and connection to that place. When they do this effectively, they are able to build a shared vision in donor groups and guide them to deliver the right kind of funding.

Success in the CIP has been driven and sustained by a shared ambition; to reduce poverty in Montreal. Taking the time to to come together as a partnership for learning and visioning, through regular meetings and a two-day

retreat. This has been key to overcoming mental barriers to this new way of working, trusting relationships and a shared understanding of the change they hope to make.

40 years of running collaborative funds in New York have demonstrated that there are a number of factors which are key to this being successful in terms of the nature of the partnership. The foundation developed a decision-making tree (see right) which is based on these key questions. Before launching a collaborative, all other philanthropic partners need to be convinced of the need for action beyond individual grant-making. They have found that this can take a long time and there is a need for further research and collaborative learning to come to a shared understanding of the need for change.





Drivers

Listening and sharing power

While not all the case studies could be considered community-led initiatives, their work in place was based on flexibility and respect for the expertise of communities in shaping the priorities for their place. Often at the heart of challenges with community benefit funds is the dilemma about how a community operates this funding in a way that is fair, equitable, transparent, and which can be readily seen as making a difference in people's lives. Foundation Scotland's approach to working with communities that have the opportunity for assured long-term annual income from a donor is implemented differently depending on the history, infrastructure, and dynamics of the place. They see their role as enabling support to communities to maximise the benefit these funds provide.

“We have found that if we have a great idea for a funder collaborative, and we go forward alone, without bringing in equal stakeholders to the solution, it does not work”

The neighbourhood roundtables are partners in the CIP and are brought around the table on equal footing for planning and strategising. Putting foundation directors in the same room as community leaders to hear about what works, what doesn't and what they need to drive neighbourhood-level change has been vital in building the case for the model of unrestricted funding directly to the roundtables.

“They're not our funds, they're the community's funds and we're here to help steward those arrangements.... the opportunity for a community to know it's got some income for the next 20-25 years opens different conversations”



Obstacles and tensions

What can we learn from their challenges when working towards place-based change? Our case studies shared some of the obstacles and tensions encountered in their approaches, and the steps taken to overcome these.

Timescales

The United Way noted that bringing the partnership to an appreciation of the timescale for community-led place-based change required both formal learning sessions and one-to-one conversations across the partnership. For funders previously used to aiming for the immediate impact of grant-making, this was a continual source of tension in the United Way's desire to take a community development approach in the CIP. It has taken five years to build a consensus around this, but they have got there. Changing perceptions around the timescale of impact has been an intentional shift in working for the funders not a natural progression from existing work.

“The biggest challenge was the realisation that it takes a lot of time”

GiveBradford also highlighted that the main barrier in being able to connect to place is short-termism in funding. Without access to long-term core funding, community organisations in Bradford come and go, weakening the ability for infrastructure bodies to build capacity over time and for community groups to take a strategic approach to long-term community development. This has been a key motivator for GiveBradford's work, through which they aim to build an endowment which can provide reliable and long-term funding to the place.

“Even if you are working with communities to design and develop a programme, and to be intentional about how you are building equity into that programme, and run a participatory grant-making scheme, if that funding lasts a year, then you can only do so much”



Obstacles and tensions

Attribution

In New York, they have found that the main barrier to effective place-based funding is ego. Funders want to take credit for the work that they pay for and they want to fund the most visible work. However, in place-based collaboration, the most important, and sometimes the most expensive work, is not going to show immediate, visible outcomes or be able to be attributed to any singular organisation. For funders to contribute to collaboration effectively they need to leave their ego out of their ambitions for impact.

“When you're running a funder collaborative the money is all basically going into one pot and the high profile aspect of the work that you might want to have your name attached to is only made possible because of all this other super boring stuff that everybody else is paying for”

Montreal has discovered that place-based work requires investments in capacity and infrastructure and allowing the community to define the outcomes and impact they aim towards. For the funders in the CIP used to funding specific needs, intentional learning results in an understanding of why taking a neighbourhood community development approach brings different outcomes and requires a new understanding of impact.

Trust

For Foundation Scotland, building trust is key. Some communities are understandably fearful of an organisation outside their community influencing their fund and so the team must operate with great care and thoughtfulness to demonstrate that they can be trusted not to intervene inappropriately or dominate.

However, this can be challenging, especially when commitments made with respect to national funding might influence local fund distribution activity. For example, while Foundation Scotland has signed up to IVAR's open and trusting grant-making principles; aiming to limit monitoring requirements, fund core costs, and look to non-competitive and more strategic grant-making, they cannot assume that all community benefit funds will unquestioningly adopt these principles and associated practices. The team often observes that communities can be risk averse initially and stick to funding models which can be onerous relative to the small grant size.

To tackle this challenge, Foundation Scotland works to build trust at two levels: between themselves and the community bodies and between the local decision-making group and the organisations they support over time before steering them to explore alternative funding models.

Conventional Funds	Community Funds
Funder/donor led	Community led/Inclusive/co-produced
Focus on Deficiencies	Focus on Assets
Short term view; outputs focused	Long term vision; outcomes based
Problem Response	Identify Opportunities
Welfare/benefit Orientation	Investment Orientation
Grants	Hybrid approach to distribution including Grants, Loans, Investments, Commissioning, Participatory Budgeting
Competitive, Constrained	Collaborative, Developmental
Maintenance - Dependency	Development - New Ideas
Community in the back seat	Community in the driving seat
Tame problems	Wicked problems
Sticking plasters	Systemic change

Source: Foundation Scotland adapted from Forever Manchester

“Sometimes the decision-makers are distrustful of the groups operating in their own communities or their default is to be fairly suspicious ...because they're the ones who live and breathe their community that can be hard to challenge if their peers are not questioning the assumptions”

Similarly, in Bradford, distrust between communities and misconceptions about the way outsiders view them has been both a barrier and an asset to connecting to place. There is a perception that “Bradford deserves better” and a strong sense of place that helps galvanise support. As they build the Bradford Funders Forum, GiveBradford recognises that creating and paying for space to have facilitated conversations across funders, statutory organisations, and community members on this identity and around trust will be key to building more collaborative place-based funding.

Deep Dive: Building a network for BIPOC arts organisations

Bringing together funders and practitioners in the BIPOC community arts space through the Mosaic Fund has provided them with the funds to convene and support a network for arts organisations of colour. Ensuring that the advisory group for the fund was populated by organisations rooted in and networked across the place was key to this initiative’s success. The advisory group both designed the opportunity to suit their sector’s needs and acted as ambassadors to ensure that the Mosaic Network was truly inclusive of many groups often marginalised in highly competitive arts funding.

What was initially conceived as a grants programme has now become a lot more, just by bringing the groups together in a room and giving them control over a small pot of funding to bring change to their community. In the context of historic underfunding and competition, the Mosaic Network decided that rather than run a participatory grant-making process to allocate funding, they would utilise the funds to build the network itself and provide everyone with a share to build their capacity. As a result, the Network is now in process of fully taking over direction of the fund from the initial advisory group and planned out a five-year budget and plan for the funding.

The Mosaic model has now been replicated and adapted as a place-based approach to supporting BIPOC arts organisations by funders all over the US.

**Discuss: Who influences the design of grant-making programmes?
What incentives might they have to establish competitive processes
over collaborative ones?**



Our previous work with the London Funders Advisory Group on Place has highlighted that there are particular challenges facing the London funding community in adopting a place-lens, many of which the places we looked at in this study have also grappled with.

Transience and identity

Many of the communities supported by Foundation Scotland have relatively settled and stable populations. However, someone who has lived in a community for over 20+ years may still be regarded as an ‘incomer’ and the tensions around transience and identity can then play out in the character of the different community organisations. Recent changes in inward rural migration, triggered by the effects of the pandemic, are in some places leading to creative and proactive approaches in community action planning to bring out the voices of those not engaged in established community mechanisms. Tools such as door-knocking, targeted focus groups for communities that are less engaged, and online engagement tools can all serve to build a connection to place in changing populations. Intentionally designed funding opportunities can also help address some of the underlying issues that perpetuate transience. For example, Foundation Scotland has supported many communities to establish Education & Training funds to support residents with training options and which can support them into local or self-employment and stem outward migration.

The nature of New York as a city of transient populations means that the New York Community Trust views connecting to new communities as an essential part of all their work in place. Alongside their Fund for New Citizens, The Trust combined their efforts with other funders and neighbourhood organisations to boost civic engagement in the Census Equity Fund, which funded door-knocking and other community organizing techniques to bring migrant-heritage populations into participating in the census, building a sense of connection to the institutions in the place.

Recommendation for London: Be intentional about connecting to new groups in your place through explicitly targeting them via funding and community planning tools.

Diversity and equity

While Bradford is the youngest and one of the most ethnically diverse places in the UK, there is very little investment in its future by philanthropists or in building the voluntary infrastructure to harness the opportunities this diversity could bring to the place. Alongside this, some groups have turned away from the funding space, with years of exclusion resulting in a perception that some funding spaces are institutionally racist. Both of these are challenges GiveBradford hope they are well-placed to try and overcome through building relationships across actors that can shift perceptions and drive investment in place.

While Community Councils are the main entry route to working with a Community Benefit Fund, Foundation Scotland recognises that community councils can often be dominated by particular identity groups which are not representative of the wider population. In delivering a Community Benefit Fund, Foundation Scotland aims to ensure that decision-making is transparent to all and distribution plans are not dominated by those groups who might already commandeer power locally. Practically, establishing a term-limits and a regular rotation of the members of any decision-making group in its terms of reference can support this, alongside proactive targeted recruitment efforts to engage different voices and lived experiences of the place. Building practices which distribute responsibility and ownership of the fund across the community is vital to building trust and pride in the community's ability to make the most of the opportunity.

“...some of the work that needs to be done is to create the space for people to talk about the issues that are really stopping people working together within and across sectors – and crucial to all of this is diversity, equity and inclusion and a lack of progress in changing things for communities”

Recommendation for London: When trying to diversify community decision-making create spaces that acknowledge the historic exclusion of certain groups and the real, personal tensions between individuals around the table. Do not assume that building consensus will be easy and be ready to pay for it.

“My anxiety about if the scale gets too big is when placed based work becomes too institutionalised...that's why communities generally feel so disconnected from the local authority led place-based efforts that have happened over the years”



Scale

Foundation Scotland's work in place has demonstrated the value of working at a hyper-local scale. Their work often requires physically bringing communities together for community action planning and facilitating change that is owned and felt by the people in the place. Scaling this to larger populations could force it to become institutionalised and lose the agility that drives its effectiveness.

By contrast, the New York Community Trust's collaboratives aim to work systemically across the city as a whole. While this presents many challenges given the population and geography the city encompasses, the staff is able to build relationships across a centralised public sector to leverage change across the system and replicate initiatives across places. Building approaches through localised community engagement while navigating with actors at the city scale enables The New York Community Trust to influence from the bottom up.

Recommendation for London:

Determining the scale you work at can have implications for the system you can influence and the embeddedness you can aspire to. While there is no hard and fast rule to determine scale, you must consider how it might either drive or limit your aspirations and approach.



HOW DO THEY INFLUENCE THE SYSTEM?

All case studies highlighted how the initiatives influenced the broader funding system that places encounter at three levels: for the engaged funders themselves, with other funders operating in the place, and in the public sector around the place.

Funder practice

In Montreal, an intentional move away from taking a data-driven approach to one where communities identify the priorities in their place is leading other funders to move away from a reliance on data for needs assessment and monitoring. This is paired with ÉvalPIC, a programme of training and peer learning aimed at building the capacity of the neighbourhoods to plan, learn and self-evaluate progress. Through this combined approach of influencing partners and building community capacity, the initiative creates a path for more trust and understanding of the added value in the monitoring and evaluation process.

The Communities Team in Foundation Scotland has operated a funding model that challenges conventional funder-led grant-making practice, viewing a relationship-driven approach as a tool to shift power. Their role as ‘fund stewards’ is informed by a deep understanding of the dynamics and priorities of the place, which often involves clusters of communities rather than just single communities. While other funding programmes within Foundation Scotland are often more donor-led, the Communities Team will advocate for opportunities where those with lived or learned experience can be more actively involved in the design and decision-making of other Foundation Scotland administered funds.

Many funders come to The New York Community Trust's collaboratives to learn about how to fund an area more intentionally, with the process of ideating and launching a collaborative fund being a period of shared learning for all involved. The group will often bring in external support to do this together, funding research and commissioning consultants to act as learning partners throughout the collaborative. Alongside this, the process of actually discussing and reviewing fund proposals as part of a collaborative facilitates learning across funders. This allows the collaboratives to improve the practice of those within them, alongside having an impact on the place and participating community groups.



“You are also learning about a field or about organisations through the review of those proposals together, but also in the discussion of that review... it infuses your practice going forward”

“This work is labour intensive and more expensive than top-down grant-making. It doesn't show tangible results very quickly and it is very relationship-driven and it is not transactional...all those things are counter to the otherwise more common practice of top-down grant making”

Normalising collaboration

The CIP in Montreal has demonstrated that funders have more impact when working together. This has led to a number of offshoot collaboratives between those foundations which have developed relationships in the CIP, some of which have also engaged public sector actors who rarely worked with small foundations previously.

GiveBradford is working to support the development of a collaborative venture to develop an inward investment strategy for the sector as a whole in Bradford, which is also funded by the local authority. They are lending their relationships and influence in the place to bring in match funding and ensure that funds are delivered in a way that enables community groups to work effectively.

“(We are) trying to use the benefit of our funding and our influence to...bring funding that allows communities to do things differently, even just core costs”

In New York, The Trust has found that the momentum that comes behind their collaborative projects has often led them to be replicated by other place-based and national funders in the US, as has happened recently with their Mosaic Network and Fund and Hive Digital Media Learning Fund. They view collaborative programmes as pilots and incubators to demonstrate the change that can occur within place and intentionally advocate for local government to scale and fund the work they initiate.

Foundation Scotland's work with places has allowed them to facilitate learning across places. The relationships that the Communities team holds with communities have allowed them to connect those taking similar approaches to community development and enable leaders to build relationships and share learning. Alongside this, they hold 'Inform and Inspire' sessions, which provide a platform for sharing learning around specific pieces of work. This year they plan to launch workshops around strategic issues that places have identified as gaps in knowledge, such as why to fund core costs and how to support social enterprises, with the first session on funding climate action. Through these Foundation Scotland hopes to encourage learning from the broader sector to influence the way that communities with access to long-term funding approach change.

“The foundations have just been more comfortable picking up the phone and deciding to collaborate...it's been building trust”

Building the case for community leadership in place

Montreal's work in the CIP has demonstrated the importance of investment in neighbourhood infrastructure. Those places with more established neighbourhood roundtables who had begun implementing the five conditions of collective impact demonstrated that building trusted structures for community action and voice was key to resilience in times of crisis. The pandemic has been a "proof of concept" for a place-based community-led approach, showing that maintaining citizen engagement in driving social services is vital to rapid and effective delivery, rather than being a "nice to have" where budget and time allow.

“No matter what issue the neighbourhood is going to face in the future, investing in that base will allow the neighbourhoods to respond”

Foundation Scotland has seen Community Benefit Funds bring vital infrastructure to places that have lasting social and economic value, providing spaces that bring people together in communities and supporting social enterprises and charities that bring jobs. Alongside this, staff noted the sense of confidence and excitement that the funds bring to communities, where the possibilities presented by even small yearly grants can foster a belief that people can take action in their place. This has often enabled communities to leverage further funding into the place and support other neighbouring communities to employ community development approaches. While not all the grants are huge in value, they demonstrate the power of community decision-making to wider stakeholders and can provide strategic development funding for larger community infrastructure projects which other statutory and philanthropic funders will then build on.

“The community benefit fund and the change that has begun can enable that community to then be taken more seriously and to be seen as having an action plan and to be seen as trying to really determine its future and these other players, whether they're state actors or other kind of third sector bodies want to then be part of that story and bring resources to it”

Negotiating with the public sector

In addition to sharing intelligence, the Bradford Funders Forum has aimed to advocate for the local voluntary sector through influencing local authority commissioning. Given the lack of philanthropic funding in the area, commissioning comprises a disproportionate amount of funding going into the voluntary sector, leaving communities with little scope to set the terms on which they deliver projects. It was recognised that the way local commissioning works will influence investment from the outside and through the Bradford Funders Forum, GiveBradford alongside the other funders and local infrastructure bodies in the Forum has aimed to rebalance this power dynamic by consulting with community organisations and speaking in a united voice to the local authority as they underwent a significant commissioning review.

Discuss: Who are the key funders and stakeholders that would need to be convened if wanting to provide a united voice for the voluntary sector in your place? What does this imply for how you define your role in a place?

Building capacity to progress Equity, Diversity and Inclusion

In Montreal, they recognise that collective decision-making in place can sometimes reinforce rather than challenge power and so aim to make this an intentional aspect of the CIP in Phase 2. Building their understanding of how to approach and progress EDI will be mainstreamed as an aspect of the capacity support given to neighbourhoods, alongside community planning, organising and evaluation. The CIP view supports the neighbourhoods to develop a place-specific approach to EDI as a vital strand of the impact they will have on the system around poverty in Montreal. While they are not sure what this will look like yet – they are putting it on the agenda across neighbourhoods and creating space for reflexivity and challenge.

Discuss: What skills would support the community organisations in your place to drive change? How can funding capacity building drive collaboration alongside impact?

Learning points:

Areas of influence

Infusing practice

- o Taking a place-based approach within a larger organisation can build your expertise in relational funding.
- o The process of collaborating with other funders to target an issue in a place involves shared learning, visioning and deliberating which can build a deeper understanding for all involved.
- o Holding and convening in place can build a funding system which collaborates more instinctively.
- o Taking a place-based approach across places can allow you to facilitate learning across those testing similar community development approaches.

Pulling others in

- o Developing expertise and embeddedness in a specific place can allow you to support others trying to fund in the place.
- o Collaborative work can allow funders to have more influence on the public sector by demonstrating the impact of systems working together.
- o Funding for community-led development can bring more assets into a community. by providing the strategic funding needed to design projects which others will fund.





WHY PLACE?

Each case study articulated a distinct and intentional motivation for adopting a place-based approach as a key to enabling them to deliver their mission. Each found that the lens of place was a crucial tool in driving change.

New York Community Foundation

Focus: collaborative funding to change systems

Why place? You have to be part of the system, dance with it, and sometimes work within it to create change

Foundation Scotland

Focus: supporting communities to use and build their assets

Why place? Providing long-term funding to a defined geographical area brings confidence and motivation to ignite self-driven community development

GiveBradford

Focus: building place-based philanthropy in Bradford

Why place? Connecting to the unique identity of a place is key to building knowledge of how to fund it effectively

Montreal's Collective Impact Project

Focus: a neighbourhood-level approach to poverty reduction

Why place? Viewing change as occurring at the neighbourhood level forces funders to trust the intuitions and priorities of communities and move away from a focus on need

A photograph of St Paul's Cathedral in London, showing its large dome and surrounding city buildings under a clear sky.

CONCLUSIONS AND AREAS TO EXPLORE FURTHER

This report did not set out to provide a comprehensive review of how funders can approach place. It aimed to explore four, very different, approaches across communities as a tool to connect across place and highlight the key enablers, challenges, and areas of realms of influence in each approach, from the perspectives of those embedded in this work.

Relationships and collaboration

Driving relationships across individuals and organisations interested in supporting the development of a place was both an objective and facilitator of change in all these approaches. With this in mind, useful questions for funders looking at how to use place in London include:

- Which relationships does this place need to thrive?
- How can each stage in the initiative (ideation, planning, delivery, learning) all serve to build these relationships?

Navigating power

Taking a place-based approach requires seeing, navigating, and often shifting power within a place. Without sensitivity to the way power dynamics are reflected in the voice and agency of those coming to the table in developing and implementing a place-based approach, existing local inequities can be reproduced. In developing a place-based approach, funders should ask the following questions to understand each of their stakeholder groups:

- What is our previous experience with the other partners in this place? How might this have been shaped by unequal power dynamics and marginalisation?
- What steps can be taken to elevate the voices of those who might be approaching the partnership from a position of historic exclusion?
- What are the consequences of exit for each partner in the room? What impact might any dependencies, vulnerabilities or historic exclusion have on partners' ability to bring their full self to the table?

A photograph of St Paul's Cathedral in London, showing its large dome and classical architecture against a clear sky. The image is used as a background for the top half of the page.

CONCLUSIONS AND AREAS TO EXPLORE FURTHER

Intentionality in London

Throughout every approach, those involved articulated an understanding of why they had taken a place-based approach and the value it brought to their mission. Place must be an intentional lens that is adopted, practiced, and reinforced over time. When deciding whether to begin adopting a place-lens, funders in London must ensure that it can be woven throughout the organisations by asking themselves:

- How can I ensure that my staff has the time and motivations to take a relational approach?
- How long can I commit to working as part of this place?
- How can I build organisational structures and systems that prioritise community voice?

Questions for the London funding community

1. What informal and formal infrastructure exists to convene and support community organisations, social action, and local decision-making in your place? What scale does this operate at? How does this align with your views on how communities define place?
2. How do you interact with the informal and formal community infrastructure in your place? What dynamics and historic relationships are shaping these interactions?
3. How does the way you recruit, manage and appraise staff impact their ability to work in place? How can you build a culture of place-based working through the practices you model to staff?
4. How do you understand impact? What are the relevant timescales? Who do you believe creates and owns impact? What evidence do you need to see? Why?



LEARNING POINTS

- A place-based approach can build expertise that allows you to change the way that other funders operate in your place. Think through the role you could have here. Map out where you might have influencing and convening power in the place. Evaluate the level of trust you have developed with other funding in the place. You might need to build both of these before taking on your role in the place.
- Effective place-based approaches work at the scale and with the pace of existing local grassroots decision-making groups. They step into spaces they are invited to. If these do not exist in your place reflect on what role you might have in establishing these, without compromising their self-driven nature or forcing them to move at your pace.
- A lack of trust and desire to hold onto power can exist at the community level, as well as at the funder level. Working in place means being attentive to power dynamics and tensions between groups and leadership structures in the community, and often requires investing time and facilitation to overcome them.
- Place-based work is relational. This means that your staff team is a key asset that you must intentionally build and equip to work effectively in place. This should influence your recruitment, which should be from the local community sector where possible, and your management of staff, which should incentivise spending time building relationships in place.
- The shifts in practice and perceptions that are required for place-based work can be challenging for funders. It requires a long-term commitment and investments in capacity and development which necessitate a different conception of funder impact.



REFLECTIONS ON PLACE

“people need the headspace and the ability to feel that they can operate in a systems leadership way to authentically work in a place...otherwise, you're just organisations working in a place, you're not working collaboratively to do anything at a system level to change that place”

“the place- based model allows for... flexibility, allows for... trusting that actors who are on the ground and residents who are living with the problem know what they need”

“if you can do something really well, locally, then you can build on that and expand it or adapt, and take it to other localities... and place will inform and shape what you're trying to do”

“place requires time... you need to commit that time and allow things to look like they're puttering along quite slowly, but actually, they are gathering pace, but it's how you support that to make sure you get you get there in the end”



About Renaishi

We're passionate about creating the conditions for strong, inclusive communities to thrive.

We're constantly learning from the different perspectives we see working directly with communities, with the providers of services and the investors in communities. It gives us a unique perspective on how systems work and how to improve places equitably.

The combination of our research and evaluation consultancy with employment & advice programme delivery, makes Renaishi a uniquely well-rounded learning partner for the voluntary and community sector.

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