

Yorkshire Funders

Unlock The Power of Funder Plus

Tuesday 20th January online

Session delivered by:

- Tim Harrison-Byrne, NFP Research (Insights into how Funder Plus is evolving across the sector)
- Carlos Chavez, Lloyds Bank Foundation (funder perspective – how Funder Plus is driving change)
- Lindsey Oliver, New Beginnings Peer Support (charity perspective – what receiving Funder Plus support means to them)

Session overview

Voices from research, funding and frontline delivery on the impact and benefits of Funder Plus.

Session Summary

What the Research tells us – Tim Harrison-Byrne (NFP Research)

Working with funders for over a decade – they survey unsuccessful applicants to build a benchmark of the application process and relationships with funders. This was the basis of a report written in 2024, based on research with AB Charitable Trust, the Henry Smith Charity and John Ellerman Foundation. (The report link is in the resources below.)

AB Charitable Trust give away £6 million per year and didn't have a Funder Plus offer available in 2022 when the research was done. The line of questioning was for them to understand whether they should offer Funder Plus. They were concerned as to whether this would be onerous and whether they would have the capacity to embrace and own this.

Funder Plus definition in the survey – “an approach taken by grant-givers to go beyond the money - offering additional support to build capacity, leadership and resilience within organisations.”

The survey found that the smallest organisations were the least likely to have accessed Funder Plus from another funder.

The range of examples of Funder Plus offerings applicants engaged with elsewhere was broad – from legal support to use of meeting rooms to business mentoring.

Research found that Funder Plus was poorly understood and the smaller the charity, the less likely they are to have heard of it.

Among AB Charitable Trust respondents, the overwhelming majority reported Funder Plus to be very or quite helpful.

Issues that were reported with Funder Plus – it has to be bespoke to the organisation and be right for them at that time in their development cycle. It mustn't create work, must be optional and must be of a good quality.

Types of support thought to be most useful – capacity building & peer network and learning.

Particular noted area for opportunity – staff training. In the survey, charities noted that a training budget is one of the first things that is cut when charities are stretched.

Broader context – vast majority of charities (85%) report need for core funding and this has increased in last 12 months. 83% say demand for their services has also increased.

Are core cost grants more valuable to a grantee than spending more of your budget on Funder Plus?
Always depends on circumstances. Be clear as to what your priority is and where you can bring the most value.

The other side of the coin – our research found that 42% of unsuccessful applicants didn't receive any feedback on their applications. Should some of those resources be diverted to ensuring feedback is provided?

Carlos Chavez – Lloyds Bank Foundation – Funder Perspective

Lloyds Bank Foundation (LBF) is a corporate funder, funded entirely by Lloyds Banking Group. They want to maximise the relationship they have with the Lloyds Banking Group and the networks they have. They are a relational funder and seek to establish a relationship with the organisations they partner with.

They are coming to the end of their current strategy – new one launching in next couple of months. They are moving to more place-based and with a slight change in activities supported – more led from community, more prevention and a bit less crisis response. However, they aren't changing the relationship approach.

In the current strategy, there are 3 pillars – 1) unrestricted support, 2) Funder Plus, 3) support local organisations to have more influence.

They recognise there's a balance to be had – how do you maintain the power/relationship balance when you start funding?

Principles around their offering FP – has to be on the charity's terms, respond to their needs and they have to be in control of what it is and what the focus is.

When they apply, LBF asks about their feelings on receiving extra support and partners with organisations who help them to strengthen how they work.

They always provide feedback and try to be as clear as possible. When LBF begin working with a charity, they aim to be a partner to them – this starts with meetings once the money has been transferred – discussing strengths, issues and ambitions for the future. They discuss good practice (e.g. policies, safeguarding, marketing, environmental etc – a full range). The discussions underpin what support they can provide for them and inform any additional help that can be given – what is their mission and purpose?

Support could include consultancy support (consultants used must have at least 2 years of experience of working with charities – we also ask the charities for feedback). Consultancy costs quoted by another member of £300-£500 per day in the meeting chat are representative for them also.

There is also quality control to check the match of charity and consultancy partner is working and positive.

LBF also work with [The Decelerator](#) where advice is needed on a charity winding down well.

They have also been trying to link staff with charities – they have a lot to offer in terms of other experience and skills which is helpful to our charitable partners. Our partners can also share a lot to our

staff, who lives in the communities they serve and understand what their needs are, the challenges in their local area, how they can make their services more accessible for minority communities etc.

Lindsay Oliver – New Beginnings

New Beginnings (NB) started as a weekly after-crisis domestic abuse support service for women but is now a full charity.

Everything they offer to clients has evolved due to peer voice/demand.

To understand the benefits of Funder Plus, consider their challenges– multi-tasking, funds (or lack of), time, supply & demand, staff retention, fitting into funders' boxes (e.g. reporting on something we normally wouldn't to qualify for funding.)

NB is a current recipient of Lloyds Bank Funding. They originally applied and weren't successful but received excellent feedback which was helpful and enabled them to be successful second time around.

NB has found the extra support doubles the value of the funding bid, if not more. Also, the fact that the funding is completely unrestricted and multi-year is so helpful – they are building a relationship with LBF over the longer term and it has taken time to find their feet within that funding.

It was refreshing for a funder to take a genuine interest in their challenges in the initial meeting and then to receive feedback on what might be helpful for them – they were met where they were rather than where someone thought they should be.

NB has been successful getting the skills exchange through Lloyds – they have a team working with them for 6 months to help them with governance, risk and sustainability. Lloyds have understood through meetings that capacity was one of their biggest challenges.

The legacy of this fund is important – they will have a stronger foundation as knowledge and skills have developed and consideration is also given to what happens after the funding and what other bids NB could make/support with this.

Think about how your offer works and any possible collaborations with other funders – sharing what is already out there.

Q&A for the speakers

Q: Reflection on terminology – Funder Plus is a new expression for us. What are people calling this if grantees aren't recognising this? We've called it 'additional offer'

THB – Lloyds Bank have been talking about it and doing it for a long time but it definitely has a branding issue. I think there is an education piece on this as well so that grantees understand what is available – to all the people who might contribute along the funder journey.

Another funder commented that they had moved away from using the term Funder Plus to "Support & Development".

Q: Interested to hear Carlos talk about the work with Decelerator as it must be challenging. I wondered what his experience had been / responses?

CC - We haven't had to use it too often thankfully. It's tricky but something there's an unavoidable case – we use it as a conversation to keep options open. This could be around a merger, losing staff etc – it is giving them the information if they need it as they are the experts.

There's a further comment on risk – are we happy for the funding we award to organisations to be used to cease operations – this is a big thing to consider. We know charities always put service delivery first and we always leave it to them to decide. We have had this conversation with our trustees and they are happy for funds to be used in mergers or work with the Decelerator.

Q: How do you stop employees from 'going rogue'?

CC - They receive some training but we don't police that conversation – we trust the charities to explain to them. But it's about communication as well between us and the charities to ensure the relationship is of respect and mutual benefit.

Because we've been successful with the skills exchange, there was a webinar with all the Lloyds employees donating their skills with myself and the trustees – this was targeted at both and give clear pathways if struggling and a peer group. It's a robust set up and not just the connection with an individual person – there's someone managing the other side of it. It's the framework of the support that's important and beneficial.

Any actions people are taking away?

We don't record our monthly dropins – there are topics in there we could record and share more widely by putting in our FAQs. There are also things we are doing and I think people don't know about.

We could do more organisation support rather than having a more project focus.

It's about encouraging groups to explain their challenges – when they apply for funding, they want to prove how great they are but we should be helping them to frame that conversation in a different way and allow them to be a bit vulnerable.

Useful Resources

NFP Report link – [“Funder Plus and Additional Support”](#)

Feedback to Yorkshire Funders

If you have any questions, feedback, top tips, links etc on any of this please get in touch as Yorkshire Funders knows our members are sources of incredible insights and knowledge that are valuable to others.

Get in touch via Alex, Alex@yorkshirefunders.org.uk