

Peter Minet Trust

Review of the Trust's grant programmes



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1 Introduction

In September 2017, Rocket Science was commissioned to carry out a review of United St Saviour's and Peter Minet Trust's Small Grants programmes of £5,000 and under. This report presents the findings from the review of Peter Minet Trust's grants programmes. The review responds to four key questions:

- Are small grants of £5,000 and under of value? What kind of value and to whom?
- What have Peter Minet Trust's grants achieved over the last three years?
- What are the main challenges that organisations/groups face?
- How might Peter Minet Trust (re)focus their grants programmes in order to maximise their value?

Peter Minet Trust was founded in 1969. The Trust aims to improve the quality of life for people living in the inner city boroughs of South East London, particularly Southwark and Lambeth. The Trust has four key values as a funder: place-based, grassroots, independent and objective.

Peter Minet Trust has always only given grants of £5,000 and under. At the moment there are two grant streams. There are main grants of £5,000 and under and Small grants of £500 and under. This review covers both programmes but the emphasis is placed on the Main grants as they constitute the majority of the Trust's investments.

This report is supplemented by an external-facing report which focuses on the achievements of both funders' Small Grants programmes over the last three years. To answer the research questions we adopted the following approach:

Method	Explanation
Desk research	Review and analysis of investments, application forms and monitoring forms over the last three years as well as a review of other small grant programmes.
68 survey responses	A survey explored the value of the grant that organisations/groups receive, asked about the challenges that different organisations/groups face, and encouraged grantees to reflect on what the Peter Minet Trust could do differently.
Workshop with 22 grantees	This workshop encouraged discussion with grantees around three key questions: What are the benefits of United St Saviour's and Peter Minet Trust's small grants? What challenges do you face as an organisation? What could United St Saviour's and Peter Minet do better?

Interviews with 7 grantees	The interviews with Peter Minet Trust grantees explored the survey questions in greater detail. Some of the interviews informed case studies for the external report.
Interviews with 4 stakeholders	These interviews gathered insight from stakeholders, including their reflections on small grants, the challenges that organisations/groups face and how funders can maximise the impact of their grant giving.

The rest of the report is structured as follows:

Chapter 2 – Review of investment – this sets out the key findings about the Main and Small grants that Peter Minet Trust has made over the last three years

Chapter 3 – The value of Peter Minet Trust’s grants – this looks at the value of the grants from the perspective of the funder, the recipient organisations, the beneficiaries and the wider funding community. It also explores whether the grants of £5,000 and under ever lack value

Chapter 4 – Organisational challenges – this explores some of the key challenges that Peter Minet Trust’s grantees are currently facing

Chapter 5 – Implications for funder – this explores what Peter Minet Trust could do better and the ways in which it could (re)focus the grants programmes

Chapter 6 – Conclusion – summarises the findings of the report

Appendix 1 – Survey findings – a summary of findings from the online survey

2 Review of investment

This chapter presents key findings based on the desk review of investment data provided by Peter Minet Trust. The total amount invested by Peter Minet Trust over the last three years has been £413,507¹.

Summary of Chapter 2

- The percentage of applications being turned down for the Main grant programme is unsustainable
- Youth has been the most commonly funded theme over the last three years despite the recent increase in projects that fall under the 'community' category
- The majority of Peter Minet's Main grants fund core programmes and activities
- Community is the most commonly funded theme for the small grants
- Over the last three years the number of applications received for the small grants programme has decreased

2.1 Main grants: £501-£5000

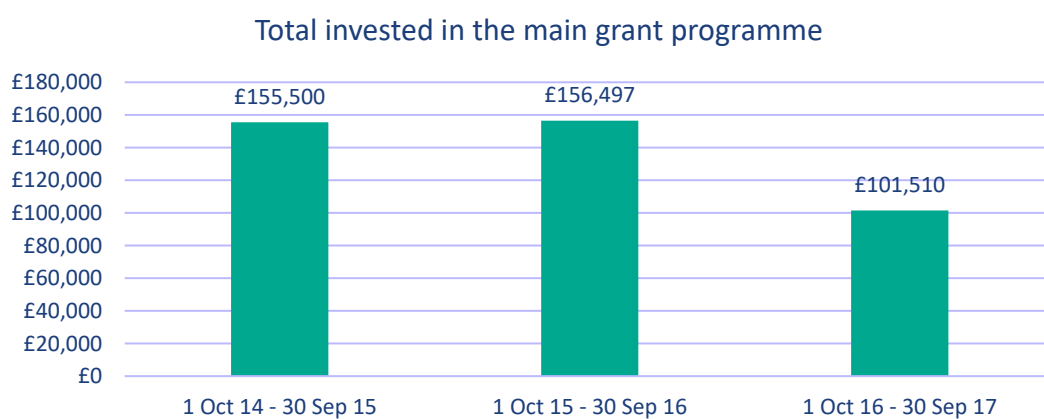


Figure 1 Total invested in the main grant programme from 1 October 2014 to 30 September 2017

¹ The time frame for these investments is 30 September 2014 to 1 October 2017. This decrease is due to the suspension of the June 2017 grants round as staff and Trustee time had to be diverted to the strategic review

This graph shows that the amount invested in 2014/15 and 2015/16 has remained stable at around £155,000 each year. In the most recent year (2016/17), the amount invested decreased to just over £100,000, reflecting the fact that there were only two grant rounds. Peter Minet Trust opted to suspend any further rounds pending the outcome of this review, recognising that staff and trustee time would need to be focused on the review, rather than administering a further round of funding.

The percentage of applications being turned down for the main grant programme is unsustainable

Figure 2 demonstrates that the number of applications being turned down increased from 72 in 2010/11 to 136 in 2015/16. Whilst this is in part because of the increasing numbers of overall applications, the percentage of applications being turned down as a proportion of the application received is increasing. In 2015/16 the turn down rate was 77% which is seen as unsustainable. In the most recent year the turn down rate was just as high (76%) despite fewer overall applications.

This is a significant issue for Peter Minet Trust – not only does this represent a huge time commitment for staff to assess applications and give feedback, but the high rejection rate also means that over three-quarters of applicants are applying every year and not receiving a grant. This trend was a key reason for commissioning this review into Peter Minet’s grant making.

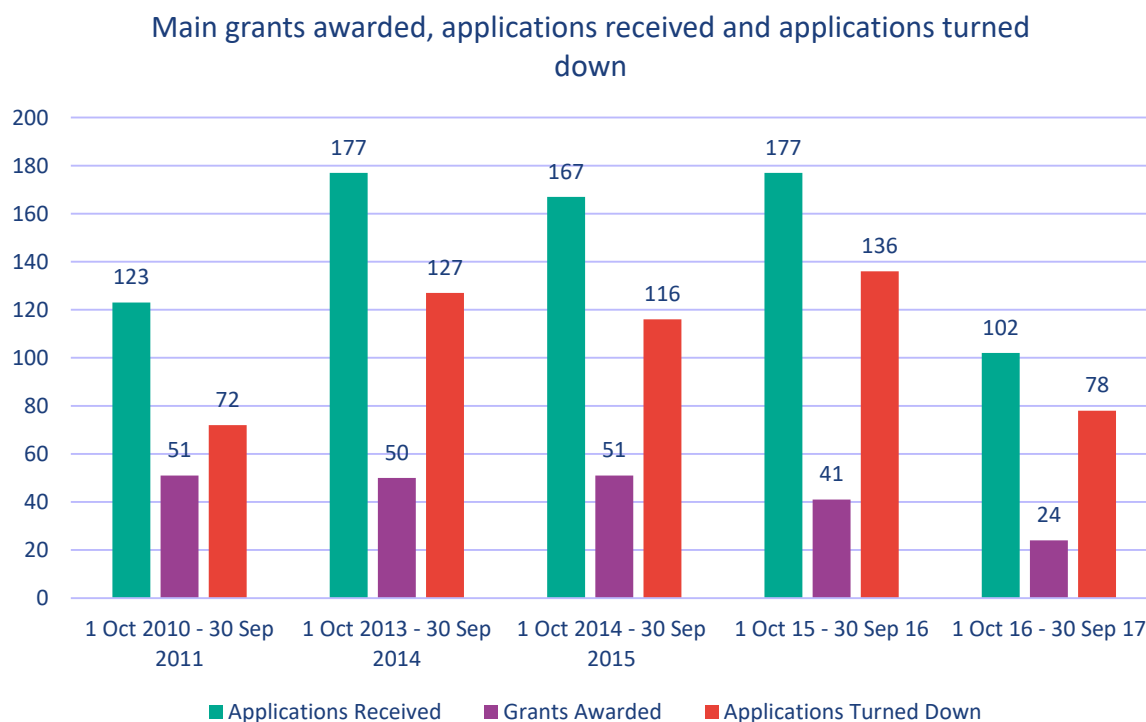


Figure 2 The number of applications received, grants awarded and applications turned down (main grants)

Youth has been the most commonly funded theme over the last three years despite the recent increase in programmes that fall under the 'community' category

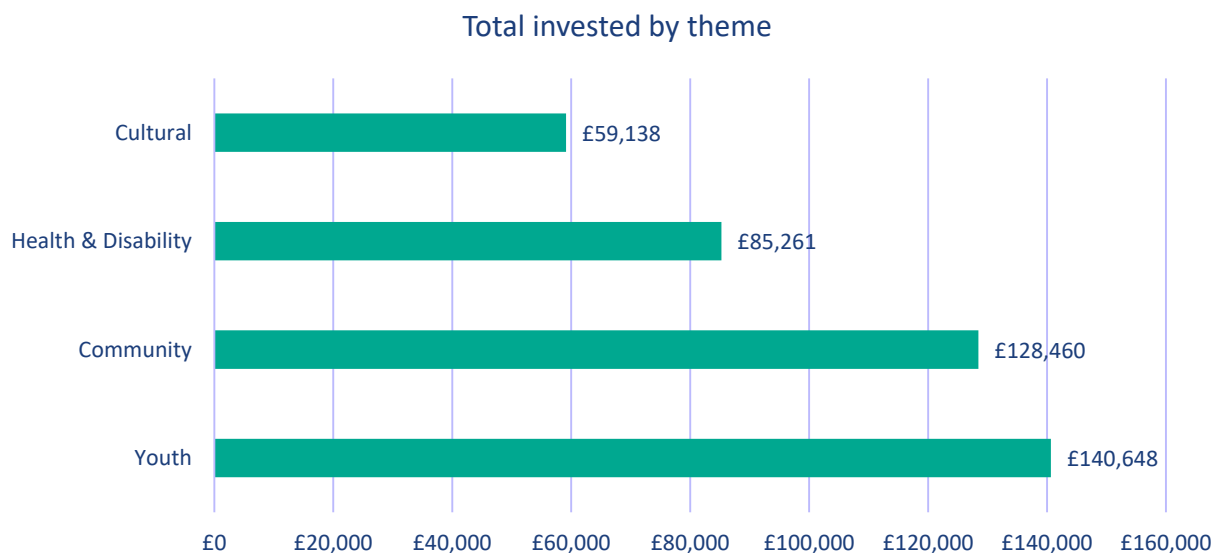


Figure 3 Total invested in the main grant programme by theme from 1 October 2014 to 31 September 2017

The most commonly funded theme over the last three years has been youth - £140,648 has been invested in projects which come under this category. The second most common category is community: this has attracted a total of £128,460 over the last three years. Whilst youth has experienced the greatest investment over the last three years, as Figure 4 demonstrates in the last year community has overtaken youth as the most commonly funded theme.

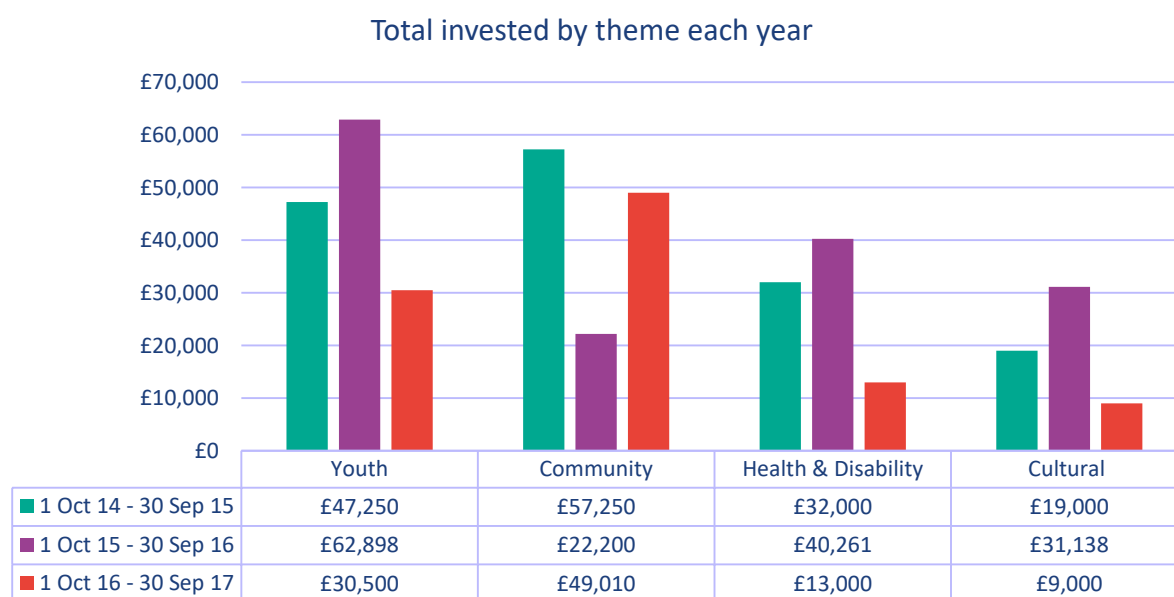


Figure 4 Total invested in the main grant programme by theme each year from 1 Oct 2014 to 30 Sept 2017

The majority of Peter Minet's main grants fund core programmes/activities

In the most recent full year of funding, the most common purpose of the grant was to fund core programmes and activities. 74% of funded organisations between October 2015 and September 2016 used their grant from Peter Minet Trust for this purpose. This is a strength of Peter Minet's grant making and is explored in the following section on the value of the grants. 12% of funded projects were play schemes which is a very specific use and can help to explain why youth is such a common category for Peter Minet funded projects.

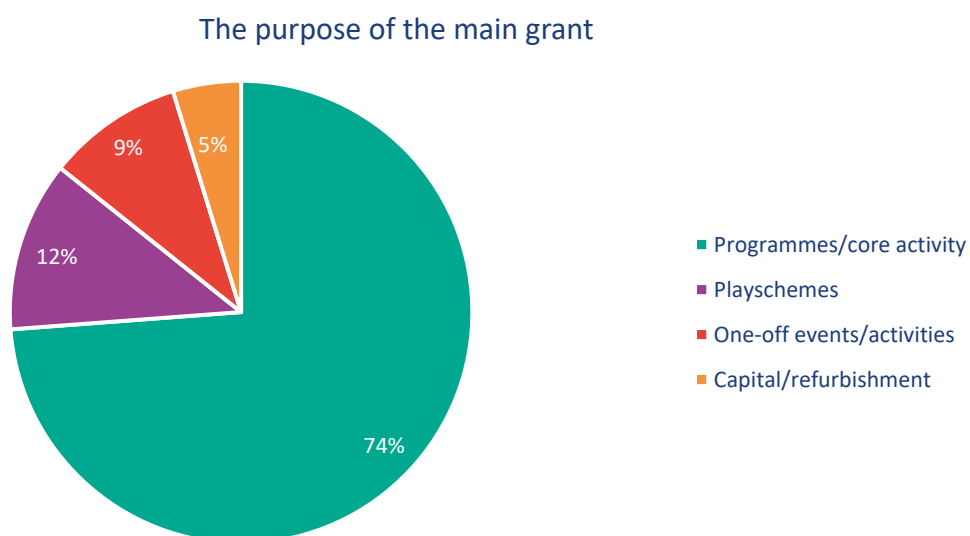


Figure 5 The purpose of the main grant from October 2015 to September 2016

2.2 Small grants: £500 and under

A total of £9,730 has been invested in organisations or groups through the small grants of £500 and under over the last three years.

Community is the most commonly funded theme for the small grants

Figure 6 demonstrates that community is the most commonly funded theme for the small grants. Over the last three years £4,500 was invested in community projects. Projects funded under the banner of community include a cultural exchange outreach programme, a Christmas party for the local community and a 30th anniversary party for the Vietnamese community living in Lambeth.

Community is followed by youth which received £3,330 between October 2014 and September 2017. Projects funded under this theme include support for young carers to take part in creative activities and funding for waterproof clothes to enable children to take part in gardening activities.

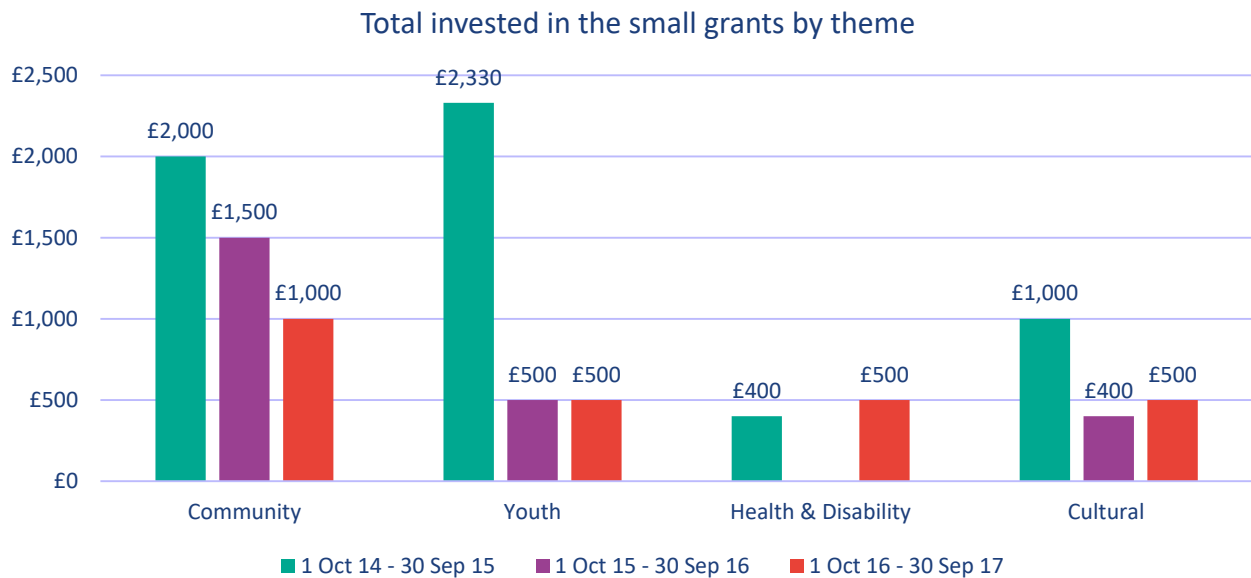


Figure 6 Total invested in the small grant programme by theme each year from 1 Oct 2014 to 30 Sept 2017

Over the last three years the number of applications received for the small grants programme has decreased

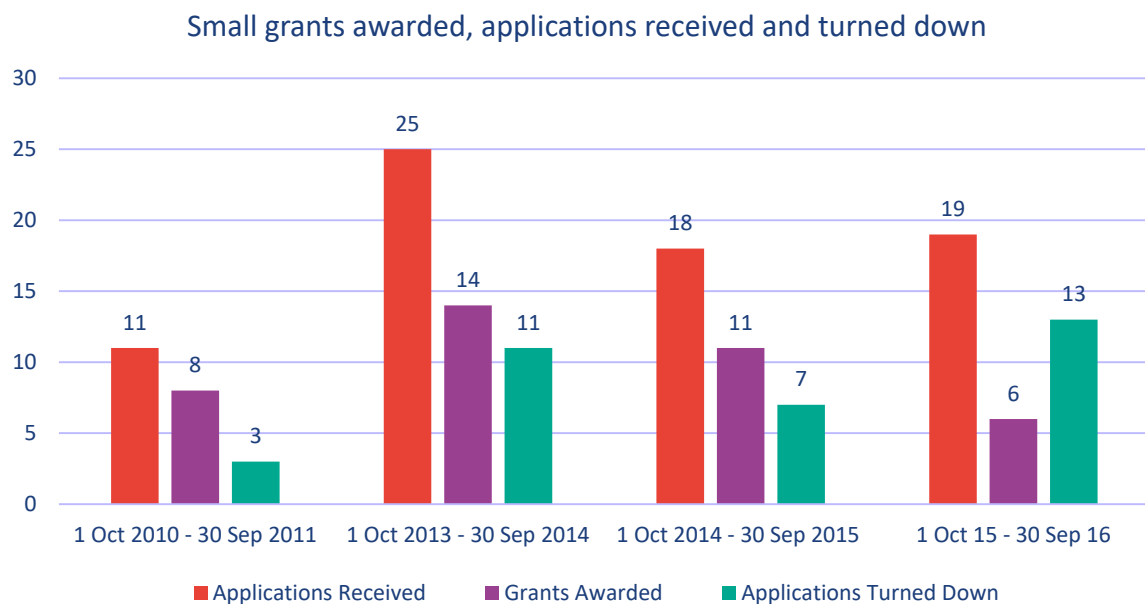


Figure 7 The number of applications received, grants awarded and applications turned down (small grants)

Figure 7 demonstrates that demand for the small grants programme has declined over the last three years with the number of applications received declining from 25 per year in 2013/14 to 19 in 2015/16. The number of applications turned down has increased as a proportion of the applications received. In 2013/14 44% of applications were turned down. This increased to 68% in 2015/16. This increase, like the increase for the Main grant programme, is unsustainable.

3 The value of Peter Minet Trust's grant programmes

The section will explore one of the key questions of the review: do grants of £5,000 and under have value? If so, what kind of value and to whom? We have distinguished between the value to the funder, the value to recipient organisations, the value to beneficiaries and the value to the wider funding community. This section of the report draws on the online survey, interviews with grantees and stakeholders, and the workshop with grantees. It also explores whether small grants of £5,000 and under can ever lack value.

Summary of Chapter 3

The value to Peter Minet Trust

- Peter Minet Trust responds to very localised need in Southwark and Lambeth
- Peter Minet grants help to raise awareness and reinforce Peter Minet Trust's distinctiveness within London's "funding ecology" as a Southwark and Lambeth funder

The value to recipient organisations or groups

- Peter Minet funds projects that some funders are shifting away from – they fill a gap
- Organisations of all sizes value Peter Minet's grants and some organisations are able to run programmes that are solely funded by Peter Minet
- The grants enable organisations to form new relationships and partnerships, not least with the local authority and other stakeholders which the Trust may want to find time to understand and develop for itself
- Local funders like Peter Minet Trust are becoming increasingly important to small- and medium-sized organisations owing to the increasing competition for national funding

The value to beneficiaries

- The most important value to beneficiaries is that the grants improve the lives of local people; this is often achieved through mental health and wellbeing outcomes
- People are more likely to access other local services because of their increased confidence and improved knowledge about local support
- Peter Minet's grants fund projects which deal with social isolation in Southwark and Lambeth, but they also fund many programmes support children and young people

The value to the wider funding community

- The opportunity to map and fully understand the role and potential of various small grant pots within a place-based funding ecology (ie per borough)
- The chance to leverage or match against other sources of additional funding

3.1 The value to Peter Minet Trust

All of Peter Minet Trusts grants programmes are managed by one part-time Director. The time the Director has for grants assessment is limited. Nevertheless, applicants' levels of satisfaction regarding the application and post-award processes are very high.

Assessment is desk-based with follow-up emails of 3-8 questions, specific to the application, which are generally sent to those applicants that meet the Trust's criteria – there are no visits, nor face-to-face contact. Despite the concern that the grants' administration is time intensive and not proportionate to the size of the awards, the grant programmes are of value as they enable the Trust to invest in a large number of organisations that deliver projects locally.

Peter Minet Trust responds to localised needs in Southwark and Lambeth

One of the key strengths of Peter Minet's grant programmes is their place-based nature. Place-based funding responds to local need, rather than the interests or concerns of the funder. The two boroughs have the eighth and ninth highest deprivation scores of all London boroughs (29.5 and 28.9 respectively)². Over the last three years, Peter Minet Trust has funded 115 organisations which respond to different needs across Southwark and Lambeth³. The place-based nature of its grants programmes is of considerable value to the Trust as it helps to reinforce the focus and purpose of its grant-making whilst retaining a commitment to supporting grassroots organisations and responding to local need. A conundrum facing the trustees is whether, by reducing the number of awards it makes, it can free up some time from the Director to enhance the quality and impact of its place-based giving.

The grants programme helps to raise awareness of Peter Minet Trust as a Southwark and Lambeth funder

Organisations funded through smaller grant programmes confirm that both the Main and Small grants programmes help to raise awareness of Peter Minet Trust and its distinctiveness as a Southwark and Lambeth funder. This enables grant recipients to build relationships with the Council, ward councillors and local organisations. Again the Trust may want to consider whether it could leverage more value and achieve greater impact from its grant-making if it had more staff time itself to understand the potential and, where appropriate develop new initiatives on the back of these relationships.

“The ward councillors are very impressed by the activities that are created by smaller grants – this develops relationships with the local council and statutory groups which is very important.”

3.2 The value to recipient organisations or groups

² Index of Multiple Deprivation 2015

³ These London boroughs are Peter Minet Trust's priority areas

Peter Minet Trust's grants are used to fund a wide variety of events, projects and programmes. This section explores the nuances of this value to funded organisations or groups.

Peter Minet Trust funds projects that some funders are shifting away from – they fill a gap

The most common use of Peter Minet Trust's grants is as a contribution to organisations' core programmes (ie what they are currently doing and known for). 42% of respondents said that their most recent grant from Peter Minet Trust went towards core programmes. Moreover, allowing organisations to continue to deliver their programmes is the most important benefit to organisations. 79% of survey respondents suggested that this was a benefit of the grant and 55% of respondents rated this as the most significant benefit to their organisation or group. As one grantee told us,

"A lot of funders want new projects. It is really fantastic that they [Peter Minet] were willing to support an existing project. We know that we have the funding to keep it going." Over £1 million

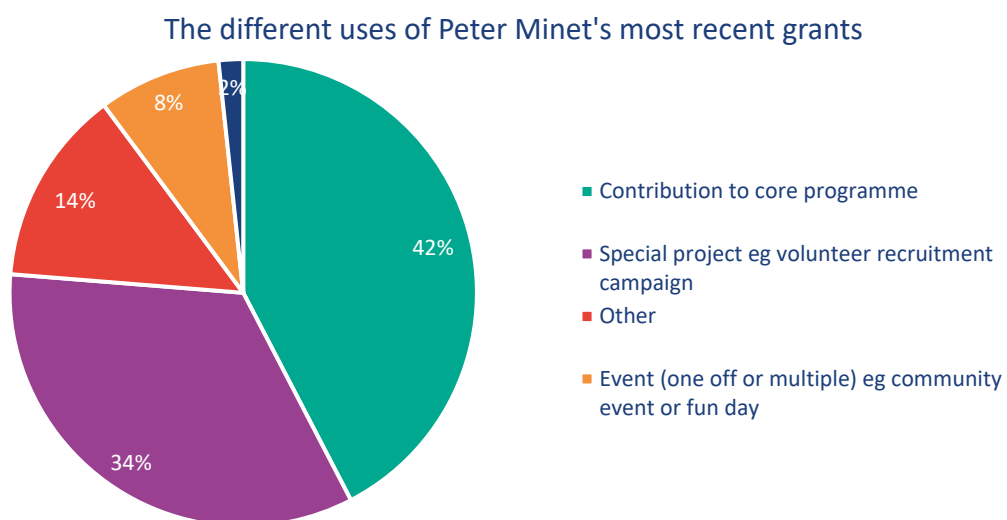


Figure 8 The different uses of Peter Minet Trust's grants

Another grantee reinforced this as a unique characteristic of Peter Minet Trust:

"Smaller funders usually want to fund specific projects. What's great about Peter Minet is that they are willing to fund core costs. That makes the small grant worth it." Over £1 million

This finding reinforces the growing realisation that 'core funding is an investment, not a safety blanket'⁴. Grants which support core projects are becoming increasingly important for

⁴ <https://blogs.ncvo.org.uk/2017/05/04/core-funding-is-an-investment-not-a-safety-blanket/>

organisations owing to the dual impact of the growing emphasis on commissioning and contracts, and many funders' preoccupation with new projects. As one stakeholder suggested,

“Small grants are not often considered in the context of core funding but £5,000 can go a long way to help pay a salary. It might help volunteers to become part-time employees.”

This suggests that, whilst small, Peter Minet's grants arguably have the greatest value when they support the core costs of a project or organisation.



Figure 9 The benefits of Peter Minet Trust's grant programmes to your organisation/group

Organisations of all sizes value Peter Minet's grants

Peter Minet's grants are of value to organisations of all sizes. As Figure 10 demonstrates 100% of organisations which have an income of under £10,000 rate the grant as very important. 90% and 93% of organisations with income of £100,001-£250,000 and £10,001-£100,000 respectively rate the grant as very important. The lowest percentage is for organisations with an income of between £250,001 and £500,000 (64%). The remaining grantees rated the grant as either quite important or important. This slight dip in importance for medium-sized organisations is explored more in the section which considers why small grants can lack value.

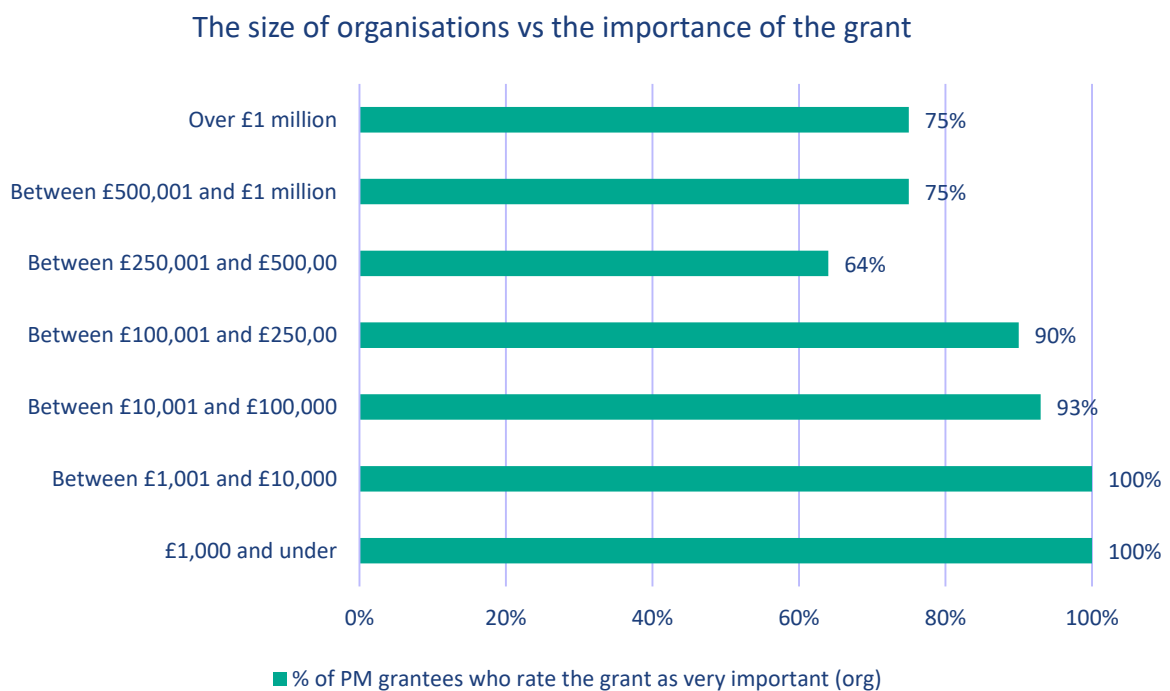


Figure 10 The importance of Peter Minet Trust's grants to organisations/groups of different sizes

The small grants of up to £5,000 are even valuable to large organisations with an annual income of over £1 million. A workshop participant suggested that despite recently tipping over the £1 million mark they still greatly value smaller grants, particularly when they can be used to fund existing core programmes.

Several organisations run programmes that are solely funded by Peter Minet grants

Despite the small size of the grant several organisations told us that the Peter Minet Trust grant was sufficient to fund their project or programme entirely. This was true of organisations that received grants of £500 and £5,000. One organisation told us that they were able to run a theatre-based prevention programme to support sexually vulnerable 14-16 year olds' physical and emotional wellbeing. As the interviewee suggested, "we managed to make the £5,000 stretch quite considerably."

Another organisation told us that despite only receiving a grant of £500 they managed to fund a 12-month weekly yoga project which supports people experiencing psychosis. Despite this success, the interviewee suggested that this was only possible because the premises and the facilitators' time were donated free of charge which considerably enhanced the value of the £500 grant.

The grants enable organisations to form new relationships and partnerships

As Figure 9 shows, forming new partnerships and relationships is the third most appreciated benefit of the Peter Minet grant. This finding also emerged from interviews with grantees and

the grantee workshops. One organisation suggested that the grant they received from Peter Minet Trust enabled them to form new relationships with local schools.

“The project strengthened our connection with the school – we will probably go on to do more work with them, perhaps with other young people in need.” Between £100,001 and £250,000

Another organisation said that they used some of the grant to fund their outreach workshops in the local community with local people and relevant organisations such as homeless charities and mental health organisations. The grant from Peter Minet Trust provided the organisations with the time needed to form new relationships that will help to spread the impact of their work to new beneficiaries.

Local funders like Peter Minet Trust are becoming increasingly important to small- and medium-sized organisations

Several grantees suggested that small local funders that only provide grants to organisations or groups based in London or in specific London boroughs are becoming increasingly important. Organisations of all sizes are finding national pots of money more difficult to access, but this is particularly experienced by small- medium-sized organisations. As one grantee suggested in an interview,

“The pool of competition is high for big funders, such as Big Lottery. We are finding them really difficult to get and so depending more and more upon organisations that fund London-specific projects” Between £250,001 and £500,000

Another grantee echoed the same concerns about large national funders,

“We used to be supported by BLF but we can’t access that money anymore due to increasing competition. We now rely on small grants to fund out projects and core programmes.” Between £10,001 and £100,000

The increasing importance of small local funders like Peter Minet Trust was also a key theme during the workshop with grantees. Grantees suggested there is even greater competition for the national grant programmes for organisations based in London. As one participant suggested,

“London-based projects are harder to get funding for... It is helpful that Peter Minet focus on a specific part of London.” Between £500,001 and £1 million

The small grants can help organisations to attract further funding

Attracting further funding did not feature in survey responses as a particularly significant benefit. However, during the workshop and interviews with grantees this was a key theme. Many groups talked about the grant as a means to secure further funding, either for the same or a new project.

“The small grant provides you with a starting point which can help you to secure other funding. It is less daunting for other funders if you already have some money coming in to support a project.” *Between £100,001 and £250,000*

This quotation suggests that even when the Peter Minet grant is not sufficient to fund a project or a programme entirely, the grant has added value by helping the organisation or group to bring in further funding. As one interviewee suggested, “It’s always useful to have a base to start from. The [Peter Minet] grant gives us a stamp of credibility”.

Peter Minet’s grants enable organisations to gain more capacity by increasing the skills and confidence of staff or volunteers

42% of survey respondents suggested that the grant enabled their organisation or group to increase the confidence of their staff or volunteers whilst 37% told us that the grant improved their skills (see Figure 8). Several interviewees and workshops participants reinforced this finding. They suggested that the grants have an impact on organisational capacity by upskilling staff or volunteers.

One organisation told us that they used the Peter Minet grant to fund a project which supports young people aged 18-26 who are at risk of being Not in Education, Employment or Training (NEET). Through the project the trainees were upskilled and some became employed by the organisation. The interviewee said,

“We trained young mums who were at risk of being NEET in drama therapy. Some of them now work with us and others have gone onto different roles.” *Between £100,001 and £250,000*

3.3 The value to beneficiaries

Peter Minet Trust’s grants have a wide variety of benefits to local people. As a result of groups being able deliver core programmes, form new relationships and attract further funding, beneficiaries are able to meet new people, improve their mental health and wellbeing and access other local services.

The most important value to beneficiaries is that the grants improve the lives of local people

Figure 11 demonstrates that 91% of survey respondents think that the Peter Minet Trust grant enabled them to deliver projects which improved the lives of local people. Moreover, 49% of respondents rated this as the most significant benefit to the people with whom they work. This refers back to the value to Peter Minet Trust as a funder: place-based funding ensures that local people benefit from grant making.

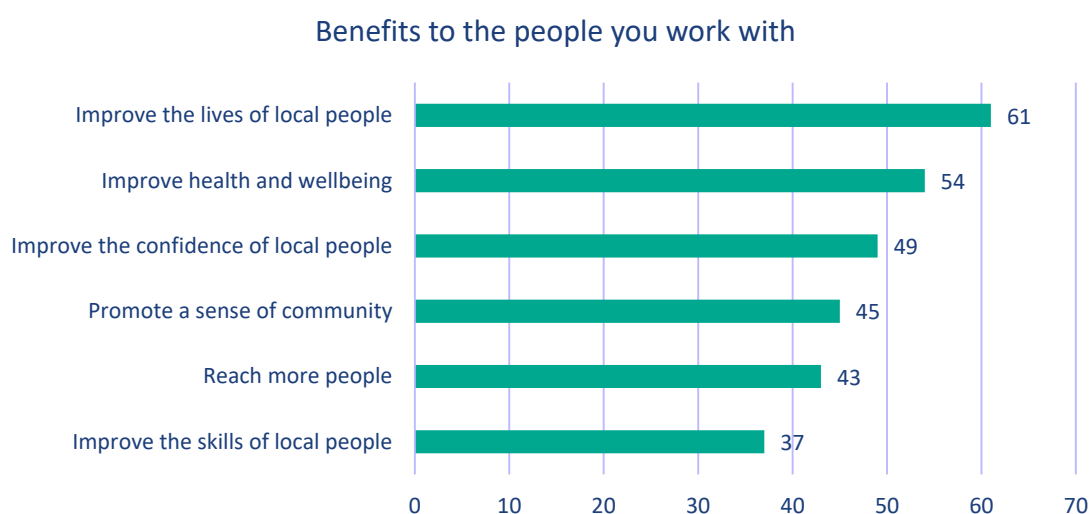


Figure 11 The benefits of Peter Minet Trust's grants to the people you work with by number of organisations

Whilst 'improving the lives of local people' is quite ambiguous, the following sections explore the main ways in which the grants improve the lives of local people.

Peter Minet's grants fund projects which have mental health and wellbeing outcomes

Many of Peter Minet's grants fund projects or programmes that improve the mental health and wellbeing of local people. This is both through explicit aims of particular programmes and a by-product of participation in projects and community engagement. As Figure 11 demonstrates, 81% of respondents (54) suggested that improving health and wellbeing was an outcome of the grant. Moreover, 27% of survey respondents rated this as the most significant benefit to the people they work with.

One of the Peter Minet grants funded a project that supports young girls who have low self-esteem and are at risk of sexual exploitation. The project encouraged the girls to work through some of their issues and discuss issues of self-confidence. This has a direct impact on the young girls' mental health and wellbeing. Another organisation used the grant to fund a project which supported young vulnerable women. As one survey respondent wrote,

"The main benefits of the grant were that the women received first hand advice from mental health professionals, tools to deal with stress and depression." Between £10,001 and £100,000

Another grantee told us about a mental health and wellbeing programme comprising both group and one-to-one support for people with mental health needs. In 2016 at least 420 users benefitted from this service. As the interviewee suggested,

"The grant was very important. It helped us to support people with mental health issues and in distress to feel less alone and more relaxed." Between £10,001 and £100,000

Several other organisations told us that the grant they received from Peter Minet Trust funded a project which improved the wellbeing of a particular group of people. This is significant in the context of a continued crisis in mental health funding. A recent report found that in 2013/14 and 2015/16 40% of mental health trusts saw budget reductions⁵ at a time of increasing demand for services and support. Whilst Peter Minet Trust can in no way fill this gap locally, its focus on mental health outcomes is hugely valuable.

Local people are more likely to access other local services

Another benefit of the Peter Minet grant which emerged from both interviews and workshop discussions was that the grant has an impact on people's confidence which means that they are now more likely to access other services and support.

"People who come to the choir are more likely to access new services and activities. They have the confidence to try something new or get more support after participating in the choir." Between £250,001 and £500,000

The Peter Minet grants fund projects which have a positive knock-on effect on beneficiaries. Local people gain in confidence and learn about different services and support available.

Peter Minet's grants fund projects that deal with social isolation and bridge divisions in Southwark and Lambeth

Another significant outcome of the Peter Minet Trust grant is that the funded projects bring local people together and deal with issues of social isolation and loneliness. 67% of survey respondents suggested that the grant promoted a sense of community. One organisation recently received a grant which will support a programme of one-to-one friendships between older people at risk of isolation and young professionals in Lambeth.

"We try to build friendships between two people based on interests, geography and circumstances. These friendships bridge connections across generational, socio-economic and digital divides." Between £250,001 and £500,000

The growing divide between the younger and older population is a concern for many inner London boroughs as young professionals move into the area and older long-standing communities stay put, watching their neighbourhoods change rapidly⁶.

⁵ <https://www.kingsfund.org.uk/blog/2016/10/trust-finances-mental-health-taskforce>

⁶ Intergenerational Foundation (2016) Generations apart: The growth of age segregation in England and Wales, <http://www.if.org.uk/wp-content/uploads/2016/09/Generations-Apart-Brochure.pdf>

Peter Minet's grant programmes support children and young people

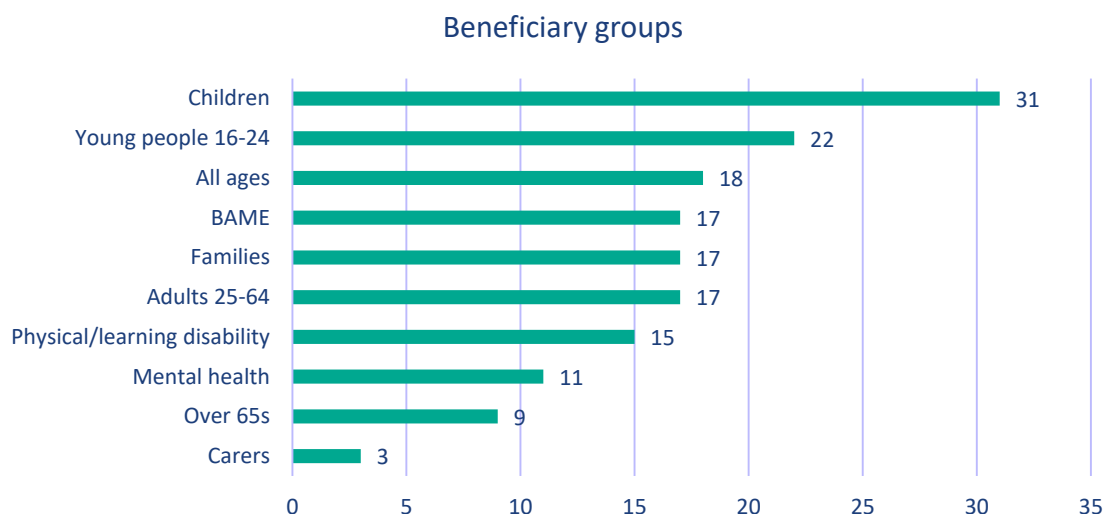


Figure 12 The beneficiary groups of organisations funded by Peter Minet Trust

Figure 12 demonstrates that 79% of organisations funded by Peter Minet Trust support children and/or young people (53). One organisation used the grant to fund its core programme which provides personalised support to children and their families, tackling the underlying barriers to a successful education to improve the life chances of children.

“We are really grateful that they are willing to support our project. We are always looking for new funding sources to fund out work with schools in Southwark.” Over £1 million

3.4 The value to the wider funding community

This review of the small grants programme has been undertaken at a challenging time for independent grant-makers. In a city whose residents are predicted to be disproportionately impacted by cuts to state spending, the potential of closer collaboration and joint working between local place-based funders, like United Saint Saviours and Peter Minet, takes on added significance as a way of supporting continued investment in London's social fabric and wider civil society.

Three years ago, a report commissioned by the Big Lottery Fund and the Calouste Gulbenkian Foundation, *Supporting Social Change: A New Funding Ecology* argued that funders are potentially inhibiting the systemic change of social support in the UK by failing to collaborate as effectively as they should. It recommended that Funders should see their role less as "guardians of self-identified change" and more as partners in an "ecosystem of support for others." Several developments since 2015 suggest that a growing number of independent funders, including United Saint Saviours and Peter Minet Trust, are interested in greater collaboration as a vehicle for enhancing the overall value of their particular grants and social investment:

- The increasing interest in place-based giving and funder collaboration around particular local priorities, manifest in the development of the “London’s Giving” initiative supporting place-based models in different parts of the capital, including “Southwark Giving.” Funders are looking to collaborate/co-invest where interests, whether geographical or thematic, overlap eg Walcot Foundation and Battersea Power Station Foundation; Local Giving and Big Lottery Fund
- A growing tendency among funders to link grants to additional, non-financial sources of support. “Funder Plus” initiatives tend to be driven by grant makers’ having a similar objective to United Saint Saviours and Peter Minet of maximising the impact of their work by focusing relatively limited funds more strategically.
- The commitment of a significant number of London’s boroughs to review their own strategies and policies for engaging with civil society with a view to making budgets go further through better use of data, greater collaboration and a growing interest in crowdfunded activities.

London Borough of Southwark is one of the few local authorities which, in the face of the cuts to local government funding, has managed to retain its own sizable programme of small grants. These include:

- (1) The Neighbourhoods Fund £600k pa – for spending across the 5 Community Council areas in the borough. There are, however, moves afoot to hold back some of this funding to create a matchfund to support local crowdfunded projects, following a “Dragons Den” style selection process.
- (2) Southwark Tenants Fund £500k pa to the Tenants and Residents Associations - funded through a very small levy on social housing tenants. This fund provides up to £1000 for events/one off activities which benefit whole estates.
- (3) Community Capacity Grants £730k pa – though suspended pending the Council elections in May 2018, tend to fund the same organisations year on year – for capacity and engagement plus environment and ecology projects (down from £1.1m a few years ago). Examples include the bike project; Southwark Daycentre for Asylum seekers; Latin American Disabled people’s project, Pecan Foodbank.
- (4) Other small grants across different Council departments eg Arts and Culture (Black History Month); Youth Service Grants; Children & Adults Services; Local Economy Team.

Despite this level of continued investment in its communities and the Council’s recasting of its relationship with the local voluntary and community sector, as set out in the strategy document [*Common Purpose, Common Cause*](#), the local authority would welcome closer collaboration with other funders to offer complementary programmes, pool processes and data and achieve better and more sustainable outcomes for the area; officers are sure of the value of other sources of small grants to supporting the delivery of place-based outcomes. Various governance and communication arrangements are in place, including the strategy’s Common Outcomes Framework to try to encourage collaborative funding and commissioning, and quarterly Community Sector Liaison meetings to try to increase shared understanding of local needs and priorities. Nevertheless, the propensity for silo working, the duplication of effort and, despite the growing currency of on-line data platforms like 360 giving, the lack of understanding of who is funding what in the borough, remain rife. And Southwark is by no means alone.

3.5 Do small grants ever lack value?

This section of the report explores the different contexts in which Peter Minet Trust's grants ever lack value.

Medium-sized organisations find that grants of much less than £5,000 are not proportional

Whilst organisations of all sizes value Peter Minet's grants some medium-sized organisations find that when the value of the grant is much less than £5,000 the time it takes to apply and monitor the grant is not proportional to its value. This is particularly the case for organisations who do not have a dedicated fundraising role within their organisation.

"We don't apply for really small grants because the application and monitoring processes are often too time-consuming. We have to make a judgement about what is proportional." Between £250,001 and £500,001

Another grantee suggested,

"Larger organisations have a dedicated funding resource and volunteer-led organisations often run quite small projects... for organisations in the middle anything less than £5,000 is not really worth our time." Between £250,001 and £500,000

This finding is explored in greater detail in the next two sections which explore the different challenges that organisations or groups face, and the implications for Peter Minet Trust.

Large organisations have to apply for multiple small grants to fund a project

Whilst large organisations have greater capacity than many medium-sized organisations to apply for grants of £5,000 and under, they often have to apply for several grants to fund their projects. This is because their projects are often larger and are supporting a greater number of beneficiaries. Although larger organisations are likely to have a dedicated fundraising role within their organisation, greater pressure is placed on this individual owing to their having to apply to multiple sources to fund one project. The time spent applying for lots of little pots of money means that it is difficult to find time for strategic financial planning.

Some organisations feel that the grant size is not sufficient to enable growth

Although we spoke to several organisations which had used the grant to scale up their project in some way, some grantees also voiced concern that the grant was not sufficient to enable growth. One interviewee told us that because they received closer to £2,000 rather than the upper limit of £5,000, they were only able to continue with the project at the same size.

"We wanted to use the funding as a springboard but the amount they gave us wasn't very much. We couldn't start anything new or scale it up." Between £250,001 and £500,000

4 Organisational challenges

4.1 Key findings

Another of the lines of enquiry for this review was to understand the challenges of the organisations and groups that Peter Minnet Trust funds through its grant programmes.

Summary of Chapter 4

- Organisations' biggest challenge is sustainability and securing funding for core costs
- Many of the grantees do not have the time needed to evaluate the impact of their work and think more strategically
- At the same time as increasing competition for funding, demand for services continues to grow
- For larger organisations one of the biggest challenges is no longer meeting the criteria for small grant programmes

Organisations' biggest challenge is sustainability and securing funding for core costs

The biggest challenge that organisations face is securing enough funding for core costs to ensure their long-term sustainability. As Figure 13 (below) demonstrates, 85% of survey respondents suggested that covering core costs was one of their main challenges and 40% rated this as their most significant challenge. This is perhaps unsurprising in the context of austerity and funders' preoccupation with project-funding over investing in established programmes and staff costs.

Workshop discussions reinforced this finding, as grantees repeatedly articulated concerns about their sustainability. As one participant suggested,

"Our biggest issue is sustainability. With all this short-term project funding we will always be in a precarious situation." *Between £100,001 and £250,000*



Figure 13 The different challenges that organisations/groups face

The second and third most common challenges faced by organisations are fundraising and diversifying their income. 73% and 58% of survey respondents, respectively, suggest that these are significant challenges. These issues are interrelated: organisations are finding it increasingly difficult to fundraise from a wide range of sources owing to increasing competition for funding pots, particularly for funders who support core costs. All of this impacts on the sustainability of the organisation.

Many of the grantees do not have the time needed to evaluate the impact of their work and think more strategically

Other significant challenges are the lack of time for grantees to step back from project delivery and think more strategically about the direction of their organisation and/or programmes. Several organisations told us in both interviews and workshop discussions that because of the increasing amount of time they spend trying to secure funding they have no time to evaluate or reflect on their work.

“We need the time and space to evaluate our work and think about what works.” *Between £250,001 and £500,000*

This is an issue because it means that projects may not improve and might not be delivering the best outcomes for the people they support.

At the same time as increasing competition for funding, demand for services continues to grow

Many grantees suggested that the increasing competition for funding is compounded by growing demand for their services. Indeed, 34% of survey respondents feel that increasing demand for their services is one of their main challenges as an organisation.

“One of our biggest challenges is the increasing demand for services, especially the one-to-one sessions. We only have three volunteers to deliver this.” Between £10,001 and £100,000

For larger organisations one of the biggest challenges is no longer meeting the criteria for grant programmes

Although on the surface it may seem that small grants are less valuable to larger organisations (income of over £1 million) owing to their greater capacity to apply for larger grants, this is not always the case. Several organisations told us that they are significantly disadvantaged by funders who prioritise small grassroots organisations over slightly larger organisations. One workshop participant said,

“We have grown recently which means we have lost a lot of funders due to the cut-off point. At the same time there is a growing number of older people who would benefit from our services. Lots of funders want new and existing projects. We need money for this but also core funding.” Over £1 million

This suggests that the impact of the cut-off point of £1 million is compounded by increasing demand and the difficulty of securing core funding for their programmes. Whilst it is undeniable that this organisation is deserving of a small grant from Peter Minet Trust, there will also be some larger organisations which are not as in need as smaller organisations. As one stakeholder suggested, some organisations with an income of over £1 million are genuinely large whilst others rely on receiving smaller grants. It is therefore important to consider income alongside various other factors when assessing grant applications.

5 Implications for Peter Minet Trust

This section of the report responds to a key research question: how might Peter Minet Trust (re)focus its grants programmes to maximise their value?

Summary of Chapter 5: Suggestions for Peter Minet Trust

- Offer larger grants of £10,000 to enhance the value of Peter Minet Trust's grant making
- Provide multi-year funding to organisations, particularly for organisations which receive funding for their core programmes
- Offer unrestricted funding to trusted organisations
- Grantees would like more opportunities to meet the funder, network and share learning
- Implement more stringent criteria to target investments and deal with the issue of high turn-down rates

5.1 Key suggestions

This section of the report presents suggestions made by grantees in terms of what Peter Minet Trust could do differently or better. Whilst Peter Minet's grant programmes are definitely of value, there are some changes that the Trust could make to their grants programmes which would enhance their value. The findings do not comprise recommendations to the funder, but instead offer a reflection on suggestions articulated by grantees and stakeholders. It is important to recognise that these suggestions must sit within the realm of possibility. As one grantee said,

"We have to be realistic. There is a limited amount of money and a capacity issue."

Offer larger grants

60% of survey respondents suggested that they would like larger grants and 17% of respondents rated this suggestion as the most important change that Peter Minet Trust could make. This would counter the concern that some medium-sized organisations articulated, namely that grants of much less than £5,000 are not proportional. As one interviewee suggested,

"If Peter Minet offered slightly larger grants they would be more worth my while. More like £8-10,000. That would be equivalent to a day and a half of someone's time every week. You can start a pilot project with that amount." Between £250,001 and £500,000

Grantees feel that larger grants of closer to £10,000 would enable them to deliver projects which have better outcomes and support more people in need. It would also enable them to

ensure the sustainability of their organisation for slightly longer and alleviate some of the pressure to look for other funding.

Provide multi-year funding to organisations, particularly for organisations which receive funding for their core programmes

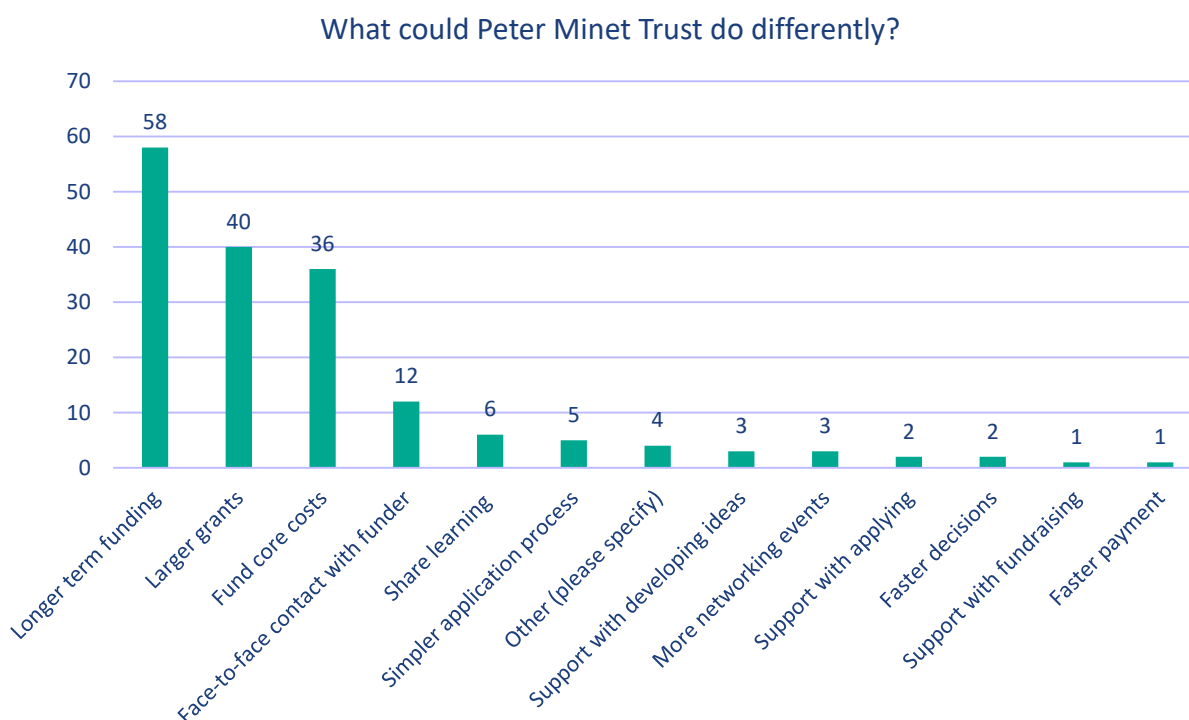


Figure 14 What could Peter Minet Trust do differently?

Despite the interest in larger grants, longer term funding was the most popular suggestion. As Figure 14 demonstrates, 87% of survey respondents think this is something that Peter Minet Trust could do differently that would increase the impact of its grant-making. Moreover, 55% of survey respondents rated this as the most significant suggestion. This finding was reinforced by both interviews and workshop discussions. As one workshop participant suggested,

“It makes such a difference knowing that the support is there for a number of years as it means that we can plan confidently. It takes off some of the pressure to constantly be looking for more funding.” Between £250,001 and £500,000

Another workshop participant told us,

“I would rather have repeat funding [than larger grants] so that we can ensure the sustainability of an existing project. This also helps to build a good relationship with the funder.” Between £100,001 and £250,000

Providing longer term funding was the most common suggestion for organisations of all sizes except organisations with an income of £1,000 and under (see Figure 22 in Appendix 1).

Offer unrestricted funding to trusted organisations

A key finding from interviews and workshops is that organisations really value Peter Minet's being flexible with the use of the grant. They told us that projects often evolve because of changed circumstances, such as a difficult relationship with a partner organisation. This means that the grant sometimes has to be spent slightly differently. Peter Minet Trust could go one step further in terms of its flexibility and offer unrestricted funding from the outset. This would mean that organisations can use the money how they see fit. As one commentator on the sector recently blogged, unrestricted funding allows grantees to be 'more responsive, more agile, more independent, and more forward-thinking'⁷.

Grantees would like more opportunities to meet the funder, network and share learning

The fourth and fifth most common suggestions for Peter Minet Trust are to have more face-to-face contact with the funder and to share learning: "an opportunity to meet the funder can only be a good thing". In the context of the Director's limited time it would make sense to organise an annual networking event that enable grantees to meet each other and the Director at the same time.

"There could be more chances to meet other grantees, to share learning and similar challenges." Between £100,001 and £250,000

In particular grantees would value networking events that are centred around particular themes or challenges, such as impact measurement, fundraising and recruiting and retaining volunteers. Related to this finding grantees feel that Peter Minet Trust could encourage more partnership working between its grantees and other organisations in its networks. As one survey respondent suggested,

"Providing a source of funding is the biggest help. Beyond that any sharing of knowledge or insights would be much appreciated." Between £10,001 and £100,000

As well as focusing on challenges experienced by grantees, these events could also celebrate the achievements of organisations or groups funded by Peter Minet Trust. They could provide grantees with an opportunity to meet other (local) funders and to feel proud of their accomplishments.

Implement more stringent criteria to target investments and deal with issue of high turn down rates

This suggestion did not emerge from consultation with grantees, it was, however, a common theme during interviews with stakeholders. Having more stringent criteria would help to reduce the turn down rate of applications. At the moment a considerable number of Peter Minet's grantees are large organisations with a turnover of over £1 million (see Figure 15 in Appendix 1).

⁷ <http://www.alliancemagazine.org/blog/sector-needs-unrestricted-funding/>

Whilst it may be inappropriate to exclude large organisations, Peter Minet Trust could have a preference for smaller organisations, particularly if they continue to offer grants of the same size.

In addition to annual turnover, Peter Minet Trust could have priority areas that it wants to fund, or alternatively non-priority areas that it is unlikely or unwilling to fund. These could be themes, such as young people, mental health or social isolation, or could be types of projects, such as one-off events or core programmes. These criteria must not be too exclusionary. As another place-based funder suggested,

“It is important to have the balance between being accessible and not getting too many applications.”

The revised funding criteria could help Peter Minet Trust to make more strategic grant making whilst not pre-defining what the greatest needs are in Southwark and Lambeth. It is important when deciding these that Peter Minet Trust takes account of other funders in the boroughs and, wherever possible, attempts to respond to a gap in funding. For example, Wakefield and Tetley Trust’s non-priority areas include schools and projects that work with schools, as well as vocational and employment projects, largely because of the range of other funding available for these types of projects.

6 Conclusion

Value is a highly subjective and context-specific concept. Despite its ambiguity, Peter Minet Trust's grants are undoubtedly of value. They enable organisations of different sizes to continue to deliver programmes that have a strong track record of success and support those in need in Lambeth and Southwark. Its place-based nature is a huge strength of Peter Minet's grant making.

Peter Minet Trust's grants have the greatest value when they fund the core activities of organisations that respond to local need in two relatively deprived London boroughs. The projects that Peter Minet Trust fund have a particular impact on the mental health and wellbeing of local people. They also reduce social isolation by breaking down the barriers to participation, bridging the gaps between older and younger residents.

Despite their small size, Peter Minet's grants are becoming increasingly important for organisations in the face of the dual impact of increasing competition for national pots of money and the growing demand for their services and projects. This importance is only going to increase in the context of continued austerity.

There are several suggestions that emerged from consultation with grantees, stakeholders and Peter Minet Trust itself that could enhance the impact of its grant making. These can be summarised as 5 suggestions:

- Offer some larger grants of £10,000
- Provide multi-year funding to organisations, particularly for organisations which receive funding for their core programmes
- Offer unrestricted funding to a small number of trusted organisations
- Provide more opportunities to network and share learning
- Implement more stringent award criteria

These suggestions would likely enhance the value of Peter Minet's grant giving and ensure that its place-based funding goes beyond simply sustaining a core project for another few months. They would also enable the Trust to respond to the issue of an unsustainable turn down rate of applications.

Appendix 1: Survey findings

This section includes the profile data of survey respondents as well as views about the perceived benefits of Peter Minet Trust's grants, the challenges that organisations face and suggestions for the funder. It also presents reflections on the Trust's application and monitoring processes.

Profile data

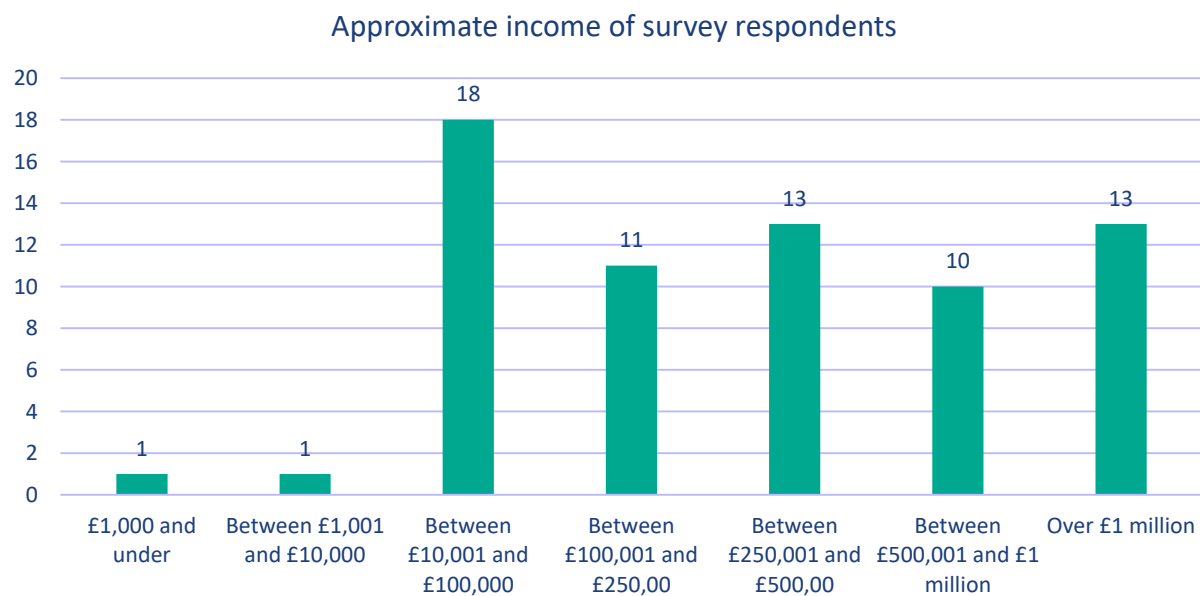


Figure 15 The approximate annual income of survey respondents

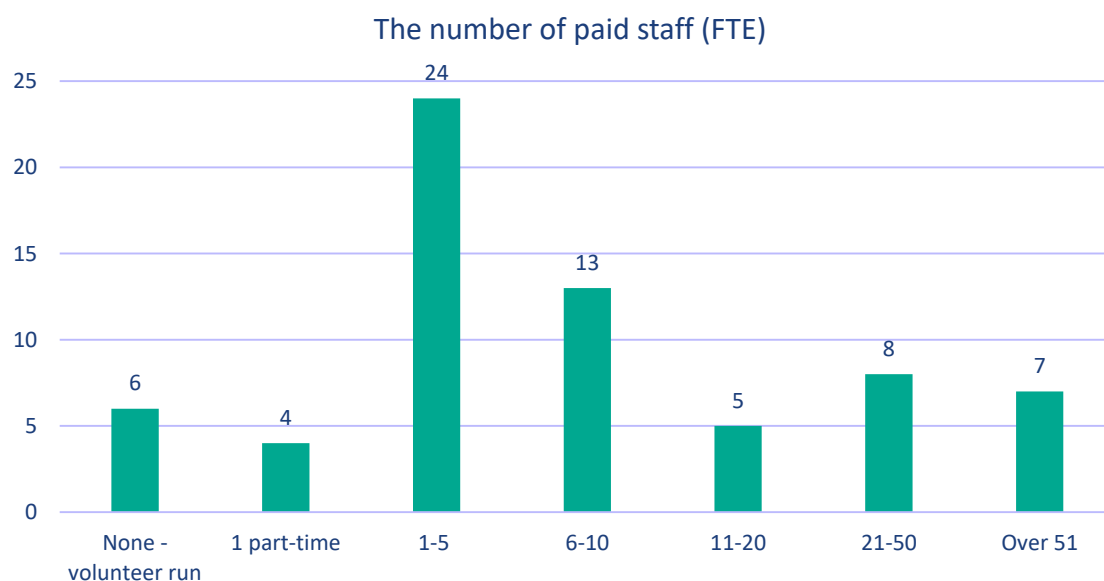


Figure 16 Most organisations have 1-5 paid staff (FTE)

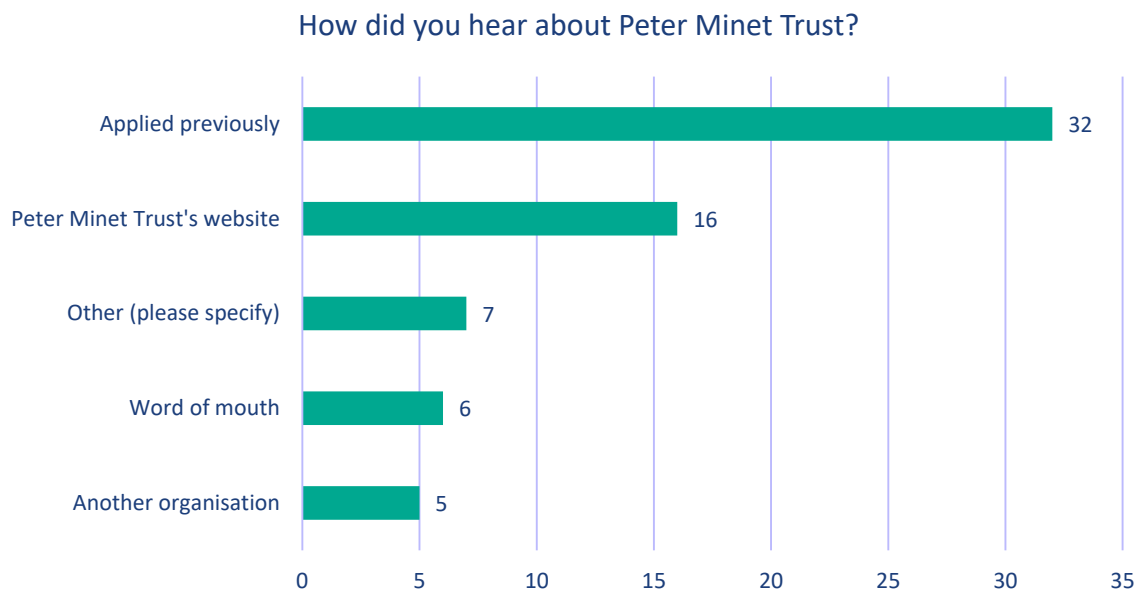


Figure 17 Most grantees found out about the Trust through previous applications



Figure 18 Most organisations have received one grant from Peter Minet Trust over the last three years

Value to organisations and beneficiaries

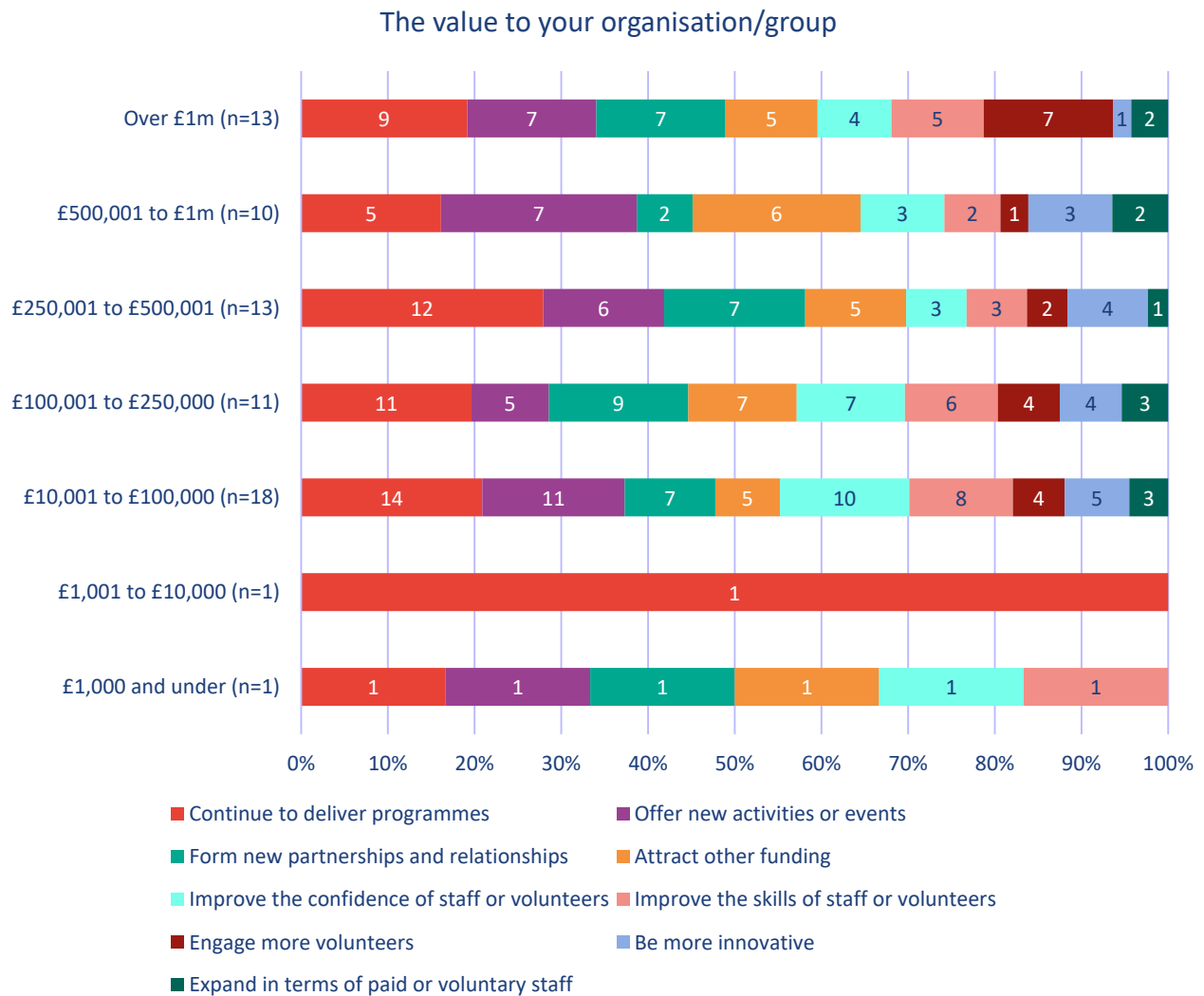


Figure 19 The breakdown of the benefits to organisations/groups by income

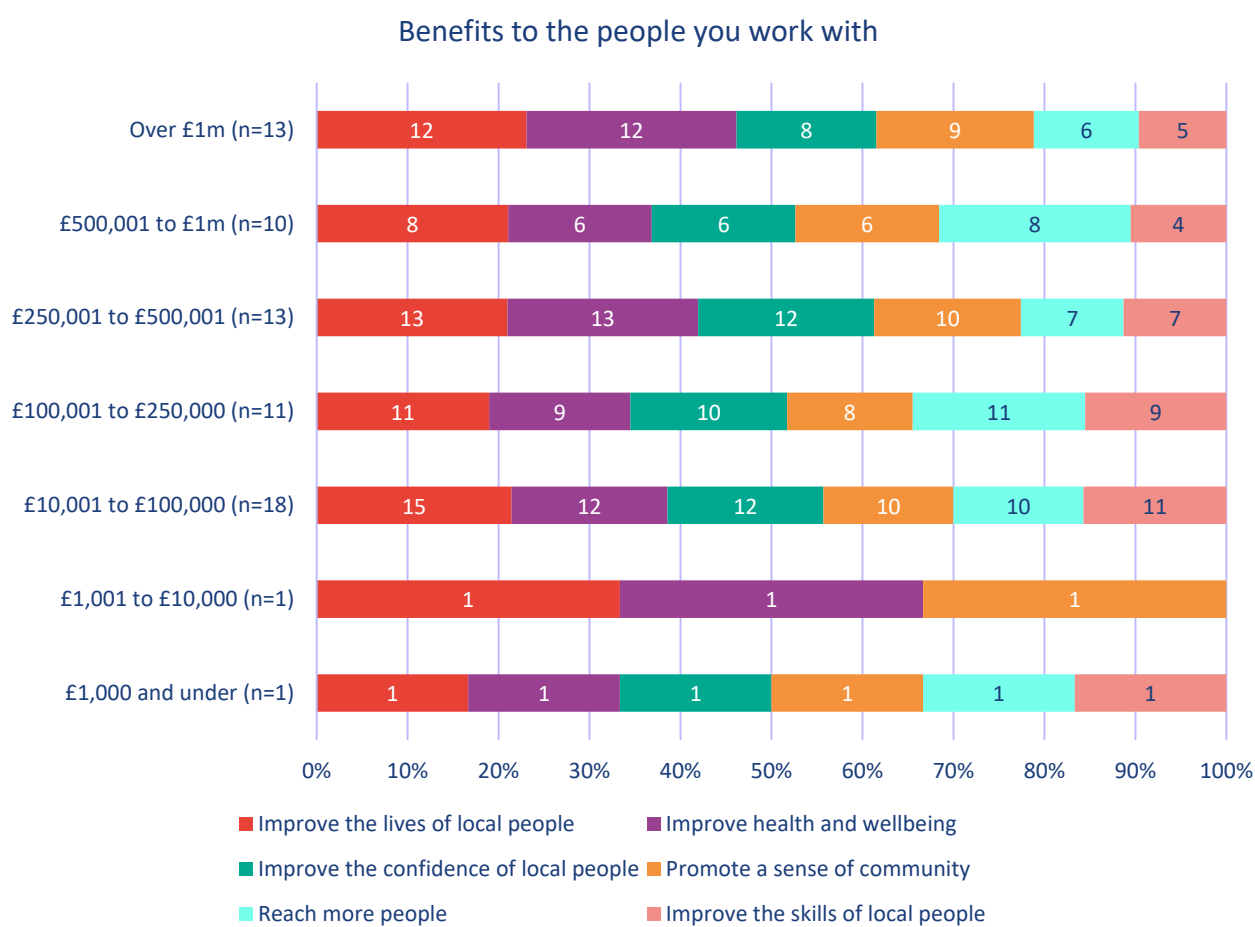


Figure 20 The breakdown of benefits to the people you work with by income

Challenges and suggestions

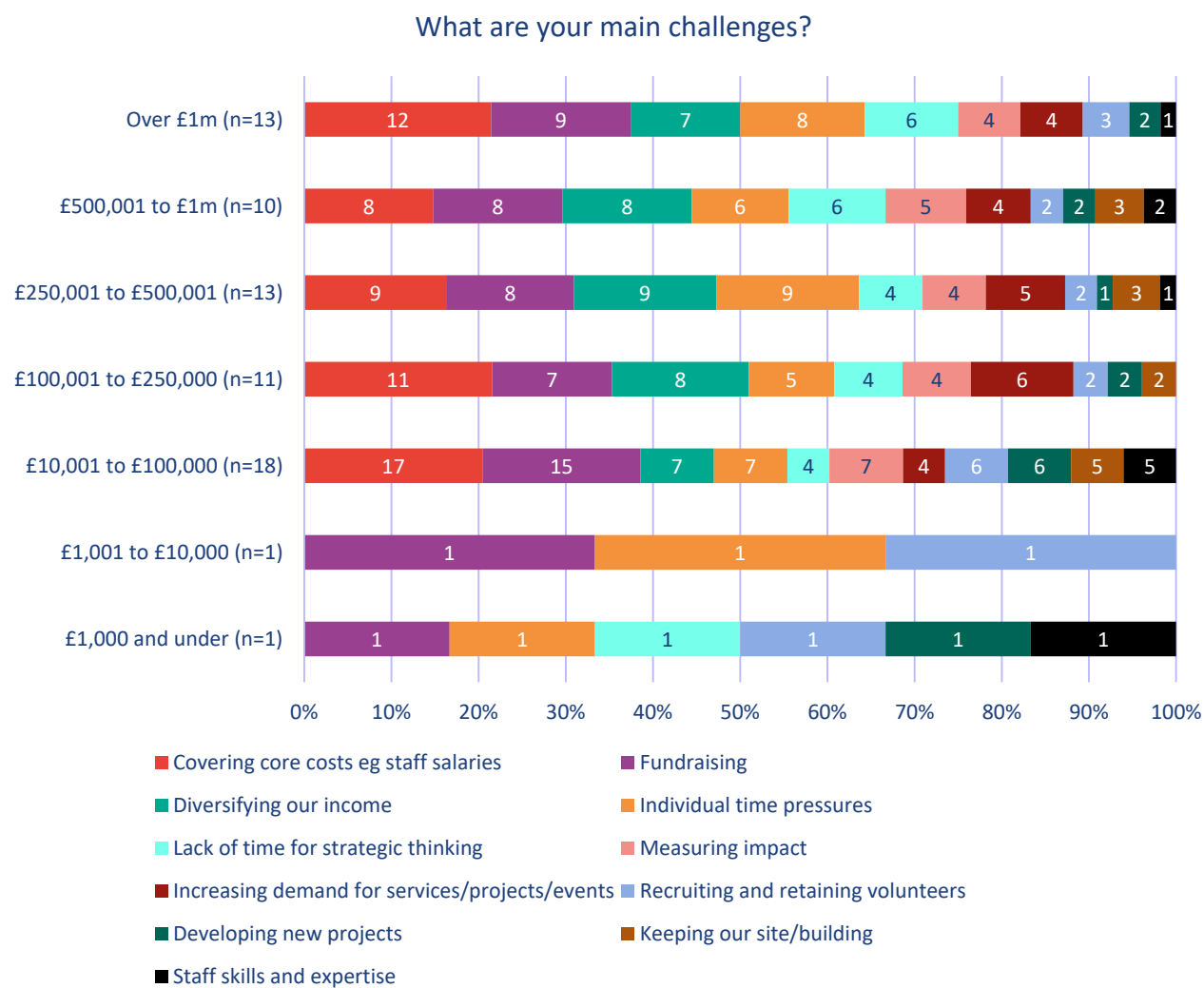


Figure 21 What are you main challenges as an organisation/group?

Suggestions for Peter Minet Trust

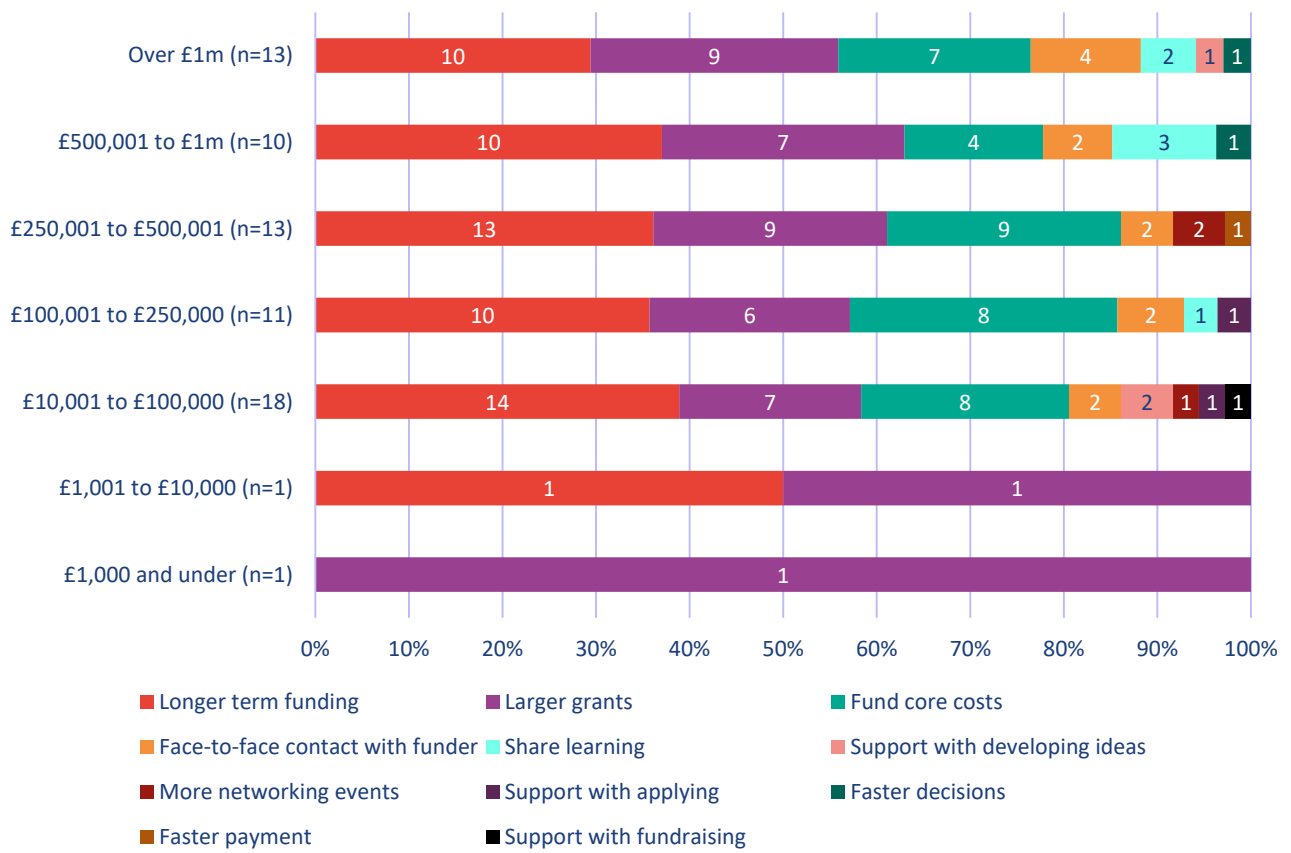


Figure 22 Longer term funding, larger grants and fund core costs were the most common suggestions across all income sizes

Reflections on the application and post-award processes

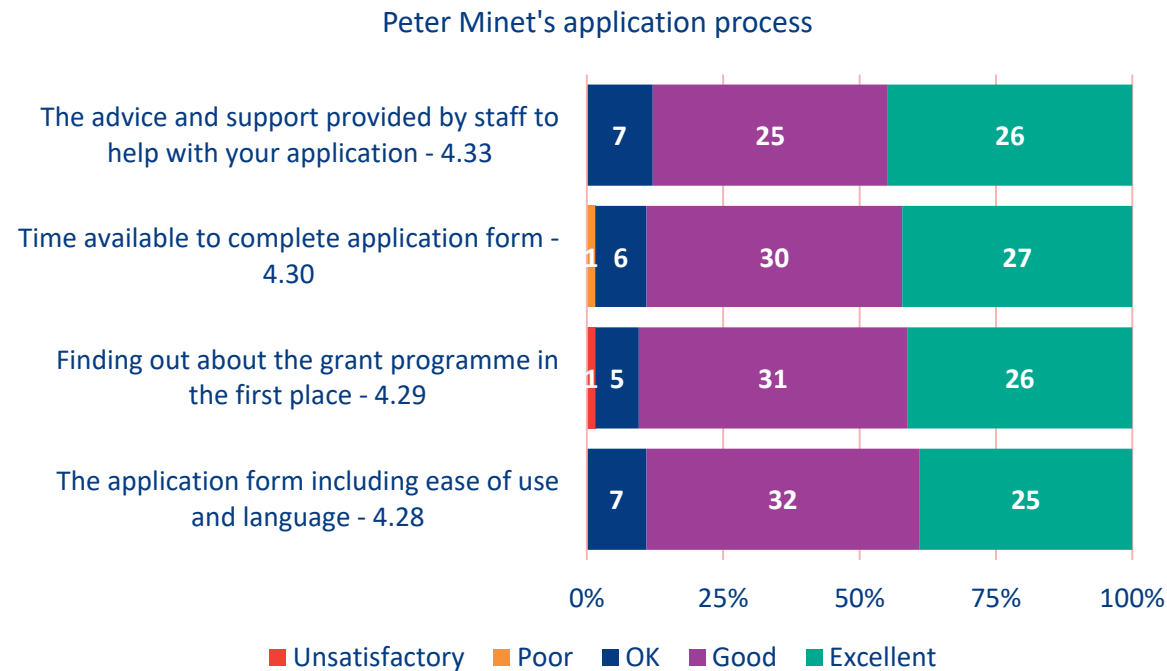


Figure 23 Grantees' reflections on Peter Minet Trust's application processes

The advice and support provided by Peter Minet staff to help with the application is the highest scoring aspect of the application process – it scored 4.33 out of 5. All aspects of the application process are very high scoring. One survey respondent wrote,

“My experience has been very positive. I particularly welcomed the visit in the summer to talk through our experience. Not all funders seem to be so interested in how we experience applying for funding.”

Do you think Peter Minet Trust needs to make changes to its application processes?

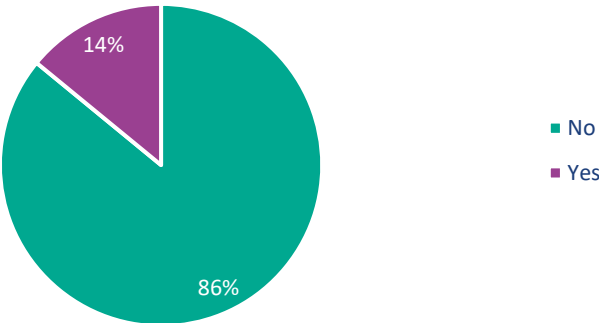


Figure 24 Do you think Peter Minet Trust needs to make any changes to its application processes?

Peter Minet's post-award processes

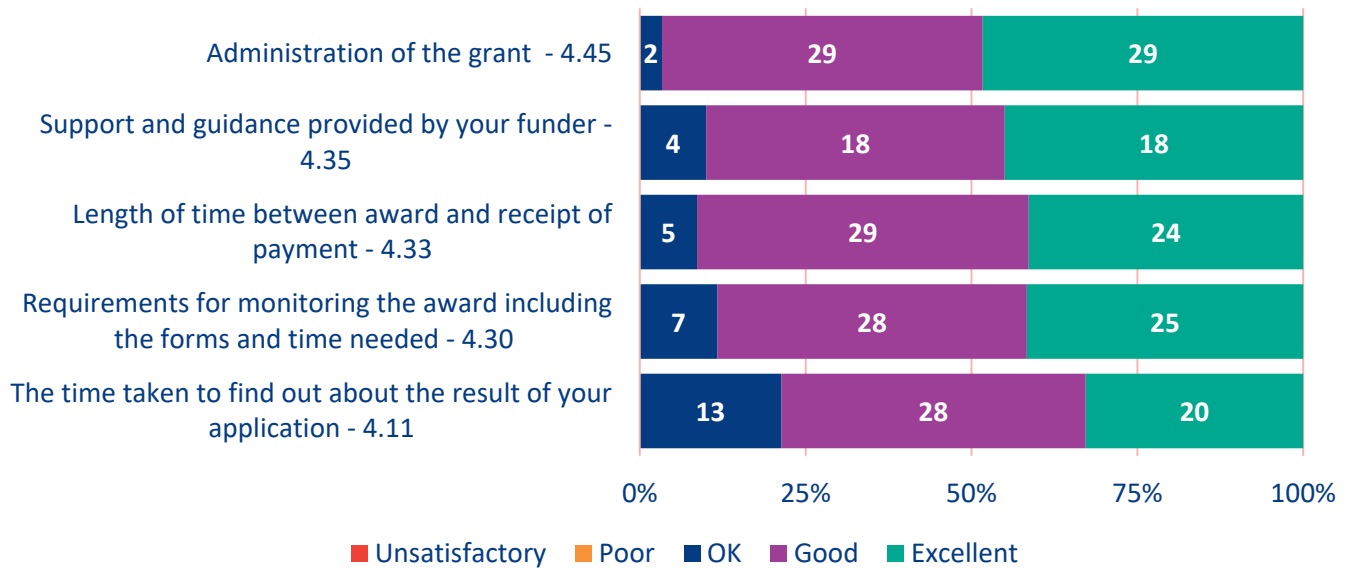


Figure 25 Grantees' reflections on Peter Minet Trust's post-award processes

The administration of the grant including additional information and getting the agreement was the highest scoring aspect of the post-award process with 48% of survey respondents scoring this aspect as excellent. This is followed by support and guidance by the funder which scored an average of 4.35 out of 5 (when unsatisfactory = 1 and excellent = 5). The lowest scoring aspect of the application process is the time taken to find out about the result of the application. However, this aspect of the process is still scored 4.11 out of 5.

Do you think Peter Minet Trust needs to make any changes to its post-award process?

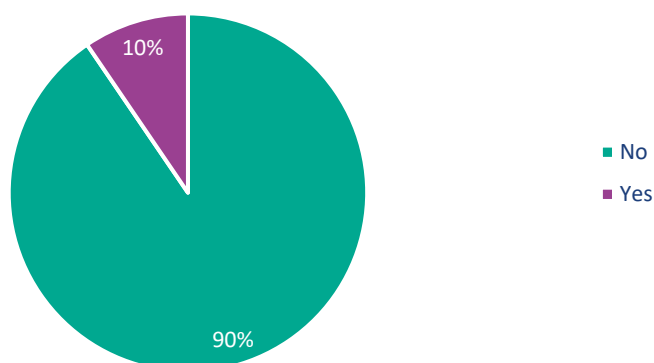


Figure 26 Do you think Peter Minet Trust needs to make any changes to its post-award processes