

# *Core Strength*

*Evaluation and lesson learning*

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*m2*

*5 September 2019*



# Core strength: Success

COMIC  
RELIEF

In summary... it worked!

“It reaches the parts no other funding reaches!”



## The Core Strength programme

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A combination of core funding, *Funder Plus* support and relational grant management for small-medium UK charities.

## What it achieved

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### *For organisations*

Better governance;  
enhanced strategy;  
leveraged other funding;  
freed up senior management.

### *For beneficiaries*

Opened up new, sustainable, services.

## What it requires

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### *From the donor*

Strong relationships and trust;  
clear and transparent processes;  
capacity; flexibility;  
longer-term funding.

### *From the grantee*

Clarity of purpose;  
strategic vision;  
leadership.



## 1. Methodology

.....

- [Learning questions](#)
- [Data collection](#)
- [Data limitations](#)

## 2. Background

.....

- [Core funding and \*Core Strength\*](#)
- [\*Funder Plus\* within \*Core Strength\*](#)
- [What keeps you awake at night?](#)

## 3. Findings

.....

- [How funding was used](#)
- [Funding purpose](#)
- [Roles funded](#)
- [How funding was used – changes in plans](#)
- [Funding mix and attribution](#)
- [\*Funder Plus\* – the context](#)
- [\*Funder Plus\* – a niche for Comic Relief](#)
- [Organisational progress](#)
- [Organisational](#)
- [Confidence and capacity](#)
- [Improved financial positions for grantees](#)
- [Increased and diversified funding](#)
- [Organisational survival](#)
- [Contribution to financial security](#)
- [Creating ‘breathing space’ for leaders](#)

- .....
- [Impact on collaboration and networks](#)
  - [Impact on systems](#)
  - [Impact on marketing, awareness raising and advocacy](#)
  - [Stronger governance](#)
  - [Improved services](#)
  - [Benefits for beneficiaries](#)
  - [Greater involvement of service users](#)
  - [Reduced stress](#)
  - [Characteristics of organisations best able to benefit](#)
  - [Sustainability](#)
  - [Funding context matters](#)
  - [Process and grant management](#)
  - [A relational approach](#)
  - [Reporting](#)

## 4. Challenges

.....

- [Comic Relief restructure](#)
- [Delivery of \*Funder Plus\*](#)
- [Exit strategies](#)

## 5. Lessons

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- [About core funding](#)
- [Grants management](#)
- [\*Funder Plus\*](#)
- [Context](#)
- [Conclusion](#)

# Methodology: Learning questions

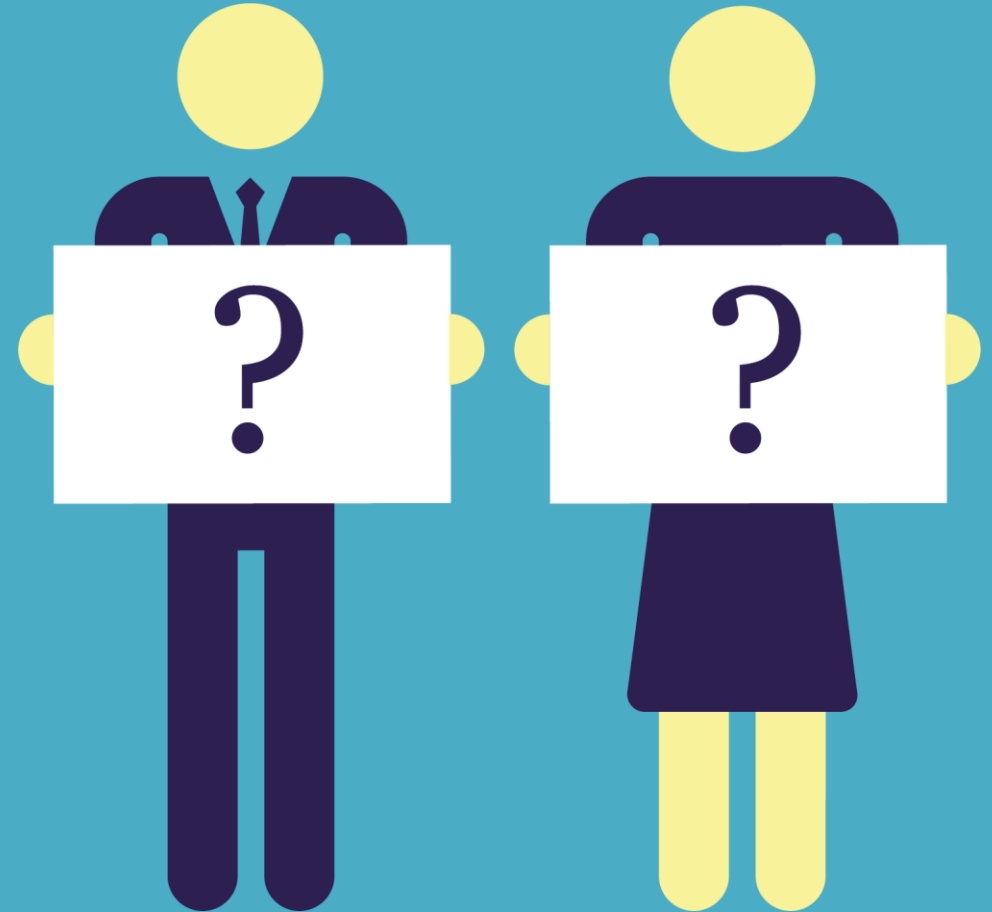
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What was the value of core funding  
for grantees?  
.....

.....  
What was the value of *Funder Plus*?  
.....

.....  
What was the value of Comic Relief's  
'relational' approach?  
.....

.....  
What were the key successes and  
challenges of *Core Strength*?  
.....

.....  
What lessons can be learned about  
the provision of core funding?  
.....



# Methodology: Data collection

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Surveys of grantees conducted by m2  
in December 2017, January 2018 and  
January 2020  
.....

.....  
Interviews with eight representative  
grantees re: *Funder Plus*  
.....

.....  
Three in-depth 'case stories' of grantees  
(SELFA, Dr Ms, Independent Arts)  
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.....  
Interviews with Grant Advisors, Grant  
Owners and key Comic Relief staff  
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.....  
Interviews with *Funder Plus* providers  
.....

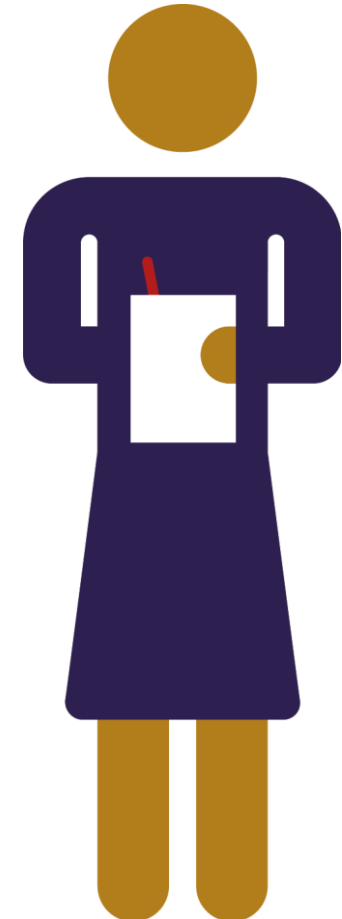
.....  
Analysis of other *Funder Plus* provision  
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.....  
Review of papers provided by Comic  
Relief (including grant applications;  
evaluation forms; calls with Grants  
Advisors; plus NCVO's analysis of the  
application data)  
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.....  
Analysis of grantee reporting  
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Comparative financial analysis with  
unsuccessful applicants (conducted  
by Comic Relief)  
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.....  
Celebratory Core Strength event  
with over 70 grantees  
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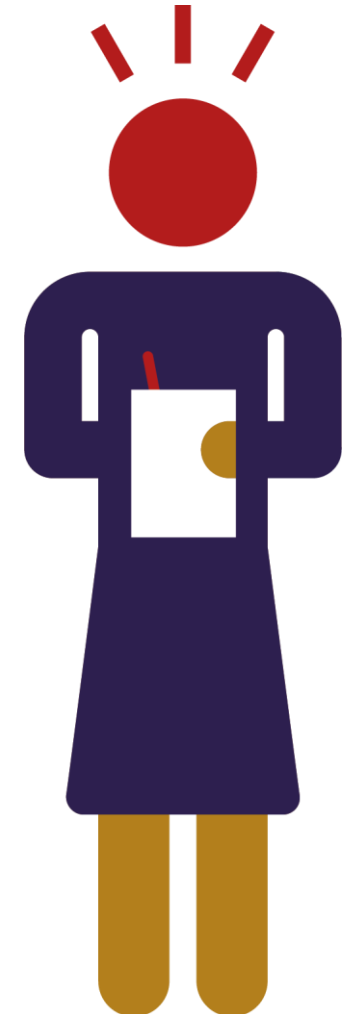


# Methodology: Data limitations

Getting a high response rate for the final survey was problematic. It was eventually completed by 23 respondents. We therefore rely upon the initial survey for statistics, which took place after the first year of the grant, and was completed by a much larger percentage of the grantees (79). We do use some qualitative data from the final survey, and this is indicated in the report.

At the time of writing this report, 88 complete and individual final reports were available.

A major restructure at Comic Relief during the first year of the programme meant that several key staff left or changed role. **m2** was therefore not able to conduct these planned follow-up interviews.



# Background: Core funding and Core Strength

## What

- Core funding (up to £40,000 over two years) to a value of £4million
- Aimed at small-medium sized UK organisations (£100-500,000 annual income)
- Range of training opportunities also offered (*Funder Plus*)
- Small pots of additional funding (£300 per organisation each year) for training/event opportunities identified by themselves.

## Who

- 105 organisations awarded grants (from 1,536 applications)
- Spread across the UK
- Grants started in February 2017 and ran until January 2019.

*Definition of core funding: “The core costs of running an organisation, including salaries, overheads and day to-day running costs such as rent, heating and lighting. As well as running costs, we will also award grants to support specific work that will strengthen organisations for the future. This could include improving leadership and governance, or planning and development.”*  
Comic Relief

## How

- A relational approach to grant giving and management - with more contact and support than usual
- Simple, non-outcome focussed reporting
- Collaborative style of discussing and writing progress reports.



# Background: Funder Plus within Core Strength

## What

Comic Relief organised 19 different support opportunities around key common areas grantees identified that they would like support with:

- PR, communications and profile raising
- Funding and fundraising strategies
- Staffing (including governance and trusteeship)
- Partnerships

## Uptake

82

organisations took up *Funder Plus* offers

26

organisations took up four or more different offers

73

organisations used flexible £300 learning budgets for opportunities they identified

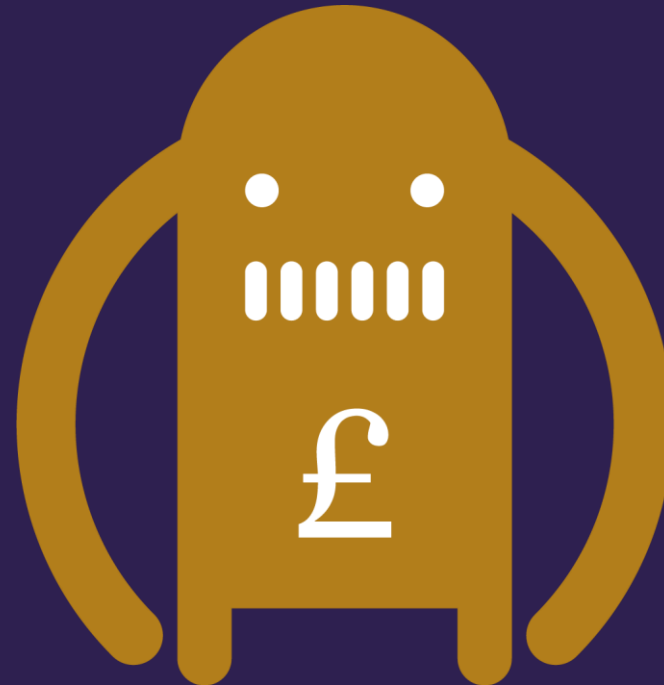
## Training

Training was delivered via webinars, in London and Manchester by external consultants and Comic Relief staff. In some cases ongoing support was provided (such as support around Trustee recruitment provided by *Getting on Board*).

# Background: What keeps you awake at night?

Comic Relief's original thinking behind *Core Strength* was the recognition of the pressures that the charitable sector was under in the UK due to the 'austerity agenda' – meaning higher demand but shrinking funding streams – and the consequent stress that charitable staff – particularly CEOs – were under.

This translated into a key question in the application form: “*What keeps you awake at night?*”, and in each grantee's annual report Comic Relief has asked “*Are you sleeping better?*”



# Findings: How funding was used



Comic Relief’s definition of what the funding could be used for was left very broad, but organisations tended to use it to support five main areas of activity:

## 1. Updating/improving/strengthening organisational infrastructure

.....  
Policies and procedures; data collection and storage systems; updating financial management systems; HR systems; M&E frameworks; building up unrestricted reserves; reviewing organisational structure; investing in quality.

## 2. Investing in the workforce and organisational structure

.....  
Recruitment of new trustees; staff and volunteers; improving induction process; providing training opportunities; protecting workforce from burnout; ensuring efficient/best use of individuals’ time and skills.

## 3. Repositioning the organisation/profile raising

.....  
Increased social media/online presence; community fundraising events; investing in strategic partnerships and networks; website development; increasing organisational influence.

## 4. Diversifying funding sources

.....  
New or strengthened income generation activities; diversifying funder relationships; identifying and building on community and corporate fundraising opportunities; investing in income generation opportunities.

## 5. Attracting new funding

.....  
Increased capacity and/or capability to apply; increased evaluative evidence to demonstrate impact and value of services; enhanced partnership working leading to successful joint bids.

# Findings: Funding purpose

Organisational size made a difference to what the funding was used for.

The *smallest* and *largest* organisations were most likely to use the grant to respond to a period of growth.

The smaller organisations were most likely to use the funding to address capacity gaps; whilst the larger the organisation the more likely they were to need to address a period of transition or service development.

This suggests that organisations at different points of an income scale are likely to have different needs met by core funding.



Funding used to address capacity gaps

42%

of smaller organisations

7%

of larger organisations

## Definition

Smaller organisations:  
Income less than **£200K**

Funding used to address a period of transition

0%

of smaller organisations

14%

of larger organisations

Larger organisations:  
Income greater than **£401K**

# Findings: Roles funded

Both strategic and operational roles were funded, with a mix of senior and officer level jobs.

These roles reflect the importance of funding posts at all levels in an organisation. Freeing up CEO/Director time for strategy - through funding greater capacity elsewhere - was one of the key benefits grantees identified.

NCVO's application analysis notes that:  
*"Increased staff capacity was the most commonly cited way in which a Comic Relief grant would provide support."*

## Roles funded

14 CEO/Director/  
Senior management roles

9 Fundraising/  
Income generation roles

8 Administrative roles

8 Project worker/  
manager/coordinator  
roles

7 Finance officer/  
coordinator/manager  
roles





# Findings: How funding was used – changes in plans

Where grant usage changed significantly it was largely due to shocks such as illness or loss of other funding sources.

Several grantees felt they had been too ambitious at the outset; they were confident of achieving what they wanted but over a longer period.

Comic Relief's flexibility and willingness to listen was seen as an important sign of trust.

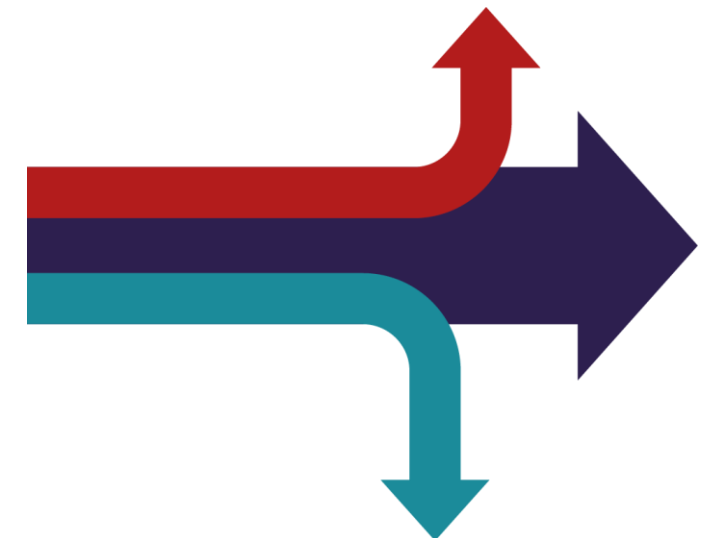
*"Our objectives for the grant stayed the same, but our approach changed."*  
*Final grant report*

*"We are well on our way to achieving these aims, albeit more slowly than we would have hoped...but having the grant has highlighted these areas we need to work on."*  
*Final grant report*

*"Core funding, by its very nature, is effective because it allows the recipient the flexibility and freedom to use the funds in a way that reflects the changing needs of their service."*  
*Final grant report*

80%

used the grant as  
originally intended  
*Analysis of final reports*



# Findings: Funding mix and attribution

For all organisations the *Core Strength* grants was only one part of their funding mix; for 75% of the core strength grantees, the grant was under 10% of their annual income.

.....

The majority of organisations felt that the grant amount was about right: enough to make significant changes but not so much that it led to unsustainable expectations.

.....

Over 50% of those who responded to the final survey had also received core funding from other sources.

.....

However, grantees felt able confidently to state the difference the grant made, making firm links between the specifics that were funded and organisational outcomes.

.....



# Findings: Funder Plus – the context

A key element of *Core Strength* was the combination of the core funding and additional support offered by Comic Relief. This *Funder Plus* support comes in the context of:

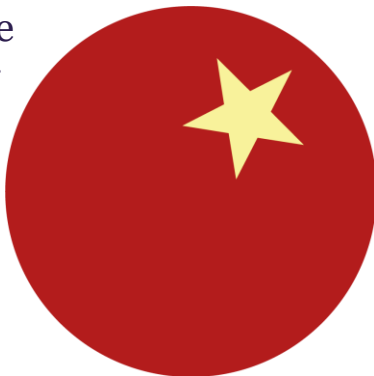
- *Funder Plus* is a crowded field.  
Over 37 UK-based funders provide some form of capacity building.  
(*m2 review of provision*)
- The majority of this is targeted provision (rather than cohort-based training as through *Core Strength*).
- Of the final survey respondents, 73% had accessed other forms of capacity-building support.
- The majority of those receiving other support had accessed capacity building around leadership, followed by strategic support.



# Findings: Funder Plus – a niche for Comic Relief

Within this crowded context of *Funder Plus* support, Comic Relief's approach was seen as offering something a bit different.

- The £300 flexible learning budgets were hugely popular. Grantees appreciated the trust and independence these represented.
- For many grantees, *Funder Plus* represents a sense that Comic Relief is listening and wants them to succeed.



- The training was perceived to be high quality - for example, 100% of attendees on the funding training said it was excellent, very good or good. (*Event feedback forms*).
- Comic Relief was seen to be 'quirky' and 'interesting' in how it offered *Funder Plus*, and grantees perceived a natural linkage between Comic Relief and external facing support.
- Participants of *Funder Plus* point to specific changes they have made as a result of the support.

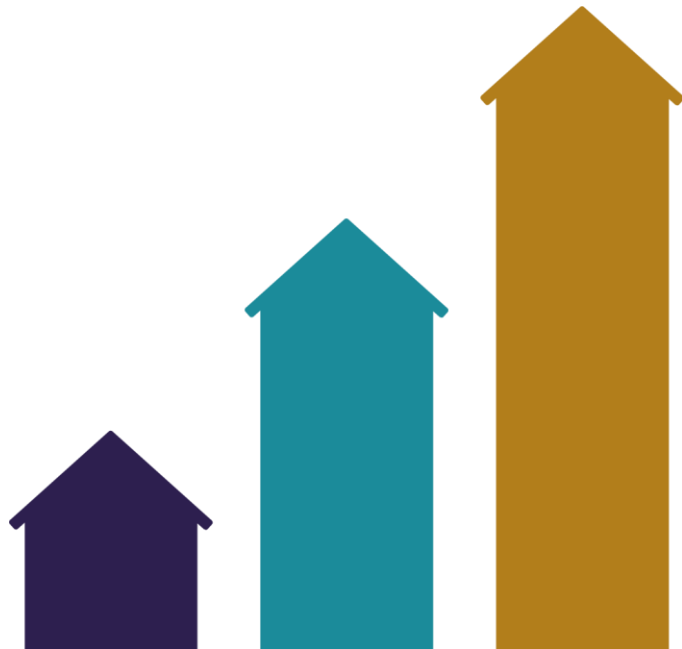
.....  
“Comic Relief should build a *Funder Plus* niche around its brand of communications and fundraising.”  
(*Funder Plus* provider)

.....  
“It's not just about giving cash but helping, supporting and listening - a breath of fresh air.”  
(*Interview with grantee*)

.....  
“Comic Relief is brilliant at communications; we would never normally have access to support like that.”  
(*Interview with grantee*)

# Findings: Organisational progress

*The evaluation demonstrates that progress has been made against the key areas organisations identified as being important.*



Aims	Achievements
Updating/improving/strengthening organisational infrastructure	68% make better use of resources 41% have better financial <i>reporting</i> systems
Investing in workforce and organisational structure	50% have stronger governance 13% of <i>Funder Plus</i> participants have written a Theory of Change
Repositioning the organisation/ profile raising	50% increased networks 39% increased media presence
Diversifying income and attracting new funding	70% have increased funding 46% have applied to new sources of funding



# Findings: Stronger organisations

.....  
“It can provide a stronger negotiating position as it did for us when exploring new premises.”  
.....

“The organisation is now funded by a combination of local authority contract; grants from trusts and foundations; and individual donations.”  
.....

.....  
“Thanks to the two year security, the Project Director was selected for a national Masters programme at Ashridge Business School, sponsored by the Health Foundation.”  
.....

“When you have your nose to the grind-stone, it is hard to lift your head above the parapet and engage with what is often seen to be ‘nice to do’ activities. Networking and relationship-building is a critical part of organisational survival.”  
.....

.....  
“To remain relevant, to grow and be sustainable, we require an effective, robust, contemporary and forward-looking social and digital media strategy.”  
.....

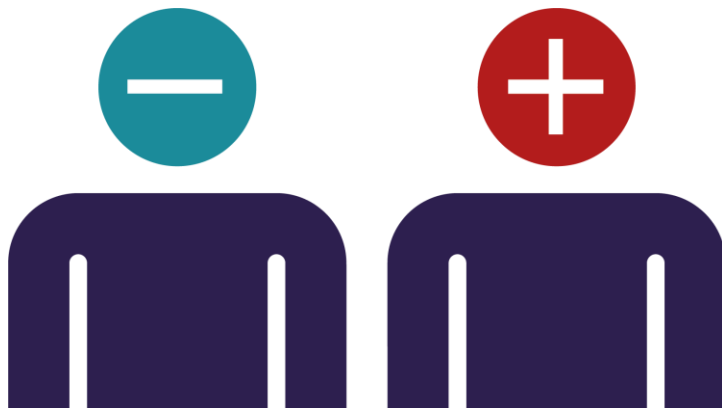
“We have had the confidence to win a tender to provide complementary therapies across the city to those with addiction issues and to those managing poor mental health.”  
(All from final reports)  
.....

.....  
“The Core Strength Fund has enabled a vital step-change in our systems for monitoring and evaluation. We have had the resources to consolidate and improve our data collection systems, learn from our data and make huge leaps forward in communicating our value and impact.” (Survey)  
.....

# Findings: Confidence and capacity

Core funding enabled grantees to:

- Be confident and strategic in accessing further support and capacity building.
- Build capacity to take on more complex projects and diverse funding.



.....  
*“The core strength grant has enabled us to work closely with the Foundation for Social Improvement to strengthen our organisation’s infrastructure. In so doing we have improved strategic planning and utilised a co-design approach where staff, volunteers and users have been involved in strategic development.” (Final survey)*  
.....

.....  
*“Having Comic Relief as a funder helps other funders have confidence in our organisation.” (Final report)*  
.....

.....  
*“Comic Relief has enabled us to see what we want to do – Lloyds will let us take it forward.” (Survey)*  
.....

.....  
*“Though the Comic Relief grant amounts to only 8% of funding it represented an attitude change for funders. The CEO would not have had time to do what’s she’s done without the Comic Relief grant – it’s had a domino effect and provided a breathing space. It’s been a catalyst for growth.” (Case study)*  
.....

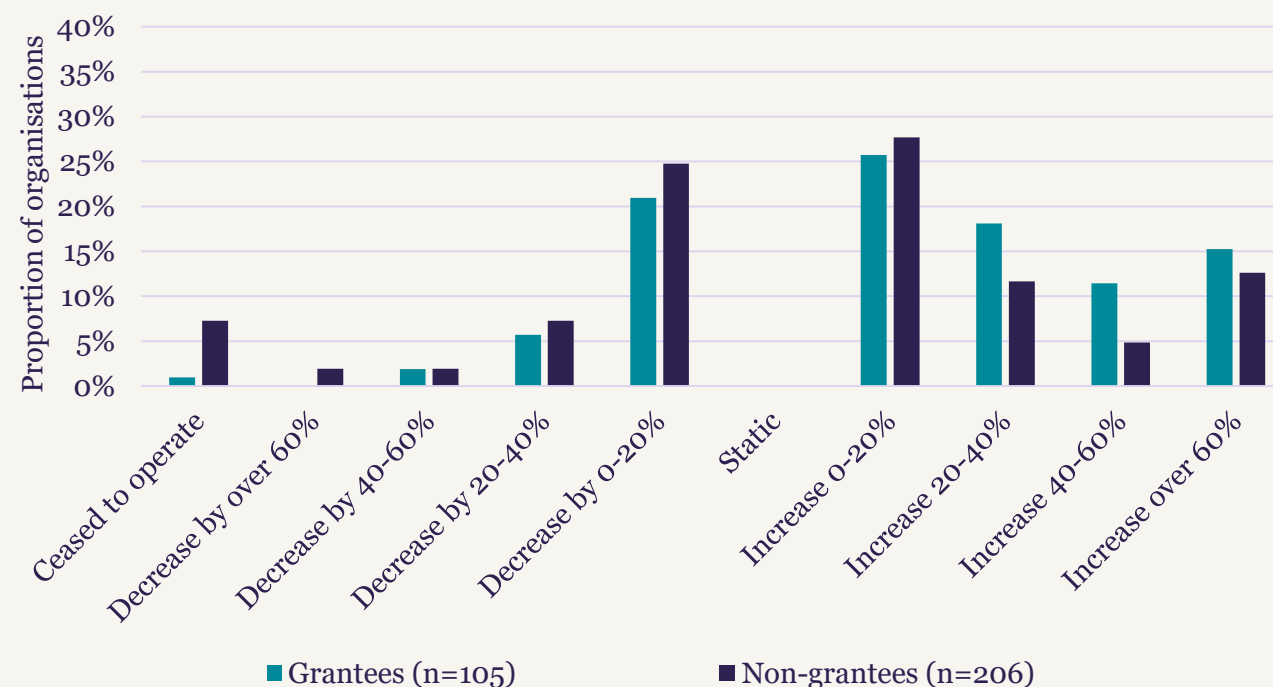
# Findings: Improved financial positions for grantees

Analysis of comparators demonstrates organisations in receipt of *Core Strength* are in a stronger financial position.

## Financial analysis

For each *Core Strength* grantee, two others were selected from the unsuccessful applicants based on the closest postcodes and similarity in income levels. It should be noted that, due to financial years, latest accounts are largely 2017-18 (i.e. covering the first year of the grant), and those when they applied were 2015-2016. Given that the latest accounts only cover the first year of the grant, it is unlikely that the full influence of core funding in terms of leveraging other funding will be seen until future accounts are analysed.

Organisation income – Core Strength Grantees compared to unsuccessful applicants to Core Strength (latest accounts vs accounts when applied)



# Findings: Increased and diversified funding

70%

of survey respondents said they have increased funding as a result of the grant.

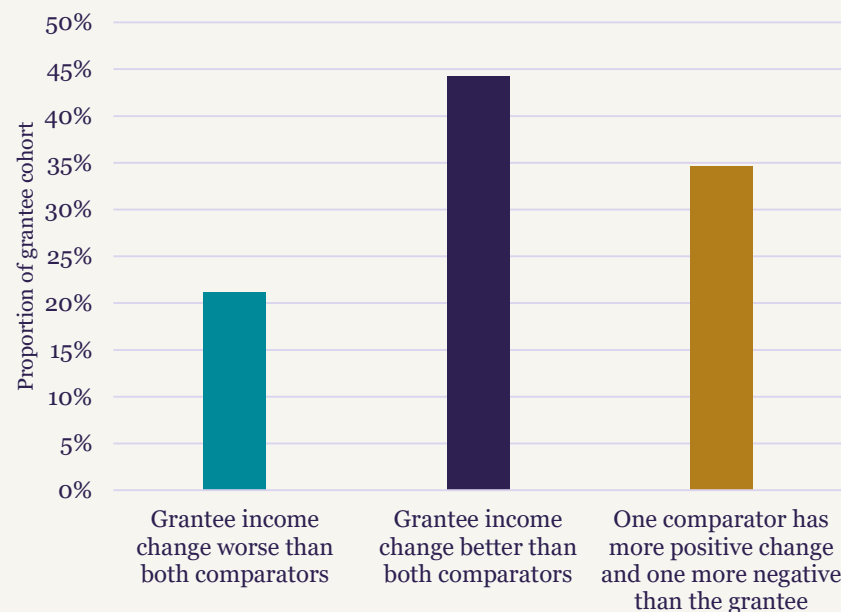
46%

have applied to new funding sources.

31%

of participants in the *Funder Plus* training went on to use crowdfunding.

Comparison of grantees' income against individual comparators  
Between latest accounts (17/18) and accounts when applied (15/16)



*“We’ve secured a grant from the Lottery to sustain and grow our project. This wouldn’t’ve been possible without Comic Relief.” (Survey)*

*“There has been a snowball effect from Comic Relief funding.” (Final event)*

*“We have increased our income raised; it’s approximately 30% up on last year... and we are finishing the financial year with a £30k surplus compared to the previous years’ deficit.” (Final survey)*

# Findings: Organisational survival



7%

of the comparators (15)  
ceased to operate compared to

1% of grantees (1).

9

grantees identified the *Core Strength*  
grant as being integral to the  
organisation's survival.

*"We feel we may not have  
survived without the financial help  
and guidance that came with the  
Core Strength fund."*

*"[Without the grant] we consider it  
likely that the organisation would have  
run into real trouble as a result of out-  
of-date and inappropriate policies,  
processes and structures."*

*"Less than three years ago we were  
very close to having to close our service  
- therefore surviving and growing is  
one of the things we are most proud of."  
(All quotes from final reports)*



# Findings: Contribution to financial security



Grantees attribute the more secure and diverse funding to four key factors:

1. Comic Relief's brand credibility; security; leverage when applying to other funders.
2. Freeing up of senior staff time to focus on funding strategy.
3. Stronger external networks and partnerships.
4. Having robust financial management and systems in place.

*"As a charity we are bucking the trend of declining income and struggling in the face of austerity measures. This is as a direct result of the grant, which has allowed us to recognise the importance of investment in fundraising, evaluations and robust financial management. Financially we are much stronger, with our income increasing from £447,284 to £647,350 in two years." (Final report)*

# Findings: Creating 'breathing space' for leaders

Where grants have paid for additional staff time, grantees directly link this increased staff capacity to their ability to deliver more effective services, as well as more outward-facing strategic work.

Where grants have paid for infrastructure improvements, grantees also linked this to greater strategic capacity for leaders.

The grants are described as giving leaders 'breathing space' and time to reflect - in turn enabling many to act more strategically and to take on more of an external facing role.

.....  
*"It freed up senior leaders time to address operational issues and focus upon strategy and implementing change - and increased staff and volunteer capacity and skills."* (Survey)  
.....

.....  
*"It allowed us some 'head space' to make strategic plans, think about our profile, and make links with other organisations."* (Survey)  
.....

.....  
*"By backfilling some of my operational duties, I have been able to think strategically about our future and have a clear plan moving forward."* (Final report)  
.....

.....  
*"I'm clearer about our approach - [been] given space and time to look at direction and growth."* (Final event)  
.....



# Findings: Impact on collaboration and networks

Senior leaders found they have more capacity for ‘networking with purpose’, whether that is around policy implementation or influencing activities.

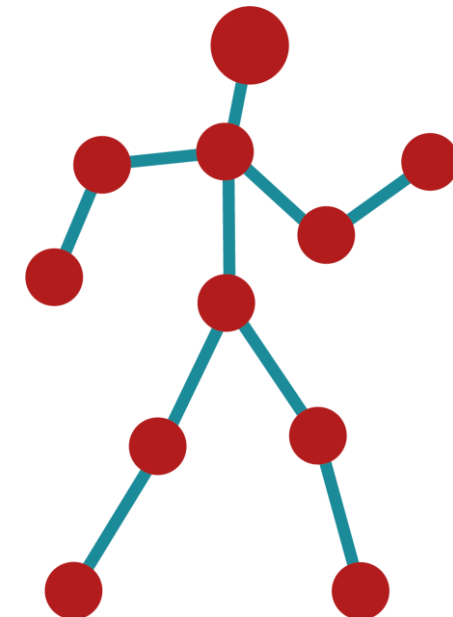
50%

of grantees say they have increased access to networks  
(Survey)

“We have had time to create better networks with organisations with similar objectives. We have worked with one organisation to develop an engagement strategy – this has been of mutual benefit. We’ve also submitted a funding bid with another organisation.” (Survey)

“We have had more capacity for our CEO to network and drive the organisation forward which has led to fantastic growth over the past year.” (Survey)

“During the two years the centre has grown not only in its profile but also in its partnership work [and] the number of partnership grants it is working on.” (Final report)



# Findings: Impact on systems

More time and space for leaders to devote attention to the smooth running of internal operations has led to the development/implementation of HR and IT systems in a number of organisations. In turn, this has led to greater credibility with funders, and freed up strategic thinking time for leaders.

Stronger financial systems and strategic focus have improved Monitoring & Evaluation (M&E), with a related positive effect on funding.

22%

of *Funder Plus* participants changed their data protection policies and procedures

68%

of survey respondents say they have made better use of resources

41%

have stronger financial systems in place

*“Our new CRM, Salesforce, has been fully rolled out; as has our new Monitoring & Evaluation toolkit, all of which has helped us better measure our impact.” (Survey)*

*“The additional funding has enabled the CEO and Admin & Finance Manager to undertake more dedicated governance work, resulting in passing the PQASSO accreditation.” (Final survey)*

*“We’ve moved to an online monitoring system, it’s more efficient and gives better reporting data.” (Final event)*

# Findings: Impact on marketing, awareness raising & advocacy

Grantees found that they have had time and space to pay attention to influencing activity and marketing as a result of increased staff capacity, particularly at a senior level.

Some grantees have found a direct correlation between marketing capacity and numbers of referrals and potential partnerships.

*“We’ve been able to talk to the Policy Advisors at the Ministry of Justice.”  
(Final event)*

57%

of *Funder Plus* participants had undertaken more or different press and communications work

42%

had made a video

*“We have been able to communicate to a larger audience about the successes and valuable work that we do. As a relatively small organisation, this has led to larger service providers contacting us - while the opportunity to partner up has increased. We have been able to invest the time to set up social media [platforms] and train the staff on how to use these on a regular basis. Our website has also had time invested in it and we have seen the success of this through an increase in ‘hits’ and people making referrals to our service.” (Survey)*



# Findings: Stronger governance

50%

of grantees in the survey say governance systems have been improved as a result of the grant and *Funder Plus*:

*“We’re stronger at board level, better able to deliver the strategic plan.”*

Getting on Board’s own evaluation of their *Trustee Recruitment Pathways* programme, which was offered through *Funder Plus* to *Core Strength* grantees, found that:

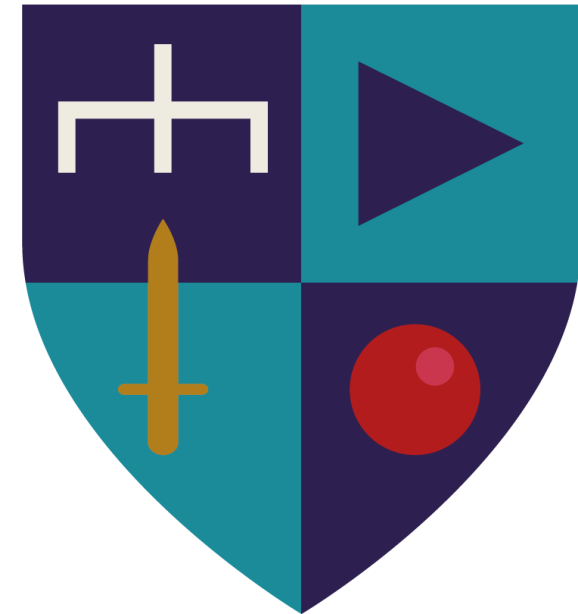
74%

of participating charities recruited new Trustees, in a more open process.

68%

of participating charities felt that their organisation is better equipped to face challenges as a result.

*“We have added two new Trustees and our Board is much more pro-active in its leadership of the organisation.”*  
*(Final survey)*



# Findings: Improved services

With core funding it can be difficult to correlate with direct impact on beneficiaries. However, it was clear from this cohort that direct lines of contribution emerged from the majority of grantees – and with a focus not just on the quality of delivery but also greater reach and engagement in the take-up, design and running of the services.

.....  
*“It makes a huge difference as we can concentrate so much more on service delivery, knowing the core functions of the organisation are supported.” (Survey)*  
.....

*“Our service development continues positively... reorienting aspects of our support service to ensure that we are able to effectively meet the different needs of as many clients as possible...we are further developing our holistic support.” (Final report)*

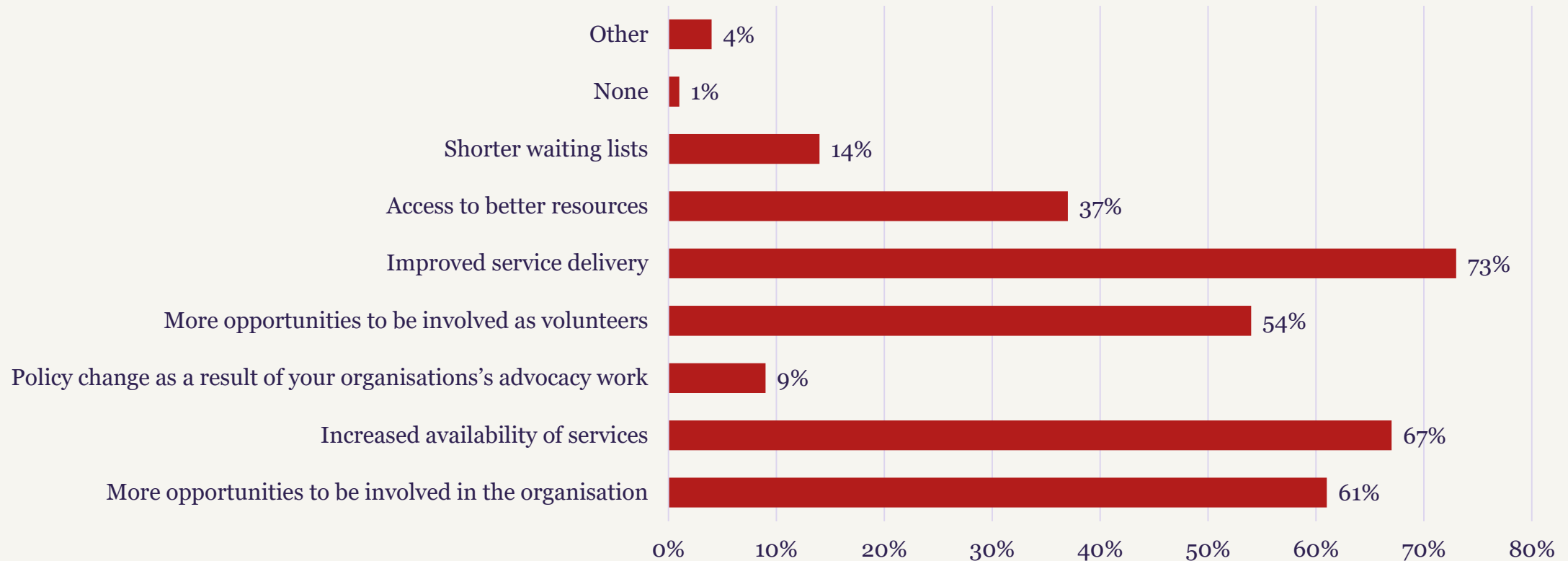
.....  
*“We have witnessed the growth and relevance of our Family Service, now providing a ‘wrap-around’ intervention which is no longer crises/episodic based.” (Final report)*  
.....

*“We have been able to train and retain volunteers who are crucial in supporting service users whose needs may not warrant the use of a paid advocate but who could benefit from support from a volunteer.” (Survey)*  
.....

.....  
*“[Service users] have become increasingly able to mix more with other cultures as attendance figures rise at our events. They have gone from 12-15 people per session, with 6 or 7 cultures represented, to 40-65 people per session with 15-20 cultures represented.” (Survey)*  
.....

# Findings: Benefits for beneficiaries

What, if any, benefits have your organisation's service users experienced as a result of the Core Strength funding? Please tick all that apply.



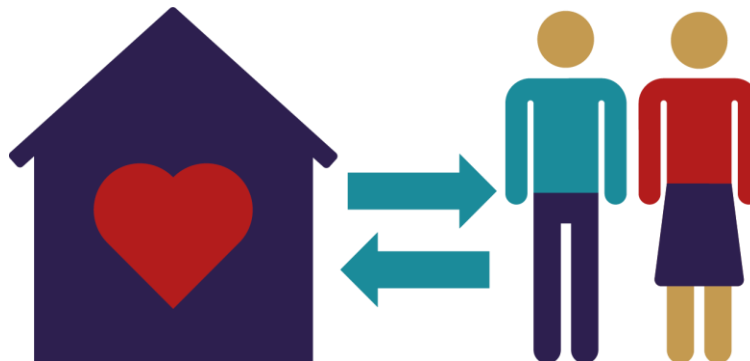
# Findings: Greater involvement of service users

54%

of survey respondents say there are now more opportunities for service users to be involved as volunteers, resulting in increased service delivery and take-up of volunteering by service users.

*“Service users have also been supported to develop their role as trainers and Ambassadors. The service user development group is integral in helping us to develop new services and review the quality of our existing services.” (Survey)*

*“We have further developed our client-led advisory group which has yielded some amazing results, as well as showcasing how much we value the input from our clients. They have helped influence, inform and shape services - e.g. group activities - developed a survivor guide booklet, medical alert card and participated in consultation exercises externally.” (Survey)*



# Findings: Reduced stress

59%

of survey respondents said that they were 'sleeping better.'

An overarching benefit of the grant - particularly in the current climate of cuts and Brexit - is reduced stress experienced by senior leaders.

*"The Core Strength grant gave me peace of mind." (Survey)*

81%

of grantees experienced improvements in their initial concerns & challenges.  
*(Final reports)*

*"Prior to the funding, my sleep was constantly disturbed by the worry of how the organisation would be able to survive the next financial year, particularly with the additional cost of moving office." (Final report)*



# *Findings: Characteristics of organisations best able to benefit*

There are three key factors aligned to the likelihood of the funding supporting organisational aims:

## 1. Strong leadership

.....

Having a leader who is able to take up the opportunities afforded by core funding to focus strategically.

## 2. Clarity about mission

.....

Explicit links between organisational development and service improvements.

## 3. Grant focus

.....

Clear understanding of organisational gaps and how core funding could address these.

*Core Strength* clearly provided a significant array of improvements for all the organisations involved. However, there was widespread agreement that two years is too short a time frame. Three to five years would give a more sustained period over which to reap the benefits and implement changes.

*A longitudinal study may be required, therefore, to determine longer-term sustainability.*

100%

of grantees felt they were in a stronger position than before the grant began

60%

said these changes are sustainable for the next 6-12 months

40%

said these changes are sustainable for the foreseeable future.  
*(Final survey and analysis of reporting)*

*“A Core Strength grant should aim to help give small charities long-term stability until they are able to diversify income and put sustainable measures in place for the core part of their service delivery. Three to four years is what is needed for this to take place.” (Advisor)*





# Findings: Process and grant management

## A new model of grant management as partnership rather than funder-recipient.

With *Core Strength* built on a recognition of the immense capacity pressures on small organisations, and the significant demands funding can add to this, Comic Relief was keen to change and challenge its usual grant management process. From the start, the emphasis was on more engaged relationships based on providing support, flexibility and advice; and on simpler, collaborative reporting that was not primarily driven by outcomes.

Originally the grant management relationship was to be held by in-house Comic Relief staff. However, due to an organisational restructure, these relationships were transferred to Comic Relief's UK Advisors - locally based consultants with long-standing relationships with Comic Relief. This enabled further local contact and contextually relevant advice and support - and, in some cases, opportunities for grantees from a particular area to meet as a group with the Grant Advisor to explore issues together.

### Flexibility

*"Comic Relief listens and is flexible; they understand the needs of small charities."*

### High degree of trust and respect

*"Partnership and mutual trust is important: [there is] an ethos of shared goals and lesson learning."*

### Balance of power

*"Core Strength feels like Comic Relief believes in what you are doing, which gives strength and confidence."*

# Findings: A relational approach

Comic Relief invested in a more 'relational' approach to the *Core Strength* grants. As a result of this approach, for the majority of grantees the relationship with Comic Relief feels either very different (30%) or fairly different (39%) (Survey) to that with other funders.



Grantees found this helpful in three key ways:

1. Access to a 'critical friend' offering practical advice and support;
2. A willingness from grants managers/advisors to listen to the need for flexibility, reflecting a grantee's knowledge of their organisations and sector;
3. A more transparent and equal relationship in which challenges could be openly discussed - and funder and funded organisation work together.

.....  
*"Although the money was invaluable and has enabled us to achieve so much in the last two years, it was the way in which relationship between funder and funded worked that made it work so well."* (Survey)  
.....

.....  
*"We work with a number of different funders and the support from Comic Relief on this programme was by far the greatest. The six-monthly meet ups were well organised and designed to meet our needs; there was always the opportunity for learning and development as well as honest conversations about the challenges we were facing."* (Survey)  
.....

Comic Relief maintained a six-monthly reporting approach in *Core Strength*. However, the reports were kept largely narrative, with much less emphasis put on pinning down specific outcomes and targets (reflecting the nature of the core funding). Instead, the questions revolved around what had been significant and challenging for grantees, whether they slept better, and what - still - kept them up at night.

The reporting process involved a ‘phone call or face-to-face visit from the Grant Manager to have a conversation around the questions in the report.

Where specific preparation of information was required (such as financial reports and future budgeting, or organisational beneficiary numbers) the grantee would prepare and complete these sections of the form. The remainder of the form was then completed, using the notes from the conversation with the Grant Manager.

Once it was agreed by both the grantee and the Grant Manager, it was entered into the Comic Relief grant management system.

This was an approach welcomed by grantees, 95% of whom (*Survey*) said reporting requirements were

at about the right level and influenced positively the relationship by building:

- Trust
- an understanding the funder is there to support and listen - not just to hold them to account.

.....  
*“The monitoring by Comic Relief has also been a breath of fresh air. Being able to have conversations with our Grant Manager, talking through our reports and building trust - that relationship is something that no other funder had done before and we really valued it. I hope that this stays the same and is not changed.” (Survey)*

# Challenges: Comic Relief restructure



A few months into the programme, Comic Relief underwent a major restructure involving: a change of strategic direction; significant staff turn-over; and changes in roles.

Whilst there were many positive elements of this programme – and significant improvements were achieved for both the funded organisations and those they supported - there were also challenges in its implementation and management that are important to highlight for the implications of running such a programme in the future:

- Grant management shifted from central office and was largely passed on to Comic Relief’s regional UK Advisors. This created pressure on these roles, as well as a shift in relationship for grantees.
- The loss of administrative and logistical capacity for *Core Strength* meant that central communications with grantees suffered, particularly around *Funder Plus* activities.

- Despite emerging evidence of the programme’s success and popularity, the shift in strategy meant a replication of Core Strength in its current form would no longer be possible. This was disappointing for both staff and grantees.

.....  
“We felt a disconnect from Comic Relief due to the very slow communications.”  
(Final event)  
.....

# Challenges: Delivery of Funder Plus

The Funder Plus offer was largely London-centric, creating barriers to participation, particularly for Northern Irish grantees.

83%

of Survey respondents said that they would be more likely to take up the offers of support if they were held more local.

*Funder Plus* suffered from the loss of coordination support, meaning that communications and planning tailed off in the second year.

The offer was complex, and whilst responsive to grantees stated needs, it was not seen to be strategic in terms of supporting them to access the most appropriate support.

*“The staff at Comic Relief have all been helpful and supportive; however since a number of key staff left there has been a lack of central communication. This makes us wonder what we might be missing out on with regards to training and development opportunities.”*

*(Survey)*

*“It was not always planned or strategic – a sense of ‘jump now if you want this’. Little sense of what and why.”*

*(Grants Advisor)*

# Challenges: Exit strategies

The change in strategic direction and loss of coordination capacity meant that exit plans were not developed in a timely fashion. Grantees wondered what was happening to the programme - partly because many were interested in reapplying if that was an option, but also because they felt invested in the programme and the lessons for the wider sector. Communications could have been quicker and more effective.

There was potential for some follow-up funding through the *Sustainability Fund*. Though this was sent to all *Core Strength* grantees to apply for, it was communicated late, and Advisors did not have time to give input. Nonetheless, 74 of them did apply and 17 received funding.

The final *Core Strength* event was attended by over 70 grantees and helped to mitigate some grantee disappointment by providing a chance to celebrate the programme and learning.



# Challenges: Funding and capacity

All the various benefits identified by participants in the programme should be placed within the context of the on-going financial and capacity pressures facing many UK charities; any core funding initiatives, therefore, need to continue to take this into account.



16 organisations gave no indication that their concerns or challenges have improved, with growing levels of demand on the organisation - often as a result of rising public service sector thresholds - leading to an increased competition for funding.

*“I have come to the conclusion sleepless nights come as part of the package.”*  
(Survey)

Key concerns and questions that remain for organisations, therefore, include how to:

- Meet increasing complexity of need and vulnerability of beneficiaries;
- Ensure enough capacity and a skilled workforce to meet new demands;
- Continue to invest in back office/core functions;
- Maintain funding and staff levels;
- Remain sustainable in an increasingly competitive funding environment?



The external context grows ever more challenging; *short-term funding is unlikely to provide a long-term solution.*

Core funding will only ever be one part of an organisation's funding mix.

Funders need to be realistic about the degree of difference their funding can make and how best outcomes are reported upon.

.....  
*"We have become more efficient as an organisation and more sustainable. However, we've experienced a massive increase in demand, outstripping our ability to offer more services." (Survey)*  
.....



# Lessons: About core funding

Core funding creates an opportunity to develop more open and trusting partnerships to tackle social challenges. For charities, core funding represents a vote of confidence that goes beyond the amount of money involved. While some organisations are more likely to benefit than others, a relatively small investment can catalyse and leverage a range of significant improvements for organisations and ultimately their beneficiaries.

Core Strength demonstrates that core funding can:

- Lead to a more honest and productive relationship between grant maker and grantee
- Free up Director/CEO time for reflection and learning
- Enable space and time for effective strategy development
- Lead to stronger governance
- Have a positive impact on funding from other sources
- Buy time for organisations to create space for transition
- Improve organisational confidence and morale
- Make holistic improvements in services and in internal operational systems (including fundraising, IT, HR, and M&E.)

# Lessons: Grants management

Taking a relational approach to core funding builds upon the important sense of a shared partnership for tackling social issues.

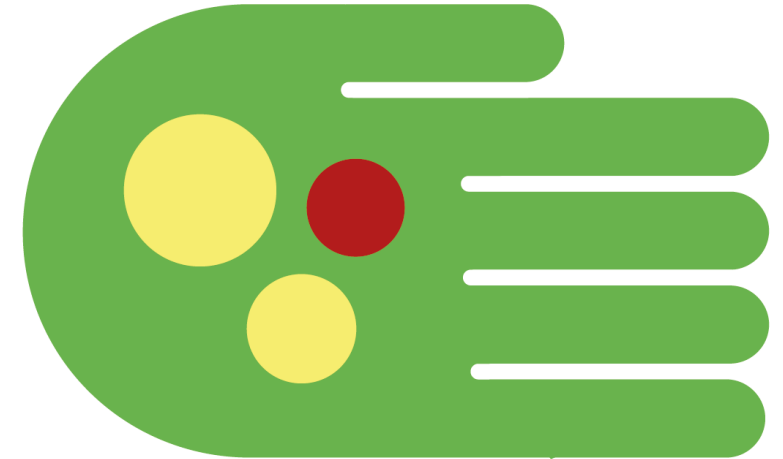
.....  
“It gives you flexibility to focus on what the organisation needs rather than fulfilling funders priorities.” (*Final survey*)  
.....

This kind of partnership-based funding requires significant grant management time and investment.

Locally-based and contextually relevant grant management can play a part in building up the right relationship for maximising the opportunities of core funding and *Funder Plus*.

Flexibility is vital, as an organisation’s approach may need to change in response to the external context.

A non-outcomes based and conversational form of reporting adds to trust and openness.



*Funder Plus* approaches can enhance organisational capacity to most benefit from core funding.



The *Funder Plus* offer added significant value to the *Core Strength* grantees that took them up.

Offering very small pots of funding to be used by grantees at their discretion had a disproportionate effect.

Funders finding a niche may help grantees navigate through the competing offers.

Ensuring there is an ongoing strategic programme rather than one-off opportunities.

Core funding enables organisations to have the capacity to act upon *Funder Plus* support.

*“Core funding can be effective in developing ideas within an organisation, as the voluntary and charity sector is rich in innovative and pioneering ideas and solutions to lots of societal issues, but these seldom become realised due to the lack of resources available to develop and bring them to life.” (Grantee)*



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