

DIGGING DEEPER

**INSIGHTS ON TAILORED FUNDING TO ORGANISATIONS
LED BY BLACK PEOPLE AND COMMUNITIES EXPERIENCING
RACIAL INJUSTICE IN 2020**

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ABOUT BAOBAB

The Baobab Foundation is a new type of funding organisation; one that will support, grow and strengthen Black, Brown and minoritised ethnic communities and community organisations in the UK.

Baobab Foundation is unique because it will be led by the community organisations and communities it supports. We are in a research and design phase which will shape our future priorities, direction, and the way we work.

CONTENTS

EXECUTIVE SUMMARY P 01

GLOSSARY P 06

1 CONTEXT P 08

2 OUR METHODOLOGY P 12

3 OUR FINDINGS P 15

4 BUILDING BAOBAB P 52

5 FOCUSING ON THE FUTURE P 56



Over the last year we have seen an unprecedented surge in funding to organisations led by black people and communities subjected to racial injustice in the UK.

It is not clear yet whether this surge will turn into sustained, scaled, and coordinated financial investment and non-financial support to organisations and emerging initiatives in this space.

While funders have reacted in tandem to the impact of Covid-19 and the killing of George Floyd on Black and minoritised ethnic communities, the funding that has been distributed so far has primarily focused on Covid-19 response efforts. We are yet to see a deeper and systemic level investment for racial injustice tackling the root causes of inequities in our society.

The Baobab Foundation is a new type of foundation that seeks to reshape how black and ethnic minority-led organisations are funded and supported. It is led by and for the communities and organisations we intend to serve. We commissioned a learning review to better understand what has worked and not worked from the tailored

programmes and initiatives set up to support Black and minority ethnic communities in the last year, to inform our strategy and to add to the body of learning in this arena. Our ambition, to ensure we learn from the past.

We spoke to 26 respondents across 19 organisations focusing on funders to complement ongoing research by The Ubele Initiative focusing on civil society voices, and the Funders for Race Equality Alliance quantitative data analysis.

Our review which explored funder insights and experiences of implementing tailored funding programmes for black people and communities experiencing racial justice in the UK, found that very few funders had yet committed explicitly to: investing in racial justice long-term; the scale and nature of their future investments; talking directly about racial injustice in their strategies, or the implications of racial inequalities on other social justice issues in their portfolios in order to

deepen their overall social impact. Only one funder highlighted an intention to move towards an anti-racist ethical investment policy. While all agreed significant work still needed to be done to improve representation in senior leadership and boards and across funding decision making structures in the UK.

Organisations led by black people and communities experiencing racial injustice have taken on new roles to meet the needs of people and communities around the country over the last year, particularly in light of the Covid-19 pandemic. This is testament to the resilience of these organisations and communities, and their ability to innovate – particularly significant given their historic under-investment. While there has been a funding surge, the financial sustainability of organisations led by and for Black and minoritised ethnic communities remains precarious according to respondents. Most reported only having funding secured for their Covid-19 response, and lacked funding for their wider strategy, core infrastructure, beyond March

2021. Funds distributed over the last year have not reached groups that have been hyper-marginalised, particularly black disabled people, trans people, and Roma, Gypsy and traveller people, with significant disparities geographically. A detailed quantitative analysis of funding will be published shortly by the Funders for Race Equality Alliance bringing much needed data to enrich current learning.

While the level of change still needed may appear daunting for some, it was reassuring that the funders we spoke to are in a process of deep un-learning and re-learning as a consequence of the last year. However, deeper and decisive action is needed, one that recognises the significant benefits of levelling up and integrating a racial and intersectional lens can bring to the social impact outcomes of funders overall.

This review digs behind the data and the stories to explore where progress is being made, and where

further work needs to be done drawing on the reflections of a range of funders and onward grant makers from organisations led by black people and communities experiencing racial injustice. It focuses on a mix of practical and strategic recommendations.

As we move forward, we want to encourage funders to work towards a better normal through:

- 1** Delivering scaled, sustained and flexible (core and unrestricted) funding for the long-term [5 years +] to existing and emerging groups, organisations and initiatives led by black people and communities experiencing racial injustice.
- 2** Address significant funding disparities which are resulting in gaps in geographical distribution and acute exclusion of groups already subjected to discrimination including black disabled people, trans people, and Roma, Gypsy and traveller people in particular.

3 Explicitly address racial injustice in funding priorities, and adopt a racial and intersectional lens across all fund priorities to address root causes and strengthen programme impact overall.

4 Review and take action on funding flows, including ethical investment policies, improving access across non-tailored funding ultimately improving diversity in fund distribution, and fundamentally challenging the bias to large-scale distribution via white-led intermediaries.

5 Build strategic partnerships with organisations led by black people and communities experiencing racial injustice, reaching beyond known networks, and drawing in their expertise into strategy, scoping, and design work.

6 Improve cultural competency, representation and trauma-informed practices across funding to reduce harm, including fully acknowledge the leadership and labour of people bringing technical and lived expertise of racial injustice in the pursuit of this agenda in your work.

7 Continue to build on the growing body of good practice of funding through and working with organisations and initiatives led by black people and communities experiencing racial injustice.

8 Continue efforts to address representation through institutions and decision making, focusing on the hard wins at senior leadership and board levels, and fully acknowledging the leadership and labour of experts bringing technical and lived experience of racial justice to your work, whether internal or external to your institution.

The pressing need for funders to invest in field building and enduring solutions delivered with and by those who bring direct technical and lived experience of racial injustice, is clear. It cannot be done in isolation, in part, or through short term surges in focus. It cannot be solved by one approach, initiative or idea.

We need scaled, sustained and coordinated efforts to emerge which enable funders to work with and through the expertise of existing and emerging groups, organisations and movements for change on racial justice, in an open and progressive way.

"THERE ARE MANY
FOUNDATIONS AND
PHILANTHROPISTS IN THE UK
THAT DO NOT RECOGNISE
[INSTITUTIONAL RACISM]
AS A PROBLEM"

– REVIEW RESPONDENT

GLOSSARY AND TERMINOLOGY

BAME

Meaning Black, Asian and Minority Ethnic, this is one of the most common acronyms used to describe people who experience racial inequality. It is also commonly substituted with the term BME (Black and Minority Ethnic), and sometimes Black and minoritised. These terms are widely used by government, media, public bodies, and as short-hand when referring to people from within this broad category. These terms are also highly contested. Such terms can be highly problematic as they oversimplify and ignore the nuances and different lived experiences of individual and groups that fall into this category. It also marginalises minority ethnic groups who may not identify as Black or Brown per se, such as Gypsy, Roma and Traveller communities who are amongst the most

marginalised minorities in the UK. It can also mask specific types of discrimination or oppression such as anti-blackness. The term 'black' can also be used politically to refer to groups whose histories originate from Africa, Asia, the Caribbean, Latin American and indigenous peoples of Australasia, and the islands of the Atlantic Indian and Pacific Oceans as a unifying term.

INTERMEDIARY FUNDER

Organisations which act as a conduit in the distribution of funds received from another funding institution usually bringing specialist expertise and/or reach into a sector, community of interest, or geography.

INTERSECTIONALITY

Intersectionality is a framework rooted in Black feminist labour, originally developed by African American legal scholar, Kimberlé Crenshaw, which describes how interlocking systems of oppression lead to distinct forms of marginalisation.

An intersectional approach supports us to understand systemic inequities beyond singular axes of oppression e.g. gender injustice.

Intersectionality calls on us to consider the socio-economic and political contexts within which we live, and how these are not only shaped by our identity, e.g. race, sexuality, gender, wealth, disability, faith, class and so on, but also by historic and enduring forms of oppression which have privileged some but not others, such as colonialism, for example.

Intersectionality is not a paper exercise to categorise and identify groups and needs, but to go deeper into knowledge building, lived experience, and resistance.

ORGANISATIONS LED-BY

Organisations and groups led by Black and minority ethnic people. This means that the management and governance is made up of a majority of representatives of this group (minimum 51%), the organisation's purpose focuses on serving the needs and interests of people from this community, and decision making includes these communities meaningfully.

ORGANISATIONS SERVING

Organisations and groups which reach and support Black and minority ethnic people in their programmes and services, but may not reflect these people in their governance and management.

BACBAB



CONTEXT



The Baobab Foundation is one of the seeds of the emotion, anger and deep seated desire for real change coming from black, brown and minoritised ethnic sector professionals and experts in the UK.

It emerged out of discomfort with the narratives being projected by voices within the charitable and funding sectors in the UK concerning a lack of capacity of organisations being led by black people and communities experiencing racial injustice to manage funding at scale during the Covid-19 pandemic. Also, alongside the need for evidence of the impact of Covid-19 on these groups, in order to act. These narratives became a justification for not channelling resources and support through organisations led by these communities at a time when we needed them most and at a time when funders and the charitable sector should have been working to level up disparities in access. This was simply not good enough.

As the impact of the killing of George Floyd and others, and activism from the Black Lives Matters (BLM) movement began to unfold. We also saw overwhelming evidence of the impact of Covid-19 on black people and communities experiencing racial injustice many of whom were working in frontline roles in the UK. When we started to see some national level, open and targeted funding programmes emerge, this was some months after Ubele's research report revealed 9 out of 10 BAME-led organisations were at risk of closure, Imkaan's position paper highlighted the gendered and racial inequalities being faced by black and minoritised women, and campaigns from Charity So White and Future Foundations UK had been launched.

Many funders have begun a process of deep un-learning and re-learning as a consequence of this period. But it's not the first time we've been

here - the Grenfell Tower tragedy showed us the importance of funds going to organisations and groups led by and for people and communities with lived experience of inequality and oppression, especially in times of crisis. It is a potent reminder that structural racism and intersectional inequality still pervade our funding systems.

We have seen statements of intent, changes to organisational policy on diversity and inclusion, and changes in the levels of and approaches to funding of organisations led by and serving black people and communities experiencing racial injustice in the UK. However, it's not clear whether this is the start of a deeper transformative shift in the policy, practice and behaviour of funders, or whether this current support will fade into the background as other priorities emerge.

Organisations led by black people and communities experiencing racial injustice have taken on new roles to meet the current needs of people and communities around the country. This is testament to the resilience of these organisations and communities, and their ability to innovate – particularly significant given their impact relative to their scale and historical under-investment. There has also been a period of access, visibility, and influence. However this not uniform. Rather, level of influence depends on whether an organisation is already on the funder radar, its location and whether the type of community or issue it supports was already recognised as an area of critical need by funders and those organisations shaping their priorities during the Covid-19 response.

This process of opening up has also revealed the size of this emerging body of organisations and

community groups, along with the conditions and challenges they face, and the urgency of building a longer term transformative package of solidarity and support to people, communities and organisations who have been consistently under-represented, negatively over-represented, under-served, and devalued for their contribution to social justice and poverty reduction, whilst at the same time being harmed by systems of oppression within which they live and work.

The pressing need for enduring solutions which will facilitate sustainable transformation for these communities is why organisations like Baobab, alongside a range of transformative changes internally and in the wider ecosystem, are needed.

↑ Terminology cited from the publication, led by refers to organisations with 51% or more of their management and leadership from Black, Asian, and minority ethnic communities.

BACBAB

OUR METHODOLOGY





Our aim was to distil and document key reflections, lessons and experiences regarding what has worked, what has not worked, and what is still needed to continue to effectively invest in UK communities impacted by racial injustice in the UK.

The review took a qualitative approach, focusing on practical and strategic insights from funders who directly support these communities, and not limited to the Covid-19 response.

Semi-structured interviews were conducted with 26 respondents from 19 organisations between December 2020 and February 2021. Reflections and feedback were anonymised, analysed and coded to build aggregate findings and recommendations. The review focused primarily on funders to avoid duplicating learning efforts and drawing on individual labour multiple times.

These initiatives include:

- **THE UBELE INITIATIVE:** undertaking research with BAME infrastructure and anchor organisations to understand how funding practices need to change and how they can be fully equipped and supported to challenge the structural inequalities that disproportionately impact black and brown communities.
- **THE FUNDERS FOR RACE EQUALITY ALLIANCE:** researching the nature and scale of funding that has been allocated to race equality following the impacts of Covid-19 and Black Lives Matter. It is conducting an analysis of emergency funding made available to the Black, Asian and Minority Ethnic voluntary sector between March and November 2020 and will offer recommendations for funders. The Ubele Initiative, Future Foundations and 360 Giving UK acted as external advisors.
- **THE SOCIAL INVESTMENT CONSULTANCY (TSIC) AND 360GIVING** developing a shared taxonomy (classification, language and approach) to support funders to better categorise organisations either led by or targeting and supporting groups experiencing structural inequity, with a view to improving analysis and monitoring of grant programmes.

BACBAB



SHIFTS IN FUNDING

3.1 SHIFTS OF FUNDING

The size and range of funding available to social purpose organisations led by black people and communities experiencing racial injustice has increased over the last year, according to respondents.

This shift has occurred a direct consequence of the pressure from critical movements in the UK following the death of George Floyd and the impact of Covid-19 on Black, Brown and ethnically marginalised communities.

Individual funders and coalitions have taken a mixed approach to these groups and communities, including: ring-fencing funds within wider programmes, open award schemes run by new organisations, delegated funding to lived experience organisations, and individual awards to organisations via referral within a funder's network.

According to respondents, most of the funding available is related to crisis response and recovery around the Covid-19 pandemic, with only a small proportion for wider priorities of these organisations, or focusing on racial injustice and inequality. Those in receipt of funds highlighted a large proportion of their funds was only secured for March 2021.

3.1 SHIFTS IN FUNDING

An in-depth quantitative analysis of the nature and scale of funding will be available in March 2021 by the Funders Alliance for Race Equality. However, it is still too early to assess the relative effectiveness of each approach, and a further review of the impact of specific methodologies such as ring-fencing, invitation vs. open programmes and so on, would be of value to future planning. It is not clear whether the overall increase in financial support for organisations led by black people and communities experiencing racial injustice represents a real increase in investment to work on systemic racial inequalities.

EFFECTIVE APPROACHES

Respondents reported greater flexibility in the type of funding available including some unrestricted funding, core funding, and project funding which included some core and/or unrestricted costs.

We have seen new models emerging in this space in the UK including solidarity based approaches led by people of colour, including from Resourcing Racial Justice and Do It Now Now Common Call fund. There is also onward granting from infrastructure organisations, participatory funds with organisations led by Black people and those from ethnic minorities who are convening design and decision making. One such example is the Phoenix Fund, another is direct fiscal hosting geared to enable organisations that might otherwise be rejected to access critical support undertaken by an organisation adopting an intersectional lens to inequality. Some of these activities pre-date Covid-19/BLM.

This funding shift was critical to the ability of community groups and organisations to cope in the face of Covid-19, and to and expand their response through key frontline and anchor organisations. Many respondents highlighted how precarious their

efforts remain as much of their current funding is tied to current Covid-19 activity.

ROOM FOR IMPROVEMENT

The overwhelming feedback was that the funding made available was small compared to the scale of need, as evidenced by the high demand for open call funding programmes (see visualisation below).

Respondents highlighted that while the surge in support was welcome, a range of challenges came with the funding received and distributed. These included:

- Insufficient attention to covering the development of infrastructure and overheads associated with running new programmes, specifically, first-time onward grant schemes. It was felt that funders needed to be better equipped to cover these costs, especially in the context of historic under-investment.

- A need for proactive funding approaches to expand outreach beyond known networks, so as to improve access for communities and organisations facing multiple disadvantages.
- A need for larger scale delegated funding approaches outside of funding tailored to black people and communities experiencing racial injustice, to level up the leadership and involvement of organisations from these communities.

A critical question that remains unanswered is whether the approach of funders over the last year has usefully disrupted systemic inequities? Or is it simply the short-term response to pressure from prominent campaigns to support organisations and communities that have been historically under-served?

3.1 SHIFTS IN FUNDING

SUMMARY OF APPLICATIONS AND AWARDS FROM SELECTED TAILORED NATIONAL FUNDS IN 2020



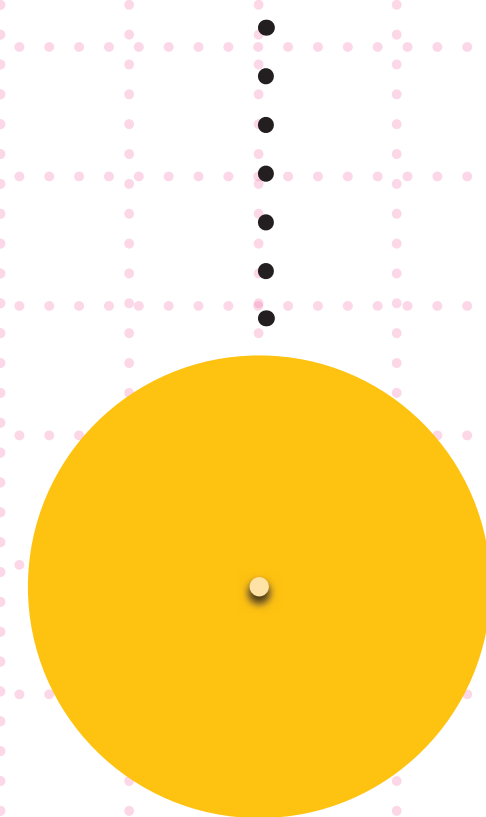
ROSA AND IMKAAN
 53 applications (by invitation), total value ≈£1.1m
 27 awards, made £633,108
 Awards range £7K -£35K, project funding



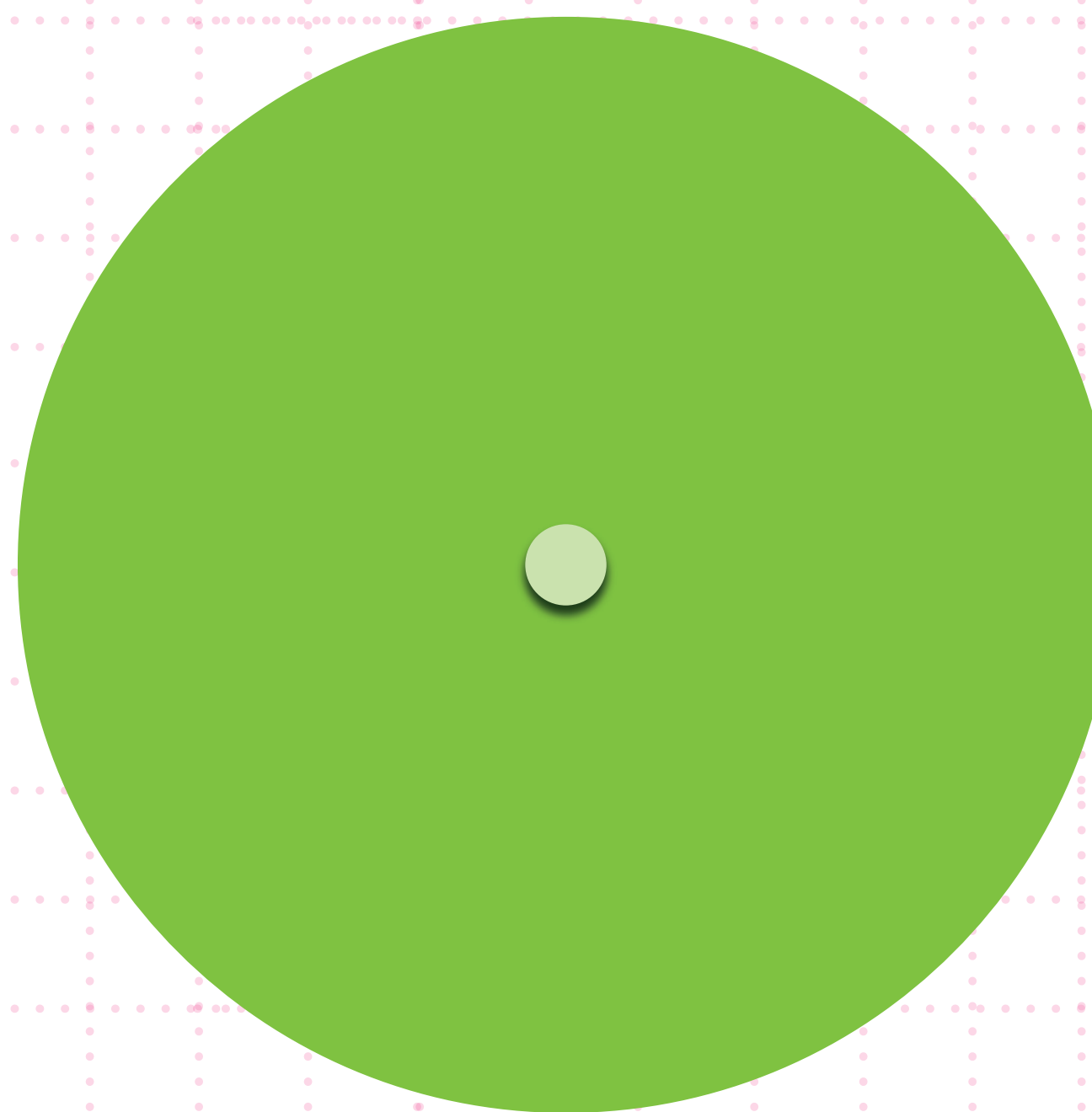
COMIC RELIEF (PHASE 1)
 83 applications, total value £17,377,279
 10 awards made, ≈ £3.4m
 Awards range 250-440K, project and core fund



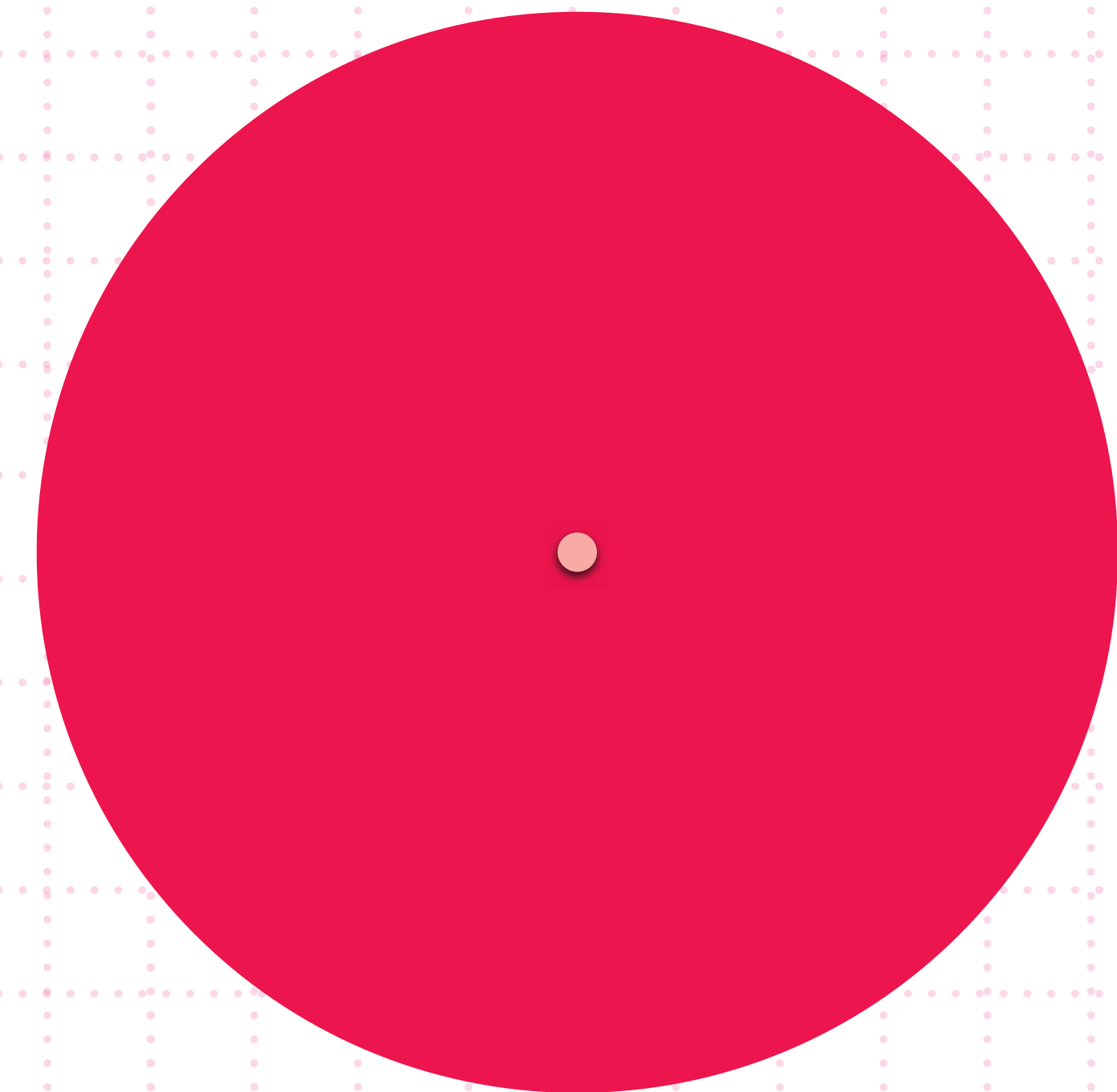
DO IT NOW NOW (COMMON CALL)
 478 applications, total value £1m
 16 awards made, ≈ £50K
 Average award £3,000, unrestricted



PHOENIX FUND (PHASE 1)*
 1,347 applications, total value £22.3m
 102 awards, approx value £1m
 Awards capped £20K, core funding



RESOURCING RACIAL JUSTICE
 1402 applications, total value ≈£33.5m
 51 awards, ≈£1m
 Awards range £5-50K, core funding



* Sizes of circles are proportional to the number of applications made and awards given

The sheer number of funding applications submitted, considered in the context of the feedback we received, reveals the size and scale of an unmet need, at least for non-London based communities and organisations advocating for racial justice.

For example, Resourcing Racial Justice, one of the first nationwide tailored funds launched during Covid-19 (May 2020), received over 1400 applications at a scale of £33,508,142 and was able to support approximately 3% of the overall need at that time. A similar picture emerges across all funds outlined in this review, providing clear evidence for a mismatch between the funds needed and the funds supplied.

Examining this against the wider challenges these organisations face in accessing non-tailored funds, it is highly unlikely we are making sustained headway in redressing the imbalances in provision. A critical

question for funders remains which is when and how sustained and scaled investment will happen - particularly for those who have committed to tackling systemic inequalities in their work or to take an anti-racist approach.

All respondents involved in implementation via open programmes stated they took proactive steps to reach communities outside of London with reach that was better than expected. For example, The Phoenix Fund reported 55% of applications from London and the South East and RRJ reported 47% of applications received came from Greater London.

However, all recognised that a great deal more needs to be done to improve inclusion on a geographical basis. There was a particular call for funders to:

- Invest time in understanding how regional groups outside of London organise.
- Engage more with regional funders and funding forums where respondents highlighted some communities and groups may experience higher levels of exclusion.
- Build greater visibility of, and trust in organisations and groups led by Black people and those from minoritised communities.

BRIDGING GAPS AND BUILDING TRUST

Respondents highlighted the need for funders to adopt a more intersectional perspective, given the apparent lack of consideration for the multiple disadvantages experienced by the communities who need greater support. It was noted that particular groups of people were under-represented and under-served by funders at a time when they were facing increasing marginalisation, including:

- Black Disabled people
- Roma, Gypsy and Traveller people
- Older people
- Refugees and asylum seekers
- Black and ethnic minority women
- Trans people
- LGBTQ+ communities

It is critical to highlight that one individual may live across multiple identities, as there is a risk we look at identities in a singular way, and understand how intersectional identities overlap with racial justice.

We heard from respondents that more needed to be done to recognise the needs of people from different geographical regions. The issue of trust came up in the context of women-led organisations for Black and minority ethnic organisations, who felt their expertise and experience was ignored by funders in the selection process, with insufficient funding and leadership of delegated funds being awarded to organisations led by black and ethnic minority women.

The informal status of many women's groups meant they were unable to access funding. The same was true for unregistered groups led by Black and

minority ethnic people. People from both groups said they experienced greater hostility at a local level in accessing funds especially women with insecure status.

ACCOUNTABILITY AND DATA

One of the biggest challenges has been the lack of disaggregated data about the experiences of Black people and communities of ethnic minority people. In many cases, funders do not collect this data or include it in their fund analysis – therefore the experiences of people with the greatest unmet needs remain largely invisible and the evidence does not exist to hold funders to account.

It has taken significant pressure from experts and advocates, many of whom are from communities subjected to racial injustice, to mobilise action to address this anomaly. At the time of writing, 360Giving and The Social Investment Consultancy were developing a taxonomy as part of a DEI Data group, which emerged in the wake of the response to Covid-19 following after government-funder coordination efforts. This taxonomy tool, if adopted at scale and consistently used by the funding community, will support much needed monitoring of access to and reach of funds for a range of otherwise under-served communities.

However, it will not solve the need for funders to dig deeper and understand the contextual needs and nuances of specific groups, nor will it unpack the effects of multiple disadvantage on an individual or group. For funders moving towards an anti-racist position, much remains to be done to level up how

funds are distributed, to ensure a more equitable approach that considers the needs of organisations led by people with lived experience of racial injustice, including Black people and communities who are subjected to intersectional oppression.

CRITICAL TAKEAWAYS:

- Funding for groups and organisations led by and for people from Black and ethnic minority communities has surged in the last year, but only in the context of Covid-19, not in terms of addressing the needs of these communities long-term, investing in the strategic plans of organisations dedicated to supporting them, or in a systemic anti-racism agenda.

- These organisations and initiatives have tended to be excluded from non-tailored provision. Significant work is needed to redress this imbalance and allow for fair competition across proactive and delegated non-tailored funding.
- Funding efforts have failed to reach hyper-marginalised groups such as disabled people, Roma, gypsy and traveller people, and trans people. Unless funders take proactive steps to better engage with and transform access of these groups they will continue to be excluded.
- With so much funding tied to Covid-19 response efforts, it is likely that organisations led by Black and ethnic minority communities, could be on the precipice of a second cliff edge in their funding with many funds aiming to complete distribution by the end of March 2021.

"IN SOME SPACES
FUNDING CUTS TO LOCAL
BME WOMEN'S REFUGES
HAVE BEEN SO SEVERE THAT
GROUPS SERVING FOR
EXAMPLE, BLACK AND AFRO-
CARRIBEAN WOMEN, HAVE
VIRTUALLY DISAPPEARED"

- REVIEW RESPONDENT

3.2 FUNDING PRACTICE

Funding and grant making practice has evolved over the last year with some progress reported by the majority of respondents. For funders already engaged in supporting racial equality, there has been a re-assessment of funding approaches and a desire to deepen the effectiveness of their work.

SIGNS OF PROGRESS

It is important to note from the outset that participatory and community-led approaches are already well established in the UK and globally. While funders have made progress along these lines in the past year, the question remains – why were they not using these methodologies as standard practice with communities of Black and ethnic minority people before?

Funders would benefit from taking a more relational approach by working with organisations who have expertise which includes lived experience to share. Exercising a degree of cultural intelligence will be crucial in this process, both in the interests of nurturing sustainable relationships and working in a way that balances the internal challenges that funders face in terms of managing time, capacity and knowledge.

POSITIVE CHANGES INCLUDE:

- Improved involvement and consultation with communities led by experts from Black and ethnic minority communities
- Some easing of application procedures and due diligence requirements to improve accessibility for smaller and less resourced (human, financial and time) organisations and groups
- Adopting a mix of participatory and trust based approaches in funding practices
- Supporting the emergence of new actors and new roles for existing organisations at a critical time
- Delegating funding to organisations with lived experience or racial injustice

“SURVIVORS OF
OPPRESSION ARE ALWAYS
PREPARING TO HAVE
THE DOOR CLOSED.”

– DR THEMA DAVIS

- Increased flexibility of funding including core and in some cases unrestricted support.

It is important to acknowledge the experiences reflected above are likely to be shaped heavily by place, intersectional inequalities, formal registration, and whether they were previously known to funders.

CHALLENGES REMAIN

It is too early to say whether these practices will be sustained and scaled beyond the pandemic. Critically, given the scope of this review, the experiences shared are unlikely to be the experience of the majority of organisations, given the size and range of organisations and groups in the space. Equally, it is not yet clear how accountable government and subsidiary distribution funders are in terms of their

efforts to ensure racial equity when distributing large proportions of funding available to civil society.

A number of challenges were highlighted by respondents which occurred during the early response phase to the Covid-19 pandemic. This included issues such as:

- failure to identify, prioritise and fund organisations led by and serving Black people and people from ethnic minority communities. This was seen as a reflection of the institutional bias and lack of access.
- failure to appropriately utilise the expertise of organisations of black people and communities experiencing racial injustice in scoping, design and decision making.
- not resourcing people's time.

- not prioritising advice requested in funding approach,
- failure to include black people and communities experiencing racial injustice at the table;
- working in a transactional manner,
- basing decisions on reducing risk and increasing speed of distribution, which reinforces inequalities by excluding organisations which may not be known to funding bodies from playing a leadership role in distributing or advising on funds.

AREAS IDENTIFIED FOR PRACTICAL CHANGES:

- Improve sign-posting to funding opportunities and engage people from marginalised communities in the scoping of funder plans.

“IN OUTSOURCING RISK, SOME INTERMEDIARIES ARE REDUCING THEIR RISK LEVELS ONLY SUPPORTING LEGALISED ENTITIES, EVEN THE ONES THAT WORKED WITH UNREGISTERED GROUPS PREVIOUSLY.”

–REVIEW RESPONDENT

- Reach out more widely to technical experts with lived experience beyond known networks.
- Improve coverage of overheads and infrastructure costs for organisations taking on new responsibilities, thereby acknowledging the under-investment into organisational capability and core costs.
- Alternatives to narrative grant applications such as an interview, discussion, video or voice recording, which might be more accessible for some groups.

AREAS IDENTIFIED FOR STRATEGIC CHANGES:

- Improve funding and resources to enable black people and communities experiencing racial

injustice to work across different sectors to improve reach, impact and acc

- Continue to improve diverse and intersectional representation in decision making including at senior leadership and board levels across funding bodies
- Change how risk is evaluated (see below)

A small number of respondents highlighted concerns that funders may be passing on risk to newly established onward granting organisations, and not doing enough to shore up sustainability of these groups. Respondents felt due diligence requirements may be unconsciously or consciously reducing risk appetite amongst technical partners who are working live up to the requirements of contractual frameworks. Given the informal and small-scale nature of the majority of black led

groups, it is critical that funders running or planning delegated models consider carefully how they can ensure equity through their contractual frameworks, and reinforce the leadership and independence of delegated partners to redistribute funds based on need, impact, and innovation, rather than risk reduction criteria.

TWO SIGNIFICANT RECOMMENDATIONS WERE SHARED FOR FUNDERS TO CONSIDER:

1 Support greater disruption in large scale funding outside the racial justice arena, where approaches led by Black people and people from minoritised communities is likely to extend reach and impact to the most marginalised groups.

“IS THE TOLERANCE FOR TRIAL AND ERROR AND TAKING ON NEW ROLES AS GENEROUS FOR BME LED ORGANISATIONS AS IT IS FOR WHITE LED ORGANISATIONS?”

– REVIEW RESPONDENT

2 Support healthy competition and collaboration with white-led civil society organisations, providers and fund contractors.

Multiple funders highlighted in open programmes that applicants assumed they needed to reach all types of communities in order to be successful. Primary target groups needed to be identified through assessment processes by those funders willing to provide the additional support to do this. It's not possible to explain why this is the case, whether it reflects how organisations work, fear of rejection or whether organisations have had very limited interaction with the charitable or funding sector to this point, it requires further investigation and better ways of drawing out critical information.

Conversations with respondents revealed that organisations led by Black people and communities working to combat racial injustice tended to ask for

less funds than they needed, despite the high level of flexibility and support to core costs reported by funders. This suggests that the parameters of core or unrestricted funding could be better articulated, although further inquiries would need to be made to identify the problem and a solution that will help organisations receive an appropriate level of support. It could be that there is a fear of rejection, and a perception that staffing and infrastructure will not be supported. Anecdotal evidence suggests that the way funders have historically projected funding means that flexible institutional support is not well understood.

It is not the role of communities and organisations to learn how funders work, but for funders to take responsibility and to look more deeply at how they can build trust - transparent, simple, accessible, and tailored forms of funding and support - recognising these groups have been under-served and under-

resourced. Funders also need to recognise that in addressing these groups effectively, they will be deepening their overall impact by reaching communities and contexts that are deeply impacted by social injustice and poverty in this country.

CRITICAL TAKEAWAYS:

- Some progress towards adopting participatory and solidarity based models, easing of processes. This work needs to be scaled and sustained beyond the pandemic.
- Lived experience funders and organisations have played a critical role in driving change, support for their leadership and disruption needs to be sustained.

“IT IS COMMON PRACTICE [FOR BME LED WOMEN’S ORGANISATIONS] TO ASK FOR LESS THAN THEY NEED, THIS SHONE THROUGH IN DISCUSSIONS WE HAD WITH OUR GRANTEES”

– REVIEW RESPONDENT

- Funders need to review how they assess risk considering whether there is a bias against these organisations; and whether risk is being passed downward impairing programme outcomes.
- Funders need to consider the impact of exclusion and oppression on how organisations experience their programmes, systems and decision making, continue to expand trust building.

"IN A RACIST SOCIETY
IT IS NOT ENOUGH
TO BE NON-RACIST, WE
MUST BE ANTI-RACIST."

– ANGELA DAVIS



CASE STUDY 1

Solidarity-based funding **Lessons from Do It Now Now Common Call Fund**

Do It Now Now has worked through open programmes to encourage Black-led organisations and businesses with a social purpose to access financial and non-financial support. The organisation has offered advice to help these groups develop their ideas, access flexible funding, and seek ongoing technical support through its networks. Demand has been extremely high. For example, Do It Now Now received over 478 applications for Common Call, a fund for Black-led organisations in the UK, and went on to make 16 awards.

The organisation's aim is to identify who's out there and create opportunities for people to get a foot in the door. Whether or not applicants are successful through Do It Now Now's funding programmes, all are invited to take part in training and support schemes.

So far 65 organisations have signed up for the scheme, of which 16 received a grant award. The programme will be eight weeks long, with financial strategy and business planning, and access to continued support through an online community that includes financial coaching and drop-in strategy sessions throughout the year. Other offerings will be available to the community, including supporting lived experienced leaders to advocate effectively.

3.3 INVESTING FOR THE LONG-HAUL

This section of the report looks at the deeper considerations for funders in order to scale and sustain efforts beyond 2021.

BUILDING A LONG-TERM PIPELINE

Whilst a number of organisations led by black people or communities experiencing racial injustice have had a surge in funding access, and at times with greater flexibility. None felt that they had secured a long-term funding pipeline beyond Covid-19 for their strategies and organisational needs. For some conversations with individual funders have started, and for others, there was a perception of not having access to funders or at a high enough level within funding institutions. All acknowledged that the growth in access created by efforts during the last year, would not have benefitted the majority.

Some funders and a number of infrastructure groups highlighted a need for funders to find alternatives to primarily funding at scale through white-led organisations, and to create greater incentives for strategic partnering, and envisaging scenarios where BME-led organisations will be leads for large scale initiatives in the future and for funders to consider whether current processes for large-scale delegated funds is equitable.

FLEXIBLE, MULTI-YEAR INVESTMENT

All respondents believed there was an urgent need to provide long-term flexible funding to BME organisations, and that this needs to go beyond basic survival to enabling organisations who have been historically under-resourced as a consequence of structural racism and other inequalities to thrive

“FUNDERS NEED TO BE CAREFUL THAT WE DON’T CREATE A CHICKEN AND EGG SITUATION WHERE WE DON’T GIVE YOU LONG-TERM FUNDING UNTIL YOU PROVE YOUR SUSTAINABLE, AND YET YOU CAN’T BECOME SUSTAINABLE UNTIL YOU HAVE LONG-TERM FLEXIBLE FUNDING IN PLACE.”

– REVIEW RESPONDENT

individually and as a sector. Further data and analysis on the conditions of the sector will emerge as part of the Funders Race Equality Alliance, but all respondents highlighted the precarious nature of funding for their institutions, still heavily tied to project delivery, and with no organisation indicating they had multi-year core funding in place for their organisational strategies. One of the major risks at this time is the likely decline in funding available once Covid-19 emergency response fund distribution comes to an end at the end of March 2021. Funders should be collectively and actively assessing whether organisations led by black people and communities experiencing racial injustice, are facing a second cliff edge.

NON-FINANCIAL SUPPORT

Respondents indicated a clear desire for support that goes beyond financial resources, this included:

- Access and building networks with other funders and revenue sources.
- Strategic partnerships to help scope and design funder efforts, and offer advice and perspectives beyond the confines of diversity and inclusion, and race.
- Access to expertise and tools which can help to address capability gaps, in addition to training.
- Networking with other organisations relevant to their work.

FIELD BUILDING, WITHIN AND BETWEEN

Respondents feel that support for organisational infrastructure in its own right is critical. It should not be tied or limited by project funding, and funders should avoid forcing co-partnering when basic gaps exists now, and have not been resolved by Covid-19 pandemic funding. Some respondents expressed a desire for funders to support organisations to continue to expand and innovate in their roles.

A number of respondents also highlighted that cross-links needed further development across spaces and sectors. Specifically ensuring better connectivity between organisations led by and serving black people and communities experiencing racial justice, between the racial justice space and thematic sectors, on a local and national basis, and across communities of interest.

Some communities are hyper-marginalised and require long-term support, in particular, addressing the need to include and support the development of structures representing and led by these communities if and where they are missing, on the terms of these organisations (see section 4.1).

Respondents representing black people and communities experiencing racial justice also want to see funders bring them into spaces outside of the racial justice arena, treating them as strategic partners across all social justice issues, and helping to bring a new lens to these spaces. This links to the need to infuse a racial justice lens across sectors in order to deepen social impact, rather than treating it in isolation.

Finally, there was a desire for diversity in the types of investments available to the sector, ensuring that

as in other sectors, funders are not unconsciously moving organisations into becoming charities or voluntary groups, but also supporting the growth of enterprises, businesses, and activist movements - shifting from a service-led approach towards user-led models.

A much deeper analysis of the priorities and interests of the BME sector is being researched by the Ubele Initiative.

CRITICAL TAKEAWAYS:

- Support to organisations led by black people and communities experiencing racial injustice needs to be sustained and scaled if real progress on historic under-investment is to be achieved. Funders need to reach a much wider body of organisations in this space, working intersectionally.

- Funder efforts need to address individual organisations and collective spaces where organisations led by black people and communities experiencing racial injustice need support. Most critically, this needs to be holistic and coordinated ensuring a range of existing needs and new innovations are resourced.
- Long-term, multi-year flexible investment is critical to organisations in this space, very few have had access to it, and it is needed in order to build capability within these organisations and level up on their ability to create impact, and on their ability to compete in wider funding spaces for leadership opportunities.
- Funders need to ensure in addition to financial resourcing, they are offering appropriate non-financial support in their strategies and programmes, supporting organisations to

network, access support and expertise to build capabilities, and other areas based on the context of the partners being supported.

- Funders need to look holistically at the funding context, ensuring a range of opportunities and products are available for organisations – recognising that tailored funding has had an impact on access and therefore should not be rolled back, but expanded; and looking carefully at how access can be levelled up in non-tailored programmes and mechanisms.

None of this is new nor ground-breaking, the responsibility on funders is to apply good practice and to build on learning in partnership with experts including with lived experience of racial injustice.

“RACIAL JUSTICE WORK IS NOT ALWAYS SEEN AS CHARITABLE OR A FUNDER PRIORITY, YOU MAY FIND IT EMBEDDED WITHIN PROGRAMMES ON INEQUALITY BUT IT IS RARELY STATED EXPLICITLY.”

– REVIEW RESPONDENT



CASE STUDY 2

Delegated funding to lived experience partners - Lessons from Comic Relief

Comic Relief has implemented two phases of funding to BME-led infrastructure organisations across the UK, focusing on delegating funding to lived-experience organisations at larger scale. These organisations will then determine to whom and how funds will be made to frontline and grassroots organisations and groups, whether in their region, or within their community of interest. In the first phase, 185 sub-grants have been awarded to organisations with an average value of £8,000 per award, with some data still to come in.

Comic Relief adopted to significant learnings between phase one and two, including renaming the fund in a bid to move towards a more expansive framing of 'global majority fund'. It also took steps to recognise these groups as not just 'intermediaries' but 'technical partners' in the programme. This was reinforced through inviting BME organisations from phase one to input to the design of the second phase and the decision-making process. Paid consultancy fees (not only expenses) were provided for those taking part in shortlisting, assessing, and panel meetings of the seven members, five of whom were from BME partner organisations.

**3.4 DIGGING
DEEPER IN
THE ANTI-RACISM
AGENDA RACE**

The topic of race and trauma came up as an area of critical concern from multiple voices, primarily, people of colour.

Whilst some progress has been made by funders particularly since the impact of BLM/Covid-19 on attitudes and inaction to supporting BME organisations and communities in the UK, the majority of respondents felt it was too early to say whether the steps being taken would continue beyond the Covid-19 response period.

Critical issues raised, was the failure of many funder's to be explicit about race and racism in their emerging funding programmes, and a perception that this topic is still avoided in dialogue with funders, preferring to focus on the wider remit of diversity and inclusion as the focus of their response. Respondents also felt that some funders did not understand the difference between diversity and inclusion, and racial justice. Not recognising that racial justice is a social justice issue and

3.4 DIGGING DEEPER IN THE ANTI-RACISM AGENDA RACE

therefore needs to flow through organisational strategies influencing funding priorities, integrated as a lens similar to gender in scoping and design of new programmes and initiatives, and reviewing investment portfolios. A lens that can support funders to deepen their overall impact and ability to work with the most vulnerable groups in society.

It is striking that in their own feedback, respondents from the funding community tended to explain their approach in terms of diversity and inclusion as opposed to a racial equality approach. There was a focus on changing recruitment of staff and boards, policy changes, staffing procedures and statements of intent on inclusion. Some funders were taking steps to address bias in their decision-making processes, but we cannot yet say what difference these will make. Our review shows that in majority of cases, funders will need to go much further to

authentically and meaningfully take on the lessons of the past year, particularly in the case of those who claiming to be addressing racial inequality or moving to an anti-racist approach. These changes should include and progress beyond:

- ✓ Making changes to how funds flow equitably to organisations to level up access on a long-term
- ✓ Review how funds are managed through sources that are not reproducing harm
- ✓ Integrate a racial justice lens into scoping and programme design
- ✓ Formally acknowledging and address the impact of race on all sector and programme outcomes.

TRAUMA

Respondents felt there was a need to acknowledge and practically address trauma in funding processes. Building safe spaces and integrating a trauma-informed approach in grant making and philanthropic practice when working with communities dealing with ongoing oppression and crisis. This included moving away from practices that could lead to people re-living traumatic experiences, applying victimhood through funding processes, and addressing issues of labour and support. Key areas highlighted by respondents included:

- Unreasonable time frames
- Long and complex application forms
- Deficit led due diligence processes which focus on managing risk, not valuing approach

- Requiring organisations to prove their 'vulnerability', 'exclusion' or 'need'
- Lack of transparency or sign-posting of funding opportunities which can drive undue competition
- Lack of support and collective care strategies within funding processes for individuals and groups experiencing trauma.

Respondents wanted to see the steps taken so far by some funders continued beyond Covid-19, and a continued focus on open programmes, solidarity based funding, leadership from lived people and organisations, who are best equipped to contextualise and navigate support needs.

3.4 DIGGING DEEPER IN THE ANTI-RACISM AGENDA RACE

INTERSECTIONALITY

A number of respondents, particularly people of colour within funding organisations and in civil society, highlighted the need to further refine how funders address intersectionality in their funds and strategies.

Overall, the homogenisation of black, brown and minoritised ethnic groups in the data and framing of funding programmes needs to be challenged as it prohibitively narrows our understanding of the unique experience of individuals and specific groups. It has resulted in groups being left out (section 3.1).

'THERE IS NO SUCH THING
AS A SINGLE-ISSUE
STRUGGLE, BECAUSE WE
DO NOT LIVE SINGLE
ISSUE LIVES.'

– AUDRE LORDE

3.4 DIGGING DEEPER IN THE ANTI-RACISM AGENDA RACE

The main areas where funders need to do further work included:

LANGUAGE

Moving away from catch all terms like BAME/BME/POC/BIPOC in which we are grouping together highly diverse populations with different individual and collective identities, experiences, and needs which need to be seen, acknowledged, understood, and addressed in order to work effectively with a community, and to ensure funder efforts are impactful. In the process of homogenising, we have huge questions about who is included and who is excluded. For example, Gypsy, Roma and Traveller of Irish Heritage groups are among some of the most marginalised and disadvantaged communities in the UK and represent a minority ethnic group.

“DIFFERENT MARGINALISED COMMUNITIES CANNOT BE LUMPED INTO ONE CATCH-ALL TERM LIKE THIS [BAME] IT ERASES OUR OWN UNIQUE HISTORIES AND THE REALITY OF THE INTERSECTIONAL INEQUALITIES WE FACE DAY TO DAY.”

– REVIEW RESPONDENT

BEHIND THE NUMBERS

As we work to build better methods of data gathering and understanding who the different groups and communities are in this space, we should remember that this isn't a numbers game or a tick-box exercise. It needs to be a process of building deeper knowledge and awareness of the conditions and contexts at these different points of intersection so we can scope and design better programmes, and ensure our mechanisms for funding and decision-making have greater proximity and accessibility to the communities they intend to serve. Solving the challenges of quantitative data will not address the need for funders to exercise greater cultural competence.

WIDER FRAMES

Funders need to acknowledge that the needs of a community are not singular. The needs of specific groups need to be framed more broadly than they currently are. For example, programmes addressing the needs of women might only focus on domestic violence, and not address other critical challenges and forms of discrimination that women face – this is not an acceptable approach. Our conversations revealed a sense that only a few funders are genuinely grappling with the complexities of racial justice and what this means for the groups and communities they are meant to engage with.

3.4 DIGGING DEEPER IN THE ANTI-RACISM AGENDA RACE

3-D SPACES

An intersectional approach provides us with entry points and routes to change which are drawn out through greater cultural intelligence. Yet the spaces within which communities operate are impacted by racial and cultural bias. According to respondents, this means groups that can play critical roles in social change are missed. There was a feeling that faith-based and single ethnicity focused approaches are often politicised and more likely to be excluded from funding. Organisations that identify by their cause or interest rather than their ethnic or racial group may also be marginalised in spaces focused on racial justice or brought together around racial/ethnic identities, and at the same time when they are operating within issue or service led sectors. If these spaces continue to be dominated by a white-led understanding of the experiences of users and beneficiaries, exclusion will continue – this has to change.

This is about becoming culturally intelligent as a funder and recognising this makes for a more impactful funder. This should include:

- ✓ Diverse representation, focusing on the difficult areas of senior leadership and boards
- ✓ Intersectional analysis and leadership in scoping, design and evaluation of funds
- ✓ Working with and through technical and lived experience of racial injustice in internally led fund mechanisms, direct and delegated funding models.

3.4 DIGGING DEEPER IN THE ANTI-RACISM AGENDA RACE

LANGUAGE OF CAPACITY

Several respondents felt that the term 'lack of capacity' has been over-utilised as a catch-all phrase for BME organisations and leaders historically. Respondents who spoke to this issue felt it stereotyped the sector and its leaders as high risk for funders to invest in. It was indicated that this framing was used frequently at the beginning of the crisis as a reason for not being able to invest in the sector at scale.

Some respondents felt this narrative remains continues in many funder spaces.

There was a desire to to be much more context specific in how we frame the gaps that exist, and more importantly why they exist. As well as to better identify the assets and skills that the sector is bringing into the space despite the challenges they face.

“BLACK DISABLED PEOPLE ARE OFTEN HOMOGENISED WITH THE EXPERIENCE OF WHITE DISABLED PEOPLE, AS IS OFTEN THE CASE FOR BLACK AND ETHNIC MINORITY WOMEN”

– REVIEW RESPONDENT

CRITICAL TAKEAWAYS

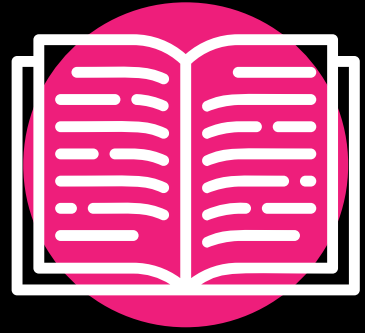
Funders need to recognise and commit time and resource to deeply integrate a racial justice lens into the existing work on diversity and inclusion, while also ensuring this is taken across all aspects of funding, investment, and fundraising strategies. This is critical for those already claiming to be working towards an anti-racist approach. Practical steps include:

- Reviews of programme and funding strategy that address the implications of racial inequality to all fund themes/priorities
- Adopting an intersectional lens in data and scoping and analysis of programmes to enrich understanding of communities and contexts
- Reviewing and redressing imbalances in access to funding on a long-term basis

- Setting clear targets and reporting transparently on progress
- Reviews of investment policies to ensure they have a positive impact on racial inequities.

Funders need to consider where harm might be reproduced through their funding processes and actively seek to move towards trauma informed grant making and philanthropic practice when working with organisations and communities experiencing racial injustice.

Intersectionality needs to be more than a process of categorisation but of deepening our cultural awareness and intelligence of the communities we intend to support. This not only helps us see who is being disadvantaged, but how, and offers insight into the design of culturally competent strategies for impact.



CASE STUDY 3

Accountability flows upwards **Resourcing Racial Justice**

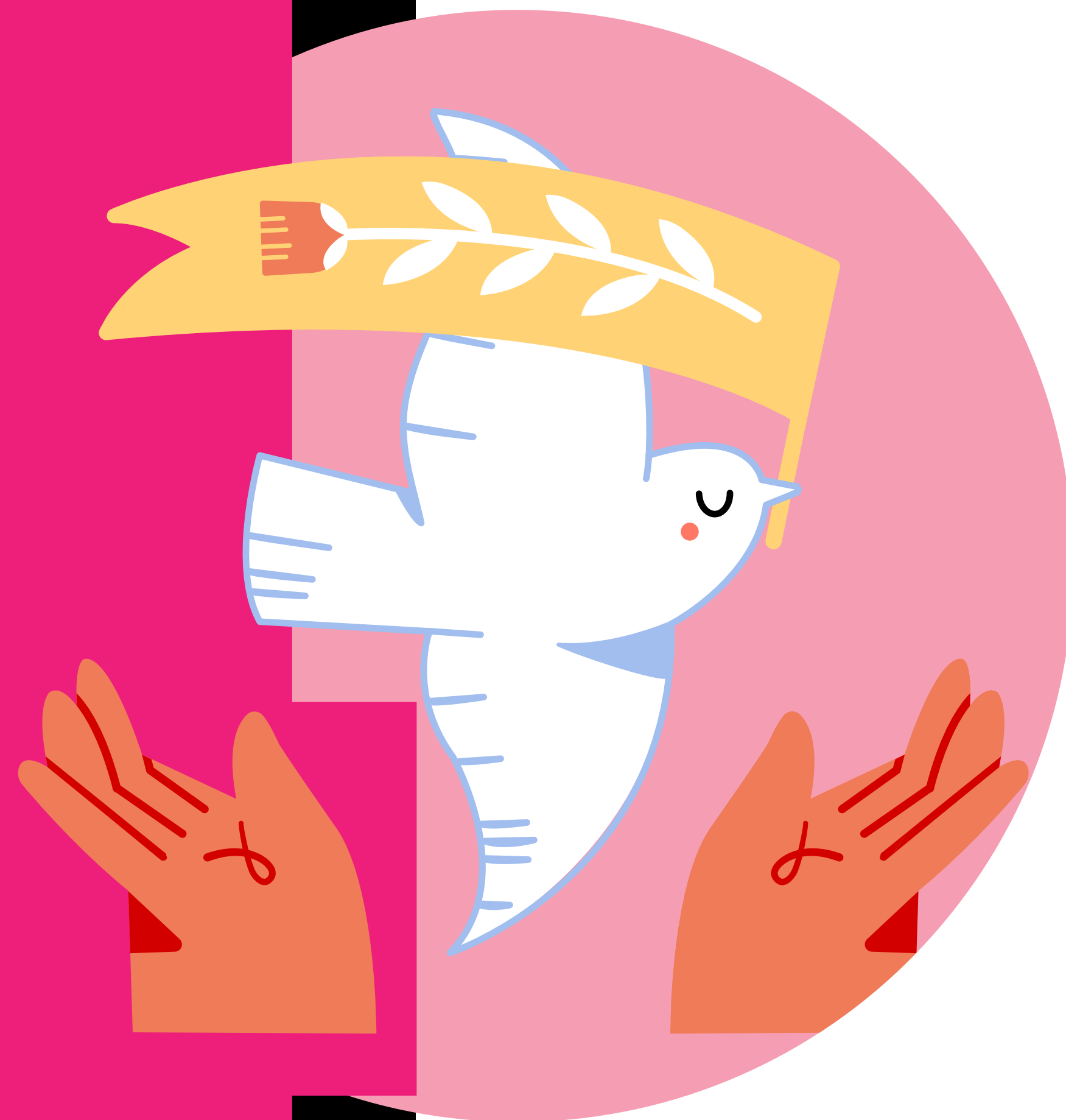
Resourcing Racial Justice (RRJ) has been explicit in its aim to not only provide funding to Black, Brown and minoritised racial groups in the UK, registered and unregistered, but to equally ensure it acts to advance racial justice through its approach as a funder. This has meant simplifying the application processes, as a number of funders have done through this period, as well as re-framing application questions to reduce harm. Rather than ask applying organisations to evidence their vulnerability, RRJ asks how it can best support their efforts.

RRJ now requires participating funders to have an accountability plan, and has stepped back from partnering with certain funders where the risk of reproducing harm or tokenism is high.

Its future plans include exploring how institutions are resourcing racial justice and their vision, alongside exploring RRJ's past and legacy around race, and looking at reparative work where needed. It also focuses on the support it provides to people of colour in its staffing approach, and how it locates racial justice in the wider context.

BACBAB

BUILDING BAOBAB





As part of the review, we invited respondents to share their recommendations on how Baobab can learn from the lessons of current programmes, and where it can add value to this emergent ecosystem. In-depth feedback was shared with the co-chairs of the research phase, and the temporary steering group.

TRANSPARENCY

Respondents want to see Baobab become a different kind of funder, founded on openness and transparency ensuring genuine involvement of communities and organisations outside of the mainstream shaping its direction and decisions. In particular, transparent and impartial processes for involvement in its set up, particularly around its future governance, leadership, and fund decision making.

DIVERSE REPRESENTATION

Some respondents felt it is critical for Baobab to devolve leadership from its centre, and does more to ensure wide regional representation across the UK and attention to ensuring groups that are likely to be excluded and proactively included in spaces such as Black women, Black young people, and Black disabled people [groups highlighted by respondents].

COMMUNITY LED AND OWNED

Respondents wanted to see Baobab go beyond traditional organisations and structures and to connect directly with communities, as well as, emerging actors. Some would like to see Baobab go further than just ensuring the organisations engaged have a vote, but ultimately communities have a financial stake in Baobab alongside other funding and investment entities. Two respondents highlighted the organisation should commit in its constitution, to handing over or distributing assets to its members and/or the communities it serves if it closes in the future. To ensure it not only serves its members, Baobab should serve and reach communities beyond its membership in its role as a funder.

“OUR PHILOSOPHY IS TO WORK WITH PEOPLE WHERE THEY ARE AT AND BUILD FROM THERE, WE DON'T ASSUME BECAUSE YOU HAVEN'T DONE IT BEFORE OR THE SYSTEM ISN'T YET IN PLACE THAT YOU'RE NOT CAPABLE.”

– REVIEW RESPONDENT

RELATIONSHIP WITH CIVIL SOCIETY

Respondents felt that Baobab needed to work across spaces - building links with and complementing emerging scaled initiatives in the UK, supporting organisations to connect with each other and across spaces and sectors that may not have been connected historically.

INDEPENDENCE

Many respondents felt that Baobab should not be seen as a subsidiary or intermediary of mainstream funders, but be able to have a voice at the table. To do this, a number of respondents felt it critical that Baobab secures a range of revenue streams. In doing this, some respondents felt this would safeguard the organisation's ability to hold a position on critical issues on behalf of communities.

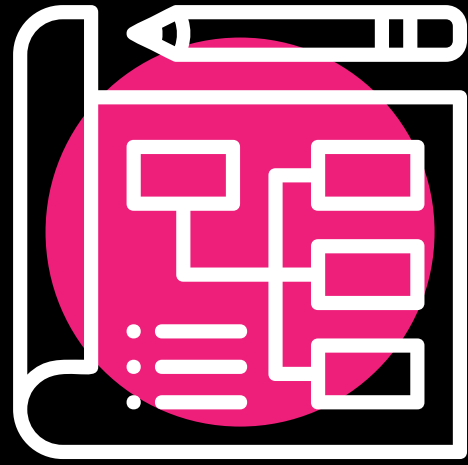
BRIDGE AND INNOVATOR

In its culture and approach, Baobab should move away from traditional charity and funder practices of gate keeping, towards acting as a bridge, broker, and host to support critical initiatives across the space to be seen, supported, and incubated where needed. This was as simple as helping organisations to network effectively to as complex as incubating emergent initiatives that could become independent of Baobab in the future once established.

BACBAB

FOCUSING ON THE FUTURE





Over the last year we have seen an unprecedented surge in funding to organisations led by Black people and communities experiencing racial justice. But it is just that at this moment in time – a surge.

Our concern is whether this will turn into sustained investment in organisations in this space, and whether this support will be scaled up in light of the size, conditions, and challenges being revealed.

For funders who are claiming to be on a journey to anti-racism, there is a responsibility to look beyond changes to internal policy, staffing and culture, to where resources flow from, where resources flow to, and how decisions are made. Otherwise any gesture that these funders have made to levelling up the playing field will remain disappointingly as just that, a gesture.

A year's worth of support, which has clearly only reached a small proportion of organisations and groups in this space, is not enough. This short-term investment has so far fallen short of strengthening the infrastructure and strategic aspirations of organisations that are sorely needed to help bring lasting change to communities and people who have been historically disregarded by an inequitable funding system.

One of the biggest questions that remains is whether these organisations are facing a second cliff edge, and whether funders can respond swiftly and effectively to the continued risks faced.

SO WHERE NEXT?

“ORGANISATIONS STILL HAVE TO WORK EXTREMELY HARD TO SECURE FUNDING AND GAIN TRUST WITH MAINSTREAM FUNDERS. LARGER PROVIDERS CONTINUE TO RECEIVE SIGNIFICANT CONTRACTS TO SUPPORT BLACK AND MINORITISED COMMUNITIES AND CANNOT RELIABLY PROVIDE SPECIALIST KNOWLEDGE”

– REVIEW RESPONDENT

SCALED, SUSTAINED AND FLEXIBLE

We need to commit fast to scaling up long-term flexible funding to organisations, and look to make a higher proportion of five years (or more) strategic investments focusing on critical organisations,

missed groups, and opportunities which will support growth, innovation and sustainability.

Funders will need to act flexibly, providing higher levels of core and unrestricted support, where possible acting outside or beyond the parameters of existing themes/priorities, and recognising the majority of organisations have never accessed this type of funding before and therefore will need additional support to maximise the benefits of this.

By making these changes, funders need to recognise two additional levels of impact they can achieve:

- 1** Levelling up the historical disparities in access faced by organisations
- 2** Deepening social impact by resourcing communities that are amongst the most affected by poverty and social injustice in the UK across a range of thematic issues they already support.

2

RELATIONAL INVESTING

Funders need to realise there is no quick solution to progress. For those adopting delegated fund models, a good strategy for bringing scale, technical

and cultural expertise, and resource and power distribution – it's still likely to come with a need to be engaged in supporting partners to make it work. Reviewing due diligence, addressing gaps in capability, and offering support to build networks of value whether into other investors, advocating for progressive behaviour, and/or making links to other sectors.

As funders learn to partner more effectively with organisations in this space, there's a dual responsibility to enhance transparency of opportunities, reaching beyond known networks to bring new voices in to shape your thinking.

Funders also need to work towards strategic partnerships with these organisations beyond racial justice, recognising the additionality they bring to a range of social justice challenges in the UK e.g. child poverty, climate, education, mental health etc.

3

RACIAL LENS, APPLIED

Funders need to acknowledge and integrate race and intersectional oppression.

This includes recognising it will ensure their work is more impactful, but begin to reduce marginalisation of black voices and ensure culturally component approaches in key areas of their work reviewing: **decision making, funding flows, ethical investments, and scoping and design** across their strategies.

In particular funders who are serious about levelling up need to challenge large scale funding and delegation to white-led intermediaries as the default approach.

Funders should have a long-term view of how racial justice is integrated into their strategies and priorities, and understand it cuts across any issue they work on. Choices made to bring in a racial lens, need to be intentional moving forward, as does the choice to exclude it.

4

MEETING COMMUNITIES WHERE THEY ARE

Funders must continue to deepen and refine their funding practice, drawing on some of the positive lessons of the last year, where

participatory approaches have been scaled up by the likes of the Phoenix Fund, Resourcing Racial Justice, Do It Now Now and others.

In addition to classic participation models, funders should be considering the unique circumstances of organisations and communities impacted by racial injustice. This includes:

- Addressing communities on an intersectional basis and building cultural intelligence into funding approaches to better respond and work with the context and conditions of communities.
- Adapting to the needs of communities and organisations, continuing to ease or make your processes accessible to their circumstances, not the other way round.
- Building trauma informed practice into grant making and philanthropic work looking at where your policies, practices, behaviours and processes could reproduce harm for people living and working within the context of ongoing oppression and trauma.

Critical lessons could be learned from approaches used when working with survivors of domestic violence, and in working with refugee populations.

THANK YOU

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