

Community Perspectives on Effective Funding Practice

Background

In 2023 Foundation North completed a 3-yearly review of their strategy to identify progress, current community trends in their rohe and implications for their strategy and practice.

The strategy review process was led by the Centre for Social Impact, who provided insights gathered from a wide range of processes including:

- analysis of Foundation North granting data and insights and learning reports
- analysis of population indicator data
- an evidence review of global, national and regional trends and issues
- community insights from wānanga and interviews
- insights from other funders from wānanga with funder networks
- reflective hui with Foundation North staff.

The strategy review found that Foundation North's strategy and priority communities hold and that good progress is being made in supporting impact aligned with the strategy. The review identified spaces where practice can continue to be strengthened, which has directly informed business plan activity for 2024/25 and beyond.

Community engagement with the strategy review processes provided a unique opportunity to gather feedback about funding practices that are most enabling and mana enhancing for Foundation North's priority communities. This report seeks to share insights about what effective practice looks like, in terms of:

- funding strategy and approaches
- funding models and processes
- how to enable system change.

The intention is to inform the practice of other funders that are interested in how to enable the aspirations of communities across Aotearoa.

Funding strategy and approach

Theme	What communities want
Centre equity	<ul style="list-style-type: none"> Communities want funding strategies that centre equity and set clear priorities towards improving equity. Applying an equity lens to strategy should be strengths-based and enable community aspirations, rather than just addressing gaps/needs. Equitable access to funding for priority groups must be a key focus (see more in the next section).
Adopt an intergenerational horizon	<ul style="list-style-type: none"> Funding strategy should have a systemic and intergenerational focus, ensuring funders stay the course for the time needed to truly shift systems and embed change (20+ years). Develop intentional, long-term approaches in key spaces where priorities intersect.
Recognise intersectionality	<ul style="list-style-type: none"> Strategy should be intersectional to reflect the connected nature of life and our systems – particularly people and te taiao (our environment). Similarly, funders should avoid being too rigid or siloed in how they invest into priority areas, taking time to understand how issues are connected.
Indigenise strategy and integrate Te Tiriti	<ul style="list-style-type: none"> Te Tiriti o Waitangi must be foundational to strategy and practice, and fully integrated rather than sitting to the side. Strategy should reflect indigenous world views – including a holistic understanding of wellbeing, an intergenerational horizon and a focus on partnership. What is good for Māori, is good for everybody.
Prioritise community self-determination	<ul style="list-style-type: none"> Communities want recognition that they hold the solutions. Funding strategy should support community aspirations and prioritise community self-determination.
Bring all resources to bear to activate strategy	<p>Funding strategy should incorporate more than just grants. Specific priorities include:</p> <ul style="list-style-type: none"> providing access to tailored capacity and capability development working alongside priority communities to advocate for change and influence the decision-making and practice of others, including government convening around complex issues and brokering collective/collaborative approaches brokering other funding opportunities, including private sector investment.
Be transparent about strategy and approach	<ul style="list-style-type: none"> Funders should be clear on their priorities, outlining what will be supported and how decisions are made. Communities called for greater clarity on what non-financial levers funders have and how they can access or engage with these; as well as how they can access more relational/partnership spaces that are typically funder-led and less visible.

Funding models and processes

Theme	What communities want
Create applicant-centred funding processes	<p>Communities want funding processes that are more easily accessible to them, reflect their world view and allow them to tell their story in their own terms. This will support more equitable access to funding. Key to this is:</p> <ul style="list-style-type: none"> • proactive engagement and relationship building with priority communities • having staff who reflect the community and have capability to engage and build relationships • providing clear guidance and support to remove barriers and help communities navigate alignment with funder priorities • offering flexible application and reporting processes – verbal, video, wānanga, writing on groups' behalf • processes that are simple, user-friendly and reduce the applicant burden (time and cost) • faster decision-making to reflect the speed at which things change in community.
High-trust and multi-year funding	<ul style="list-style-type: none"> • Greater access to multi-year funding was one of the most common calls from communities, giving groups greater stability to plan activity, secure staff and leverage other funding. • Multi-year funding could be more readily considered where there is an established relationship and robust evidence of impact. Proactive management of funding towards the end of an agreed term is needed to give groups continuity and enable planning. • For groups working in systems change spaces, long-term funding (three, five or ideally ten plus years) is needed to allow opportunity for impact to emerge and embed.
Mana-enhancing, relational partnerships centred on shared values and goals	<ul style="list-style-type: none"> • Communities want funding partnerships that are predicated on shared values and goals, with dedicated relationship management from the funder and opportunity for the community to have equal say in the direction and scope of the relationship.
Untagged funding	<ul style="list-style-type: none"> • Communities want funders to move away from project-based funding, providing more untagged resources that enable them to invest in what they need to achieve their goals (especially operational costs). • Untagged funding provides the ability for groups to flex and respond to the needs of their communities as they change in real time and/or as they learn about what has most impact.
Community-led decision-making	<ul style="list-style-type: none"> • Funders are encouraged to find ways to ensure communities participate in decision-making and devolve funding power to communities, for example by using intermediaries or participatory approaches.

Co-funding	<ul style="list-style-type: none"> The funding system is complex for communities to engage with. Groups want funders to proactively help them to navigate their funding opportunities and to have relationships with other funders brokered. Communities want to see more collaboration between funders, more co-funding, shared and streamlined funding processes and a single point of relationship.
Share insights	<ul style="list-style-type: none"> Funders are encouraged to share insights and learning about community trends and what works, especially to other funders and back to communities.

How to enable systems change

What communities want

Community stakeholders provided some specific feedback on community issues, trends and aspirations, which is summarised in a separate companion report. The advice below centres on high-level practices or conditions for change that funders should consider in relation to supporting systems change:

- Prioritise solutions that reflect community aspirations and are community-designed and led.
- Support kaupapa Māori approaches, initiatives that embed mātauranga Māori, are proposed by tangata whenua and are Māori-led solutions, particularly in equity and te taiao/climate spaces. Support hapū aspirations and capacity.
- Burnout and wellbeing are key issues in the community sector, caused by increased community need/demand and funding constraints. Wrap support around the people and organisations with a system change vision who are holding space for community-led and whole-of-system approaches.
- Build community governance capability and systems change leadership, and work in coalition with key leaders – have their back, connect them and broker relationships.
- Use the funder's helicopter view and convening power to bring the whole system together and broker more joined-up approaches and collaboration. Support place-based or kaupapa-based clusters and groups.
- Support whole of whānau approaches that break intergenerational cycles.
- Help to sustain and embed what works.