

A Feasibility Study to Explore the Potential for Participatory Grantmaking (PGM) in North Yorkshire



Executive Summary

Supported by North Yorkshire Council and the UK Shared Prosperity Fund

Skyblue Research Ltd

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‘Participatory grantmaking cedes decision making power about funding—including the strategy and criteria behind those decisions—to the very communities that funders aim to serve.’

Introduction

This feasibility study was designed to understand the potential for participatory grantmaking (PGM) in North Yorkshire. It has drawn on international, national and local evidence, research and practice to understand its definition, principles, purpose and processes. This has been complemented by primary research with 40 contributors each with practical insights having either funded, managed, facilitated, administered or participated in PGM. This has helpfully included a range of people with lived experience (PWLE).

Alignment with the UK Shared prosperity Fund

This project supports the 'Community & Place' strand of North Yorkshire UK Shared Prosperity (UKSP) Prospectus and its priority to tackle rurality and inequality. It aligns with strategic programme 1.1: Building Capacity in our People and Places and 1.2 Generating New Ideas for Community Regeneration. Activity 1.1c states an intention for community grants that target identified priority groups, areas and issues focusing support on local social action projects involving volunteers; activities and events to promote community engagement; and piloting of localised approaches to issues including fuel poverty, food poverty, digital poverty, climate change and accessibility issues. This study has been conducted with these strategic programmes in mind. The study describes current PGM activity and scope and considers whether UKSP Fund awards of community grants could function as experimental participatory grants in at least one location (possibly multiple) in North Yorkshire where the pre-conditions are assessed to be appropriate.

Key Findings

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| 1 | PGM is feasible in North Yorkshire – and is already happening. It could be amplified with the right conditions, mind-set, skills, values, intentions and commitment for those with power and resources to devolve it in ways that will help address inequality. |
| 2 | There are multiple PGM models in practice including the size of community grants that are decided upon by 'community panellists' (ranging from less than £1,000 to £1.5 million in the case studies reviewed). The adoption of a PGM model differs in each context. No single model is evidentially more efficacious than another. Evidence is mixed about decision making 'quality' with some published studies suggesting the best decisions and ideas emerge when both experts and 'real people' are involved in exploring them ¹ ; whilst others feel that the best decisions are made by those who have deep knowledge of the intersections of inequality and barriers which may not typically be held by traditional grantmakers. |
| 3 | The length of time required for PGM varies from 12 months to 3 years, and ideally forms part of a wider continuum or ambition for local participatory involvement by citizens, especially those whose voices are least heard. There are divergent views about an optimum timeframe and the pre-conditions for likely success. Indeed there is contention about how PGM success is even decided. |
| 4 | A UK Landscape Study of the state of PGM in the UK concluded in February 2023 that PGM practice currently sits at the level of 'representative participation' ² i.e. where communities are given a voice in decision making, but without transforming deeply entrenched structures. |
| 5 | PGM offers promise, potential and a different value to non-participatory grantmaking alternatives. It may lead to different and more unpredictable outcomes with gains reported for individuals (agency, self-determined power, critical thinking, self-awareness, supported leadership), grantees (capacity building and equitable access for 'grassroots'), communities (relationship building, different decisions about who and what gets funded reaching more marginalised people than the norm, enduring community action, community leadership), funders (more equitable resource distribution). Conversely, PGM is not without its challenges as it requires time and capacity to build relationships and implement processes, difficulty in ensuring diversity and representativeness of participation and a shift in bias in the decision making process. |
| 6 | Those that have invested in PGM or PDM/DDM (participatory/devolved decision making) and experienced it – especially people with lived experience - are of the belief it is worthwhile and valuable. The PGM process is an outcome for participants, and the PGM legacy is thought to exist in the form of enduring relationships and connection, trust and deeper understanding of issues with opportunities to have wider conversations about power that can last beyond time-limited funding or specific community grant award processes. |

¹ Participatory Grantmaking: Has its time come? Cynthia Gibson, October 2017, page 21.

² See Arnstein's Ladder of Participation.

1: PGM is feasible in North Yorkshire.

We know this because there is evidence of a cluster of active and planned PGM approaches already along the Scarborough Coast and into Ryedale. Thematic PGM relates to ambitions for improving health and wellbeing (including transformation of mental health). Youth-led PGM is also happening in Scarborough. Other place-based PGM in the county focuses on aligning to pre-defined outcomes (such as those of Big Local) or local needs and priorities (such as those agreed by the Eastfield Pact which then determines the focus for the locally decided Cash for Causes PGM). There is local expertise too in the form of Foundations who have experience acting as originators and/or intermediaries for administering PGM activity meaning they have professional staff with PGM expertise; who in turn contract in with local expert facilitators with growing experience of PGM across different contexts and systems in the county.

Summary – PGM activity in North Yorkshire

There is a critical mass of place-based and thematic PGM happening in Scarborough as well as Ryedale linked to (mental) health and wellbeing and young people. A range of panels exist where to a lesser or greater degree, decision making roles and power is shifting so that residents have a greater say in how money is spent.

The extent to which they are also shaping the priorities, goals or strategy is less evident and offers room for learning and improvement in future by connecting the various practices and 'actors' together.

There is also a mature and well-funded PGM approach in York initiated in 2021³ that offers many opportunities for learning between and amongst the neighbouring local authorities, Two Ridings Foundation (TRF) and people with lived experience involved in 'York Together' (legacy structure responsible for devolving further Lankelly Chase⁴ monies in the city). The Joseph Rowntree Foundation is also active in York with plans for more PGM in future and is collaborating with TRF on Cost of Living PGM approaches.

Models of funding including monies provided to the Two Ridings Foundation as an endowment from which any interest gained can be spent on community grants, as well as local Lottos, provide another potential fertile ground for PGM empowering approaches in future; moreover, a sustainable means of generating income to raise funds to meet community needs longer-term. These models should be explored further through collaborative discussions between interested parties (see recommendations).

Other examples of PGM and PDM are found in Harrogate and Selby. There may be other PGM examples beyond what has been discovered and it is hoped that the Yorkshire Funders Network can be canvassed in 2024 to add to this list. Furthermore, the Localities Team in North Yorkshire Council is bringing all the grants scheme together after May 2024 from legacy Councils. This may reveal a) further examples of PGM historically involved and b) the potential for exploring PGM in any re-designed approach to community grants and associated comprehensive offer to the VCSE sector (see recommendations).

There are examples of lived experience and lived expertise being brought into pre-existing decision making panels / boards / committees / groups (by North Yorkshire Council), but this has not been described by contributors as intentional PGM and so has not been included in this study.

The Stronger Communities Team have curiosity and interest in PGM recognising both the benefits and challenges involved. 40 contributors to this feasibility study including 32 with experience of or interest in PGM have provided a vast amount of learning through a simple convening approach enabling the identification of a range of relevant talent that could be supported and mobilised to help decide how to take PGM forward in North Yorkshire, to complement, indeed challenge and improve, any recommendations made here by the appointed consultant.

³ [Participatory Grant-Making — York MCN](#) and [£218,000 given out to 20 projects to bring ground-breaking system change for people in York - Two Ridings Community Foundation \(tworidingscf.org.uk\)](#).

⁴ [Lankelly Chase – Funding & Learning for Systemic Change](#).

2: The way in which PGM is being funded, enabled and organised differs in each example found in North Yorkshire, York and other parts of the UK.

- The originator of the funding and their drivers, motivations and aspirations for ceding decision making power and resources that they feel are better shifted to those affected most by the issues their funding is designed to serve. Examples include:
 - A national charity seeking to devolve decision making to places they invest in and to create change to the things that perpetuate a system that creates multiple disadvantage.
 - A Community Foundation wishing to achieve more equitable distribution of its funding by targeting places or communities of interest that have traditionally not applied to them for funding
 - A collaborative of foundations wishing to galvanise long-term support for young people's mental health in Scarborough.
 - A foundation wishing to challenge oppressive systems that fail to address entrenched issues relating to racism and social justice.
 - A local entity rooted in creating local opportunity and prosperity for its people enacted through a locally agreed plan based on needs and priorities.
- The scale of resourcing, not only for the grant money 'pot' but the requisite capacity building, community engagement and wider influencing activity that may be desired.
- The recruitment and payment of a paid expert 'weaver' that is responsible on the ground for creating the conditions for more people with lived experience or expertise to become aware of and choose to get involved in deciding things together including grantmaking. This central weaver role might also then need support from expert facilitation professionals that can support the processes of people coming together, learning to trust one another and decide how to decide - long before any actual grant decision making is formulated or made.
- The extent to which the full definition of PGM is being interpreted⁵, with some focusing most resource on the community grant decision making process itself. This requires recruitment of a small panel, with limited relationship-building and training activity prior to the process of awarding grants together. This requires fewer processes and resources than other examples found in York and the UK where participants are involved in setting and shaping the goals or agenda for any funding made available by the originator, as well as the PGM model selection, grant criteria setting, decision making processes and participatory reporting as they see fit. This takes more time, money, skills, support and space for learning, failure, re-iteration, learning and improvement.
- The way in which the originator is responsible for the PGM processes, administrative, due diligence and accountability professional processes required or whether they devolve their funding to an intermediary organisation (such as a skilful community foundation) who take on that role, including the recruitment, employment and support of weaver roles and/or contracting facilitation expertise.
- The way in which the call out to a place or a community (of interest / identity) is organised and the techniques for seeking to attract a diversity of people by attitude, experience and voice.
- The PGM model adopted – whether community board (the most common in the UK), representative board (second most common), or as was the case for the York Deciding Together⁶ in 2021, a closed collective model (other models exist – see section 7.0 of the main report).

3: The length of time required for PGM varies from 12 months to 3 years, and ideally forms part of a wider continuum or ambition for local participatory involvement by citizens – especially those whose voices are least heard. The ideal is that PGM is just one approach in a wider toolkit of participatory approaches practised in more communities and contexts and it becomes an embedded part of the local culture of participatory working. Respondents suggest that 12 months to 3 years is the timeframe that should be considered for a PGM approach depending on the preconditions and way in which community panellists are engaged, involved, nurtured and their self-determination. The theory is that the greater the strength of their relationships and connection, the more likely the legacy of PGM 'when the money goes.'

⁵ Participatory grantmaking cedes decision making power about funding—including the strategy and criteria behind those decisions—to the very communities that funders aim to serve. Source: [Deciding Together: Shifting Power and Resources Through Participatory Grantmaking](#), 2018

⁶ [Deciding-Together-Funding-evolution-.pdf \(tworidingscf.org.uk\)](#).

4: A UK Landscape Study of the state of PGM in the UK concluded that PGM practices currently sit at the level of ‘representative participation’ i.e. where communities are given a voice in decision making, but without transforming deeply entrenched structures. The inference is that PGM in of itself, or on its own, does not appear to shift power to the extent of changing a system, however, the market trend (in the UK) appears to be that more PGM is anticipated over the next 3 years, and that those practising it in the philanthropy sector are keen to move up the ‘ladder of participation’ through trial, error, further piloting and learning. Contributors to this feasibility study were unanimous in their belief that PGM is the right thing to do, and that without it being included in the toolkit of participatory approaches in North Yorkshire, they struggle to see how wider ambitions to shift power in a meaningful way to people who least have it in their lives will ever change.

5: PGM offers promise, potential and a different value to non-participatory grantmaking alternatives.

Whilst it cannot be proved that PGM leads to better decision making, those who have experienced it believe it is worth the additional time, effort and expense for the additional value it creates compared to alternative approaches. They would like to see more PGM in North Yorkshire to complement the existing approaches so that overall more people – particularly the seldom heard people with lived experience and lived expertise - are involved in devolved decision making about issues that affect them.

Learning: The main report contains a full digest of learning found either in the desk research or generously contributed by those engaging with this study sharing reflections on what worked well or not so well; the merits and drawbacks of PGM compared to alternative non-participatory methods. Key themes relate to:

- **The drivers and motivations for PGM** and its distinct intentionality compared to traditional grantmaking approaches and thoughts about making the investment case for PGM.
- **The rationale for PGM and why it can differ:** thematic, place-based, community of interest / affinity-based with cautionary tales and advice about how to approach this topic without unintentionally denying choice for the very people and communities the PGM might be seeking to empower.
- **The preconditions that are ideally in place for PGM to more likely be effective or succeed** however success is defined by participants (i.e. success is not defined by the funder who has to ‘let go’). The preconditions include but are not limited to ensuring ‘more’ time, trust, transparency, space for people to come together, learn how to decide how to decide, grantmaker capacity and skills, a ‘weaver’ role, expert facilitation, allies able to reach networks of people with lived experience, a different mind-set to non-participatory grantmaking, different voices and attitudes and support for anyone wanting to get involved.
- **Governance, structures and processes that can work** including community engagement and invitation, recruitment and power mapping, building decision making capability, funding allocation and anonymity of applications, capacity building for people’s time to come together, learn, visualise, imagine – *not just do some decision making*, collective and consensus-based decision making, the use of external resources (guidance, blogs and learning processes), adult advisors (where appropriate e.g. for PGM completed by young people), transparency and equity, learning and reflection – and the importance of payment for involvement for people with lived experience.
- **How to make PGM as participatory, diverse, equitable and inclusive as possible** through: use of participatory models; external facilitators encouraging participation; deliberate choices to keep processes open rather than closed; listening to lived, diverse experience and payment for involvement; challenging traditional grantmaking orthodoxies; conflict resolution and deep democracy; empowering facilitators; no strings attached funding; using the grantmaking process as a means to empower individuals who had felt marginalised and passive in shaping their communities; the assurance of financial resources prior to idea collection (as this encourages sustained community engagement and reduced fear of being let down); mental health initiatives to prepare people for and sustain their participation; flexible application processes; meeting the desire from community panellists for feedback and engagement with grant applicants; a reflective approach and commitment to continuous learning.

- **The added value of PGM** with contributors suggesting that PGM offers several advantages over traditional or non-participatory grantmaking approaches, including enhanced community connections, a shift in decision making to challenge traditional power dynamics, flexibility, and the potential for surprising and innovative results. It promotes inclusivity, learning, and a deeper understanding of community needs, making it a valuable addition to, rather than displacement of, grantmaking strategies. For balance, however, it should be noted that some funders did not think PGM provided a means necessarily for a better quality of decision to be made necessarily, nor did they find it an expedient mechanism for getting their money into communities – in fact it was much slower and more expensive in their view. This highlights the fact that different stakeholders will ascribe different metrics of success in their mind to PGM and how they will seek to compare it with their existing grantmaking approaches.
- **Measures of PGM success and legacy:** There is no consistent measurement of PGM. Exploring efficacy is problematic given the inherent ideal of empowering different decision making that could lead to unpredictable outcomes. Contributors to this study feel that the key success at this stage of PGM's maturity is the learning from the process more than the measurement of outcomes from the community grants awarded. Research is more pointed towards learning if and how PGM could contribute to a shift in power, lead to more equitable distribution of funding, the individual journeys, relationships, connections and improved agency for participants, the ability to reach more diverse voices, attitudes and experiences and seeing communities explore what matters to them and have decision making power not typically available to them and creating space for people that were previously excluded to participate. The ability to reach new, smaller grassroots groups and to get money into the hands of communities are important to some funders too. The legacy is hoped to be enduring relationships and connections by participants motivated to persist and affect meaningful change, perhaps supporting new participants over time as PGM processes iterate and evolve.
- **Learning lessons:** This short summary can only highlight the themes of learning and improvement that have been a key feature of this feasibility study experience. The table below seeks to highlight the themes of learning emerging from the different sources used for this feasibility but readers are encouraged to read the full report for much more detailed insight and value.

| Desk research | 1-2-1 interviews | PGM learning workshop, Dec '23 | A Better Way Network PGM convening (2022) |
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| <p>1. The drivers for PGM and the importance of being clear what they are</p> <p>2. The opportunity for PGM to contribute to systemic change</p> <p>3. The blockers to PGM and getting Boards on board</p> <p>4. Evaluation of PGM.</p> <p>The top 3 lessons shared in the UK PGM Landscape Mapping Study (2023) were:-</p> <p>1. That decisions made by people closest to the issue result in better funding</p> <p>2. PGM requires both a philosophical and an operational shift towards greater equity; and</p> <p>3. It takes time and resource to get it right, but it is worth the effort.</p> | <p>1. Time and trust building</p> <p>2. Power transition or redistribution to address imbalances</p> <p>3. Building relationships</p> <p>4. Capacity building</p> <p>5. Transparency and clarity</p> <p>6. Inclusivity</p> <p>7. Flexibility and innovation</p> <p>8. Volume of applications</p> <p>9. Consensus building</p> <p>10. Support for Young People</p> <p>11. Defined timelines</p> <p>12. Bridging strategy and application</p> <p>13. Sustainability and ongoing support.</p> | <p>1. Engagement, inclusion and involvement</p> <p>2. Removing barriers, making things easy and fair</p> <p>3. Funding processes and behaviours</p> <p>4. Risk and failure</p> <p>5. 'Change' and the difference that PGM could make</p> <p>6. Inspiration for PGM practice</p> <p>7. Future – 'PGM could be even better if...</p> <p>8. Voice</p> <p>9. Decision making</p> <p>10. Accountability</p> <p>11. Capacity building</p> <p>12. Power</p> <p>13. Learning.</p> | <p>1. PGM is more than the decision making, its also about people shaping the agenda and the priorities for new funds</p> <p>2. PGM can be life-changing for those involved and build capacity and confidence in the community</p> <p>3. There's a lot of potential but current practice tends to be focused on relatively small budgets, so there is a need to grow confidence in the approach</p> <p>4. Barriers to getting this right include culture, risk aversion and 'white saviourism'</p> <p>5. There's a lot to learn from others including from Scotland, where 1 % of local authority budgets have been earmarked for this approach.</p> |
| <p>Summary: The learning lessons emphasise the importance of trust-building, flexibility, consensus-building, transparency, and capacity-building in PGM. It also highlights the need for inclusivity, and meaningful roles for participants. PGM takes longer than traditional, alternative non-participatory grant making approaches, is likely more expensive (if measured purely through a cost rather than value lens) and requires different skillsets and mind-sets amongst all participants. It can be challenging and exciting in equal measure for those involved.</p> | | | |

The study provides four actionable, costed recommendations for PGM in North Yorkshire and one wider (out of scope) recommendation to encourage more participatory practices in the county from 2024 to 2029.

Recommendation 1. Discuss the opportunity to collaboratively fund and develop two (2-3 year) PGM pilots in North Yorkshire with The National Lottery, Foundations and other funding organisations (e.g. from the Yorkshire Funders Network) that have expertise and / or interest in collaborating with North Yorkshire Council's Localities Team to empower communities over time and address inequalities. These conversations might also usefully lead to solutions for sustainably generating income for community funds whose use might ultimately be decided upon through a PGM approach e.g. place-based giving (see 'London's Giving'⁷) or local Lottos (see Harrogate Lotto⁸).

Recommendation 2. Consider the use of UK Shared Prosperity Funding in 2024 and 2025 to prepare for more PGM activity in North Yorkshire for the future – to include convening time and space, lived experience connection, community of practice facilitation, skills sharing, a contextualised learning and improvement programme (led by those who have expertise), curation of practical resources and simulation all designed to develop awareness and understanding of PGM and build confidence in different parts of the 'system' so as to be ready to support any places or communities of interest emerging for the self-selecting pilots (see recommendation 1). This preparatory work would reach people with lived experience / citizens as well as experts by profession in settings such as the local authority, health authority and NHS, foundations, voluntary and community infrastructure/sector and others as identified.

Recommendation 3: Consider embedding more participatory elements into the portfolio of community grants that exist across North Yorkshire once all legacy Council schemes are brought together by the Localities Team. Not all pre-existing community grants will be suitable for a PGM approach but those that are looser in their current purpose and that offer the possibility of residents shaping the design, priorities and its intentionality as well as any community panellist activity might be suitable for evolution. This would complement wider efforts to continually improve the characteristics of community grant schemes, grant giving (such as applying the IVAR open and trusting principles) and grantmaking. Exploration of planned future PGM investment by organisations in the Yorkshire Funders Network might also identify further opportunities to amplifying participatory approaches via that community.

Recommendation 4: Convene infrastructure / VCSE organisations that have experience and / or a strong intent for incorporating PGM practice in their 'business as usual' approaches to explore their potential role in helping to amplify PGM practice in North Yorkshire. This could identify where there is pre-existing energy, experience and interest in PGM as a means for infrastructure organisations (potentially Community Anchor Organisations) to become more inclusive in the work they do with communities (of place, interest or affinity) including specific examples detailed in the main report relating to North Yorkshire Sport and Up For Yorkshire, but there may well be others that come forward. This study does not confirm any specific role for Community Anchor Organisations nor Community Partnerships as those structures continue to evolve at the time of writing this study, however, some local authority officers have expressed a desire to consider their potential contribution in future – particularly linked to the next recommendation.

The estimated budget to afford recommendations 1-4 is £350,000 plus officer time across organisations between April 2024 and March 2029. A mixed investment model will be required including UKSP Funds, Levelling Up funding and collaborative investment between NYC and willing foundations.

Recommendation 5. Encourage a system-wide intent to become more participatory in North Yorkshire. This out of scope recommendation is a call to action for incremental improvement in participatory approaches across North Yorkshire amongst organisations that hold power and resources. It would intentionally seek to move each part of the system up the ladder of participation over time focused on the ambition to empower communities in a meaningful way and address inequalities⁹.

⁷ [London's Giving | \(londonsgiving.org.uk\)](https://londonsgiving.org.uk)

⁸ [The Local Lotto for the Harrogate District | North Yorkshire Council](#)

⁹ This is the sort of journey that Barking and Dagenham Council and community partners have been on in their 'Participatory City' (and participatory investment) approach, but this is still developing and has benefited from over £7 million of investment and a complex systems change narrative.