

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



DEFINITIONS

Supported by North Yorkshire Council and the UK Shared Prosperity Fund

Skyblue Research Ltd

June 2023 to January 2024

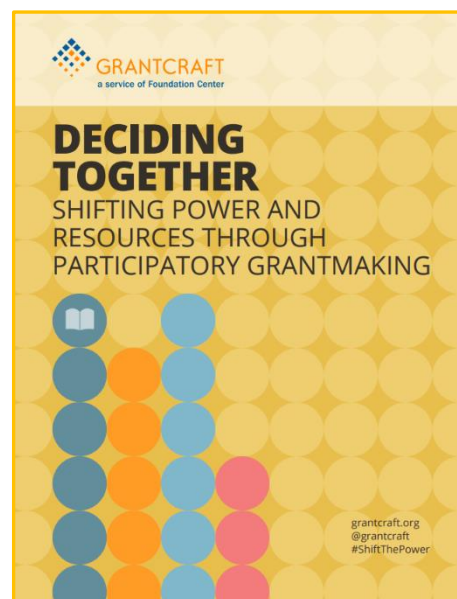
‘Participation teaches everyone that people are worthwhile, and they matter. Who makes the decisions is really important’.

Terminology and definitions

‘There is no formal definition for participatory grantmaking, but there are agreed-upon tenets that distinguish this approachⁱⁱ.’

‘Although there is no formal definition, practitioners doing this work agree that PGM emphasises “nothing about us without us” and shifts power in grantmaking decisions from foundation staff to the people most affected by the issues. Reflecting on the above, this guideⁱⁱⁱ will use the following definition:

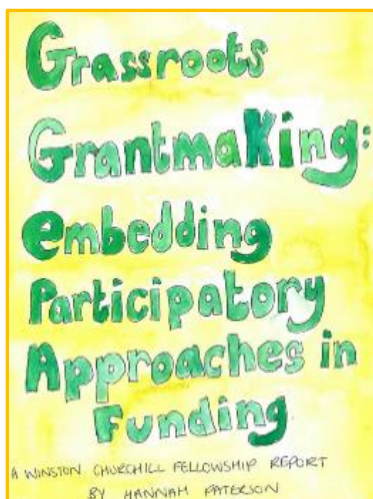
‘Participatory grantmaking cedes decision making power about funding—including the strategy and criteria behind those decisions—to the very communities that funders aim to serve.’



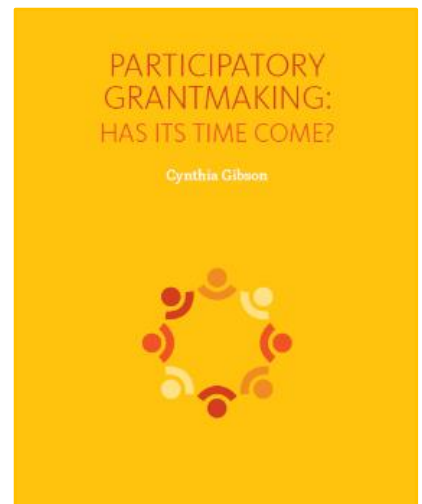
The literature contains variations of the most widely applied definition PGM seen above:

Definition	
<i>Adapted from Gibson (2018)</i>	
Participatory grantmaking is the involvement of non-grantmakers in decision-making about funding intended for their sectors or communities.	PGM is an approach to funding decisions and strategies that emphasises a ‘nothing about us without us’ approach.
	It aims to shift power in grant making decisions from foundation staff to the people most affected by social issues.
Source: ‘Participatory Grantmaking: Building the Evidence’ for Paul Ramsay Foundation authored by the Centre for Evidence and Implementation, May 2023.	Source: Hannah Peterson, regarded as a leading light in the PGM field. This definition is from a learning presentation Hannah shared during her time at The National Lottery Community Fund resulting from her Winston Churchill Fellowship focused on: ‘Participatory Grantmaking.’

[‘Participatory grantmaking’](#) is the process of shifting decision making power over grantmaking to the very communities most affected by the grants. It’s a structural fix to the broken power dynamics in traditional funding - a way to change philanthropy from closed, opaque, and expert-driven to open, transparent, and community-driven.^{iv}



There is also associated terminology that is often referenced in the literature. Some of this is helpfully explained and distinguished in '*Participatory Grantmaking: Has its time come?*' authored by leading PGM and philanthropy expert, Cynthia Gibson^{v vi} (right) and Hannah Peterson's published PGM Fellowship report (left). PGM is different to – but shares the characteristics of being participatory in its nature to participatory budgeting, to participatory philanthropy, participatory resource allocation, participatory decision making and devolved decision making.



Participatory Grantmaking or Participatory Budgeting?



In Scotland and Northern Ireland, the concept of Participatory Budgeting has really taken off and in Scotland 1% of each local authority budget needs to be decided through participatory decision making. Participatory budgeting and participatory grantmaking are often used interchangeably. I think it's important to point out that there is a difference between these two things and explain what that is.

Participatory Budgeting (PB) is an innovative process which enables residents of a community to have direct decision-making powers over the allocation of public resources in their communities.

PB allows local authorities and local representatives to engage with communities and encourages civic and democratic involvement. There are some PB approaches that engage the community in identifying how budgets are spent e.g. being able to vote on the most important areas of work for local communities or feed in how a community member would split up a council budget.

Other PB approaches give over money to the community for them to decide directly how it is spent. This is most often facilitated through a community vote event.

WHAT IS PARTICIPATORY PHILANTHROPY AND IS IT DIFFERENT FROM PARTICIPATORY GRANTMAKING?

The term [participatory philanthropy](#) covers a wide range of institutional and individual activities such as incorporating grantee feedback into grant guidelines and strategy development, inviting non-grantmakers to sit on foundation boards, crowdfunding, and giving circles.

[Participatory grantmaking](#) narrows the focus to how grant decisions are made and by/for whom. Some see participatory grantmaking as one of many types of participatory philanthropy. Others think it is distinctive because it moves decision-making about money—which many see as the epitome of power—to the people most affected by the issues donors are trying to address. This is a monumental shift from how philanthropy traditionally has allocated funds—a disruption that may explain why participatory grantmaking is still relatively rare, particularly when compared to other forms of participatory philanthropy.

...AND WHAT ABOUT COMMUNITY PHILANTHROPY?

Yet another grantmaking strategy that reflects bottom-up solutions is [community philanthropy](#). This is when communities mobilize capital of various kinds (financial, civic, social, human, political, and intellectual) toward the goal of improving residents' lives over the long term. As [Barry Knight notes](#), community philanthropy elevates the more intuitive and centuries-old notion that "local people helping each other, by sharing resources for the common good, is a naturally occurring asset found in all communities, and encouraged by all major religions and institutions." [Key components](#) are: building and deploying local assets (financial and otherwise); developing capacity for long-term leadership, infrastructure, relationships, and knowledge; and strengthening community trust and social capital through "homegrown governance and transparent funding decisions."

SOME DEFINITIONS

Participants—People taking part in a participatory grantmaking process who aren't paid foundation staff or donors. Sometimes, the word "peer" is used.

Grantmakers/Funders—Traditionally, the paid staff of foundations or other philanthropic associations. Participatory grantmaking, however, sees all participants as grantmakers/funders. Donors are the financial benefactors.

Experts—Traditionally, those who have deep knowledge about an issue and formal credentials; participatory grantmaking expands this definition to include people with lived experience as experts on issues affecting them.

Source: *Deciding Together: Shifting Power and Resources Through Participatory Grantmaking* (New York: Candid, 2018).

Other helpful definitions are provided in this resource: [Deciding Together: Shifting Power and Resources Through Participatory Grantmaking](#):

PARTICIPATORY GRANTMAKING APPROACHES ENGAGE PEERS IN ...

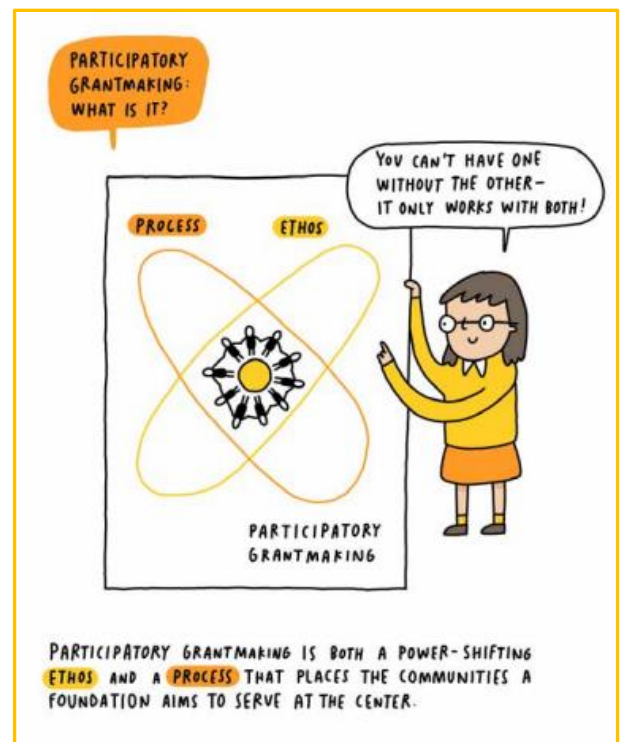
- Identifying funding priorities
- Conducting issue/environmental scans of issues, communities, etc.
- Designing funding strategies
- Creating funding criteria
- Reviewing proposals
- Making site visits
- Designing and implementing evaluations (including stipulating outcome/impact metrics)
- Supporting intermediaries that use a participatory grantmaking approach
- Deciding on/making grants

PGM is more than a process. It's a principle, an ethos, a belief, a set of values and a mechanism too.

Desk research converges on the idea that PGM should be regarded as an **ethos or principle AND a process** as this illustration from Hannah Peterson's publication demonstrates >>>.

'In contrast to traditional philanthropic approaches, PGM is purported to increase democratic and equitable decision making in grant allocation through the involvement of communities that grant makers aim to benefit (Husted et al., 2021). PGM, which "involves non-grant makers in funding decision processes" has at its core the principle of ceding decision making on resource allocation to non-grantmakers (Hauger, 2022). These may include individual community members or organisational representatives.^{vii}

'Participatory grantmaking is becoming increasingly popular but is associated with definitional challenges. Its value is around both increased effectiveness and a belief that it is 'just' as a **mechanism** and will, in and of itself, assist with power sharing and shifting. There are some (well documented) challenges associated with it. There is broad agreement on what PGM implies: beneficiaries setting the agenda and making decisions about funding. It's where the people who are beneficiaries or going to be beneficiaries are charged with the core enquiry as to whether applications constitute a viable approach within the contextual and cultural priorities that they are aware of because they are living it. PGM is involving the beneficiaries (or potential beneficiaries) in the **core enquiry** around what is needed, and what should be funded.^{viii}



'Participatory grantmakers do not only acknowledge and talk about power; they break down barriers that keep people powerless through an approach that realigns incentives, cedes control, and upends entrenched hierarchies around funding decisions. To practitioners, participatory grantmaking isn't a tactic or a one-off strategy; it is a power-shifting **ethos** that cuts across every aspect of the institution's activities, policies, programs, and behaviors^{ix}.'

'The core **principle** of participatory grantmaking is compelling: that philanthropic decision making should centre on community needs. It also recognises the value and importance of listening to a diversity of voices. This fundamentally relies on bringing into decision making the perspectives of those with lived experience and lived expertise^x.'

'The value of pursuing, funding or adopting participatory grantmaking practices boils down to two strong **beliefs**: (1) That it will result in more effective grantmaking, aligned to what is needed, because communities themselves are most likely to make the decisions that work for them^{xi} (2) That it will result in increased justice, fairness and power both at an individual and systemic level. As one article put it: "A just and equal world is not possible if other people make decisions about our lives^{xii}."

'There are different definitions of what PGM is and even within Camden Giving it is not a fixed and static process, more a set of **values**. Camden Giving's PGM processes are rooted in values – **flexibility, respect, justice and evolution**^{xiii} - and in many ways the values are more important than the practicalities. For us, PGM means that the people who we aim to benefit are participating in the decisions about how grants are awarded. At Camden Giving we recruit, train and pay people with lived experience of one or more local issues (such as poverty), and they decide how a pot of funding should be spent to overcome those issues. We refer to these people as Community Panellists^{xiv}.'

This paper was produced by Alan Graver, Skyblue Research Ltd

January 2024

ⁱ A compelling quote from one of the respondents generously sharing their rationale for PGM in their locality as part of this feasibility study in 2023/24

ⁱⁱ [Deciding Together | Candid Learning for Funders](#)

ⁱⁱⁱ [Deciding Together: Shifting Power and Resources Through Participatory Grantmaking](#), Grantcraft a service of Foundation Centre, 2018

^{iv} [How to master participatory grantmaking \(candid.org\)](#)

^v Cynthia Gibson, Ph.D., is a consultant who has worked with hundreds of philanthropic institutions and major nonprofits in strategic planning, program development, evaluation, and communications. She is also a widely published author on a wide range of issues related to philanthropy and the nonprofit sector, civic engagement, and democratic participation. In 2007, Cynthia helped design, oversee, and evaluate one of the first participatory grantmaking initiatives undertaken by a national foundation, the Case Foundation's "Make it Your Own" program.

^{vi} [Moving beyond Feedback: The Promise of Participatory Grantmaking - Non Profit News | Nonprofit Quarterly](#)

^{vii} Participatory Grantmaking Building the Evidence For Paul Ramsay Foundation by the Centre for Evidence and Implementation (Australia), May 2023

^{viii} Monitoring and evaluating participatory grantmaking, Discussion paper for the Baring Foundation, prepared by Ceri Hutton, January 2016

^{ix} [Deciding Together: Shifting Power and Resources Through Participatory Grantmaking](#)

^x Participatory Grantmaking Building the Evidence For Paul Ramsay Foundation by the Centre for Evidence and Implementation (Australia), May 2023, Foreword Inspiring better philanthropy Jack Heath, CEO, Philanthropy Australia

^{xi} In *Who Decides?* by the Lafayette Practice eight more nuanced benefits are identified from its review of eight funds which amplify this point. They are: 1) Is more accountable to intended beneficiaries 2) Is preferred by intended beneficiaries 3) Sets priorities well aligned with what the field needs 4) Can identify grantmaking priorities and grantmaking opportunities that non-participatory models would miss 5) Makes better investment decisions 6) Can be efficiently run 7) Can ensure a dynamic evolution of who participates and leads 8) Can mobilize additional funding for the field.

^{xii} Monitoring and evaluating participatory grantmaking, Discussion paper for the Baring Foundation, prepared by Ceri Hutton, January 2016

^{xiii} Flexibility: 'We change the way we work to suit the needs of individuals. Respect: 'The knowledge of communities is the most precious knowledge we can use, respecting it leads to better outcomes for everyone. Justice: 'It is just that marginalised communities have control over things that affect them.' Evolution: 'We know we haven't found all the answers, but we're doing our best to keep evolving and improving our practices.

^{xiv} [Participatory Grantmaking Toolkit from London Funders and Camden Giving | London's Giving \(londonsgiving.org.uk\)](#)