



Bus Ride by The Performance Ensemble, photo credit Mike Pinches

Small Funds: Setting up a micro-funding programme

A Time to Shine toolkit written in partnership with Leeds Community Foundation

November 2021

Time to Shine Small Funds was a micro-funding programme. It enabled large or small third sector organisations in Leeds to apply for between £5,000 and £10,000 to pilot a new project or develop and expand existing work. 11 rounds of Small Funds were delivered between autumn 2015 and spring 2021, all with the aim of reducing social isolation and loneliness amongst people aged 50+. The Time to Shine programme provided the capital and Leeds Older People's Forum commissioned Leeds Community Foundation to manage Small Funds. This toolkit shares practical learning and recommendations. The aim is to help strategic decision-makers to develop their own micro-funding programmes and to learn from the opportunities, and challenges, of the Small Funds approach.



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Testing different approaches and learning from experience

Public briefing events:

Leeds Community Foundation held public briefing events in the first two rounds to generate interest in Small Funds, share the vision and reach new organisations. As momentum gathered and awareness of the funding increased across the city, these events were no longer necessary.

Themed funding rounds:

The first six rounds of Small Funds were themed: 1. Carers & Dementia; 2. Men; 3. Communications; 4. Relationships; 5. Transport; 6. Transport and open. The themes were used to address identified gaps within the wider Time to Shine programme and to create opportunities to gather themed learning. Fewer organisations applied and Round 5 only attracted one application. From Round 7 onwards the themes were removed and all rounds were 'open', leading to more applications and a wider range of creative projects. Organisations could apply more freely when the time was right and they were ready to implement an idea. It removed the potential pressure for organisations to 'shoehorn' their ideas to fit the criteria. This led to higher quality applications; often applicants were genuinely excited to pilot something that they had wanted to try for a while.

Monitoring and evaluation:

Taking part in Ageing Better's national evaluation was trialled and then stopped. One reason was that this type of formal evaluation questionnaire didn't fit with the Asset-Based Community Development approach used by many Small Funds projects. The requirements were interpreted as onerous and disproportionate to the amount of funding awarded. Instead, from Round 3 onwards, partners were encouraged to use their own existing (and familiar) methods of evaluation. They collected data, wrote interim and final reports, shared case studies, test and learn case studies and quotes to demonstrate the learning, legacy and outcomes for participants.

Group inductions:

Initially, individual visits were made to projects. Later the value of hosting facilitated group inductions became clear. These enabled partners to meet face-to-face, learn about each other's projects and feel part of the wider programme.

Test and learn:

Partners had the flexibility to try things out, reflect and then adapt their project approach based on their learning and experience. No project 'failed'. This was a key factor in the success of Small Funds and reduced stress for delivery partners.

Funding duration:

Two-year funding was trialled in Round 9, instead of the usual 12 months. The purpose was to compare both approaches. Shorter timescales enabled more projects to receive a share of the funding. Longer timescales enabled projects to co-produce their work, develop it in response to feedback and establish the project. Unfortunately comparisons couldn't be made due to Covid-19. However, this extended funding period did prove invaluable for helping partners to navigate the challenges of lockdown and supporting older people through the pandemic.

Challenges faced during the Small Funds programme

Covid-19:

This was one of the biggest challenges, particularly as many Small Funds projects provided social opportunities for people aged 50+. Some switched to remote provision via Zoom and over the phone. Three organisations returned the funding, despite its flexibility, in light of the significant challenges they faced during the pandemic.

Business closure:

One social enterprise folded and had to return unused funding. This impacted on other aspects of the Time to Shine programme due to the strong partnerships that had been established.

Inexperience:

Two organisations only received half of their funding allocation due to challenges around reporting, despite significant support offered by Leeds Community Foundation. Organisations which are very small, brand new and/or entirely volunteer-led may be susceptible to this challenge.

Themed rounds:

Removing the themed rounds in favour of 'open' rounds perpetuated the gaps in delivery identified within the wider Time to Shine programme.

Full cost recovery:

Third Sector organisations sometimes try to keep costs down on funding applications. They may be reluctant to include management costs and adequate staff hours in their budget. Leeds Community Foundation encouraged and supported a full cost recovery model. The team made contact with partners whose budgets needed reworking; this helped partners to understand the value of a well-resourced project.

Project progression:

Time to Shine initially planned to commission larger projects every two years. This was to enable Small Funds delivery partners to pilot ideas and gather evidence which would, in turn, support their bids for larger Time to Shine projects. When Time to Shine's commissioning cycle changed to every three years this progression route was disrupted. In order to sustain their Small Funds project, if they wished to do so, partners had to apply elsewhere or use their organisation's own resources.



Practical learning and summary of recommendations

This learning may help other funders to plan and develop their own micro-funding programmes.

- Consider the pros and cons of investing in **multi-year funding** and mix and match if possible.
- Set clear **funding parameters** and eligibility criteria.
- Encourage partners to co-produce applications to meet the needs of the communities they serve and **sustain co-production** for the duration of the project.
- Create a simple application process and take **calculated risks** with smaller organisations.
- Ensure **monitoring and evaluation** is proportionate to the amount of funding given.
- Commit to **test and learn** and let partners know that strategic partners support this approach.
- Allow delivery partners the **flexibility** to reprofile their budget and to return underspend at the end of the project.
- Offer themed and open rounds to address gaps in provision and to ensure **inclusivity and diversity**.
- Encourage **collaboration** and provide opportunities for networking and skill-sharing.
- Share professional expertise to **build capacity** in smaller organisations.
- Incorporate micro-funding into a **larger programme** where possible.
- Enable clear **progression routes** after a successful pilot phase.

Leeds Community Foundation's experience indicated that demonstrable impacts can be achieved with £5,000 to £10,000 for 12 month projects. For many third sector organisations £10,000 is not a 'small' matter and it creates opportunities for innovation. It kick-starts longer-term investment, through core costs or successful funding bids, and helps to develop capacity, knowledge, resources and expertise within the organisations. Collectively this leads to a vibrant and sustainable third sector which is of immense benefit to the city and the communities they serve.

Short films, links and further reading from a selection of Small Funds projects

1. [Artlink West Yorkshire](#) produced a [book](#) and [film](#) about Creative Connections (2018)
2. [Lippy People](#) produced a series of [17 short films](#) for their Life, Loss, Learning and Legacy project and a [learning insight](#) about men's experiences of bereavement (2020)
3. [D Dance Theatre](#) made a [short film about their Bollywood dance classes](#) in 2018 and the group has an [active Facebook group](#)
4. [Radio Asian Fever](#) recorded short audio clips from their Fever Dosti radio project, listen [here](#) and [here](#) (2018)
5. Sowing the seeds: Reflections on running a Small Funds programme. A Time to Shine learning report, 2021

“Small Funds has enabled us to experiment with new ideas and it has enabled us to provide greater support for our clients”

Speak with IT, Round 11