

RESPONSE TO OUR APPLICANT PERCEPTION AUDIT

In early 2020, The Clothworkers' Foundation commissioned nfpSynergy to carry out an anonymous survey and follow up interviews with our applicants (successful and unsuccessful) to find out more about their experiences of applying to our Open Grants Programme and accessing capital funding. Since the pandemic struck mid-way through this piece of research, we also used the interviews to gain insight into charities' experiences accessing our COVID-19 funding. The findings of the survey and interviews are enclosed.

We are grateful to the organisations and individuals who freely set aside time to take part in the survey and subsequent interviews. We are also grateful to the work of nfpSynergy, especially for their willingness to adapt the research in response to COVID-19.

Overall, the survey responses make for positive reading - our application process is considered quick and easy - but there are clearly areas in which we can improve as a funder. We are already making changes as a result of the findings, and longer-term improvements will be introduced as we use them to inform our grant-making review (set to begin later this year).

OUR APPLICATION PROCESS

The survey results indicate that applicants appreciate our quick and easy application process. This was reassuring, as The Clothworkers' Foundation continuously reviews how we can make these processes more efficient and streamlined for applicants. Applicants for smaller grants were particularly positive about the turnaround time for a decision but were less positive about the overall process. This is understandable, as we currently have a single, standardised application form for small and large grants. Once the application is received, the process for considering it will vary depending on the size of the organisation and request (i.e. they are funnelled through separate internal 'Main Grants Programme' or 'Small Grants Programme' processes). As a result of this feedback, we are considering moving away from a general application form so that smaller charities are directed through an application process tailored to their specific needs.

COVID-19 has shown that we can process applications quickly when required. Our own COVID emergency programme (which awarded grants of up to £5,000) made funding decisions within three weeks, for the majority of applicants. Charities are understandably asking why this cannot be the new 'norm.' We have already made some permanent changes, which have improved turnaround times for smaller grants (for example, the average turnaround time for a grant of under £10,000 reduced from 52 days in 2019 to 41 days in 2020). We also plan to use our experience delivering differently during the pandemic, to provide a foundation for reduced turnaround times for larger grants in the longer-term.

OUR RELATIONSHIP WITH GRANTEES

We were pleased that survey participants had positive experiences in their interactions with our Foundation staff, but a desire for more opportunities to communicate, or channels of communication, was expressed. In the past, we have prioritised efficient decision-making processes perhaps at the expense of building relationships with our applicants and grantees. We believe our role as a capital funder will also inevitably create more of a 'transactional' relationship. However,

we now recognise that limited communication channels can make us less approachable and exacerbate power imbalances; we will aim to address this in our strategic review beginning this year.

In 2019, we launched a new website and now have a social media presence. We were pleased that the general consensus was that our website was easy for applicants to navigate and helpful to the application process. In terms of our post-award processes, we strive for a light-touch approach to our monitoring (which limits communication) and were satisfied that, on the whole, grantees did not find our reporting processes burdensome, difficult or unnecessary.

DESIRE FOR MORE FEEDBACK

We do not provide feedback to unsuccessful applicants, but it is clear that feedback would be both desirable and helpful to them. On the other hand, we are conscious that time spent by our small team on communicating feedback may impact negatively on decision-making timeframes. In the last six months, we have begun to adapt our processes for capturing and detailing declination reasons. We plan, in future, to be able to include headline declination reasons in our email notifying applicants that their application has been unsuccessful (although we do not think it will be feasible to enter into potentially protracted dialogue about declination reasons).

COVID-19 EMERGENCY FUNDING AND ITS EFFECT ON NORMAL FUNDING STREAMS

Like many funders, we launched a COVID-19 funding response in 2020. This was funding, over and above our original budget for the year. We suspended applications for larger capital projects for part of the year to concentrate on our emergency funding response (and because we believed that many large capital developments were likely to be put on hold during the pandemic). Our Open Grants Programme is now operating as usual and is also accepting applications for COVID-related capital projects. Our 2021 budget was increased to help meet the growing needs of charities as a result of the pandemic. In short, we are committed to supporting the sector during this difficult period and do not intend to reduce our grant-making budget.

Furthermore, we continue to explore how we can help the sector recover. One example is our recent grant of £200,000 to the Community Justice Fund, a joint initiative to help specialist social welfare legal advice organisations cope with the immediate impact of the COVID-19 crisis and lay the foundations for longer-term renewal.

CAPITAL FUNDING DURING THE PANDEMIC

We recognise that there are growing calls (echoed by survey participants) for funders to offer more core funding/unrestricted grants, but survey participants make it clear that there is a continued need for capital funding sources. We believe capital funding (such as IT equipment and building adaptations) played an essential role helping charities to adapt their services in response to the pandemic. We also know that capital funding is becoming harder to access for charities. Nearly 7 out of 10 survey participants said that it was either 'Very difficult' or 'Difficult' to access capital funding for their organisations. On this basis, we anticipate that our Open Grants Programme will continue to focus on capital funding for the foreseeable future.



NEXT STEPS

The above comments outline some of the actions we are already taking in response to the independent survey by nfpSynergy. We will begin our five-year strategic review of our grant-making later this year (itself delayed because of the pandemic). We are committed to considering the findings of this research in the review, and to improving the design of our funding programmes and our grant-making generally over the next five years.

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