# The Disparity in Accessibility to Funds and Support for Black-led Non-profit Organisations

Report

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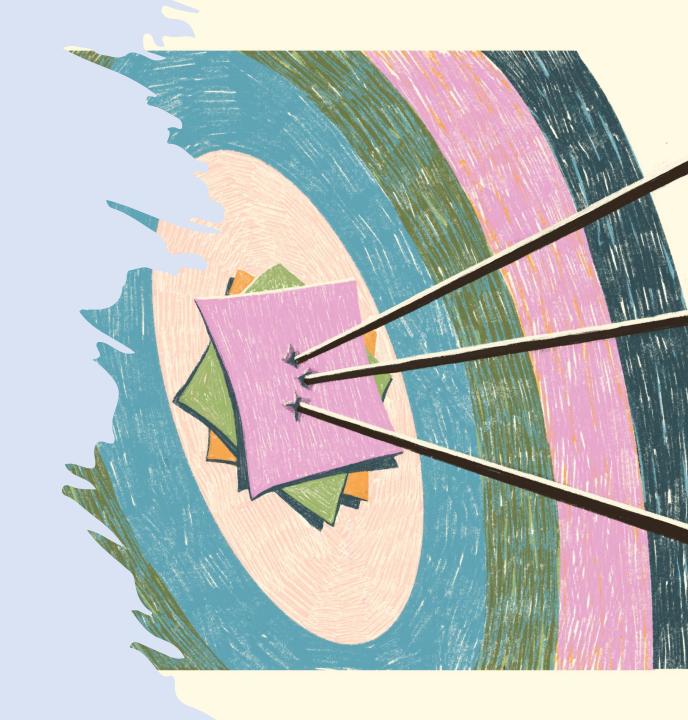
# Rationale for the Study

- Scale of the issue: Not empirically known
- Contextual Challenges: Regional lens - a more accurate picture.
- Irreconcilable differences?: Multiplicity of perspective



### Aim of the Study

- To <u>identify the perceived barriers</u> to funding from the perspective of Black-led non-profit organisations (BLNOs) and funders within Merseyside region.
- To <u>understand (mis)alignment between the perceptions</u>
  of funders and BLNOs on what these barriers are and how
  they can be alleviated.
- To <u>identify any contextual factors</u> within the Liverpool City Region contributing to the perceived funding barriers on BLNOs.
- To <u>understand the role of BLNO characteristics and</u> <u>processes in the funding disparity</u> for BLNOs.
- To <u>identify success factor(s) from the perspective of Black-led organisations</u> that have been successful in funding applications.
- To <u>identify specific interventions</u> BLNOs want from funders and support infrastructure organisations.



## Methodology

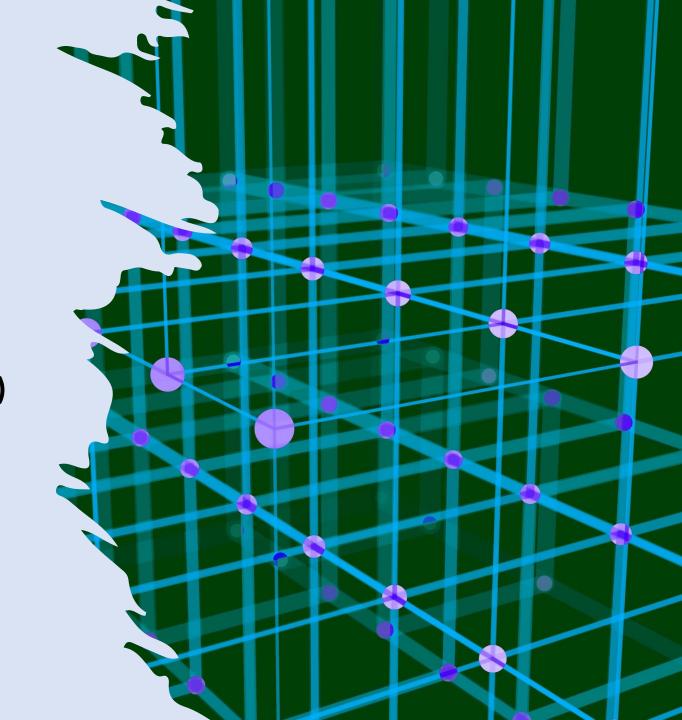
- Rigour
- Multimethod, Mixed methods
- Confirmatory

#### **Stage 1 (exploratory):**

- Focus group sessions with BLNOs (10)
- Interview with Funders (7)

#### **Stage 2 (confirmatory):**

Online survey (24)



#### Main Findings

 BLNOs in LCR seem likely to have less people with responsibility for funding applications and therefore the time commitment of applying can be an issue.

• Funding criteria and procedures are seen to be creating a barrier.

 BLNOs governing structures in the LCR may not be to the quality expected by funders.

 funders may not recognise the unique challenges facing Black-led organisations.

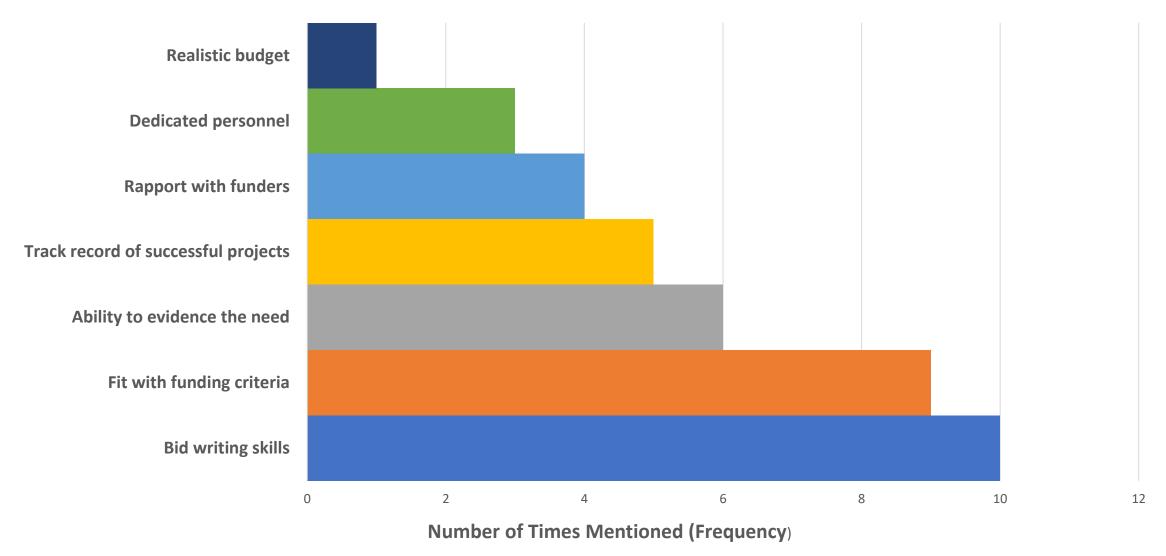


#### Main Findings

- BLNOs are less likely to be successful at funding application despite their longevity of operation. However, the experience level of BLNO's funding application teams has significant correlation with funding success.
- Geographical and size disparity in funding success for non-profit organisations may be playing their part in the disparity being felt/experienced by LCR BLNOs.
- There may be a lack of awareness of funding and support opportunities for LCR BLNOs.
- Respondents to the survey feel funding is scarce, oversubscribed, and that there are not enough dedicated pots of funds targeting Black and Minoritised Ethnicities.



#### **Critical Success Factors Identified by Respondents**



### Recommendations from Respondents

Recommendations for Funders	Recommendations for SIOs
<b>Direct engagement with BLNOs:</b> reach out to notify them of your funding opportunities; visit them; work with local CVS to reach diverse groups; prioritise the geographical areas where Black-led organisations are based.	<b>Bid writing support</b> : writing a compelling narrative, alignment of proposal with funder priorities, communicating impact.
Make (core) funding application easier: reduce bureaucracy of the application process; paperwork is often full of constraints and addresses issues divorced from reality; Most Black-led organisations are small with little resources for writing bids; offering application materials in multiple languages can also help widen accessibility.	<b>Professional Advisory</b> : Business and Project Planning advisory, how to establish suitable company structure, marketing, funding strategies; mapping funders by geography and by causes they support (tailored funding streams), intermediary roles between organisations and funders, promoting organisations to funders.
<b>Provide targeted application support opportunities</b> : Support in understanding the ethos of the funding body; offer free support for new/emerging organisations; support webinars with videos that can be accessed at any time.	Proof Reading/Editing/Feedback Services: Someone to read and comment on draft or completed applications.
Lived Experience representation on the funding panel	Training and Networking events
<b>Revise criteria based on needs/reality:</b> explore specific needs of BLOs and re-adapt the funding criteria.	Access to Suitable Funding sources/Network

#### Recommendations for Funders

- 1. Funding organisations simplify the funding application process to reflect the challenges outlined by BLNO's by:
  - Reducing the use of (excessive) jargon in the application and auditing processes.
  - Using easy processes for applying including video, audio, storytelling
  - Reducing bureaucracy in the funding application process
  - Hosting regular events/workshops with BLNOs to better align funder requirements with their needs

#### Recommendations for Funders

# 2. Funding organisations must be intentional about equity in their funding process by:

- Publishing yearly funding equity reports, similar in principle to Environmental, Social and Governance (ESG) reporting that shows accurate data about the funding being allocated to BLNO's for example
- Adopting equitable funding criteria and scoring system in their decision making (as current criteria are biased against low-asset, newer organisations and organisations meeting the needs of marginalised communities).
- Recognising that BLNO are not starting at the same place and there is not a level playing field due to racism

#### Recommendations for Funders

3. Funders to proactively consider how they can incorporate the voices of Racialised Community (RC) members in decision making:

- Improving RCs representation in their workforce, especially on their decision-making panel.
- Paying Black, Asian and Minority Ethnic community members to sit on decision making panels