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**The Brutal Facts**

**We All Pulled Together, or Not**

**A presentation by**

**Bill Bruty  
David Carrington**

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**Fundraising Training Ltd**

## Introduction

This report is an insight into the philanthropic story during the two years of the global COVID-19 pandemic. This was a period of considerable change to the funding landscape and in this report, we will concentrate on the behaviours of UK foundations.

During this period foundations faced three serious shifts in their landscape:

1. A dramatic shift in the needs of their grantees, as the global population faced an unprecedented health crisis - with other needs arising from the economic implications of the crisis and from the behaviour changes enforced during lockdowns.
2. Uncertainty about their income sources, as stock markets crashed and the global economy shrank.
3. New modalities for grantmaking, as usual communication processes were disrupted by lockdowns.

There were many discussions as to what was going on, based on limited research and many assumptions. In this report, we will seek to find the truth behind these conversations and assumptions. Our research is based upon our dataset of 100 UK foundations (the 'fishtank'). This a diagonal slice of the UK foundation world, contain a mixture of foundations from small to large. We have data from their audited accounts from 2004 to 2021.

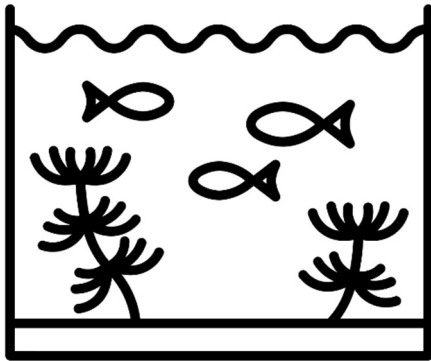
We have also reviewed relevant research undertaken by other bodies as well as drawing on the expertise and experience of the two authors:

1. Bill Bruty, with 38 years of experience as a fundraiser, 34 of them in grantseeking. Bill is the Founder of Fundraising Training Ltd. He is a fundraising advisor to grantseeking organisations across the world; plus grantmakers, such as Porticus and the Segal Family Foundation.
2. David Carrington, a former Director for several foundations and international commentator on grantmaking.

We wanted to understand what went on with UK foundations during 2020 and 2021 and how this might change the long-term future of grantmaking in the UK.

## Section One: The Financial Picture

### The Fishtank – the Research Base



We have established a unique research base: 100 UK Foundations with 9 data entries for every year from 2004 to 2021. This is a 'diagonal slice' of the UK foundation world. In 2021 they gave out £570 million in grants and had £14 billion in assets. This collection of foundations was developed to mirror a typical portfolio of funders for our UK clients. It is, therefore, a diagonal slice of the foundation world, with some large grantmakers, such as the Leverhulme Trust and smaller ones, such as the Walter Bigg Foundation. It was created in 2009, in order to investigate the reality of the reaction of the foundation world to the 2008 crash.

This dataset enables us to take a long-term view of the journey to 2020-21. We will use it as our primary dataset for our research.

<b><u>Number of datapoints:</u></b>	
24,629	<a href="#">Raw Data pre analysis</a>
1,802	<a href="#">partitioned for this analyses</a>
3,312	<b><u>Percentage Delta Distribution</u></b>
3,312	<a href="#">Monetary Delta Distribution</a>
3,519	<a href="#">total grants distribution</a>
4,152	<a href="#">Total Grants Donor Analysis 3</a>
51	<b><u>Overview</u></b>
24	<b><u>Projections</u></b>
136	<a href="#">Delta Analysis</a>
68	<a href="#">Partition Analysis</a>
14,574	total datapoints analysed

## Other Perspectives

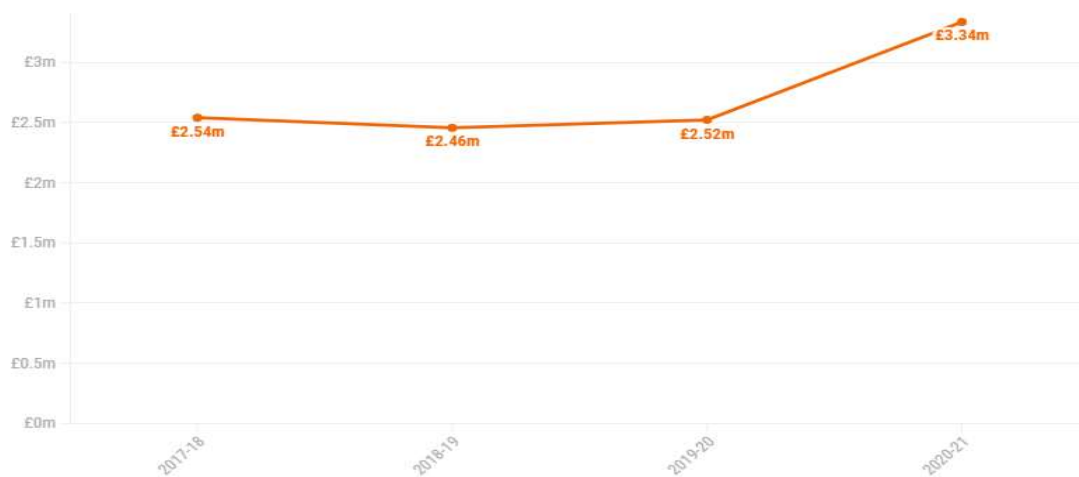
We also considered the perspectives of other researchers. This included reports looking at the UK context and across the globe.

“The philanthropic response to the COVID-19 pandemic has shown the sector at its best. From the launch of community-based rapid-response funds to the development of diagnostics and vaccines, philanthropy is showing up both to help flatten the curve in the short term and to address the inequities the crisis will exacerbate over the long term.”

From: ‘A transformative moment for philanthropy’, published by McKinsey and Co, May 2020.

### **Median spending of 360Giving publishers 2017-2021**

Only includes funders that are charities registered in England and Wales who have reported spending for all the years shown



Source: Charity Commission for England and Wales

A Flourish chart

Most of these reports point to a substantial increase in giving during 2020-21. As well as many positive changes in the behaviours of grantmakers. This is supported by much of the anecdotal and conversational evidence. We wanted to verify or challenge these conclusions, understand the underlying factors and, above all, use this information to make some predictions about the future. It is important that this research improves our future fundraising practice.

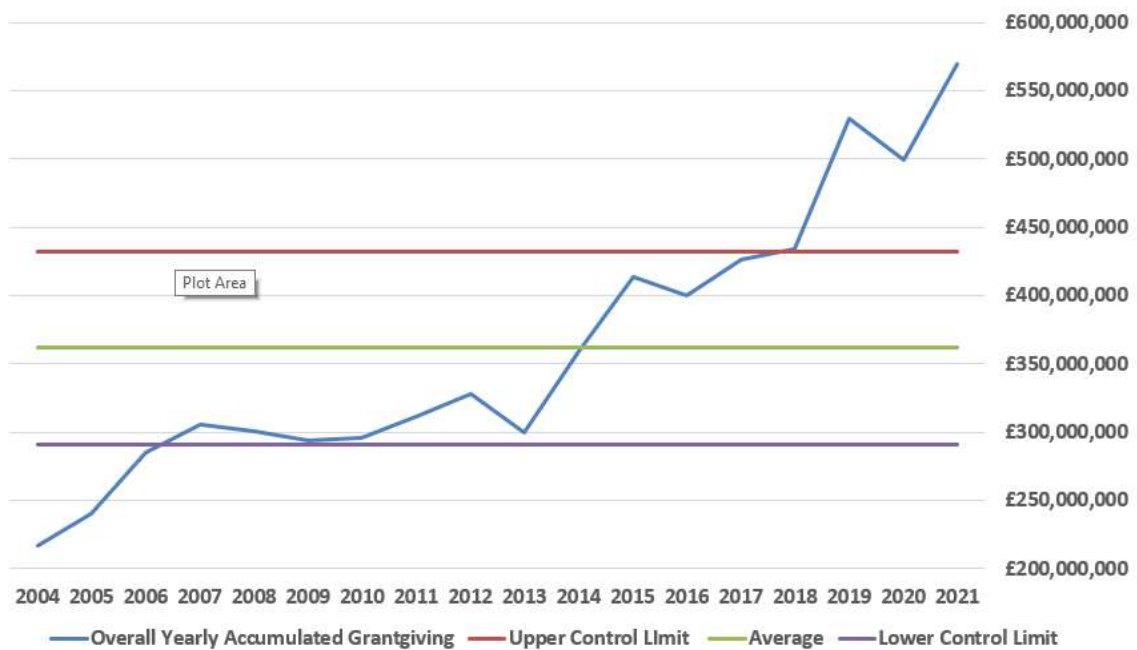
### Question One: Has there been an increase in philanthropy?

Our data clearly shows that grantmaking expenditure has risen steadily from 2013. This was a similar growth line leading up to 2007, before the financial crash. There are three distinct phases.

1. From 2004 to 2007, annual grantmaking grew from £217 million to £305 million, an average of +13.5% per annum.
2. From 2007 to 2013, annual grantmaking declined from £305 million to £299 million, an average of -0.6% per annum.
3. From 2013 to 2021, annual grantmaking grew from £299 million to £570 million, an average of +11.3% per annum.

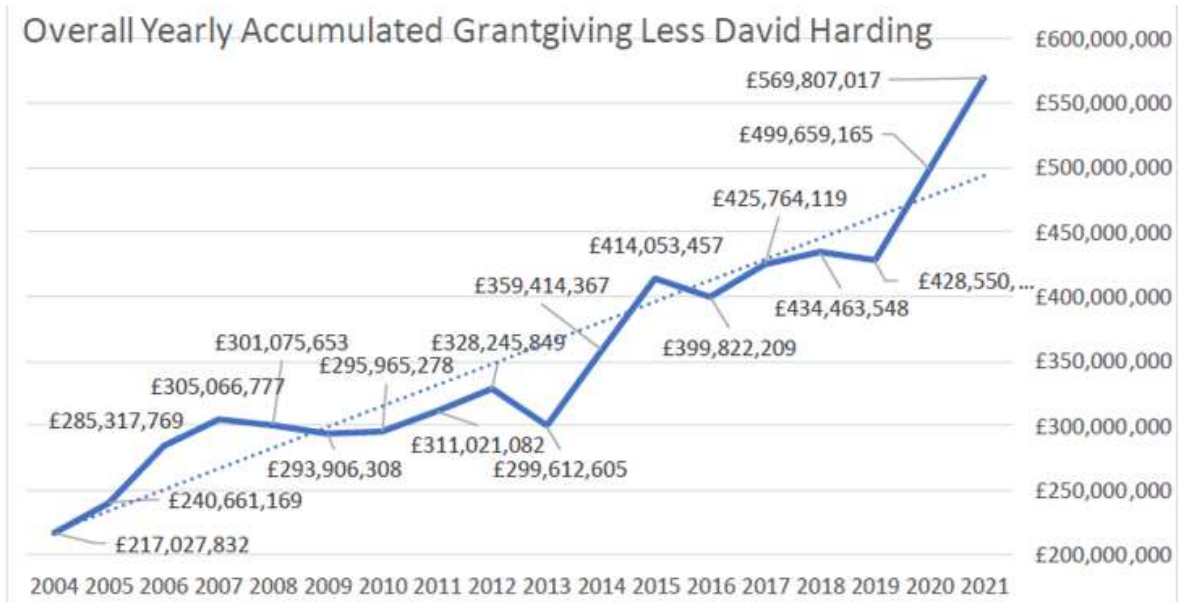
From 2004, the grantmaking from this group has grown from £217 million to £570 million per annum – an overall growth of 162% (9.53% per annum).

### **The Fishtank, Growth in Grants: 2004-2021**



There's a noticeable 'spike' in the grantmaking in 2019. This is due to a £100 million gift by the David and Claudia Harding Foundation. It's a substantial skew in the data.

If we take this funder out of the study, we see that, across the dataset, there have been three phases of significant growth (2004-7; 2013-15; 2019-21) and two phases of stagnation (2007-13 and 2015-2019).

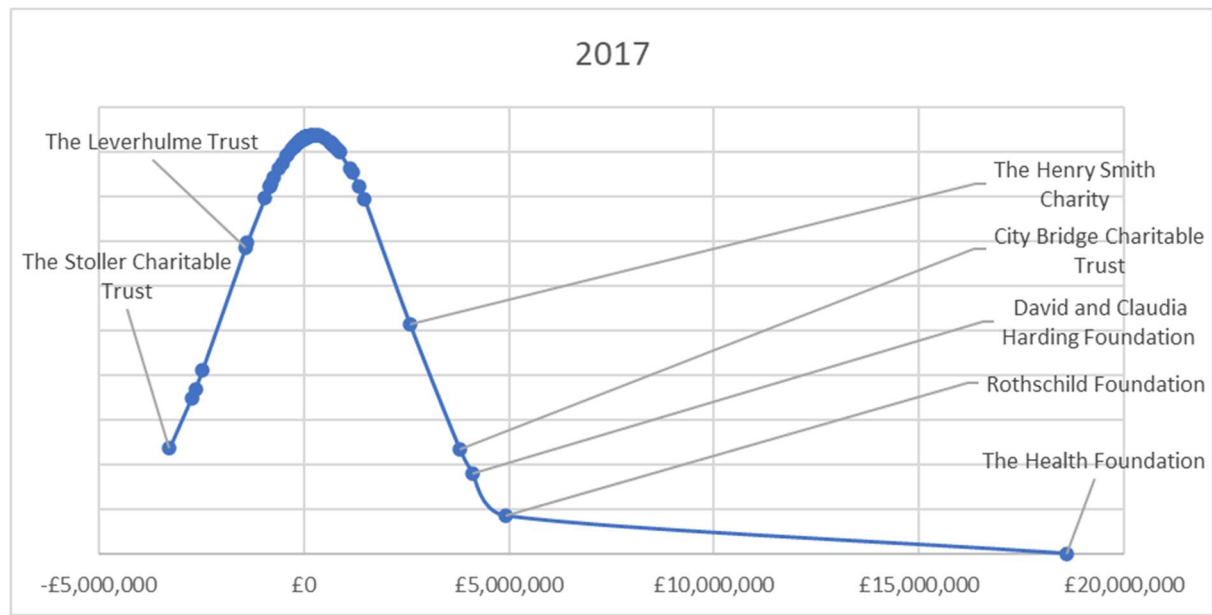


So, grantmaking did rise substantially in 2020-21, but this has not been an exceptional and isolated growth spurt. Given the patterns since 2004, then this growth line may abruptly end in the next couple of years.

## Question Two: What's behind this growth?

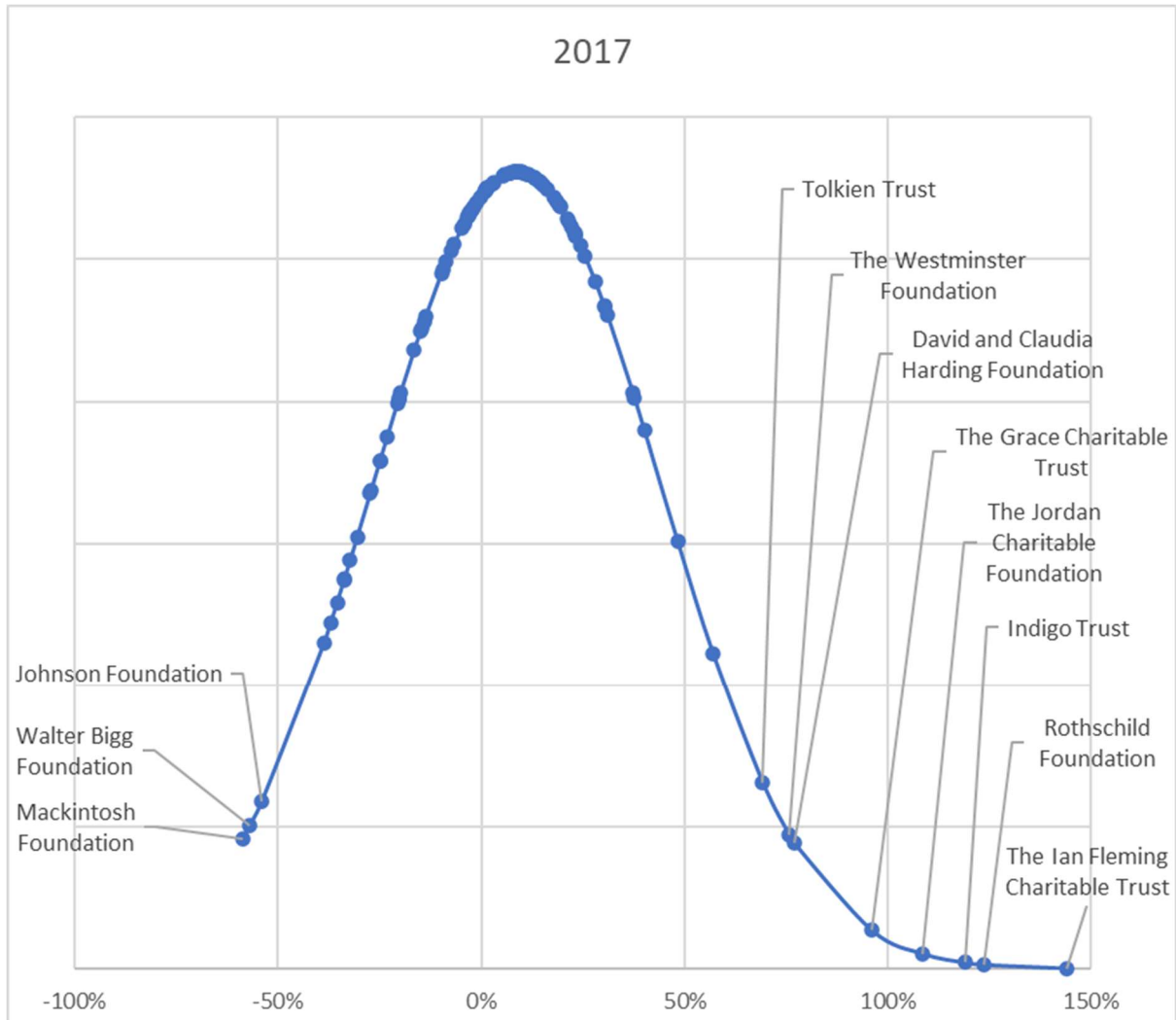
Even with taking out the David and Claudia Harding 'skew' in 2019, we have to recognise that, within this dataset, the behaviours of a small number of funders have a dramatic impact upon the overall patterns.

In 2017, we can see that most grantmaking changes are clustered around the point marking a small deviation from the previous year (close to the £0 point in the graph). The overall increase from 2016 can be explained by five grantmaking increases of over £2.5 million, counter-balanced by another five reductions of over £1 million.



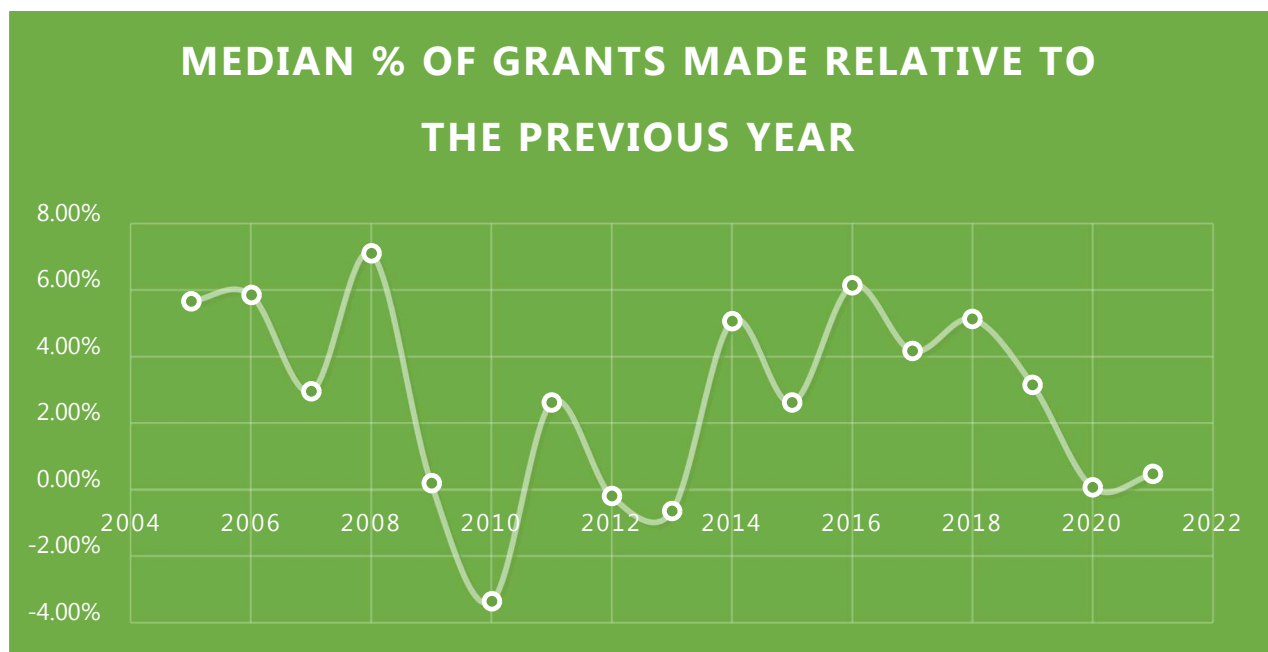
So, in many ways, 90% of our fishtank funders hardly change at all. It often means that a few major shifts in grantmaking, especially by one of the larger funders, completely distorts the underlying picture.

When looking at the percentage changes in grantmaking, a similar picture emerges. In 2017, most funders changed their grantmaking by less than +/- 20%. 16 increased by more than 20% and 13 decreased by more than 20%. This distribution is fairly consistent across all the years.





This is also demonstrated by looking at the median % change in each year.



From 2005 to 2008, the median increase is between +3 to +7%. During the 'stagnation' phase, from 2009 to 2013, this median increase hovers at 0, dropping to -3.75% in 2010. As growth returns, it bounces back to around +4% from 2014 to 2019. Curiously, the median drops down to around 0 in 2020 and 2021 – yet the overall level of grantmaking increased significantly in these years. How can we explain this?

In 2020 and 2021, the vast majority of foundations maintained their grantmaking at a level which was close to the previous year, or even decreased their grantmaking. 2020 and 2021 have the lowest number of foundations increasing their grant making since 2013. What would have been a period of contraction or stagnation, across our dataset, actually appeared like a period of strong growth. The behaviour of the crowd – to stagnate or contract – was counterbalanced by a very small number of funders who substantially increased their grantmaking. 2020 and 2021 are years where the behaviour of a few was radically different from the many. These funders were often larger, more well-known, more public - their prominence and behaviour distorted our sense of the marketplace, one in which most funders stagnated or contracted.

So, who were these culprits of distortion? We can find just eleven in our fishtank that explain the growth in grantmaking in 2020 and 2021. We're pretty sure that if we picked another group of 100, the names might be different but the patterns of grantmaking would be similar, where the behaviour of the crowd is masked by the very different behaviours of a small number of larger funders.

## The Culprits of Distortion

That's a cruel title, perhaps they are 'saviours' – choosing to be more generous when most others were not. Here are the eleven funders who are responsible for the major shifts in grantmaking across 2020 and 2021. There were eight major increases in 2020 and six in 2021. Only three, City Bridge, the Rothschild Foundation and the Health Foundation substantially increased grantmaking in both years. These names are not surprises.

### Substantial Grant Increases

Grant Increases	2020	2021
City Bridge Charitable Trust	£9,500,000	£32,100,000
Esmee Fairbairn Foundation	£17,872,000	-£1,583,000
Indigo Trust	£3,183,287	-£1,779,347
The Health Foundation	£5,375,000	£2,137,750
Rothschild Foundation	£3,293,318	£2,737,000
The Joseph Rowntree Charitable Trust	£3,870,000	-£3,853,000
The Henry Smith Charity	£7,607,000	£586,000
The Westminster Foundation	£10,848,654	-£7,791,295
The Fidelity UK Foundation	-£2,009,990	£3,222,765
Donald Forrester Trust	-£16,772	£7,712,563
The Leverhulme Trust	£459,000	£46,610,000
<b>Totals</b>	<b>£62,086,157</b>	<b>£95,106,078</b>

Can we attribute these increases due the pandemic? We were able to investigate this question for each one.

<b>Funder</b>	<b>Reason</b>
City Bridge Charitable Trust	Establishment of the Community Response Fund via the City of London Corp. However, in 2019: £9.2M, 2020: £26.4M and 2021: £23.3M went towards new "Bridging Divides" programme which had previously been in the works.
Esmee Fairbairn Foundation	27% of increase in 2020 is due to covid related funds, the rest is seemingly unrelated.
Indigo Trust	COVID grants accounted for 80% of increase. Portfolio had decreased
The Health Foundation	COVID grants accounted for 80% of increase. The rest was a previously planned twenty-year project which launched in 2020
Rothschild Foundation	Possibly due to new Creative Explorers funding programme.
The Joseph Rowntree Charitable Trust	Almost entirely due to COVID. Investment portfolio had been outperforming for three years.
The Henry Smith Charity	COVID grants accounted for 50% of the increase. Made possible by "Excellent investment performance". New unrelated £2 million collaboration with Impetus
The Westminster Foundation	COVID grants accounted for 86% of the increase. Made possible by a £10M lump sum by the Duke
The Fidelity UK Foundation	Paused arts grants in 2020 and revamped it in 2021
Donald Forrester Trust	Transfer of total funds to a new family trust
The Leverhulme Trust	Three research centres were granted £10M each, none of which are COVID related. Only COVID concession was grant extensions.

The pandemic is a significant reason for many of these increases, but not the only one. Many increases were already in the system, such as City Bridge's 'Bridging Divides' programme and Leverhulme's research centres. In at least one case, Donald Forrester, the increase has nothing to do with the pandemic.

Let's review the story so far:

- Out of 100 foundations in our fishtank, just eleven substantially increased grantmaking, eight in 2020 and six in 2021.
- Of these eleven, only a proportion of their increases are attributable to the pandemic, not the entirety of their generosity.

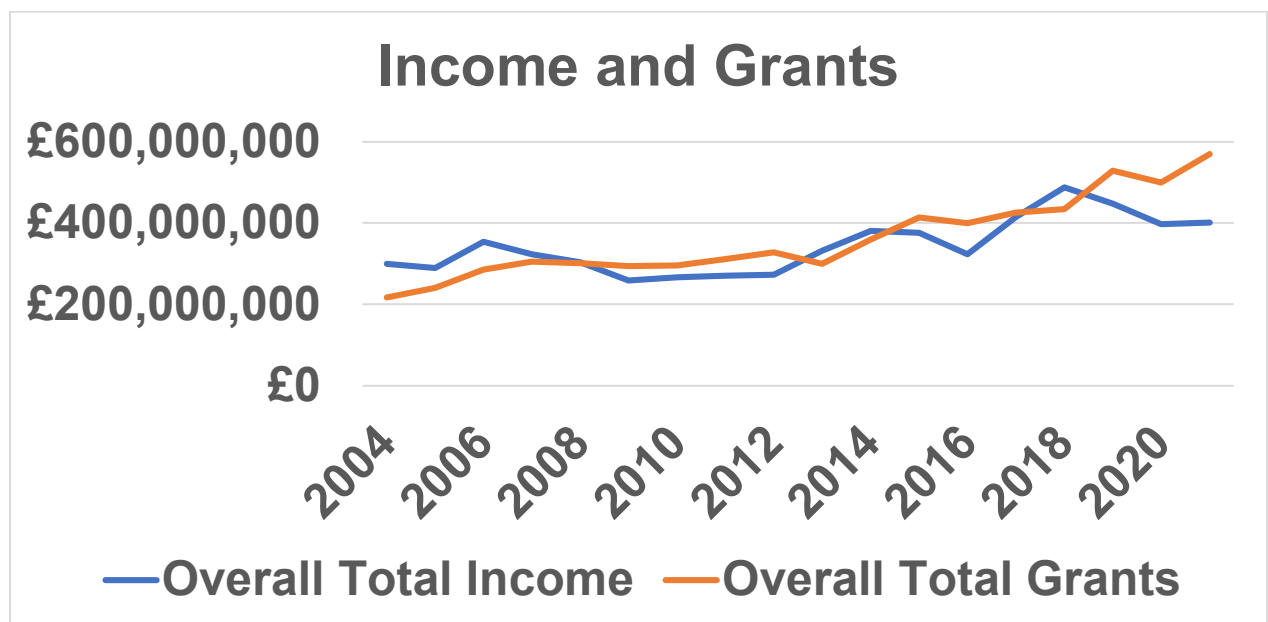
Does our fishtank analysis confirm that “The philanthropic response to the COVID-19 pandemic has shown the sector at its best.”? We’re not so sure. It is possible that this statement is true for a small number of funders, often the most sophisticated and the largest ones; but, we would be foolish to extrapolate their behaviours to make conclusions about whole UK foundation sector.

## Where does the money come from, hon? A reason to be cheerful

It's worth considering how grants are funded. A foundation can fund grants from investment income (such as dividends and property rents); donations; royalties etc; and, a foundation can also use realised (cashed in) investments gains (such as from buying and selling shares and properties). Using both realised investment gains and investment income is known as an 'absolute return' policy. It tends to increase the funding for grants and this policy has been widely encouraged in the foundation world.

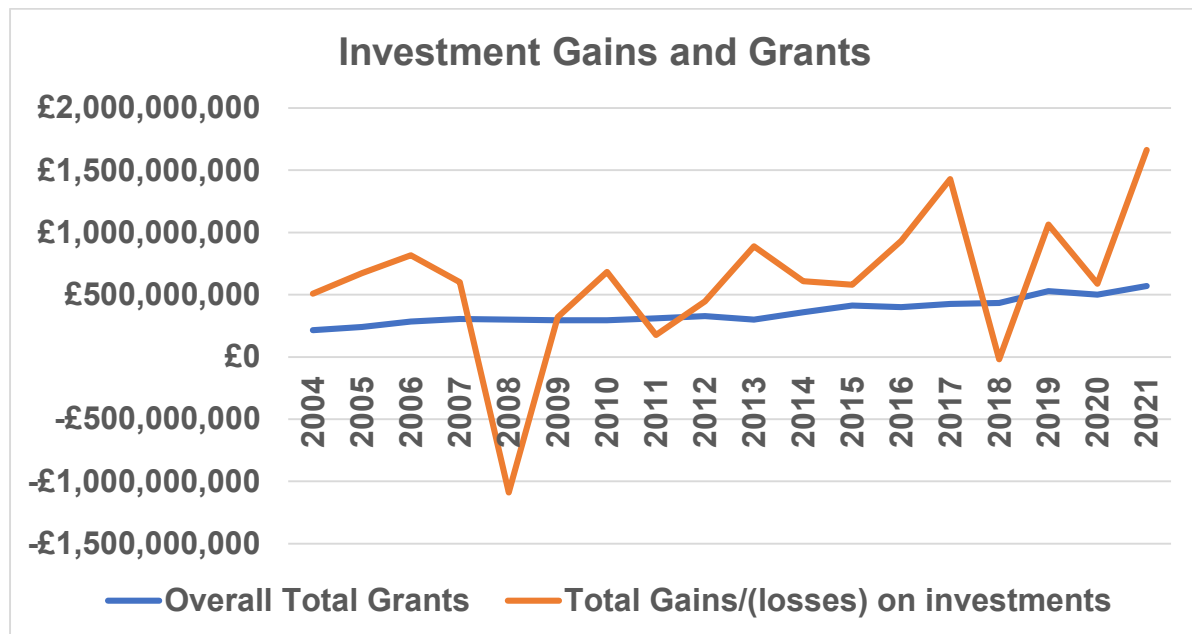
In the graph below, we can see that there is a link between income (the blue line) and grants (the brown line) from 2004 until 2014. The lines follow a similar pattern with income being greater than grants in most years. From 2015 this connection is broken with grantmaking exceeding income in most years – with wide gaps from 2019 to 2021.

### Income and Grants



There is a lot of evidence that foundations are increasingly using investment gains to fund grants and this shift in pattern could be explained by that.

In the graph below we are tracking the investment gains and grant patterns for the fishtank. We can see the volatility of investment gains, with huge losses in 2008 and 2018. With the exception of 2018, investment gains have been very positive, especially in 2021. Since 2014, investment gains have been converted into increased philanthropy; and investment losses (in 2018 and 2020) have not been converted into decreases in philanthropy.



This has increased the funds available for grants – enabling the generosity of 2020 and 2021. It is our prediction that the increasing adoption of absolute return funding policies will mean more money being available for grantmaking. As in previous years, a single poor year for investments, will probably not become converted into reduced grantmaking. In 2008 and 2020 foundations saw dramatic reductions in the investment values, but in both instances these losses were recovered within a year or two.

Looking at our data, there are two options for the future:

1. A period of stagnation is likely after 2022. Since 2004 there has not been more than three years of substantial growth before stagnation sets in.
2. Growth will continue as more foundations shift their financing of grants from income only to income plus realised investment gains (an absolute return funding policy).

Which of these is the most likely scenario? For 92-3% of the foundations in any portfolio, the margin of growth or contraction is very slim. The reality of any portfolio, including our fishtank, is that the overall grantmaking is going to be determined by the particular circumstances of under 10 funders. Each one will have its own reason for increasing or decreasing grantmaking (exceptional investment gains, merger with another trust, a donation from the founder). As a result, it is impossible to make market predictions when the overall income fortunes are dependent upon the idiosyncratic and often unpredictable behaviours of a very small number of funders. Our fishtank behaviour will be the same for

the portfolios for nearly every fundseeking organisation. You can expect that most of your funders will hardly change their grantmaking – your opportunities for growth will come from astute positioning alongside the small number of funders who do change substantially. In the next section we will consider the dynamics of behaviour within the fishtank – an insight into how your portfolios will function.

### Question Three: How does a Fishtank function?

A portfolio of 100 foundations will be made up of three distinct layers.

#### **The Top Layer**

These foundations are *always* in the top 25, such as:

[The Fidelity UK Foundation](#)

[The Henry Smith Charity](#)

[John Lyon's Charity](#)

[The Health Foundation](#)

[The Leverhulme Trust](#)

[The Zochonis Charitable Trust](#)

[John Ellerman Foundation](#)

[The Joseph Rowntree Charitable Trust](#)

[Leatherseller's Company](#)

[The Clothworkers' Foundation](#)

**City Bridge Charitable Trust)**

Grants from these funders will dominate the overall income. They are your best options for increased funding and these foundations will always be at the top of your portfolio. From 2004 to 2021, all of these funders have been in our top 25.



## The Middle Layer

This layer will consist of about 30 funders. These foundations rise into the top 20 and then drop down again, such as:

[The Peter Stebbings Memorial Trust](#)

[Newby Trust Limited](#)

[Balcombe Trust](#)

[Jean Sainsbury Animal Welfare Trust](#)

[Mackintosh Foundation](#)

[Richard Lawes Foundation](#)

[Eveson Charitable Trust](#)

These funders present opportunities for increased funding – mainly on a one-off basis. If they increase their giving (and qualify for the top 25), they are likely to return to the middle band soon after. These funders will be 30% of your portfolio. They can change, but these changes are unlikely to remain permanent.

## The Bottom Layer

These foundations will sit at the bottom of your portfolio and stay there, such as:

[Delves Charitable Trust](#)

[Calpe Trust](#)

[Maud Elkington Charitable Trust](#)

[Gunter Charitable Trust](#)

[Langdale Trust](#)

[Oakdale Trust](#)

[The Ian Fleming Charitable Trust](#)

[Leigh Trust](#)

[David Brooke Charity](#)

They will be 45% of your portfolio. We took the bottom 43% of our fishtank for every year (all 17). There were only nine occasions (1.23%) when one of these funders rose up into the top 45% of the fishtank – just six funders. Only one funder stayed at the higher level for more than one year. If you are placing aspirations and plans for the smaller funders in your portfolio to become major ones, then you are chasing the 1.23% opportunity. Furthermore, if they do make that leap, they are most likely drop down again the following year.

## 2020-2021 Changes in Lower Layers

During these two years, there were some substantial shifts in funding by fifteen funders in the middle and lower layers of our fishtank. There is only one example of a sizable increase in grantmaking across both years (The Grace Charitable Trust, grant making of £503K-879K). What goes up will come down, what goes down will come back up again. Virtually all of these shifts were within the middle layer, only Donald Forrester's shift promoting them to the top layer.

Funder	2019/2020 % Increase	2020/2021 % Increase
<b>Salters' Charitable Foundation</b>	<b>298.70%</b>	<b>-14.10%</b>
<b>The Woolf Charitable Trust</b>	<b>60.70%</b>	<b>-31.30%</b>
<b>Orp Foundation</b>	<b>26.30%</b>	<b>-51.1%</b>
<b>Odin Charitable Trust</b>	<b>-3.40%</b>	<b>630.60%</b>
<b>Winnicott Trust (wound up 2021)</b>	<b>-88.1%</b>	<b>1521.20%</b>
<b>Balcombe Trust</b>	<b>-40.90%</b>	<b>98.30%</b>
<b>Mackintosh Foundation</b>	<b>132.40%</b>	<b>-33.40%</b>
<b>The Jane Hodge Foundation</b>	<b>-88.90%</b>	<b>778.80%</b>
<b>CHK Foundation</b>	<b>76.00%</b>	<b>-29.90%</b>
<b>The Grace Charitable Trust</b>	<b>27.90%</b>	<b>36.70%</b>
<b>The Baring Foundation</b>	<b>59.40%</b>	<b>-6.50%</b>
<b>Becht Family Trust</b>	<b>103.1%</b>	<b>5.00%</b>
<b>Indigo Trust</b>	<b>504.60%</b>	<b>-46.70%</b>
<b>Donald Forrester Trust</b>	<b>-4.90%</b>	<b>2388.20%</b>
<b>Johnson Foundation</b>	<b>228.30%</b>	<b>-69.90%</b>
<b>Eranda Foundation</b>	<b>106.8%</b>	<b>-77.00%</b>

For many of these funders, a large percentage increase in grantmaking is a small change, compared with a modest percentage increase by a larger funder.

The big swings in actual grantmaking will always be dominated by the larger foundations, who will always be in your top 25. The structure of a fishtank doesn't change much, even over 18 years.

You have two chances to get an increase in funding (or to get in big for the first time):

1. To spot, or be spotted by, a foundation that has come into extra income and is going to increase its philanthropy. The top layer will provide such opportunities, as a modest percentage increase in grantmaking will result in larger grants. The middle layer contains the next best batch of prospects – but any rises in grantmaking are unlikely to be maintained. The bottom layers of your portfolio will rarely provide such opportunities. Our 'Fine Margins' report explains the factors in these situations.

2. Secure and enrich relationships with funders who have a habit of taking on new partners at a high level and/or have a habit of increasing their level of giving to existing partners. We will be undertaking some further research to ascertain how often these habits are in place.

## Question Four: How have behaviours changed?

David Carrington

### **Grantmaking Practices**

My focus is not on whether spending is up or down but on funder and philanthropic behaviour, their funding practice, how they spend the money they do have – largely impressionistic and anecdotal, but some indications of significant recent changes.

2 quotes sum up what has been my fundamental critique of much foundation practice:

- First from Tom Tierney in *'Give Smart'*: "the natural state of philanthropy is one of underperformance. Excellence must be self-imposed in philanthropy. There are no built-in systemic forces to motivate continuous improvement. Self-imposed accountability is not a natural act. It requires extraordinary determination and discipline to pursue outstanding results year after year when nothing in the surrounding environment requires you to do so."<sup>1</sup>
- and from Katherine Fulton who cautioned: "those with the power to make philanthropic decisions are often those who have least direct knowledge about the problems and opportunities being addressed."<sup>2</sup>

Like them and many others, I have grumbled away and harangued foundations for too many years about their resistance to change or disruption, their oppressive and often inappropriate demands on applicants, their over-insistence on restricted grants and resistance to funding core operational costs, their reluctance to collaborate and work together. OK, they vary enormously in size, focus, history, organisation, governance – and practice. But that's no excuse for under-performance or for being out of touch with the arenas they fund within – or, I argue, for the disconnect between their endowment investment strategy and their charitable purposes. Painfully slow progress on many of these issues among most foundations.

Then, Covid turned things upside down (in addition, they have also in last few years been confronted with some 'big' issues like Black Lives Matter, accelerating climate emergency, increasingly 'Uncivil' society – even history of colonialism in their own endowments). The possibly over-comfortable world of many trustees and staff of foundations has become increasingly uncomfortable and challenging.

And many have responded. In UK, ACF<sup>3</sup> members' survey found that in 2020, 96% had changed the ways that they work in response to Covid, including new grant programmes, increased funding, closer collaboration with other funders, and offering increased flexibility to grantees. The same survey indicated that, as a learning from the challenge of Covid, more

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<sup>1</sup> Tierney, Thomas and Fleishman, Joel *Give Smart: Philanthropy that gets results* Public Affairs 2011

<sup>2</sup> Fulton, K *The predicament of strategic philanthropy* India Development Review 2018

<sup>3</sup> ACF: Association of Charitable Foundations <https://www.acf.org.uk/>

than 8 out of 10 stated an ongoing commitment to increased flexibility for grantees and reduced administration for funding applicants.

I expect many of you already keep an eye on ACF (if not, I suggest you should do so) – lot of info on their site, including details of collaborations like the Funders Collaborative Hub set up in response to Covid crisis but now expanded to other funding challenges; and their Stronger Foundations programme which features work on Diversity, Equity and Inclusion; Impact and Learning; Transparency and Engagement; Funding Practices; Investment; and Governance.

The organisations Foundations fund and the communities they support (and they themselves) are now facing catastrophic and sudden inflation and cost of living crises. Again, ACF finding what seem to me positive signs of changing practice among members. A recent blog reports:

- Many Foundations that can increase their giving are doing this to take account of rising costs and rising need.
- Many funders are talking to their grantees about how inflation and increased energy prices are impacting on them to understand how they can help.
- Some Foundations are being proactive in supporting grantee organisations to be good employers – not inadvertently pushing down wages or conditions by their own funding actions.
- Taking deliberate account of what the rise in the cost of living means for different organisations – e.g. where energy costs are a greater proportion of spending – and for different groups. One of the big lessons ACF members found from Covid was that, if you do not fund with equity in mind, you run the risk of being inequitable by default.
- And further moves towards switching to unrestricted funding or full cost recovery grants that can help organisations better manage the impacts of inflation, with some foundations also looking at how to increase their multi-year grants in line with inflation.

I have some personal experience that confirms this. I am a trustee of the Finance Innovation Lab. We are not huge, annual revenue will probably rise to about £1M next year. Our funding is almost all foundation grants, from UK funders like Friends Provident, Tudor, BCT, Joseph Rowntree Charitable Trust. As Covid took hold, they all reached out to find out how we were coping; some offered increases to agreed funding or special Covid resilience grants, or to unrestrict grants. They are now in touch again to find out how we are handling impact of inflation and cost of living crises – not only on staff who are by far our biggest cost, but on general running costs as well.

So – yes, learn as much as possible from data (though be hugely careful not to generalise across the foundation sector or to take one year's figures in isolation – the old cliché of "Once you have seen one foundation, you have seen one foundation" will always apply) – but also review and refresh relationships with regular givers (individuals as well as foundations). Keep engaged – they may be a lot more willing than once thought to

change their own behaviour to help you and those you exist to work with to cope with changing circumstances.

Other references that might be useful:

- *The Philanthropy Reader* ed Beth Breeze and Michael Moody
- *Public Good by Private Means: How philanthropy shapes Britain* by Rhodri Davies, the leader of CAF's *Giving Thought* think tank

**David Carrington** <https://davidcarrington.net/>

## Question Five: Where do we go from here?

Whilst it is interesting to reflect upon the truth or mythologies of what took place nearly two years ago, we need to consider how 2020-21 might have changed the world of foundation fundraising and how we need to change our grantseeking practices.

### **Conclusions**

1. For any fundraising portfolio, the amounts given are unlikely to change much year-on-year (90% of changes are within +/- 20% bandwidth). Even within this bandwidth it is rare to consistent year-on-year positive increases in grantmaking.
2. On top of a robust underlying portfolio, there will be around 8 funders in each year who do substantially increase their grantmaking. This small group will determine the overall figures. Their reasons for increasing will be idiosyncratic (such as a windfall investment gain, a merger with another foundation, the decision to spend out) and not connected with overall market conditions.
3. Increased grantmaking is almost always associated with additional income. Most of the additional philanthropy in 2020 and 2021 was 'already in the system' and much of it wouldn't have been possible without the exceptional investment gains in 2021.
4. The more widespread use of investment gains to fund grants should lead to sustained increases in grantmaking in the future. The ups and downs of investment gains will be 'smoothed out', enabling consistent growth in grantmaking for the underlying portfolio of grantmakers. On top of this will be exceptional surges in grant making, triggered by particular circumstances, not market trends.
5. Or, alternatively, the steep increase in grantmaking in 2020-21 will be corrected by a period of stagnation – as has happened twice since 2004.
6. Within this structure, as fundraisers, we need to identify and keep close to those funders who are likely to change their giving – most likely in the top two layers. We need to expect that most of these substantial increases will not be maintained. We also need to accept that the vast majority of funders in our portfolios are not going to change much.
7. Grantmaking practices have changed, whatever the financial patterns. Funders are more likely to be in collaboration with others, which places more importance on the referral mechanisms through which they find their partners.
8. There were major changes to the ways that funders communicate with their partners and the way that decisions were made during the pandemic, largely due to lockdowns and more remote working. Many of them are here to stay.
9. Expect funders to be more engaged with their partners and more flexible about the use of their funds – less restrictions and more consideration of the funding and financial context (such as inflation) around your work.
10. Climate change and diversity are not fringe issues.