



Review of the Small Grants Fund



PEOPLE, COMMUNITIES AND PLACES

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Summary

Background

This report provides a review of the Small Grants Fund, which was set up as part of the Scottish Government's £50 million Wellbeing Fund to distribute small amounts of funding (approximately £2000 per grant) to voluntary and community organisations, primarily small community groups. It was targeted at organisations whose services had been affected by Covid-19, and who could put the grant to immediate use to help support local families and communities at greatest risk from the effects of the pandemic in the short term.

The fund began operating in late March 2020, and was managed by the Corra Foundation, with funding distributed by a group of national funders: the Scottish Council for Voluntary Organisations (SCVO), the STV Appeal, Inspiring Scotland, the Cattanach Trust and Impact Funding Partners.

The report is based on end-of-project monitoring data provided by funded organisations, as well as interviews with key stakeholders involved in the implementation and management of the fund. It examines who received funding and what types of projects were supported, the extent to which the funding was used for its intended purposes, and the lessons learned from the management and implementation of the fund. As a result of limited data on the fund, it is beyond the scope of the review to draw conclusions about the extent to which the fund achieved its aims.

Findings

- £4,023,000 in Small Grants funding was distributed through 1,543 grants, with an average grant amount of £2,607
- Organisations based in the local authority areas of Glasgow City (£524,000) and City of Edinburgh (£305,000) received the largest share of funding
- Organisations based in the local authority areas of East Renfrewshire (£32,000), Orkney (£56,000) and East Dunbartonshire (£60,000) received the smallest shares of funding
- The most common target groups that funded organisations were aiming to reach were older people (17% of projects), younger people (13%), people with disabilities (13%) and those facing socio-economic disadvantage (13%). However, 63% of organisations did not provide a response to this question
- The funding was distributed to organisations focusing on some of the most pressing needs arising from the pandemic, particularly mental health, food provision and physical health. 43% of funded organisations had a focus on mental health, 19% had a focus on food, and 13% had a focus on physical

health. However, 34% of organisations did not provide a response to this question

- Analysis of how a subset of 50 funded organisations said they had spent the grants showed that 59% of instances of spending were on organisational running costs; 32% were on provisions for service users; and 9% were unspecified
- The most common items that organisations spent their Small Grants Fund awards on were technology for organisational use, general programme costs, staff/volunteer costs, essential running costs, and personal protective equipment (PPE)
- Organisations reported using the funding for a mixture of the continuation, adaptation and expansion of their usual services remotely, and setting up new services to tackle the particular problems brought about by the Covid-19 pandemic
- Based on a randomly selected sample of 50 funded organisations, 54% reported using the funding for Covid 19-specific activities; 34% reported using it to adapt and continue their existing services; and 2% used it on organisational costs while suspending their activities
- The majority of organisations (84%) reported using their funding as initially envisaged. 10% used it for a “slightly different purpose”, and less than 1% used it for a “totally different purpose”
- A subset of 225 funded organisations were asked whether they would do anything differently if they were in the same situation again. 51% reported that they would not change anything, while 38% reported that they would do something differently. The most common changes suggested were ensuring a more organised approach to the project and being better prepared to use digital technology to help their service users
- Overall, funded organisations and those involved in setting up and managing the fund were generally positive about the implementation of the fund, suggesting that it achieved its aim of distributing funding rapidly to allow organisations to respond quickly to service users’ needs. Comments from recipients and those involved in managing the fund suggested a number of lessons that could be learned for future similar funds. These include:
 - Replicating the speed and simplicity of the application and assessment process
 - Allowing for greater flexibility in the amounts awarded, to account for the particular needs of differently sized organisations, to ensure there are no gaps in funding for organisations of particular sizes
 - Ensuring greater cohesion between separate third sector funds to avoid the potential for duplication or under-provision of services and funding
 - Ensuring clarity of award criteria and timelines
 - Ensuring clearer communication between Scottish Government, funding bodies and third sector interfaces

1. Introduction and background

1.1 Background

The Small Grants Fund was set up as part of the Scottish Government's £50 million Wellbeing Fund to distribute small amounts (approximately £2,000 per grant) of funding to voluntary organisations, primarily small community groups. The aim of the fund was to support local voluntary and community groups' immediate responses to the Covid-19 pandemic by providing grants quickly to organisations for which due diligence checks had already recently been completed. It was targeted at groups whose services had been affected by Covid-19 and who could put the grant to immediate use to help support local families and communities at greatest risk from the effects of the pandemic in the short term.

The fund was managed by the Corra Foundation, with funding distributed by a group of national funders: the STV Appeal, Inspiring Scotland, SCVO, the Cattanach Trust and Impact Funding Partners. In the first instance, beginning in late March 2020, organisations previously funded by the national funders who were potentially eligible for the fund were contacted by the funders and invited to apply. The purpose of inviting eligible organisations which had pre-existing funding relationships with the funder was to enable funds to be distributed quickly, reduce potential risks and reduce the need for lengthy financial or governance checks on applicant organisations. Following this, in mid-April 2020 local Third Sector Interfaces (TSIs) were asked to refer local organisations to the fund. Some organisations receiving grants in the early phase were also invited to make second bids later on in the process.

Given the relatively small size of the grants available and the need to distribute the funding as quickly as possible to allow grassroots organisations to tackle the immediate effects of the pandemic, groups were asked only a basic set of questions to identify their eligibility for the fund. This was done to reduce the administrative burden on organisations seeking to act quickly to support their service users. The main criteria for awarding funding were that organisations had had their service provision adversely affected by Covid-19, and that they could put the funding to immediate use to help those at high risk from the effects of the pandemic and lockdown restrictions.

Funding was distributed to a wide range of different organisations across Scotland, including those focused on supporting vulnerable children and families, people with mental health needs, people with disabilities or other health needs, older people, and those facing financial hardship.

1.2 Aim and scope of Small Grants Fund review

Given the speed with which the Small Grants Fund needed to be implemented, the nature of the fund itself, and the small amounts of funding being distributed, it was not possible or proportionate to develop mechanisms for conducting a rigorous outcomes or impact evaluation. Instead, the aim of this review is to use the information provided by funded organisations to understand how the Small Grants

Fund awards were used and what they were used for. It also looks at the lessons learned about the process of the Small Grants Fund, from the perspective of both funders and recipient organisations.

This report thus seeks to answer the following research questions:

- Who received funding and what projects did the money support?
- Was the funding used as intended?
- What lessons can be learned from the implementation of the Small Grants Fund?

1.3 Method and limitations

This report is based on responses provided by funded organisations to a brief end-of-project monitoring form consisting of a mixture of closed and open-ended questions about what the funding was used for. The monitoring forms were distributed electronically by the funders. Each funding partner developed their own monitoring form, meaning that funded organisations were not all asked the same questions. Out of 1,543 awardees, 1,526 monitoring forms were returned within the necessary timeframe to be included in the analysis, meaning that 99% of funded organisations are included.

As noted above, the speed with which the Small Grants Fund was rolled out and the need to ensure that money reached organisations quickly meant that data collection on the scheme was limited. Bearing in mind the fact that the fund was aimed at small organisations responding to the pandemic, monitoring questions were designed to be light-touch, brief and simple. As such it is beyond the scope of this review to draw any firm conclusions about the overall impact of the funding in terms of outcomes for communities. Rather, this review uses the available data to demonstrate what the funding was spent on, to what extent it was used as intended, and to highlight any lessons learned from the experiences of third sector recipients, and those involved in running and administering the fund.

2. Findings

2.1 Overview of awards

In total, 1,543 grants were awarded with £4,023,000 distributed. The average grant amount was £2,607. This reflects the fact that while grants were available up to £2000, some organisations were eligible to request funding twice.

Organisations based in the council areas of Glasgow City (£524,000) and City of Edinburgh (£305,000) received the largest share of funding, reflecting the fact that these are the two largest centres of population in Scotland. Organisations based in East Renfrewshire (£32,000), Orkney (£56,000) and East Dunbartonshire (£60,000) received the smallest shares of funding.

When weighted for population size, the data show that organisations based in South Ayrshire (£4.19), Na h'-Eileanan Siar (£3.29) and Orkney (£2.51) received the largest share of funding per person living in the local authority area. Organisations in East Renfrewshire (£0.33), Aberdeenshire (£0.32) and Stirling (£0.28) received the least per person living in the local authority area.¹

2.2 Who were the recipients?

Of the 1,543 grant recipients, 1,220 were asked if they were operating in any of the following sectors: mental health and wellbeing; food; home life or housing situation; money; or employment. Organisations could select as many sectors as necessary (therefore the combined percentages in Table 1 sum to greater than 100). As Table 1 shows, a significant proportion reported being engaged in work relating to mental health and wellbeing (43%). Almost one in five reported being engaged in work relating to food (19%), while just over one in 10 (13%) focused on physical health. This suggests that much of the funding was distributed to organisations focusing on the areas where immediate needs were particularly pronounced, with mental health, food provision and physical health emerging as some of the most pressing areas of need during the lockdown.²

Less common areas of activity were home life and housing situation (9%), money (5%), and employment (3%). Over a third (34%) of the organisations which were asked this question did not provide an answer. The reason that such a large proportion of organisations did not answer is unclear, but it suggests that a significant proportion of organisations may have had a relatively general focus.

¹ More details on the distribution of funding can be found here: [Wellbeing Fund: analysis of awards - gov.scot \(www.gov.scot\)](https://www.gov.scot/wellbeing-fund-analysis-of-awards)

² https://nationalperformance.gov.scot/sites/default/files/documents/NPF_Impact_of_COVID-19_December_2020.pdf

Table 1: Main target group/area and sector of projects (organisations could select multiple categories)

Target Group/Area	% of organisations	Sector	% of organisations
Age - older people	17%	Mental health and wellbeing	43%
Age - younger people	13%	Food	19%
Disability	13%	Physical health	13%
Socio-economic disadvantage	13%	Home life or housing situation	9%
Gender	3%	Money	5%
Race	2%	Employment	3%
Religion/belief/faith	1%	Other	7%
Sexual orientation and/or gender identity	1%	Did not answer	34%
Did not answer	63%		

These 1,220 organisations were also asked whether the services funded by the Small Grants Fund award were targeted towards any of the following groups or areas: age (older people); age (younger people); disability; socio-economic disadvantage; gender; race; religion/belief/faith; sexual orientation and/or gender identity. Organisations could select multiple categories.

As Table 1 shows, the most common target group/area was older people, which was reported as a focus for 17% of organisations. The next most common target groups/areas were younger people, disability and socio-economic disadvantage, each with 13% of organisations focusing on them. A small minority of organisations were focused on gender (3%), race (2%), religion/belief/faith (1%) and sexual orientation and/or gender identity (1%). However, the majority of organisations did not answer this question (63%), suggesting that most funded projects were either not focused on supporting a specific target group, or were focused on groups other than those listed above.

2.3 What were the awarded funds spent on?

All awarded organisations were asked to state whether the funding contributed to any of the aims shown in Table 2. Organisations were able to select as many options as necessary. As the table shows, almost half (49%) of organisations said that the funding helped them to tackle loneliness and promote positive living, wellbeing and resilience. Over a third (34%) said that the grant helped them to help people to adapt to the reality of living with the Covid-19 pandemic, and over a quarter (27%) said it helped the organisation to keep operating. Almost one fifth (18%) of respondents said that the grant helped them to meet immediate practical needs of vulnerable people, and that their work reduced some of the burden from statutory services. One tenth of organisations (10%) said that the grant enabled them to put in place working practices that would allow them to operate remotely and/or meet the increased needs of their service users.

Table 2: Type of support funding provided

What did the funding contribute towards?	% of organisations
Tackling loneliness and promote positive living, wellbeing and resilience	49%
Supporting the people you work with to adapt for the reality of the Covid-19 epidemic	34%
Helping the organisation to keep operating	27%
Meeting the immediate practical needs of vulnerable individuals and families.	18%
Doing work that takes some of the burden off statutory health and care services	18%
Ensuring the organisation has working practices in place to operate remotely and/or meet increased need.	10%

A random sample of 50 open-ended responses to the question “What did you do with the £2,000 award?” were selected and analysed to give a more detailed picture of what the Small Grants Fund awards were spent on and what they achieved.

These responses were coded to highlight what the funds were spent on. In total, 68 separate uses of the funding were recorded and categorised. As Table 3 shows, spending was split between organisational running costs and provisions directly going to service users, with 40 (59%) instances of spending on organisational running costs reported, and 22 (32%) instances of spending on provisions going directly to service users.

Table 3: Type of spending (note: several organisations specified more than one type of spending)

Type of cost	Number	Percentage
Organisational Running Costs	40	58.8%
Provisions for Service Users	22	32.4%
Unspecified	6	8.8%
Total	68	100%

The most common item that organisations reported spending on was technology for organisational use, with 16 instances in this subset of 50 organisations. This ranged from organisations using the funding to pay for Zoom accounts, to purchasing equipment such as laptops and phones to enable their staff to work from home to continue supporting their service users remotely. Other organisational costs paid for with the Small Grants Fund included general programme costs; staff/volunteer costs (including supporting staff salaries and paying for volunteer expenses); essential running costs; and personal protective equipment (PPE).

Where the funding was spent directly on supplying items to service users, the most common item of expenditure was food for people in vulnerable groups and/or who were self-isolating. This took various forms, including the management of community larders and fridges, provision of food parcels, cooked meals, and picnic lunches for children. For example, one organisation created “picnic box lunches” for 45 children from 30 families for five days. The children who received the picnic box lunches were

referred by local school staff, and were unable to access the local council's free school meals programme at the time.



Figure 1: Number of organisations reporting spending on organisational costs by type of spending (based on a sample of 50 organisations)

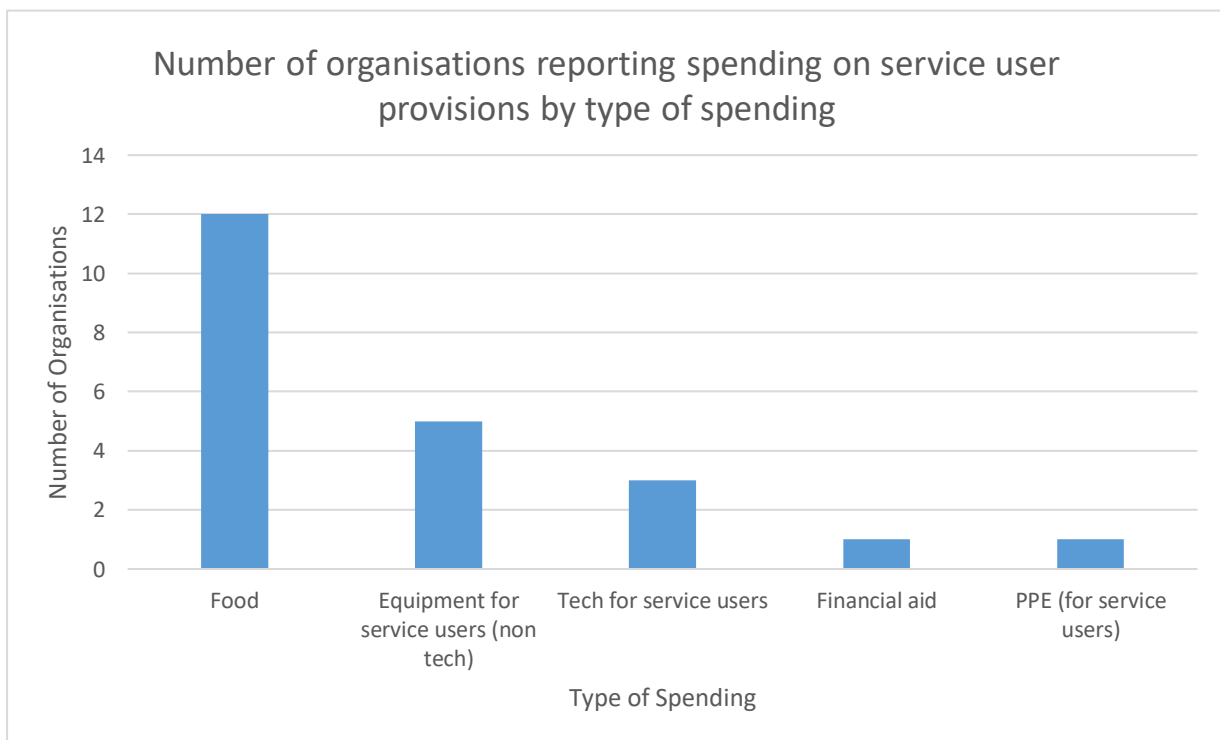


Figure 2: Number of organisations reporting spending on service user provisions by type (based on a sample of 50 organisations)

Other organisations used the fund to provide a variety of items of equipment for their service users, including games, activities, home-gardening equipment as well as technological equipment (laptops, tablets and dongles) to help service users stay connected during lockdown. Of the 50 sampled organisations, one used the fund to provide financial aid to families in need, and one used it to provide PPE to service users to help them leave the house safely.

2.4 What did Small Grants Fund spending contribute towards?

This spending contributed towards a mixture of the continuation and adaptation (and in some cases, expansion) of usual services remotely, and the setting up of new services in order to tackle the particular problems brought about by the Covid-19 pandemic.

Organisations sought to continue a wide range of services that had been affected by Covid-19 remotely. This included activities such as counselling, yoga, music groups, community gardening, advice and advocacy, and education, work and training programmes. In most cases, this meant using creative approaches to keep services running. For example, a community gardening organisation developed 50 home-grow kits for its members who usually attend their drop-in sessions and workshops. These kits contained everything that members needed to grow herbs and vegetables in a small space at home, and were tailored to suit the size of each member's home.

Many organisations also adapted to the changing circumstances of the pandemic by providing services to specifically tackle major problems arising from the lockdown including loneliness and isolation and the need for practical support. The Small Grants Fund supported a range of initiatives to tackle loneliness and isolation including remote befriending, wellbeing check-in calls, peer support helplines and support groups, and online social activities.

The fund also supported organisations to provide practical support in the form of food provision and assistance with essential needs such as delivering prescriptions and dog walking for those who were shielding, as well as financial aid, provision of digital technology, and the provision of PPE.

2.5 Were the funds used as intended?

A subset of 225 Small Grants Fund recipients (those funded by STV Appeal) were asked whether they used the grants for the initially-envisaged purpose. The majority (189, 84%) of organisations reported using the grant as originally planned, while 23 organisations reported using the grant for a slightly different purpose (10%). Only one organisation (less than 1%) reported using it for a "totally different" purpose.

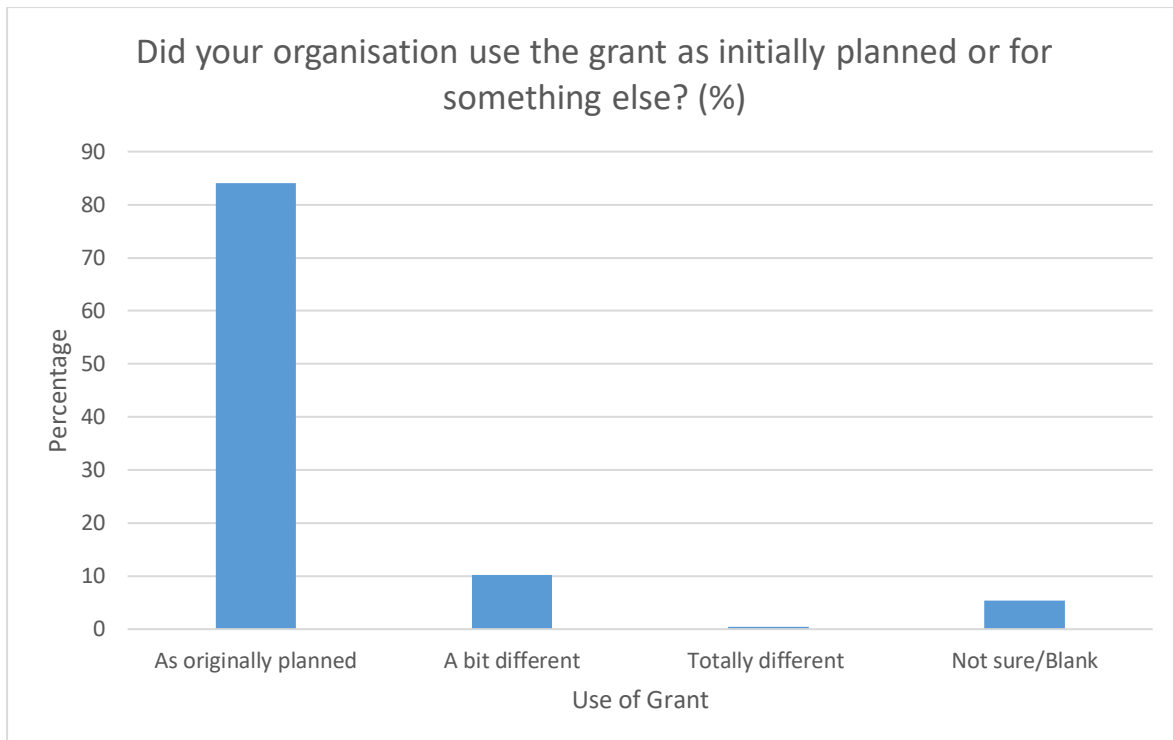


Figure 3: Percentage of organisations using grant as initially planned

The purpose of the Small Grants Fund was to provide rapid financial support to voluntary and community organisations, primarily small grassroots groups, whose services had been affected by Covid-19 and who could put the grant to immediate use to help support local families and communities at greatest risk from the pandemic in the short term. Organisations were assured that they would not be penalised by the funders for the content of any answers given.

An analysis of the subset of 50 organisations’ responses to the question of what the grant was used for sought to assess to what extent this aim was met. The responses were coded into one of four categories. Over half of the organisations (54%) used the grant to respond directly to specific challenges presented by the pandemic, including loneliness, social isolation, needs practical assistance and food. Meanwhile, 32% (16) organisations used the grant to support continuing and adapting their existing services so that they could be provided remotely. In 12% (six) of cases, it was unclear from the organisations’ responses exactly what the grant contributed towards, and in one case the grant was used to cover essential costs while the organisation paused its operations. This was the only example in the 50-organisation sub-sample in which a grant appeared not to be used for any of the purposes intended by the funders. This suggests that grants were generally used as intended, with the vast majority of grants being put towards either services specific to supporting those vulnerable to Covid-19 and the lockdown, or to adapting services affected by Covid-19 to ensure that people could still receive valuable support services remotely.

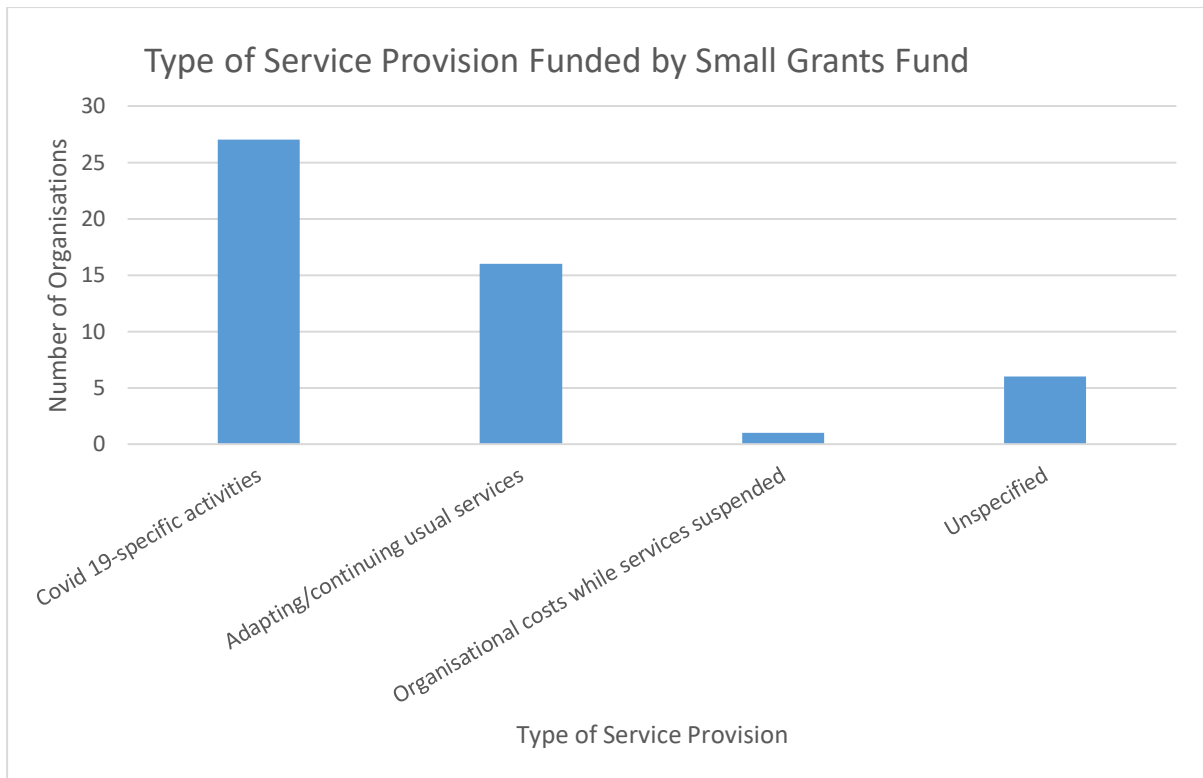


Figure 4: Type of service provision funded by Small Grants Fund (sample size = 50)

2.6 Lessons learned: what would recipients do differently in future?

A subset of 225 recipients (those funded by STV Appeal) were asked whether they would do things differently if they were in the same situation again. Of the 118 organisations which answered this question, just over half (51%) reported that they would not do anything differently. Almost two fifths (38%) reported that they would do things differently, and 11% were unsure.

The most common theme emerging in these responses was organisations suggesting that they would like to have had a more organised approach to their work. For example, some organisations reported jumping in too quickly to their response, before setting out a structured plan and consulting with beneficiaries to find out what was most needed. As one respondent commented: “[If we could do it again] we would have structured it better rather than just going in and firefighting”. Several organisations reported having learned from this experience and have subsequently drawn up contingency plans for future similar events so that they can take a more structured approach in future.

Several organisations also reported that they would like to have been better prepared to be able to use technology to help their service users. This included having better knowledge and understanding of how to use digital platforms such as Zoom, having better telephone systems, and having infrastructure in place for their staff to be able to switch to working from home.

Other less common changes that organisations said they would like to have made were: seeking other funding opportunities, moving more quickly to support service users, and implementing plans to ensure the wellbeing of their staff.

2.7 Lessons learned: fund management and implementation

Several interviews were conducted with representatives from the Scottish Government, the Corra Foundation, SCVO, Inspiring Scotland, and a number of TSI representatives and Small Grants Fund assessors. The information provided in these interviews was analysed to highlight the main benefits and challenges of the Small Grants Fund, and the lessons learned. These are outlined below:

Speed and simplicity: Interviewees from all organisations were positive about the speed and simplicity of the Small Grants Fund because applications were “light-touch”. In addition, because organisations had already had recent due diligence checks completed, funding could be awarded quickly. This meant that a large number of small organisations could begin working rapidly to support people in need in their communities. Both funders and funded organisations also highlighted the positive effect of this quick, light-touch approach on the relationship between funders and funded organisations, with funded organisations feeling trusted to deliver their projects with a much lighter bureaucratic burden than is often the case.

However, it was also suggested by several interviewees that it would have been beneficial to have spent longer planning the fund and ensuring clearer guidance, criteria and communication channels before beginning the nomination process.

Funding gaps and uneven distribution: TSI representatives noted that a particular challenge for many smaller third sector organisations was that the maximum amount of funding awarded through the Small Grants Fund (£2,000) was not enough to support their needs, while the minimum amount offered through the Wellbeing Fund Open Applications Process (£5,000) was more than they were able to spend. Some TSI representatives felt that this meant some smaller community-based organisations were unable to support the pandemic response. It is not clear, however, to what extent this was the case, and other funding was available for organisations of this size, for example via the Response, Resilience and Recovery Fund managed by Foundation Scotland. Funders also stressed that organisations were given information on alternative funds that they could apply for where the Small Grants Fund was not appropriate for their needs. Some interviewees suggested that greater flexibility regarding funding amounts should be built into any future similar fund.

TSI representatives also expressed the view that Small Grants Funding was unevenly distributed because each TSI was asked to nominate the same number of organisations for funding, regardless of the overall population of the local authority. This meant that TSIs in areas with large populations were unable to nominate all the organisations that they felt should have been funded, whereas some in areas with smaller populations reported having more nominations available than were needed.

Duplication of services: Some interviewees raised concerns about the apparent lack of co-ordination between the Small Grants Fund, the Wellbeing Fund Open

Application Process and other forms of funding. There was concern that this lack of co-ordination led to duplication of services funded by the Small Grants Fund, with some interviewees suggesting that, in some areas, multiple organisations were funded to provide similar services. However, the extent to which this occurred in practice is not clear.

Parameters for use of Small Grants Fund awards: One interviewee noted that some of the parameters for the use of the funding could have been clearer. For example, the timeframe in which funding was supposed to be spent was unclear, meaning that some organisations did not spend the funding with the immediacy which was intended in the design of the fund. Similarly, one interviewee expressed concern that some of the funded projects appeared not to provide strictly essential services. It may therefore have been beneficial to give applicants clearer guidance on timeframes and what types of projects could be supported by the fund.

Communication between funders and the TSIs: Interviewees from both the TSIs and the national funders noted that there were some communication challenges between the TSIs and the national funders, as well as with the Scottish Government, with the channels of communication between the different partners appearing to be unclear. Interviewees noted that this led to delays and a lack of information. It was suggested that clearer information channels and clearer guidance for all parties would have been beneficial.

Overall, interviewees acknowledged that some issues arose as a result of the speed with which the Small Grants Fund was distributed, particularly regarding communication, clarity, duplication and possible funding gaps. However, both funders and third sector organisations themselves were generally positive about the fund because of its ability to distribute funding so quickly. Overall they felt that it achieved its primary aim of ensuring that funding was distributed rapidly to local communities to support the third sector response to the pandemic.



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