

# Multi-year funding: Building community in Camden

*November 2024*



*In 2015, after a year of consultation, the London Borough of Camden committed to provide sustainable, long-term support to communities through a new strategic relationship with the voluntary sector. This included a seven-year grant scheme with largely unrestricted funding through the Community Partner Fund (previously the Strategic Partner Fund). The second phase of this scheme currently forms a substantial portion of the £4 million annual investment budget.*



# Why we believe in multi-year funding

The voluntary sector is critical to our vision, aspirations, and ambitions for the borough. Our strategy *'We make Camden'* has been co-designed with community organisations, residents and statutory services and sets out how we can work together to tackle complex issues facing local communities. When reviewing our investment in the voluntary sector, we asked ourselves: *'How can we use this money in different ways to support a strong, thriving, independent voluntary sector that can contribute to our shared vision for the borough?'*

We recognise the crucial role of the sector in supporting residents, and in particular its ability to respond to changing conditions in Camden more quickly than we as a local authority can. This flexibility is very important – as demonstrated by the sector's response to the pandemic and challenges such as the cost-of-living crisis. As a local authority, we can't reach everyone we would like to – the voluntary sector often works with people who are not engaged with the Council. We work very closely with our voluntary sector partners to reach communities and to respond to evolving circumstances.

The independence of the sector is the foundation stone, and we believe that multi-year funding to support organisational sustainability is critical. We initiated the multi-year grant programme in the context of austerity after research with the sector and learning from existing grant programmes.

*John Muir*  
Head of Partnerships,  
London Borough  
of Camden



*Councillor  
Nadia Shah*  
Cabinet Member  
for the Voluntary  
& Community  
Sector, Equalities  
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*Jessica Farrand*  
Head of Community  
Partnerships,  
London Borough  
of Camden



*Rosie Tharp*  
Community Partner,  
London Borough  
of Camden



As a council, we invest heavily in people. When we look at how to sustain the voluntary sector, we take a relational approach to our investment, seeing funding as a way to build partnership, trust and collaboration:

*‘The council is people-oriented, our investment is in people, and we’re investing in people’s lives and in their futures. We want Camden to be a place where everyone has the opportunity to start well, live well and age well.’ (Councillor Nadia Shah, Cabinet Member for the Voluntary & Community Sector, Equalities and Cohesion)*

We know that there’s a multiplier effect – every pound that we invest in multi-year funding leads to organisations being able to grow that income several times over:

*‘Multi-year funding pays for itself. It unlocks not only income from trusts and foundations, it also unlocks a huge amount of in-kind time from trustees, volunteers, staff and residents.’ (Jessica Farrand, Head of Community Partnerships, Camden Council)*

## How we implemented this in Camden

Camden has a rich history of civil society organising. Many of the organisations we work with have been around for decades. We have a lot of respect for the way these organisations have grown from, and understand, the community.

The sector advocated strongly for multi-year funding, and we listened. It makes sense to provide seven-year funding. It provides the voluntary sector with stability and enables organisations to be more strategic. It reduces the administrative burden for organisations having to make repeated applications for funding, as well as reducing the administration of running regular grant programmes. Multi-year funding helps us shift the relationship between the council and the voluntary sector, enabling us to have different conversations – which are less about process and more about our shared outcomes and aims for our communities. It’s attractive to other funders, so multi-year funding leverages more investment into the borough and Camden communities.

There have been a couple of enablers that have contributed to a permissive environment for multi-year funding:

- We've got senior leaders and politicians that recognise the value of investing in the voluntary sector.
- We've got good financial stewardship, and that means we can make that significant commitment over time.

We also know that the voluntary sector faces significant challenges, such as: increasing costs; increasing demand for services; increased complexity of issues; and the recruitment, retention and well-being of staff:

*'We need to ensure that we're not expecting people to perform miracles with small amounts of funding. We have to be realistic, and we have to be proportionate and fair.'* (Councillor Nadia Shah, Cabinet Member for Voluntary Sector, Equalities and Cohesion)

## What we have learnt along the way

**We've identified some funding gaps.** The seven-year funding cycle and programme has created some gaps for organisations who weren't ready for seven-year grants. This has meant that some organisations have felt locked out. We are now focused on having an ecosystem of funding – a range of grant sizes, durations and purposes that will meet a larger variety of funding needs, including multi-year project funding and capacity building and infrastructure support.

**Multi-year funding has helped us to build and strengthen our relationship with the voluntary sector.** We are giving the voluntary sector support and believing in them, while also supporting their autonomy to meet their objectives in a way that works for them. We're working towards a common goal.

**The biggest shift that we've seen, particularly with the second cycle of funding, is that the sector is working together.** People have been talking around the same table, rather than working in silos. It's not just our relationship with the sector that has strengthened, but also connections between voluntary organisations.

**Flexibility in funding has enabled organisations to leverage other funding and for organisations to be agile.** During the pandemic Camden was in a better position than some because we had invested in organisations. Community spaces were able to adapt without having to get permission and instead they came back to us to share what they were seeing on the ground and to ask, *'How can we help?'*

# The impact: Holborn Community Association

Holborn Community Association is a community anchor organisation that has been around for 35 years. We create welcoming and accessible spaces for individuals and groups to thrive, working with about 2,200 people a year. Our offering focuses on reducing isolation and supporting mental health, including an arts programme with various disciplines, care centre provisions, lunch clubs, befriending services, and support for people with dementia, as well as a movement programme focused on sports and physical activity.



*Paul Crozier*  
Holborn Community  
Association

## The difference multi-year funding makes

**Multi-year funding has been good for stability and improves our reputation with outside partners.** We have a long-term lease on the building we own, which we have leveraged to redevelop the space. Having the commitment over seven years speaks very strongly to a very business-minded bank. They're not part of the charity sector – they want to see hard numbers.

**For internal planning and forecasting the funding** is a 'bedrock' to our organisation. As part of our 35th anniversary we have a large fundraising campaign and multi-year funding is useful in that process:

*'We can say that the local authority respects us enough to give us seven years of funding.'*

**Multi-year funding also enables us to engage more fully in building partnerships.** Other funders or grantmakers have unrealistic expectations of what it takes to build relationships. Even small grants can have an expectation for partnership working but don't really account for the work involved. It's not always easy to establish partnerships. We're working with different sizes of organisations, from grassroots individuals through to peer organisations. They have different capacities and resources. The amount of time we're giving to partnership work is not really commensurate with a small grant.

## How Camden Council listens and adapts

Some of the issues that Camden Council is looking to address are very large, such as prevention, social action and inequality. We've seen how their practices have evolved through the programme. The first grant was very tied to particular outcomes for individuals. It was a very numbers-based approach to measuring impact and didn't consider the fluid and flexible nature of the grant or how different organisations, us included, told their story over the life of that funding. With the second cycle of funding the team is clearer on what they are looking for and trying to shape how they want to evidence that. We're keen to continue to see Camden Council shift their grant-making practices for the better.

## Advice for other public agencies

The council is eager to bring about systemic change, but sometimes we are stuck in how we see the role of the voluntary sector. If we don't account for the bigger picture, this can limit the change that the sector can create. Restricted funding gets in the way of systemic change by limiting what voluntary organisations can do.

Our advice to other public agencies would be to give multi-year funding a try. Work with the voluntary sector and build those relationships. Be open and honest about the struggles that you have and be open to listen to the challenges they have. Because that's what will bring you together:

*'Public agencies need to change their expectations of when they'll see change. They should have a commensurate expectation of what different sized organisations can and should do in terms of reporting. If it is a multi-year grant, it doesn't mean you're going to get more data. Because one of the points of multi-year funding is that the difference will be seen over a longer period of time. And is a step change in numbers in one year really useful? Let organisations do what they do.'*

It's also important for local authorities to talk to each other about what works and what doesn't. The more we learn from each other the more we can bring about positive change.

## More on multi-year funding

The sixth commitment of Open and Trusting grant-making is to enable flexibility. Multi-year or unrestricted funding is a cornerstone of flexible grant-making. Multi-year funding offers substantial benefits to charities to support them to deliver more efficiently and with greater impact. For grantmakers (and grant recipients) it can reduce the administrative burden and help to build trust-based relationships. Below is a selection of IVAR resources that evidence the many advantages of multi-year funding:

- [Time to end the dominance of short-term grants: The evidence for multi-year funding](#)
- [The holy grail of funding: Why and how foundations give unrestricted funding](#)
- [Evidence Review: Why restrict grants?](#) When and whether funders should give restricted or unrestricted funding
- [Making the case for unrestricted funding:](#) A summary of key points for foundation staff and boards
- [A shared endeavour: Five approaches to assessing the impact of unrestricted funding](#)