

Act with urgency:

*How Open and
Trusting Grant-making
benefits funders and
charities alike*

March 2025



Introduction

In an increasingly turbulent and challenging environment, where there is high and growing demand for both services and funding, everyone feels under pressure. In this context, it is a privilege to coordinate the Open and Trusting community, bringing charities and grantmakers together to reflect, push each other and learn. Our work centres on one simple question: how can we do our best for the communities and causes we serve? Throughout, we hold close three values that embody the spirit of our community:



We all face different constraints, and have different opportunities. While respecting this, each other, and our own wellbeing, it's time to lean into urgency and make change as quickly as we can.

This briefing is a staging post, re-introducing Open and Trusting Grant-making and sharing the latest thinking following a period of reflection and accountability during the autumn of 2024.

Joining our community is a springboard to Open and Trusting practice, and it's this practice that we want to spread far and wide. We hope that by sharing our learning openly we can inspire all kinds of grantmakers to go further with flexible funding, so we can all make more of a difference.

Background

Open and Trusting Grant-making was set up in the wake of the Covid-19 pandemic, when many trusts and foundations changed their practice overnight. Application processes sped up, project funding became unrestricted, and reporting requirements were waived or reduced. This made an immediate and tangible difference to grant recipients' ability to deliver:

'Ultimately, it means that we achieve more, help more people, and make more of an impact.'

The needs of these grant recipients were our starting point – they informed the development of the eight commitments we ask funders to sign up to, and we periodically review what funder actions would matter most to them, a list originally developed based on the views of over 1200 charities. The full list can be viewed [here](#), but calls from charities frequently include: publishing and sticking to application timetables, providing meaningful feedback to those whose applications are unsuccessful, giving multi-year and unrestricted funding, and introducing more proportionate reporting. But we don't rest there. Every two years, we recruit, train and pay a group of charities to facilitate funders through an empathetic and reflective accountability process that builds mutual understanding and asks how we can all go further.

IVAR's Open and Trusting community

Since its launch in February 2021, Open and Trusting has grown to a community of almost 160 funders (responsible for more than £1billion a year of grants) who are working to make flexible funding the norm. In doing so, they are relieving pressure on both themselves and the organisations they fund – so that more of everyone's energy and attention can be spent on what matters most.

Where Open and Trusting Grantmakers are registered



The eight commitments

1



Don't waste time

We will explain our funding priorities clearly; we will be open and transparent about all our requirements and exclusions.

2



Ask relevant questions

We will only collect information that we must have to make funding decisions; we will test our application forms rigorously to make sure our questions are clear and do not overlap.

3



Accept risk

We will be realistic about how much assurance applicants can reasonably give us; we will clearly explain how we assess risk when we make our funding decisions.

4



Act with urgency

We will seek to work at a pace that meets the needs of applicants; we will publish and stick to our timetables; we will make our decisions as quickly as possible.

5



Be open

We will be transparent about our decisions – we will give feedback; we will analyse and publish success rates and reasons for rejection; we will share our data.

6



Enable flexibility

We will enable charities to respond flexibly to changing priorities and needs – we will give unrestricted funding; if we can't (or are a specialist funder), we will make our funding as flexible as possible.

7



Communicate with purpose

We will be clear about our relationship from the start – we will be realistic about time commitments; we will ensure that our contact is positive and purposeful.

8



Be proportionate

We will commit to light-touch reporting – we will ensure that our formal reporting requirements are well understood, proportionate and meaningful.

How this approach benefits funders

While our starting point for the Open and Trusting initiative has been to reduce the burden of grant-making processes on charities, funders themselves are experiencing real benefits – critically important at a time of such increased pressure.



1. Increased efficiency and reduced administrative burden

- **Fewer applications:** Providing comprehensive information upfront and offering opportunities for questions can reduce the number of ineligible applications.
- **Streamlined processes:** By simplifying application forms, funders can reduce the administrative burden on both themselves and grantees.
- **Faster decision-making:** Implementing more flexible decision-making and greater delegation can speed up grant approvals, enabling funders to respond more quickly to emerging needs.



2. Enhanced effectiveness, reputation and trust

- **Stronger relationships:** Funding flexibly and building trust with grantees fosters stronger relationships, improving everyone's ability to deliver their missions.
- **More informed decisions:** By publishing their grants data openly, funders help to build a comprehensive picture of the grant-making landscape that helps to inform strategy development and decision-making, ensuring more money goes where it's needed most.
- **Support for diverse organisations:** Embracing risk and adopting a more proportionate approach to due diligence can enable funders to support a wider range of organisations.



3. Amplified learning and innovation

- **Closer partnership working:** Collaborating with other funders and stakeholders leads to a more cohesive and effective grant-making ecosystem.
- **Feedback:** Open communication with grantees can provide valuable insights that help to identify opportunities for innovation.
- **Knowledge sharing:** Openly sharing data and learning contributes to a culture of continuous improvement, benefiting the sector as a whole.

The state of play

During the autumn of 2024, 105 funders were held to account by charity leaders for their progress on the eight commitments. While you can read the [full findings](#) of this experience elsewhere, a few key points are informing our future direction:

- Implementing an Open and Trusting approach can reduce pressure on both charities and funders.
- Simple actions such as being clear about what you fund are straightforward to implement, and can significantly ease the process for potential applicants by helping them to make informed decisions about where to invest precious time and resources.
- Trustees and staff of foundations do not necessarily have a shared understanding of risk, despite this being a cornerstone of Open and Trusting practice. There are positive examples to build on, with more grants being made to small and unconstituted groups,

those facing financial difficulties (e.g. with low reserves or declining income), or organisations experiencing a change in leadership.

- We know flexible funding makes a difference – be it ‘core’, ‘unrestricted’, or funding that trusts charities to know how best to spend money, enabling them to change plans and budgets as the context evolves. The benefits of giving [multi-year](#) and [unrestricted funding](#) (which can be key ingredients of a flexible approach) are well-established. However, both remain minority practices – despite their importance and value to charities:

‘Why are we not giving multi-year funding and, in the light of all the evidence of need and benefit, isn’t it time that we made a start?’

‘If we want to receive applications in future from an agile, creative and resilient third sector, learning and innovating its way towards ever more effective solutions to stubborn social and environmental problems, then we need to see contributing to core costs, working capital and reserves as part of the cost of doing business with it.’

‘You wouldn’t give your child a bicycle without a saddle and then somehow expect them to make full use of it, so why give an organisation a proportion of what they actually need.’

- Not all funders have been able to simplify their reporting and many continue to require bespoke reports, often driven by a desire to capture structured information so that they can demonstrate the impact of their funding. But many are moving towards proportionate reporting – accepting annual reports or reports to other funders.

What next?

Funders are making progress. Many have embraced greater transparency, streamlined application processes, and improved how they communicate with grantees. However, this progress can feel insufficient in the face of mounting challenges. Much of the change to date has focused on the granular and practical, the things that are easier for grant-making staff to shift. But we recognise that for funders to truly embrace Open and Trusting practice, we need to engage leaders in aligning their strategy, risk appetite, learning system and culture. As one funder expressed:

‘It never feels like enough ... It’s frustrating when there are so many who aren’t pushing in this direction’.

Amid these frustrations lies the power of collective action. The Open and Trusting community exemplifies this power, demonstrating how by coming together with empathy and kindness, funders and charities can drive meaningful change together. The needs are clear, the evidence is compelling, and the urgency is undeniable.

Whether funders choose to join the Open and Trusting community, or forge their own path, our message is simple: implement the practices that matter most to charities. This is not about imposing a one-size-fits-all approach. There is no single way to be Open and Trusting – we know and appreciate that each funder faces different constraints and different opportunities. The key is for each funder to examine its own context, identify areas for improvement, and commit to continuous learning.

Join the Open and Trusting community

Almost 160 UK funders are working together to adopt more open and trusting practices that make life easier for those they fund. We recognise that each funder faces different constraints, and we believe that everyone can go further. By joining the Open and Trusting community, you can:



Access our Community of Practice

Held online three times a year, our expert facilitators hold discussions between funders where people share live challenges, offer peer support and help shape ideas for new research.

Engage your trustees

We run bespoke sessions for individual boards to introduce the Open and Trusting commitments, highlighting key areas for practice development and exploring specific barriers or concerns about going further.

Participate in research

In addition to ongoing work on flexible funding, we are currently focusing on four areas of research – equity and Open and Trusting grant-making; AI and Open and Trusting grant-making; risk in funder practice; and public agency funding. Taking part can enable deeper reflection and practice development within your organisation, and/or with funded organisations and partners. It's also an opportunity to share your learning with a wider audience.

Be held accountable

We create opportunities for dialogue between charities and funders, which provide spaces for challenge within the context of a community on a positive journey, learning and improving together. This includes a collaborative review every two years which you can read more about in [Towards Open and Trusting Grant-making: Insights from the 2024 accountability process](#)

Authorship and acknowledgements

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