Collective Futures - Learning from Discovery Partners - Summary

Discovery Partners tested Collective Futures' relational, trust-based approach to grantmaking. The one-year unrestricted grants helped grassroots early childhood organisations strengthen capacity, resilience and flexibility and the programme generated practical learning for future funding design.

What worked well

- **A human, low-burden process -** Partners valued conversations over lengthy written applications.
- **Unrestricted funding -** Grants supported core costs, staff, systems and longer-term planning.
- **Strategic headspace -** Funding helped leaders move beyond immediate pressures and invest in sustainability.
- **Well-matched support beyond the grant -** Introductions, match funding, advice and pro bono support unlocked extra value for some partners.
- **Grounded learning -** Partner insights informed Collective Futures' wider advocacy, systems-change work and future fund design.

What worked less well

- **Limited diversity in the final cohort -** Collective Futures recognised a gap in racial diversity among funded partners.
- **Over-reliance on existing networks -** Relationships with by-and-for intermediaries need more time to build.
- **Unclear expectations -** Some applicants wanted more clarity on what Collective Futures was looking for.
- **Variable take-up of pro bono support -** Some partners lacked capacity to engage, or needed more intensive support.

Learnings for future grants

- **Broaden sourcing -** Combine trusted referrals with proactive research in diverse, high-deprivation areas.
- **Build intermediary relationships earlier -** Invest in trust before asking for referrals.
- **Stay light-touch but clearer -** Keep processes relational while explaining purpose, criteria and expectations.
- **Continue unrestricted funding -** It strengthens infrastructure, resilience and strategic capacity.
- **Tailor additional support -** Match pro bono and advice to each partner's priorities, timing and capacity.

Collective Futures – Learning from Discovery Partners

This briefing shares learning from Collective Futures' Discovery Partners programme. It reflects on what Collective Futures has learned in practice, from sourcing and assessment through to unrestricted funding and funding-plus support, in the hope that these insights will be useful to peers across the funding sector interested in developing more relational, trust-based approaches to grant-making.

About Discovery Partners

'Discovery Partners' were one-year unrestricted grants of up to £50,000 to grassroots early childhood organisations. As a new foundation, Collective Futures set up Discovery Partners to begin its grant-making practice and to test how its Guiding Principles could be applied. The team wanted to build partnerships with a small group of grassroots organisations and learn about the sector by listening to and supporting, rather than just extracting data and stories. They were particularly interested in:

- Exploring the breadth and variety of organisations '*doing brilliant work*' in the early childhood space.
- What unrestricted funding can enable for organisations.
- The system failures and issues currently facing children and families.
- What good pro bono support might look like, exploring possible opportunities for TDR Capital staff to directly support funded partners if appropriate.

To date, this learning has been used to ground advocacy and systems-change work (to shift public understanding, behaviours and investment in early childhood development) in real experiences, and to support the development of Collective Futures' Local Ecosystems Fund.

The grant-making process: sourcing, decision-making and mitigating bias

Listening before acting

Without the pressure of fixed spending deadlines, Collective Futures began its grant-making process by dedicating the first six months to deep listening. The team engaged in conversations with around 50 individuals across the early childhood and philanthropy sectors. This initial phase of gathering insight was critical, as it directly shaped the foundation's Theory of Impact, Guiding Principles and first funding decisions.

Guided by evidence and experience

Collective Futures and Early Childhood Funders Partnership jointly commissioned an early childhood evidence review aligned to the Common Outcomes Framework. These themes informed how Discovery Partners were assessed and continue to shape the Local Ecosystems Fund. Evidence was complemented by practitioner and policy insight, as Collective Futures engaged with stakeholders across the early childhood system (including central government, policy labs and the frontline delivery organisations).

The sourcing model: scouts and intermediaries

To build a longlist of potential partners, Collective Futures deliberately chose not to use an open application process, instead seeking recommendations from existing funders and community intermediaries, such as The Fore and Fair Education Alliance. To value the expertise of these '*network weavers*', all (delivery organisation) *'scouts'* were offered a £500 payment for their time. In keeping with the principle of being '*caring*' and '*collaborative*', the 12 shortlisted charities were all paid for the time involved in the assessment process. This approach was praised by applicants as *'radically caring and collaborative'*, and as recognition of the limited resources charities have for making funding applications.

Agile assessment and mitigating bias

The assessment phase was designed to balance rigour with speed, replacing demanding written applications with exploratory conversations. A key principle was meeting organisations in their own environments, recognising that '*those with the shiniest brands and websites don't necessarily have the deepest impact*'. This approach was largely welcomed by partners, with one caveat:

> *'The process was so open that we did not really understand what you were looking for. It was lovely to get a donation for our time spent with you, but it felt like we were in it a little blind because there was not much in the way of focus, so we didn't quite know what it was you were looking for.'* (Potential partner)

Clearer expectations, focus and communications would help reduce the uncertainty and possible anxiety involved in meeting a new potential funder, helping organisations feel better prepared.

The relationship-based approach extended the foundation's network. Of the 50 longlisted organisations, only 15 were previously known to the foundation's leadership and, ultimately, only one organisation from the initial interest list made it to the final portfolio. The process was exceptionally well received, with 100% of both granted and shortlisted charities saying they would recommend Collective Futures as a funder.

The diversity gap and overreliance on intermediaries

The final cohort reflected a good geographical spread and a range of age groups among the children supported. That said, Collective Futures openly acknowledges a significant gap in racial diversity. This matters because child poverty rates rise from 24% for white children to over 51% for Black children and 47% for Asian and Asian British children. All but one of the funded organisations had a predominantly white leadership team, and this was broadly mirrored in who those organisations primarily served.

Understanding how this happened was important to Collective Futures. Their pipeline relied heavily on third-party recommendations and while six out of seven funders provided referrals, only two out of seven intermediaries did the same. For a new foundation still establishing itself, this is a meaningful distinction. Trust with by-and-for community intermediaries takes time to build, and without it, those referral routes simply weren't accessible yet.

Learning to take forward

Collective Futures has identified several practice changes to mitigate some of these issues in their future grant-making:

- **Carry out research** to identify local charities and community hubs in targeted areas with high deprivation and diverse populations, alongside the 'trusted partners' approach.
- **Dedicate more time** to building long-term, trusted relationships with a wider number of intermediaries *before* making an ask of them.
- **Communicate expectations** more clearly to applicants, some of whom felt that the open and 'exploratory' conversation format lacked context and focus, which meant they didn't know what Collective Futures was looking for.

The trust-based approach in practice and the power of unrestricted funding

Feedback from grantees

Collective Futures adopted a deeply relational, trust-based approach, deliberately designed to minimise the administrative burden on stretched grassroots charities. The experience was universally described positively - a stark contrast to other funding relationships:

> *'The process to access funding was as straightforward as it gets – if only all funding processes were this seamless!'* (Discovery Partner)

Organisations said they felt trusted, describing the grant-making process as *'refreshing'* and *'not onerous'*, straightforward and human. People were excited about a funder that *'showed knowledge and passion'* about the early childhood sector.

What unrestricted funding enabled

The provision of flexible, unrestricted funding was described as *'gold dust'*. Leaders were able to invest in the long-term health of their organisations in three critical ways:

- **Investing in vital organisational infrastructure that restricted grants rarely cover**. One funded partner used the grant to cover essential administrative salaries, noting that these roles are *'really difficult to cover'* with restricted funds. Another funded partner used the money to pay for business rates, safety gates, IT, and insurance, emphasising that none of the essentials reach *'families without the staff* *in the central team and the boring stuff, the IT and the insurance…'.* Similarly, another funded partner upgraded aging IT systems and security cameras, ensuring operational stability and safeguarding.

- **Providing strategic headspace:** The funding removed immediate financial anxiety, giving leaders the capacity to look to the future. For one funded partner, the grant provided *'a real level of assurance'* that allowed them to budget *'18 to 24 months ahead'.* For another funded partner, securing core costs meant *'one less stress',* which freed the leadership up to *'think about other stuff'*, like their long-term fundraising strategy.
- **The unrestricted nature of the funds allowed charities to act dynamically and invest in strategic capacity**. One funded partner used the grant to recruit a Business Support Manager to drive their new five-year strategy, with the CEO noting it gave them *'an opportunity to think differently… previously, it would have just been a case of, okay, the money just goes into the pot, and it allows us to keep doing what we're doing… it doesn't allow us to do anything different'.* Another funded partner used the funds as 'risk capital' to pay recruitment fees for a corporate fundraiser, an investment that is already projected to bring in £40,000 in new income next year.

The funding-plus model

From the outset, Collective Futures aimed to provide value beyond the financial grant by drawing on its corporate background and wider pro bono network (including TDR Capital). The core thinking behind this 'funding-plus' model is that grassroots early childhood charities often lack the budgets to carry out essential infrastructure work – such as human resources, legal advice, IT and property financing. By acting as a strategic broker, the foundation sought to unlock professional capacity and resources that would allow charity leaders to focus on frontline delivery and strategy.

Where pro bono/additional support added value

Collective Futures supported partners to join the 'Big Give' campaign. Five of the seven partners took up this match-funding pledge, multiplying the value of their original grant. Organisations also benefited from guidance and encouragement from Collective Futures' Director, for example around growth, scaling and strategy, targeted networking and introductions, knowledge sharing about the sector, and problem-solving.

Brokered connections led to direct financial gains for one funded partner, who was introduced to Land Aid for pro-bono structural engineering: this professional validation not only saved them money but triggered an additional £10,000 external donation and secured discounts on building materials. They were also connected with social investors, enabling them to refinance an eight per cent property mortgage down to around four per cent, securing the long-term future of their supportive accommodation for young mothers.

For another funded partner, Collective Futures brokered specialist HR support. The pro-bono partner reviewed the charity's procedures and distilled them into accessible, one-page guides for staff. The CEO noted this saved them from a *'very, very time-consuming job',* creating immediate operational efficiencies and internal capacity. Other support was more externally facing: two partners received complete, professional brand refreshes and website rebuilds, helping them strengthen how they presented themselves publicly.

What didn't work

Four of the eight partners did not utilise the pro bono support offer. This was largely because the offer didn't always match need. There was a lack of time and capacity to think about what help they required and/or there was limited capacity to take up the offer.

> *'We didn't have the headspace to explore the pro bono offers because we were too busy setting up a new facility.'* (Discovery Partner)
>
> *'We didn't just need a quick document review; we needed long-term, ongoing "hand-holding" through a complex process, which a short-term pro bono offer couldn't cover.'* (Discovery Partner)

Concluding thoughts

There is no single blueprint for trust-based funding, but Collective Futures' experience suggests that investment in relationships, unrestricted funding and thoughtful support beyond the grant can create real value for grassroots organisations. We share this learning in the spirit of peer exchange, and with the hope that it helps other funders reflect on their own practice, assumptions and possibilities.

With thanks to Discovery Partners for their time and honest feedback: