

A photograph of two hands holding several coins over a tiled floor. The hands are positioned in the lower half of the frame, with the right hand holding a stack of coins and the left hand holding a few more. The background is a light-colored tiled floor. The text 'REFUGEE ACTION' is in white and 'GOOD PRACTICE' is in blue, all in a bold, sans-serif font. A green L-shaped graphic element is to the left of the text.

**REFUGEE ACTION** **GOOD PRACTICE**

# **INSPIRING NEW FUNDING APPROACHES**

**A research report into learnings  
from Covid-19**

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Report written by Kristin Hulaas Sunde

# Learnings from Covid-19: Inspiring new funding approaches

Many funders innovated during the pandemic's first year to help small organisations keep up their support for people stuck in the UK immigration system. What can these new funding approaches teach us, including for tackling future emergencies?

This is the last of three blogs summing up key learnings from the 12-month [Respond and Adapt Programme](#) (RAP), run by [Migration Exchange](#), [Refugee Action](#) and [NACCOM](#) from April 2020.

## Related reports

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## The difference a fresh approach makes

After coronavirus first hit the UK in March 2020, RAP quickly raised more than £2.3 million from 11 funders. This was distributed as unrestricted grants to 130 organisations across the UK migration sector within six months.

At a time of acute financial stress and rising need, the aim was to help them move services online and keep up essential support for people who were excluded from Covid-19 government support.

Mutual flexibility and quick decision-making were fundamental to RAP distributing grants speedily at a time of escalating crisis. The programme also proved to be a fresh approach to funding in several key ways:

- RAP raised enough funding to provide grants to everyone who applied, grounded in field analysis and a [Covid-19 Impact Assessment Framework](#).
- By inviting organisations to recommend others in need, the programme quickly reached many new grantees, beyond existing networks and geographical regions. As a result, 50 per cent of all RAP grantees received support from new funders.
- Some funders helped cut administration costs by assessing applications or doing due diligence work. The Lloyds Bank Foundation also offered specific development support through their [Enhance Programme](#).
- Funding for grassroots groups was made possible via charity partnerships, including with Migrants Organise, Southall Black Sisters and Women for Refugee Women, who held restricted funds and supported on financial reporting

## **What did we learn?**

To capture additional insights and learnings, representatives from different organisations came together in late 2021. The discussion focused on key factors that enabled the RAP funding model, strengths and weaknesses of the approach, and learnings for the future.

## **Trust equals agility**

Many funders felt that existing trust and strong relationships with Migration Exchange, NACCOM and Refugee Action were fundamental to RAP's success. Convening a panel that included people with lived experience of migration also enhanced discussions and led to good outcomes.

Access to this special expertise within the migration sector, including in areas such as scoping and safeguarding, gave funders the confidence to make quick strategic priorities. Separating decision-making from grants administration and payment (which was handled by Refugee Action and NACCOM) created further trust and agility.

Also, linking up key people at different levels of the funding system and applying a light touch beyond vital security checks, enabled small organisations to access much-needed grants at a critical time.

## **Testing organisational development support**

For the Lloyds Bank Foundation, RAP presented an opportunity to pilot their Enhance programme to a wide cohort of organisations, most of which were not Lloyds grantees. This offered the foundation many new learnings, including a better overview of what types of development support small charities need.

However, the pilot also highlighted how, without existing relationships in place, kicking off quick collaborations in a crisis can be difficult. In the end, only 13 charities were able to take up Lloyds' offer of consultancy support. For many, lack of time and capacity to engage was probably the biggest barrier.

Going forward, Lloyds felt funders can innovate by collaborating more closely on organisational development support. This could include initial mapping of who is supporting which charities with what type of support, resulting in less duplication and pressure on small organisations, and helping to build new, sustainable, sector-wide development support infrastructure.

## **Information and collaboration**

Other funders echoed the general point about building better shared sector infrastructure. Many mentioned the RAP [Information and Data Hub](#) hosted by Refugee Action as a crucial information source, as well as a vital connection to a wide good practice community.

The regular RAP [Info Hub calls](#) were cited as being useful for staying up to date with sector developments in a systematic way, building crucial new relationships, sharing experiences and learnings, and capturing evidence of impact.

Some suggested that the Hub, now set to continue for another year throughout 2022, could help funders maintain this new habit of sharing information and collaborating on emerging issues and trends.

One specific suggestion could be to research other crisis funding mechanisms and create dormant grant infrastructure and guidance, ready to operationalise in a future emergency.

In closing, one participant with experience from the environment sector mentioned how it is now the norm for its funders to meet regularly to discuss approaches. She suggested RAP could complement a growing, sector-wide community of migration funders (including through [Migration Exchange](#)):

*"Hopefully it will continue, as the impact has been considerable and made a big difference to organisations that would otherwise struggle to access this kind of funding".*

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