

Micro grants for small community groups

Corra Foundation 2023



Micro grants make a difference. Reducing barriers to funding and shaping support grows confidence in small local community led activity.

We believe that sharing our learning from approaches to delivering our strategy can help improve how we can be a valuable resource for the communities we work alongside.

This report shares the positive difference offering micro grants can have at a community level for developing vibrant communities and supporting community-led action. We outline changes made to our funding processes to better support the needs of small groups. It finishes with our next steps to continue our micro grant funding ensuring it is accessible and equitable.

Why support small community groups?

Small community-led groups are at the heart of Corra's strategy. Corra has always aimed to provide funding and resource at a community level. Since 2016 our [People in Place](#) programme with dedicated staff working alongside communities has been supporting community-led action. Coronavirus was a catalyst for us adapting our funding quickly to reach communities right across Scotland. Our micro grant funding processes changed to create fewer barriers and increase flexibility for small community-led groups.

Our experience supporting these groups tells us that they:

- Are passionate about their community.
- Are led by people with shared experiences.
- Often operate on minimal income.
- Are mainly run by volunteers.

These groups are there helping others. Often supporting the hardest hit by the coronavirus and cost-of-living crisis.

Through our work in the last three-years we have heard firsthand that community-led groups are often the first point of contact people reach out to. They have trusting relationships built up over time and offer support and opportunities, often with people who feel furthest away from service provision.



"Small pots of money for community groups go a long way."



"This funding helped a brilliant project develop and grow into something much more for our community."

Over 10 years ago the Christie Commission ¹emphasised the importance of communities, working alongside public, private and third sector. This has been built upon through the necessary and increasing community movements², driving change themselves. At Corra, we are committed to the principles this work represents. We believe that small community-led groups are central to this. However, to ensure they are present, they need ongoing support in a way that matches their needs, not our own. This must include flexible, equitable and easy access to micro grants.

In March 2020, working with Scottish Government and other funders we started to deliver emergency response funds to community groups including those that weren't charities. Funds were specifically targeted to support people during coronavirus and to help as lockdown restrictions eased. We have continued to offer funds in response to the cost-of-living crisis including offering cash first/vouchers to small community-led groups to distribute to people in their community.

Groups funded through the Winter Support Fund (2021/22) were able to reach people Corra was not, people whose needs were immediate and where no other timely form of support was available. African Women's Group, who received a grant of £4,000 through this Fund, told us that many families and individuals supported by African Women's Group have no recourse to public funds.



"We were already visiting people through our befriending service and are well placed to offer additional support through Winter Support Fund."

¹ <https://www.gov.scot/publications/commission-future-delivery-public-services/pages/2/>

² An example of community movement is [Social Action Inquiry Scotland](#)

What are micro grants and small community-led groups?

Different funders and third sector organisations define micro grants and small community-led groups differently. For Corra:

A micro grant is £500-£3000.

Whilst we define this size of grant as micro, many groups in receipt of these grants tell us it is significant.

Small community-led groups in Scotland are often classified as groups with an annual income of less than £100,000. Most groups applying to Corra have income much lower than £50,000, with a high proportion of groups operating well below £50,000.



“This was the first substantial funding we received. It made a huge difference.”

The table below shows the number of applications and funding to groups by their average annual income.

Average income of under £10,000	Average income of £10,000-£50,000
• 1186 applications • £2.3m distributed in funding • Average grant of £1,969 • 73% success rate	• 1824 applications • £5.8m distributed in funding • Average grant of £3,184 • 64% success rate

Table 1: Profile of small groups (2020 – Jun 2023). This includes coronavirus funds.

Micro grants delivered by Corra

Corra has delivered several targeted funding programmes for small community-led groups. Since 2021 Corra has distributed **£1.9m** to non-constituted, voluntary or community groups. This has included:

- Henry Duncan Micro Grants
- Comic Relief #ShiftThePower Community Leading
- The Equity Fund
- Enabling Neighbourhood and Communities Fund
- STV Children's Appeal Community Fund
- Winter Support Fund
- Household Hardship Fund
- Boost Programme

The focus is to support groups that are led by local people or people with shared culture/heritage. Groups have taken various shapes but share a connection by their commitment to their community.



£868k distributed to groups with less than £50,000 that were working within a five-mile radius of their community.



£795k distributed to groups with less than £50,000 and led by people from communities experiencing racial inequity.



68% of groups with income of under £10,000 were applying to Corra for the first time.

Many of the groups receiving a micro grant had never received grant funding before or had little experience in applying for funding.

Impact of micro grants for small community-led groups

Groups have told us that flexible and responsive micro grants have been a lifeline in sustaining their work making a positive difference to the people they work alongside. Because these grants have been flexible, groups have used the funding to deliver activities ranging from food parcels, sports activities, self-defence classes, music events, gardening projects, keeping community spaces open, and lots more.

In 2021 the **Ayrshire Deaf Club** received an STV grant to make their youth clubs more inclusive to all. This included the football team, dance classes, self-defense, and provision of healthy meals.

“...to ensure inclusion across all financial circumstances we decided to make our services free at point of delivery.... Lockdown had a tremendously negative effect on many of our families, some of whom were struggling to make ends meet even before the pandemic. We wanted to do everything we could to help them.”

We spoke to groups receiving a micro grant³ and reviewed their reports to understand what groups used the funding for.



43% ensured community activities could take place such as paying rent for community spaces, and core costs.



28% supported hobby, gardening, sporting, and creative activities, allowing equitable access, new connections, and supporting communities to flourish.



17% ensured people were offered support when they needed it most including advice, food, and clothing.

³ The monitoring reports are specifically in relation to Enabling Neighbourhoods and Communities Fund (2020/21), STV Children's Appeal Micro Grants (2021/22) and Winter Support Fund (2021/22)

Nearly a **third of micro grants** focused on connections to people Corra often isn't reaching and those who feel they can't access grant funding. This included community-led groups led by and supporting people who have newly arrived in Scotland, women and girls, and people living with disabilities.

The money was flexible to ensure continuity and groups could direct support where needed. For groups in receipt of Enabling Neighbourhood and Community funds:



48% felt the funding helped support the core activities of their group.



41% said it had enabled them to reach out and offer opportunities to new people.



10% said they were able to use the funds to enable further fundraising.

In some instances, a grant has been a catalyst. Groups used funds to support easily accessible and practical activities, spark new ideas or create opportunities to work alongside other partners.

In 2021, **Leith Community Growing Association** received an Enabling Neighbourhoods and Communities Fund grant. They used funding to run regular accessible gardening activities for people in the local community. The group told us that while compared to other projects they were small, the grant gave them the anchor to build a cohesive and consistent gardening project that links with others including the local council, housing associations, parks, and charities.

Also funded through the Enabling Neighbourhoods and Communities Fund, **One Seed Forward** worked with local food larders to hand out packs with everything people need to grow potatoes. They told us how well received the project was. People have been passing on seed potatoes to friends and family to grow their own too.

Changing our grant making to suit small community groups.

Delivering COVID-emergency grants, we quickly learnt to adapt processes to manage the volume of applications. We introduced:

- Rolling open programmes providing decisions within four working weeks.
- Straightforward and streamlined application forms (less than 2 pages).

In August 2020, Corra published [Listening to Communities and the Third Sector](#) learning from what we had heard about the early days of responding to coronavirus. This report highlighted the importance of **flexibility and responsiveness of communities, reaching out to communities who were often forgotten and reducing the barriers to funding.**

Additional feedback from our annual applicant survey reiterated the disconnect that often exists between what we as funders perceived to be good grant making and what matters most to small community groups.

“The form was difficult simply due to lack of experience in form filling.”

As coronavirus emergency funding came to an end, we worked with partners to create funds that would continue to support small community-led groups connected to people in their communities. Using learning from our experiences, these new funds aimed to address barriers and offer easily accessible micro grants. To do this we:

- Pro-actively reached out to groups.
- Expanded criteria to provide funding to non-constituted and voluntary groups.
- Developed alternative payment options for groups without bank accounts.
- Supported a high success rate. 70% success rate for groups with income under £10,000.

“This initial small grant gave us the capacity to achieve greater things.”



“Love that groups don’t need to be constituted. Was a great help.”

Many of the changes to funding processes required our whole organisation to work through practicalities (e.g., introducing alternative payment options). Others focused on encouraging trust from senior management to grants staff in redefining 'our appetite for risk' (e.g., especially in shaping criteria). These steps have made a huge difference removing some of the barriers that small community led groups face in delivering work in their communities. We have included more detail on the six key steps we took to delivering microgrants at the end of this report.



“It can be very difficult to get across the necessary information in a written form if this is not your strong point.”

A group who applied for a STV Children’s Appeal micro grant told us that not everyone involved in their group had experience in writing funding applications. They were able to write the application together as a group and when they received the confirmation, they had received the funding it felt like a great success and achievement.

What next for micro grants?

It is positive to see our approaches are helping make a difference both to the groups we fund and the people they support. However, this doesn’t mean small groups should feel grateful for funding. Community-led groups are often the first point of contact, helping people who are experiencing complex challenges in their lives. Funding is only one part of the support package.

As we continue to see increased pressures on funding it can be tempting to revert to reliance on risk adverse funding processes. This approach often inadvertently recreates barriers previously faced by small community groups.

All our work is shaped by principles outlined in [Our ways of Working](#). This includes **listening and being a flexible funder**. If we are to realise the #ThreeBigChanges in our strategy – the communities and organisations we support need to experience our **Ways of Working** in action.

Our commitments to making micro grants

1. Listen and act on what we hear from small community-led groups.
2. Pro-actively reach communities we struggle to support. Identify ways that we can best support communities to access funding.
3. Generally, make micro grants available to groups with income of less than £50,000.
4. Ensure Open Funds for micro grants up to £3,000 are accessible by:
 - Remaining available to voluntary and non-constituted groups.
 - Offer alternative payment methods for groups who don't have bank accounts.
 - Have simple, short application forms.
 - Offer tailored advice and support to small community-led groups dependent on their needs.
5. Improve the application and reporting experience through co-design with small community-led groups. We will explore how groups can tell us their story in an easy-to-use format and in their own words.

Six key steps to provide micro grants for small community-led groups

For other funders looking to develop micro grants, the steps below highlight the key changes we made whilst delivering micro grants. If you would like more information on our learning or future plans for small micro grants please get in touch with Elaine at elaine@corra.scot or the Corra team at hello@corra.scot.

Step	Why did we do this?
Rolling open programmes providing decisions within four working weeks.	The pressure of closing dates can cause anxiety especially for smaller groups. Offering a rolling programme with clear and short timelines can help to alleviate some of these pressures. To make this work groups also need easy to follow processes.
Straightforward and streamlined application forms (less than 2 pages).	Smaller groups, many who are volunteer led, tell us they struggled with the questions being asked by funders. Particularly specific terms or technical asks (e.g. accountancy asks). We reviewed application forms and reduced the number of questions and often removed additional information such as providing copies of accounts.
Pro-actively reaching out to groups.	We know we haven't reached all the groups that could benefit from micro grant support. Certain programmes were designed to reach out and target specific communities. This has included invite only approaches - STV Children's Appeal Proactive Fund and Equity Fund. Analysing application information (geographic, DEI) was also used to help to promote funds through specific networks.

Expanded criteria eligible to non-constituted and voluntary groups.	We adapted our criteria checks on micro grants which opened the funding opportunity to many more groups across Scotland. We increased our willingness to accept risk and learnt quickly that most groups (including non-constituted groups) are delivering for their community with significant impact. There are multiple reasons why a group is not constituted, charity, or company etc. It is not for Corra to decide what is best for each group, but we are and will continue to evolve our guidance and signposting to groups who are interested in becoming constituted or gaining charitable status.
Alternative payment options with groups who don't have bank accounts.	During coronavirus lockdown it was particularly challenging for groups to set-up bank accounts. We learnt that groups were looking for alternative ways to manage funds without reliance on one or two individuals. To facilitate funding non constituted groups we designed new payment options for groups who don't have a bank account. This included making a payment to: • A 'buddy organisation' who would accept the grant on behalf of the group. • Setting up a The Social Change Nest CIC - Open Collective page (Corra covering the set-up fee).
Support a high success rate.	Funds can be competitive and create more anxiety or worries for groups. We wanted to focus on how to build the confidence of groups by offering a high percentage success rate. The emphasis was setting appropriate criteria, tone, and marketing for micro grants. We showcased what could be funded, tailored criteria to community-led activity and were proactive in our communication. These actions aimed to enable high success rates and not act as a barrier to application.

About Corra Foundation

Corra Foundation exists to make a difference to the lives of people and communities. It works with others to encourage positive change, opportunity, fairness and growth of aspirations which improve quality of life. Corra wants to see a society in which people create positive change and enjoy fulfilling lives.

In 2020 Corra launched a ten-year strategy. It is long term because making a difference on the big challenges will take time. At its heart is the strong belief that when people find their voice, they unlock the power to make change happen.

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