

This briefing outlines a single commitment that would strengthen Scotland's Partnership with the Third Sector – **the transition to multi-year and flexible funding as the default for Scotland's Third Sector.**

Corra Foundation is a Scottish grant-making charity that strengthens and amplifies people's voices and their power to make change. We distribute our own funding and work as a fund manager for other grant-making bodies. In 2024-2025, we distributed £40.6million to community groups, charities, and public bodies across Scotland. Of this, 83% of funding we distributed was multi-year funding, and 64% was flexible.

Transition to multi-year and flexible funding as the default for Scotland's Third Sector

What is multi-year and flexible funding?

Multi-year funding provides organisations with funding across several years. Corra's [Henry Duncan Grants](#) and [Corra Racial Equity Fund](#) provide funding across 5 years. The [Regenerative Futures Fund](#) based in Edinburgh is providing ground-breaking 10-year grants. Multi-year funding contrasts with more common models which provide funding for a single year.

Flexible funding offers less restrictions, with a greater opportunity for organisations to allocate funding as they need and to cover essential costs. This contrasts with more common restricted or project funding models which place extensive restrictions on what the funds can be used for. Important work is being undertaken by the [Institute for Voluntary Action Research](#) to advance [Open and Trusting Grant Making Principles](#) which advocate for more multi year and unrestricted funding.

What impact could multi-year and flexible funding have?

- Multi-year funding could reduce the £900million spent by the Third Sector on applying for funding every year ([The Law Family, Commission on Civil Society](#)).

- Multi-year and flexible funding could improve staff retention in the Third Sector. [SCVO's 2025 Workforce Survey](#) (2026, p.2) found “39% of staff thought it quite or highly likely that they would voluntarily quit their jobs [...] double the rate seen in other sectors”. Staff retention is continually highlighted by Corra’s grant holders as an ongoing challenge tied to funding:

“... a lack of clarity on the continuation of [grant fund name] and the inability to provide realistic cost of living pay rises, we have seen all three of our Programme Managers move on and we have not been in a position to replace them. This has caused significant pressure of workload on the existing team.”
Grant Holder

“We need long term secure funding to maintain delivery levels in this vital specialist service. The recruitment crisis in qualified childcare workers has limited the qualified ratios within creche, therefore having significant impact on the service.” Grant holder

- Multi-year and flexible funding could support the third sector to take preventative approaches to the big challenges facing Scotland. Grant holders tell us that funds that last a single year restrict their ability to plan and to tackle issues effectively.
- Multi-year and flexible funding is a key solution to address the historic under resourcing and underfunding of Black and racially minoritised led organisations as highlighted by the Coalition for Racial Equality and Rights:

“...the rigidity of the short-term and project-specific grants favoured by funding bodies [...] can pressure organisations to conform to rushed, top-down ways of working in order to deliver institutionally recognised outcomes to grant-makers.” [Coalition for Racial Equality and Rights Blog](#)

Stories from Scotland’s Third Sector supported through multi-year funding at Corra

[Jubilee House](#) received a multi-year unrestricted grant from our Henry Duncan Grants to provide vital services to women affected by domestic abuse and violence. [Their story](#) shares the vital work this funding has enabled them to do but also highlights that long-term funding remains a key concern.

[Scottish Ethnic Minority Deaf Charity](#) received a multi-year grant from our Henry Duncan Grants, and more recently an unrestricted multi-year grant from the Corra Racial Equity Fund. [Their story](#) shares how funding enabled them to continue the Healthy Deaf Minds project which addresses mental health issues through wellness activities and mental health support.

[Just Dive](#) received a multi-year unrestricted grant from our Henry Duncan Grants to continue their work making swimming, sensory sessions, water safety, and scuba diving accessible to people with mental health conditions. [Their story](#) shares how the multi-year funding allowed them to expand their work and introduce a new ladies-only swimming class.

“The Henry Duncan Grant has been instrumental in enabling us to offer more specialised sessions and reach a wider audience. The funding has allowed us to invest in additional equipment and training, ensuring that our sessions are of the highest quality and accessible to all who need them.” Just Dive

These are just some of the stories of change supported by multi-year and flexible funding for Scotland’s Third Sector. You’ll find [many more stories on our website](#).

This single commitment – to transition to multi-year and flexible funding as the default for Scotland – has the potential to strengthen Scotland’s Partnership with the Third Sector.