Environmental Funders Network

Increasing the effectiveness of environmental funder-fundraiser relationships: funder feedback

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EFN works to transform environmental philanthropy in the UK: increasing funding levels, improving effectiveness and supporting people and organisations helping to create a thriving planet.

We provide tailored support across the funding community to strengthen their work – whether that's within our membership network for funders and advisors, or in our forum for fundraisers. We share knowledge, expertise and research and foster connections. We also work to motivate and inspire those not yet funding environmental causes to give.

The need for strategically-deployed environmental philanthropy has never been greater. Our aim is to give the funding community the knowledge, networks and agency they need to address these key challenges of our time.

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Foreword



Not long after starting my first role with a grantmaking organisation back in the early 2000s, I remember being challenged by an applicant about one of our policies that meant we wouldn't fund a particular item they were hoping to buy with our help. Why did we exclude this particular category of expenditure? When I questioned my colleagues, no-one could tell me the rationale or origins of this eligibility restriction we'd adopted as a standard across our programmes.

As a newcomer to grantmaking, I'd implicitly assumed the conditions we placed on how our grants could be used and the careful and rigorous due diligence we undertook before awarding them followed some universal rulebook. Discovering there were, in fact, no tablets of stone inscribed with the commandments of grantmaking helped me recognise the choices we have as funders when we design our processes and programmes.

Which is not to say anything goes, of course. As well as ensuring our funds are applied for charitable purposes (for those grantmakers who are charities themselves), there are multiple factors that guide and constrain what we fund and how we work. There are also many trade-offs to weigh up in balancing aspects such as flexibility and focus, trust and accountability, quality and capacity.

In the two decades since that early realisation, the biggest influences on my own practice as a funder have been hearing directly from applicants and grantees about their experiences of the funding system and being inspired by the example of other funders using or experimenting with different approaches.

This report and its predecessor, 2024's *Increasing the effectiveness of environmental funder-fundraiser relationships*, helpfully bring together those two perspectives, recognising that the relationship between funders and fundraisers sits at the heart of effective environmental philanthropy.

Turning the lens towards funders, this new research draws on the experiences of fifty funding organisations to explore what pressures and constraints they face when trying to make their practices more accessible and effective. The findings reveal considerable thoughtfulness, reflection and willingness to change.

At the same time, funders report navigating real challenges: limited capacity, fluctuating income, governance responsibilities, the expectations of their own donors in some cases, and differing assumptions among staff and trustees about risk, accountability and what good grantmaking looks like. It's a strength of the report that it makes these constraints more visible.

But recognising these challenges and trade-offs should not obscure funders' agency. Many of the systems and processes that shape the funding experience are ones funders themselves have created and can change. The examples in this report show organisations working within broadly similar regulatory environments and making different choices about applications, reporting, flexibility, due diligence and relationships.

Constraints are real, but they are not always fixed. At a time when the climate and nature crises are becoming more urgent, we need to challenge ourselves to make philanthropic funding as effective as possible in addressing them.

If this report helps both funders and fundraisers understand each other a little better, it will have served an important purpose. Ultimately, stronger relationships between funders and fundraisers are not an end in themselves. They are a means of building a more resilient and effective environmental sector at a time when that has never been more important.

Nick Addington, Chief Executive Officer, William Grant Foundation and EFN Trustee

01

Executive summary

Written by Tara Cooper (EFN)

Environmental groups and funders are highly focused on tackling the planetary crises and social impacts our societies face. Yet they also continue to navigate debilitating barriers and time-consuming funding practices.

Research by Giving Evidence suggests that grant applicants spend £900 million a year applying for grants; some estimates are between £442 million and £1.1 billion per year.[1] Our previous research, *Increasing the effectiveness of environmental funder-fundraiser relationships*, outlines twenty key issues facing environmental fundraisers, highlighting various ineffective and time-consuming funding practices.

This report, *Increasing the effectiveness of environmental funder-fundraiser relationships: funder feedback*, presents the perspectives of funders surveyed on the recommendations of our previous report. It strongly demonstrates how deeply funders care about, and are committed to, improving how funding is distributed and managed.

However, the report also identifies challenges the respondents face in improving their funding practices. The number and type of challenges vary depending on a funder's unique situation, but common ones include limited capacity, constraints related to legal and governance requirements and difficulties changing established organisational structures and practices.

We can see progress in all four issue areas outlined in our previous research: **funding availability, grant applications, grant management, and collaboration and coordination**. Yet, these improvements are not spread evenly and some overarching challenges, such as limited capacity, can impede potential progress across all areas.

Despite these difficulties, many funders are already on the journey and making progress in addressing these challenges. From establishing flexible and trusting funding practices to different approaches to connecting with environmental groups, this report showcases over ten case studies and stories detailing imaginative and impactful changes funders have adopted. There is a strong appetite for peer learning, knowledge sharing and collaboration, which could directly address some of the overarching long-term challenges and provide a blueprint for short-term quick wins.

While not everything in this report is relevant to, or possible for, every funder, our recommendations synthesise experiences, knowledge and learnings from the respondents. These recommendations may also be familiar. Sector leaders, such as IVAR's report *Making The Case for Unrestricted Funding*, ACF's Stronger Foundations programme, Funding for Real Change, the #FixTheForm survey and more, have all called for funders to reimagine their practices to enable charitable groups to work more effectively and impactfully.

At EFN, we hope this report inspires funders with stories of solutions and new and improved funding practices, whilst recognising the urgency of the challenges the sector faces. In addition, the report aims to support funders and fundraisers to understand each other's challenges better, and work together to overcome them. After all, improvements to funding practices not only benefit environmental groups and fundraisers, but also environmental funders and their missions to create positive environmental impacts.



1 Barnard, H. (2022). 'Giving pains: The cost of grant-making', Pro Bono Economics, 31 July 2022, https://pbe.co.uk/publications/giving-pains-the-cost-of-grant-making/

About the report

This report builds on our previous research, *Increasing the effectiveness of environmental funder-fundraiser relationships,* which explored how the funding system can support funders and fundraisers to understand each other's challenges better, and work together to overcome them.

We invited funders from EFN's membership and other relevant funding networks to complete a survey on their funding practices. To help give us a sense of what has or hasn't changed over time, we asked respondents to consider their approaches since our previous report was published in 2024 and whether our recommendations had guided any changes.

With input from fifty funding organisations, this new report shares our findings on the challenges facing environmental funders in their grantmaking processes, and how some are working to try to mitigate them. Respondents were self-selecting and our findings were principally based on funders' own assessments, and therefore they may present certain experiences that don't always match the wider sector.

Our research suggests that the funder–fundraiser relationship is one of the most important (and least invested in) parts of the environmental philanthropy system. By pulling together these insights, reflections and recommendations, this report aims to ignite further discussions, inspire funders with stories from their peers and provide takeaways that funders could act on today.



Highlights of our findings

Our findings are split into four key issue areas as outlined in our 2024 report: funding availability, grant applications, grant management, and collaboration and coordination.

Funding availability

Many respondents have greatly improved the availability of their funding – for instance, increasing their flexibility and clarity around eligibility criteria where possible, especially for location restrictions, and opening up the type of funding available by offering core cost and/or unrestricted funding. Going forward, our findings suggest further improvements could be made in funding groups that aren't registered as charities.

Grant applications

Many respondents have greatly improved the accessibility and usability of their application processes, such as increasing the clarity around applications and timelines, minimising work at early stages, improving systems and actively seeking applicant feedback. Going forward, our findings suggest that funders choosing to adopt invite-only approaches should ensure they prioritise inclusion and diversity among their grantholders and consider providing a route for prospective applicants to make contact.

Grant management

Many respondents have made substantial progress in addressing funder involvement, trust and communication, for example, by increasing flexibility on reporting timeframes and criteria, and reducing burdensome reporting. Overall, our responses suggest there is a widespread recognition of the importance of more flexible, communicative, and proportionate reporting relationships with grantholders. Going forward, we recommend this approach be continued and adopted more widely.

Collaboration & coordination

While some respondents are supporting relationships between grantholders in general, the findings suggest less progress in this issue area, particularly in relation to collaboration between funders. Our findings suggest there is an interest in more coordinated and collaborative approaches across the sector, but these remain areas where practice is still developing for many organisations.



Case studies & stories



The report showcases over ten case studies and stories from fellow funders and funding organisations. We picked these topics based on the survey responses with the aim of sharing how peers are learning and improving their own funding practices. These aim to inspire and offer possible ways forward for fellow funders.

- Navigating regulations for grantmakers by Bates Wells (pg. 24)
- Adopting trusting and flexible funding by Co-op Foundation (pg. 25)
- Different approaches to connecting with environmental groups:
  - Why we are invite-only by Samworth Foundation (pg. 30)
  - Why we became invite-only by Brian Mercer Trust (pg. 30)
  - How we run our open calls for proposals by the Endangered Landscapes & Seascapes Programme (pg. 31)
  - How spending down changed our application format by Polden-Puckham Charitable Foundation (pg. 32)
  - How we manage applications as a very small foundation by Kreitman Foundation (pg. 32)
- What our accessibility audit taught us by John Ellerman Foundation (pg. 33)
- How we co-create applications with grantholders by Friends Provident Foundation (pg. 33)
- What our storytelling approach to reporting has shown us by Blagrave Trust (pg. 38)
- What environmental fundraisers told us about reporting and evaluation processes by EFN and the Green Fundraisers Forum (pg. 38)
- Exploring the power of pooled funding by Synchronicity Earth (pg. 42)

Recurring challenges facing funders

Capacity

Many respondents reported receiving higher volumes of applications than can be assessed effectively. Staff time is stretched and funding is limited. Respondents who identified as smaller funders with smaller budgets and few or no paid staff were particularly likely to cite issues with capacity. Some respondents also explained that they intentionally try to keep their admin costs low, and so limit internal capacity in order to dedicate more funding to grantmaking.

Overall, a lack of capacity restricts respondents from implementing more effective practices across all four key issue areas, though taking a more relational, trust-based approach can actually support more effective use of available capacity.

Trustees & primary donor support

Respondents reported varied experiences of working with trustees and primary donors to adjust their practices. Many described constructive relationships which balance appropriate risk management with the development of more effective funding approaches. Others noted caution amongst trustees in particular areas, such as inviting less formal reporting, while some regranters mentioned the need to keep their funding within a primary donor's geographical or topical remit. As with capacity, the extent of alignment among staff, trustees and primary donors can impact progress across all four key issue areas.



Key takeaways

Improving the effectiveness of funder-fundraiser relationships is not about applying a fixed set of rules. There is no single model of effective grantmaking, and funders operate within different contexts, constraints and trade-offs.

1 **Quick, 'sweet spot' approaches exist. These are relatively simple changes that can reduce unnecessary work, improve accessibility and free up more time for both parties to focus on relationships and impact.** For example, implementing brief eligibility checks, reducing reporting burdens on grantholders, hosting Q&As for potential grantholders, and ensuring websites and application platforms are up to date and/or working correctly.

2 **More complex challenges need longer-term and more nuanced approaches.** Investing resources into tackling capacity constraints should not be seen as money diverted from grants - appropriately resourced grantmaking can improve the accessibility, quality and impact of those grants and free up funder time in the longer term. Establishing a clear and well-defined mission can help reduce the sense of overwhelm funders face from large numbers of applications, giving them a clear way to differentiate and prioritise between applications. Respondents also shared that access to peer learning and training opportunities can support trustees to (re)frame their perspectives on governance and risk as part of adopting different practices.

3 **Learning from others is another important enabler of progress.** There was a strong appetite among the respondents for opportunities for honest, non-judgemental discussion with fellow funders, whether through networks, roundtables, working groups or one-to-one conversations. As a network, EFN sees one of our roles as supporting the funder community to have these kinds of shared learning and community building discussions.

4 **Trust and transparency sit at the centre of these issues and the solutions to them.** Whether it's relationships between trustees and staff, staff and grantholders, or different funders, creating trusting and honest relationships can support collaboration, shared learning and action.

Many of these recommendations have also been discussed by others working in the sector. For example, ACF's Stronger Foundations shares resources to help foundations take steps to become more effective. In addition, IVAR's research, such as *Funding Differently for Systems Change*, and its call for open and trusting grantmaking support funders to adopt practices that better support those they fund. Further resources can also be found on page 33 of our previous report.

Our ask to funders



As you explore this report, we, the authors, ask you to consider whether your current funding practices are serving their intended purpose. Be honest about the constraints, advantages and trade-offs involved. What could you experiment with? What are you curious to learn more about? What might you need to let go? In a sector responding to escalating climate and nature crises, the way funding is provided directly shapes the resilience, diversity and effectiveness of the entire ecosystem.

At the end of this report, we share further, in-depth guidance and takeaways for funders and fundraisers wanting to take further action.

02



Introduction

Those in the environment sector are working tirelessly to tackle the escalating and urgent climate and nature crises, yet many environmental groups continue to navigate debilitating and time-consuming funding practices.

At EFN, we've increasingly come to see the funder–fundraiser relationship as one of the most important (and least invested in) parts of the environmental philanthropy system. We want to support funders and fundraisers to understand each other's challenges better, work together to overcome them, and ultimately increase their individual and collective impact.

Our research (and that of others)[2] suggests that UK trust and foundation funding may be increasing but remains far short of what is needed for sustainable impact. At the same time, groups applying for funding often spend substantial time and money navigating short-term, restrictive funding systems that can be inefficient, inflexible, and disproportionately difficult for smaller and grassroots groups to access.

In 2024, we surveyed members of our Green Fundraisers Forum[3] to understand the principal challenges facing environmental fundraisers. Our report *Increasing the effectiveness of environmental funder-fundraiser relationships*, published in September 2024, summarises the findings of that research. The report identifies twenty key issues facing environmental fundraisers and explores funder-driven solutions to each, synthesised as six cross-cutting recommendations (Box 1).

Box 1 What are the takeaways of our 2024 report?

A summary of *Increasing the effectiveness of environmental funder-fundraiser relationships*.

Four key issue areas facing environmental fundraisers:

1. **Funding availability** – restrictive eligibility criteria, geographic limitations and short-term funding cycles can exclude suitable organisations and limit impact. In addition, core costs, research, advocacy and other essential activities can be particularly difficult to fund.
2. **Grant applications** – invite-only systems, unclear criteria, short deadlines and complex, bespoke applications create unnecessary work and disadvantage smaller or less well-connected groups.
3. **Grant management** – excessive oversight and reporting requirements, and pressure to demonstrate quick results can undermine trust and divert resources from delivery. Inflexible funding arrangements also make it difficult to respond to changing circumstances.
4. **Collaboration & coordination** – a lack of coordination between funders creates duplicated work through differing requirements, processes and timelines. There is also a lack of networking opportunities and resources for collaborative work among grantholders.

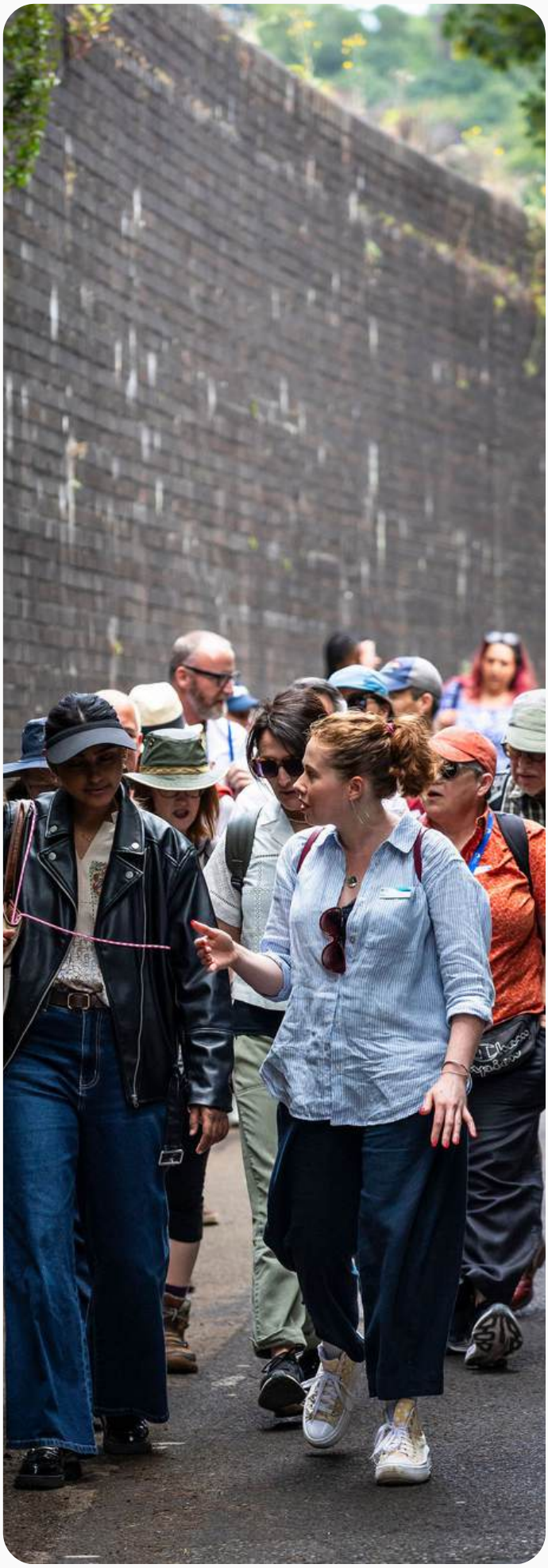
Six recommendations for funders:

1. Focus on people and outcomes rather than projects and outputs
2. Underpin all funding behaviour with trust and flexibility
3. Make decisions based on a combination of long-term thinking and urgency
4. Design application and reporting processes carefully and relax requirements where possible
5. Collaborate as much as possible
6. Create and embrace opportunities to hear from grantholders



2 Our Where the Green Grants research series can be found on our website: https://www.greenfunders.org/resources/. Other relevant research includes UKGrantmaking's annual publications on grant funding in the UK: https://www.ukgrantmaking.org/#Key-findings

3 EFN's Green Fundraisers Forum (GFF) is a community of nearly 2,000 fundraisers representing more than 1,000 environmental groups and providing training, peer learning, practical resources and wellbeing support. We also bring funders and fundraisers together through sector gatherings designed to move beyond presentations and panel discussions, break through traditional power dynamics, and explore power, trust and collaboration. If you aren't already a member of the GFF you can join for free here.



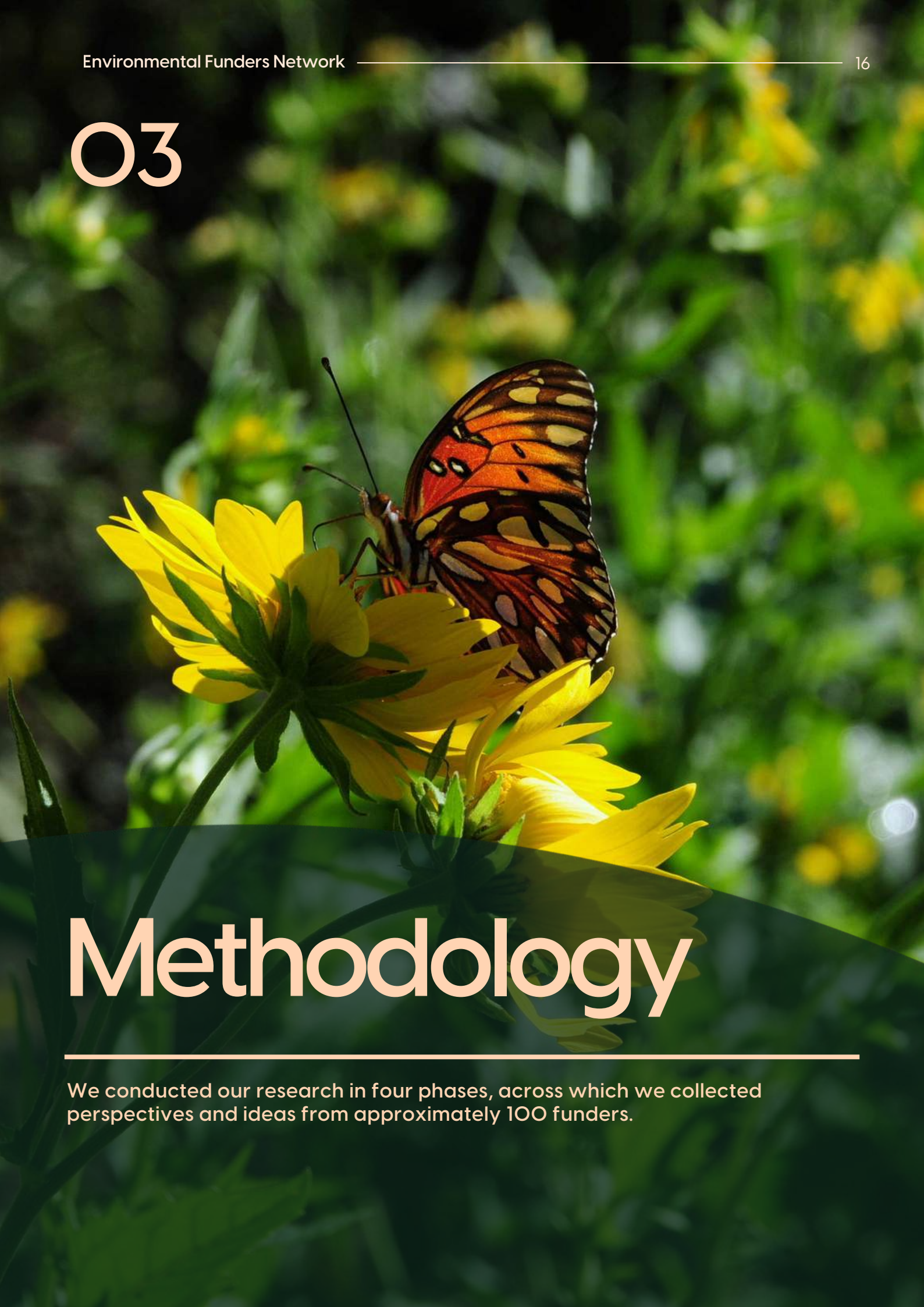
These recommendations are not new, and have been echoed repeatedly in other research and campaigns, such as IVAR's call for trusting and open grantmaking and ACF's call for Stronger Foundations. While many funders are making thoughtful and often innovative changes, progress has not yet been widespread, and these issues continue to limit the effectiveness and resilience of the sector. In the face of the urgent action needed to address planetary crises, these long-called-for changes to funding practices are needed to enable the environmental sector to work as effectively and quickly as possible. We decided, therefore, to investigate the barriers that funders themselves might face in trying to implement the practices we recommend.

Our aims were to:

- **Help funders to understand each other's situations better**
- **Help fundraisers to understand the issues facing funders**
- **Support funders and fundraisers to find collaborative solutions to common problems**
- **Feed into our own work at EFN supporting funders to adopt more effective practices**
- **Ultimately increase the effectiveness of funding flows for greater environmental impact**

In this report, with input from approximately 100 funding organisations, we share our findings on the challenges facing environmental funders in their grantmaking processes, and the ways in which some are working to try to mitigate them. We recognise that the challenges faced, and the capacity to overcome them, will vary from funder to funder, but we hope this report will provide inspiration for further progress.

03



Methodology

We conducted our research in four phases, across which we collected perspectives and ideas from approximately 100 funders.

1 Bringing together a working group of funders

To build this group, we put out a call in our monthly newsletter to funders, asking for volunteers to support this new piece of research. Ten funders (see title page), representing ten different trusts and foundations, offered their time. The group contributed to shaping the research through participating in an initial planning meeting and reviewing early drafts of the report.

2 Surveying environmental funders within EFN and beyond

In consultation with the working group, we developed a survey to gather information from UK-based funding organisations on their progress and challenges in implementing the grantmaking practices we recommended in our 2024 report. We circulated this to funder members of EFN in May 2025, appended to a questionnaire on their experiences of participating in EFN. We then re-circulated the survey on its own between July and September 2025, via our own network of funders and several other UK-based funder networks (for the latter, targeting those funders that give at least some funding to environmental issues). Several additional questions were added to the survey before it was re-circulated, following review of the initial responses; the questions included in this final version are given in Appendix 1.

We asked survey participants to share:

- Their role and organisation
- Their organisation's engagement with the recommendations under each of the twenty key issues facing environmental fundraisers identified in the 2024 report
- For each of the four issue areas, what they had done or were planning to do, the challenges they had faced, and if anything would help them to make further progress
- Reflections, including lessons learned and whether there was anything environmental fundraisers could do to help

In total, 57 people representing 50 funding organisations (trusts, foundations and lottery distributors) completed the survey[4]. This included 44 named funders and six anonymous organisational entries, with several organisations represented by more than one respondent[5]. Where more than one person from an organisation responded, we retained all written text answers. If answers differed for multiple-choice questions, we took the most frequent response, and if there was a tie, we took the most positive one.

Of the individuals responding:

- 47% (27) were staff members
- 30% (17) were directors or equivalent
- 21% (12) were trustees or founders
- 2% (1) selected both trustee/founder and director

The organisations represented varied considerably in size. Among those for which usable financial information was publicly available, the latest reported annual income ranged from approximately £50,000 to £400 million:

- ~35% had annual income below £1 million
- ~45% between £1 million and £5 million
- ~10% between £5 million and £20 million
- ~10% above £20 million

It should be noted that respondents assessed themselves in the survey and that funders further along in developing progressive practices may have been more likely to participate. Our findings may therefore present certain realities that do not always match the wider sector.

3 Conducting one-to-one interviews to dive deeper

Eleven of the survey respondents expanded on their responses via interview. Those interviewed were asked one additional question to the survey, which focused on the impact their practices were having on grantholder partners.

4 Running an interactive session at the 2026 annual funder retreat

In June 2026, a short summary of the survey and interview findings was shared with approximately sixty funders in an interactive session at EFN's annual funder retreat. The overlap between survey respondents and retreat session participants was estimated to be under ten. Participants were invited to reflect on two primary challenges that emerged from the research as barriers to funders implementing progressive approaches. In small groups, they brainstormed ideas of tools, resources, or strategies that funders could use to address these challenges. Participants were encouraged to write down the ideas they came up with and a representative from each group shared a brief summary of their discussions. We transcribed participants' written contributions and incorporated these, alongside our own notes from the session, into the two deep-dive sections on capacity and trustee and primary donor support.

4 Four respondents did not provide the name of their organisation. However, these are likely to be unique organisations as we asked participants to ensure only one person responded from their organisation if they remained anonymous.
5 Survey and interview responses were treated anonymously, regardless of whether respondents provided their own or their organisation's name. Organisations are identified only in separately agreed examples; consequently, we do not publish a list of the fifty participating funders.

04

Results

We have split our findings to explore the engagement, experiences and reflections of funders relating to the **four key issue areas, as in our 2024 report: funding availability, grant applications, grant management, and collaboration and coordination**. Many of the funders surveyed were already using at least some of the recommended approaches; we present their experiences regardless of whether our report influenced their practices. As mentioned in the Methodology, an important limitation is that funders further along in developing progressive practices may have been more likely to participate in the survey, and so our results may be skewed positively.

Some of those surveyed are currently spending down and others are regranting funds, both of which bring unique opportunities and challenges. We have indicated in the text where these circumstances have influenced their responses. All quotes have been taken from the survey and interview responses.

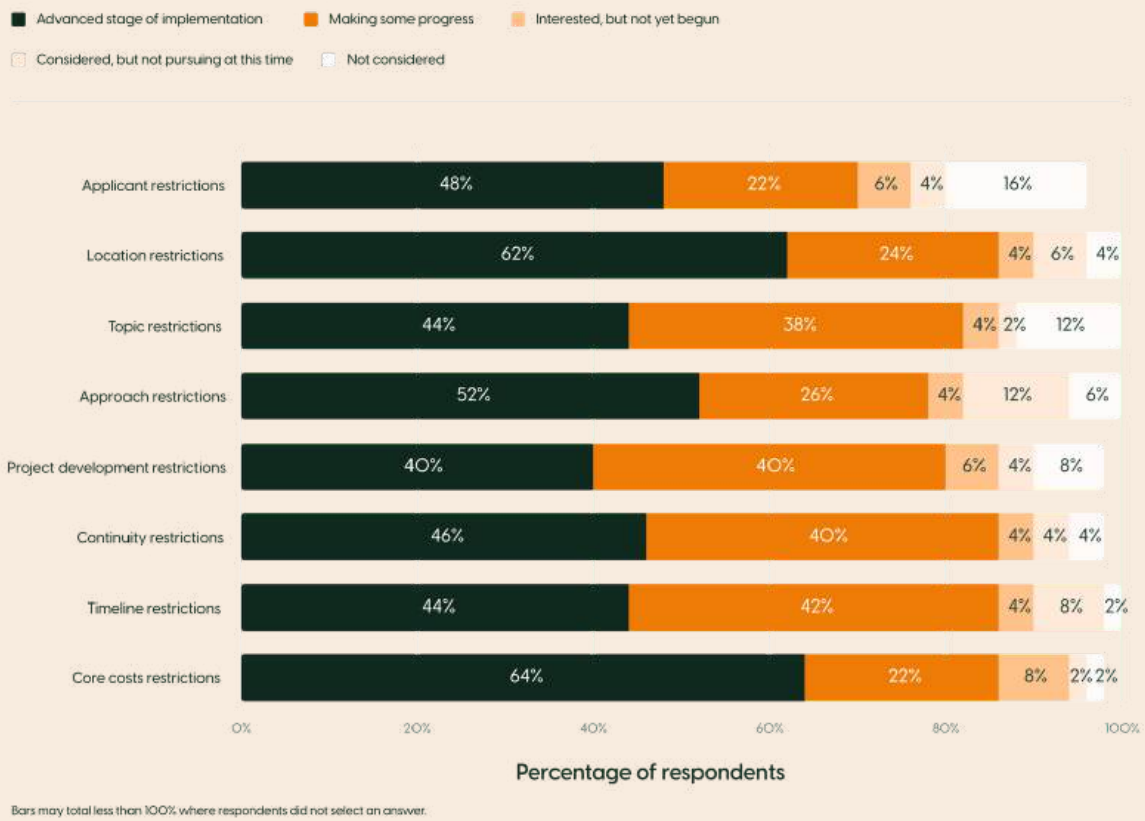
A) Funding availability

A variety of funding restrictions can limit the access of environmental groups to funding, particularly for core costs, certain topics, continuation work, and essential activities such as research and advocacy. The key issues featured in this section are listed below (see Appendix 2 and Section A of our 2024 report for further details).

1. **Applicant restrictions:** funding criteria can unintentionally exclude mission-aligned groups
2. **Location restrictions:** location-specific funding can restrict systemic work and reinforce geographic inequalities
3. **Topic restrictions:** narrow priorities can leave cross-cutting, emerging and overlooked issues unfunded
4. **Approach restrictions:** groups focused on certain approaches, such as advocacy and movement-building work, can struggle for funding
5. **Project development restrictions:** vital early-stage research and development can be difficult to fund
6. **Continuity restrictions:** proven work can be harder to fund than new projects
7. **Timeline restrictions:** short funding periods can hinder planning, retention and relationship-building
8. **Core cost restrictions:** limited core funding can undermine essential functions and staff wellbeing

What progress have funders made regarding funding availability?

Percentage of respondents at each stage of implementation



Bars may total less than 100% where respondents did not select an answer.

Responses suggested that many of the funders surveyed are working to improve funding availability, particularly in relation to location restrictions and core cost funding. Across all areas, the majority of respondents reported either being at an advanced stage or actively making progress, indicating broad engagement with improving funding accessibility. The least progress was shown in regard to relaxing applicant restrictions, for example choosing to fund groups that aren't registered charities.

Several respondents pointed to financial and legal issues as reasons they could not progress further with the recommended approaches, often citing Charity Commission requirements. This came up most frequently in relation to funding organisations that are not registered charities and/or those operating outside the UK. Although charities can fund these organisations, they must further the funder's charitable purposes, as set out in its governing document, and trustees must undertake appropriate checks and manage the associated risks (Box 2, pg. 24). For smaller funders, particularly those with few or no staff, the additional time and expertise required may make this difficult in practice. However, many other respondents described deliberately adapting their processes to support grassroots, international or otherwise less accessible groups while still meeting their legal and governance requirements.

'It would not be possible for us to fund unregistered organisations in the Global South - our Bank would not allow it, or suspend our bank account. As a solo worker I cannot spend weeks trying to get money to organisations[6].'

'As a UK charity, we have specific regulations. So it is important to ensure that our funding and grant process is done correctly. We need to constantly adapt our systems to ensure we can also provide support to grassroots groups that might not meet the standard reporting requirements expected from a European organisation.'

'We adapted our due diligence processes and continue to adapt them, so we can fund grassroots groups and small organisations.'

While respondents often had at least some preference regarding the topics they seek to fund, these were typically broad (e.g. climate justice, marine conservation), loose, or intentionally chosen as underfunded 'Cinderella' issues[7]. Similarly, geographic restrictions were mostly broad, or specifically place-based, with the respondent's organisation having a strategic focus on a particular area.

'After many internal discussions, the consensus we have reached is that the best way to target our grants in this area is to focus on the so-called Cinderella causes, because we know that, while they are critically underfunded, they also present many opportunities for outsized impact.'



6 The approaches of different banks to international payments vary according to their own risk appetites, compliance procedures and the countries and organisations involved. Some may decline or delay particular transfers or require extensive checks, while others offer more flexible processes; funders are therefore advised to explore the options available.

7 Cinderella issues are those that are chronically underfunded - see previous editions of EFN's Where the Green Grants Went for more information.



Many respondents shared that they are increasingly flexible regarding how they provide funding, including supporting diverse approaches, early-stage work and core costs. Several respondents spoke positively about providing or funding capacity-building support for grantholders, alongside agreed grants. Some also described working to be responsive to grantholders' needs in determining what they choose to fund.

'We start by getting to know an organisation's mission and vision and an understanding of what they feel they need. This is typically core funding, which we encourage and usually provide.'

'We aim to be as conscious in our funding as possible and so favour core grants.'

'We support monitoring as a critical part of project implementation, and also follow up communications and advocacy that is evidence-based. We also provide specific project planning grants.'

'If the project brief fits what we want, we'll support core costs and encourage partners to look for project funding elsewhere.'

'We find providing capacity building support (e.g., with in-country consultants) to be very effective.'

'We actively engage with applicants to encourage them to be propositional and work with us to codesign the use of funds, rather than prescribing what we will or will not support.'

'An organisation approached us for funding for new paths and waymarking, but after discussion it was clear they also needed support to fund a car park so that visitors could access the new paths. We agreed that the car park was less 'fundable' than the paths, and so this is where we committed our support.'

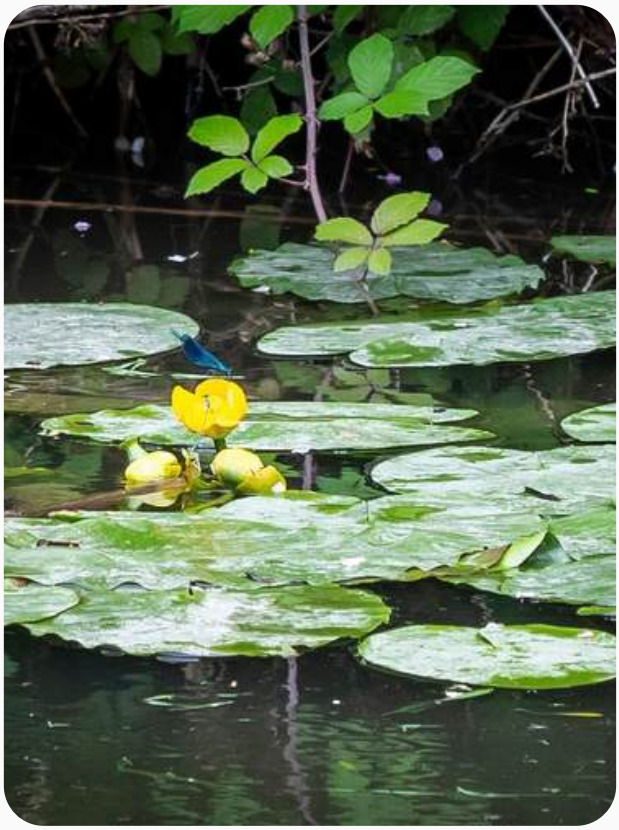


Purely unrestricted funding is given by several of those surveyed, and one funder described adapting their assessment of grants to enable this (Box 3, pg. 25). A few respondents shared a belief that some narrowing of scope can lead to greater impact, particularly for funders with more limited resources, but it was noted that these choices should be grounded in a clear strategic rationale. However, another shared their experience of narrow criteria causing them to miss out on opportunities.

'Although our grants are very small, they are unrestricted so can be used towards core costs, training, baseline surveys, etc.'

'Scalability is at the centre of our funding criteria, and we know that unrestricted multi-year funding is necessary for any initiative to scale.'

'We give unrestricted funding unless an organisation asks for a project-specific grant.'





'We moved towards unrestricted funding by default, which helps organisations to respond to emerging opportunities or shifting external contexts.'

'If I'm completely honest, sometimes once we get the applications, we will see something that we wish we could fund and will regret the criteria. Still learning on the job, maybe you don't always know what you're looking for.'

Continuity was also mentioned as a key consideration, with some respondents specifically encouraging sustaining, improving or scaling up of projects. Two respondents spoke about offering renewals well before the end of a grant, and several noted that they are now offering longer-term grants, typically for three to five years, or occasionally up to seven.

'We have dedicated funding for scaling up pilots.'

'We've already started awarding multi-year core cost grants to organisations, and increased the size of grants in some areas.'

'We now fund longer-term projects, partly in response to fundraiser feedback (from EFN's funder-fundraiser event).'

'We are oriented towards long-term support because that is what it (normally) takes to effect change.'

The main reason given for not being able to commit to longer-term funding was that the income of many funders can change year on year (e.g. when regranting, or depending on investment performance). One funder also shared a concern that, if they were to commit all their funds into longer-term grants, they wouldn't be as able to respond to emerging needs and opportunities. Those who are spending down also cannot fund beyond their spend-out date, though one funder is providing longer-term support to existing grantholders specifically because they are spending down.

'As an intermediary (i.e. both fundraising and making grants), our resources are limited so we aren't a suitable funder for long-term funding. We would like to receive it as much as our applicants would!'

'Our grant spend each year is entirely dependent upon our investment income which can, of course, fluctuate due to market forces.'

'The unpredictable nature of our own income constrains the extent to which we can commit to multi-year funding.'

'Our particular context is that we are spending down - so are making larger multi-year grants (three years) and now extending (some of) those to five + years, rather than adding new projects / calls.'



Existing organisational structures, agendas and theories of change were also listed as restrictions when it came to implementing some of the recommendations, though it was noted by a few funders that these could perhaps be challenged. Some also described reducing risk by becoming more grantholder-led as the relationship develops and trust builds. This is done by, for example, issuing project-specific or time-bound grants to new partners, and then moving towards longer-term and/or unrestricted funding when choosing to support them again.

'Some changes can be quite difficult to bring to fruition due to internal organisational structures which have been in place for decades, though there are potential ways around them.'

'We have recently renewed all of our longer-term grantholders for another 2.5 years without applications, to provide them with continuity and security. This also means that new entrants in this time won't have to compete with more established organisations.'

'For new partners we start with project specific, time-bound grants, but once we have developed a relationship we move to core cost grants.'

Box 2 Navigating regulations for grantmakers by Bates Wells

English charities need to consider guidance from two regulators when making grants – the Charity Commission and HMRC. The essential principle is that all grant funds must be used exclusively towards the funder's charitable purposes for the public benefit. To ensure that happens, charities must carry out appropriate due diligence, set appropriate conditions, and monitor compliance by the recipient.

What is "appropriate" will depend on the circumstances of each grant, and charities can take a proportionate approach, with the most significant factors being (a) their knowledge of the recipient and the project, (b) the status of the recipient and inherent risks, and (c) the amounts involved. For example, a £10,000 grant to a registered UK charity you have worked with before, to carry out a small educational project, would probably only need a simple agreement and a report from the recipient at the conclusion of the project.

Where the recipient is based is significant - when making grants to other UK charities, depending on the complexity of the project and its inherent risks, the Commission and HMRC allow for a simple approach and the funding can be unrestricted if the charitable purposes of funder and recipient match. More is required when granting to non-charities in the UK or to overseas organisations because English law does not recognise them as charities (regardless of status in their own jurisdictions) and considers that greater safeguards need to be put in place to ensure that the grant funds are used for exclusively charitable purposes as understood by English law.

HMRC's guidance on "payments to overseas bodies" has some useful case studies on what it will expect in different circumstances. Pure unrestricted funding to overseas organisations is not possible – there must be a written agreement with a restriction that all funds support a charitable project within your charity's purposes. This can include support costs (e.g. back office support, third party costs) but only to the extent necessary to carry out the charitable project.

The Charity Commission recently produced updated guidance on grant making. In summary, it is important to be clear about the relevant considerations when working with different recipients and to work within the flexibilities and constraints applicable to the circumstances in each case.

Box 3 Trusting and flexible funding by Co-op Foundation

As a funder rooted in co-operative values, Co-op Foundation sees the people and organisations we support as **funded partners**. Through our 2022 strategy, Building Communities of the Future Together, we are committed to open and trusting philanthropy, flexible funding and longer-term relationships that shift power closer to communities.

Offering multi-year and unrestricted funding has enabled our funded partners to retain skilled staff, offer longer-term contracts, invest in wellbeing, safeguarding, governance and evaluation, create space for strategic planning and respond to priorities in real time. As one partner put it: 'It has strengthened our strategy – more time to think and less to worry about funding'.

Through our Carbon Innovation Fund, we support innovative food and farming solutions that reduce carbon emissions. While this is project funding, it is multi-year and flexible: partners can choose end dates and adapt budgets as circumstances change. They tell us that our trusting approach helps them innovate, pivot and create lasting impact.

'Flexibility matters more than the amount of money',
Carbon Innovation Fund funded partner

'It was brilliant to have flexible funding managers - it gave us room to pivot, to think deeply about our project, and create something better and longer lasting.'
Carbon Innovation Fund funded partner

Meanwhile, our Future Communities Fund provides unrestricted funding to smaller grassroots organisations creating communities where young people have power and agency. Multi-year unrestricted funding strengthens youth organisations in ways project funding rarely can. We also offer unrestricted funding for youth-led climate action (to organisations and individuals) through partnerships including Roots & Routes and the Young Gamechangers Fund.



Across our work, the evidence is clear: when funders **share power, accept risk and trust partners**, communities are better equipped to create sustainable futures.

To evaluate our unrestricted funding, we commissioned the Institute for Voluntary Action Research (IVAR) to explore how other funders monitor and assess unrestricted grants, before using this learning to co-create an evaluation framework with funded partners.

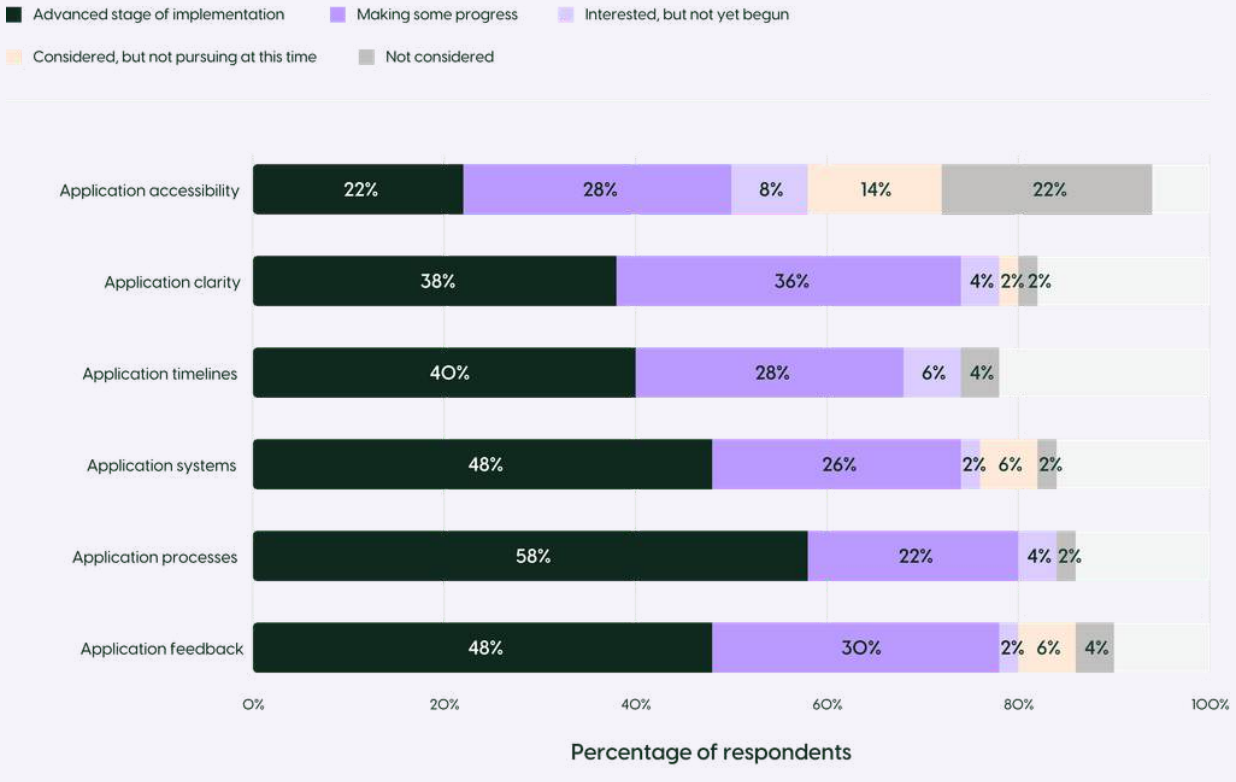
B) Grant applications

Environmental groups face many barriers in finding, and then applying for, grants. The key issues featured in this section are listed below (see Appendix 2 and Section B of our 2024 report for further details).

1. **Application accessibility:** finding opportunities is time-consuming, while invite-only funding can exclude groups
2. **Application clarity:** important information can be difficult to find or shared too late
3. **Application timelines:** tight application windows can reduce quality and affect fundraiser wellbeing
4. **Application systems:** online portals can create technical, accessibility and collaboration difficulties
5. **Application processes:** time-consuming, inflexible processes can disadvantage less well-resourced applicants
6. **Application feedback:** slow, unclear decisions and limited feedback can impede planning

What progress have funders made regarding grant applications?

Percentage of respondents at each stage of implementation



Bars may total less than 100% where respondents did not select an answer.

Funders surveyed appear to be actively working to improve their application processes. The strongest progress reported was in relation to application processes, where a large proportion of respondents described themselves as being at an advanced stage of implementation. Ongoing improvements to application clarity, timelines, systems and feedback were also widely reported. In contrast, progress relating to application accessibility, such as moving away from being invite-only, was more mixed. Overall, the findings suggest growing recognition across respondents of the importance of reducing barriers within funding application processes.

Many respondents reported working to provide sufficient information about the application process and eligibility. This included having a clear online FAQ section, running webinars for prospective grantholders to learn more and ask questions, and having dedicated staff to liaise directly with applicants. One respondent, however, cautioned against sharing too much, noting that excessive information can be overwhelming for prospective applicants, and others shared concerns about wider publication of grant opportunities causing an unmanageable increase in applications. This can waste applicant time as well as overwhelming funders.

'We publish all application questions and guidance notes on our website ahead of launch, and then hold a launch webinar so that people with questions can ask us live - we have found this works really well.'

'We ensure that each applicant has a dedicated officer and access to support during the application or project delivery phase.'

'There is a lot of interest in Q&A sessions for potential applicants. Lots of funders don't do any pre-application support, but it doesn't take a huge amount of resources to run these sessions.'

'Opening publicity too widely led on occasions to far too many applications to deal with easily - not good for either the applicants or us.'

Funders surveyed mostly used one of two approaches to connect with fundraisers - by invitation only, or via open calls. Just one respondent described remaining open permanently, disseminating grants on a rolling basis (Box 4, pg. 30).

Using an invite-only approach can make the process more efficient for both funders and fundraisers. However, as we state in our 2024 report (Section B1), it can risk creating a bias towards groups able to maintain connections with funders and a strong online presence, if a funder isn't aware of all the actors in the system.



'Sometimes invitation is the best way to minimise time wasting by everyone. But it depends whether the funder truly knows the whole field.'

Many of the invite-only funders surveyed have used this approach since establishment, and are confident that it brings the best results for them and their grantholder partners, reducing burden on both sides. For others, though, the choice was more about capacity. One respondent reported that they recently transitioned from open calls to invite-only programming, in response to being overwhelmed with applications. Others described an ongoing tension between widening access to new applicants and maintaining the relational, high-support approaches they felt were most valuable to existing grantholders.

'Our resources and capacity are limited so we couldn't meet the needs of an open grant round.'

'We are O.6FTE so have to balance being open to new applicants vs developing long term relationships with existing project partners.'

Several of the invite-only funders spoke about trying to engage in early conversations with grantholders, and gather substantial information themselves, so that by the time they request an application there is a high chance of success. Some noted that, although they are predominantly invite-only, they do have means by which prospective applicants can contact them, an option introduced only recently in a few cases. Others noted how they look to their grantholder networks or external advisors to broaden their awareness of new potential grantholders and to widen their reach.

'We only solicit full proposals after an in-principle agreement of funding so there is no wasted effort from grantholders.'



'We take a conversational approach and get to know our applicants prior to submission so the chances of success on review by the Grant Panel is high.'

'We are planning to update our website to be clear that although we are invite-only, organisations can contact us if they feel that they are a good 'fit' to our aims and objectives.'



Expression of interest forms were mentioned by several respondents, both those using invite-only and open call systems. Some noted they had only recently adopted this process, as a result of learning, feedback, and EFN's 2024 report. Respondents shared efforts to make this as efficient as possible for applicants, including introducing a clear first stage eligibility checker, diversifying the types of expressions invited, and again having dedicated staff to support applicants and answer any questions promptly.

'While we remain an invite-only grantmaker, we have introduced an expression of interest form. The eligibility checker gives an automated answer in less than a minute and organisations only need to input their charity number and a contact email address.'

'Recognising the time-intensive nature of applications, we introduced initial applications in the form of a 'concept note' from which we asked a limited number to apply more fully.'

Across responses there was a strong awareness of the administrative burden funding applications can place on environmental organisations, with many funders describing efforts to minimise work at early stages of the process and increase accessibility. This included only asking for necessary information, being mindful of those whose first language isn't English, and/or simplifying applications in other ways. One funder reported improving their processes following an accessibility audit (Box 5, pg. 33), and another has decided to shift the burden of application writing onto their own team (Box 6, pg. 33). Only one funder mentioned using an application portal, but noted that they were actively gathering feedback to ensure it works well.

'We revised our application processes to ensure we're not asking for unnecessary information.'

'We provide application forms in different languages and support during the application process.'

'For many of our applicants English is their second language and we take this into account when reviewing the application.'

Finally, several funders surveyed described efforts to make application timelines clearer and more manageable, speed up their decision processes, and provide feedback to all prospective grantholders at each stage of the application process.

'Decisions are made within five weeks of the application deadline with money going out within a few weeks of the decision date.'

'For the last five years we have provided feedback to all applicants.'

Box 4 Different approaches to connecting with environmental groups



Why we are invite-only

by Samworth Foundation

The Samworth Foundation has been an invite-only funder for many years. We have two very defined areas of focus and are a small team of three. By inviting funding applications, we can manage internal resources effectively, whilst working with organisations to develop their funding proposals to ensure the best possible chance of success. We are proactive, and do lots of research in our areas of interest; attending sector events, speaking with other funders, asking grant holders who they are working with, carrying out social media and web searches etc. We recognise that we won't come across everyone who would be a good 'fit' for us, and so are open to organisations contacting the Foundation directly, either by phone or email.

Our approach saves time (we only invite organisations who have a very real chance of being awarded funding) and means that from application to funds being given, and beyond, we have the capacity to build open and trusting relationships with our grant holders (we try to award multi-year unrestricted or core grants), learning about them, the opportunities and challenges they face, and the wider sector they work in.



Why we became invite-only

by Brian Mercer Trust

Brian Mercer Trust has been running for 26 years and issues grants totalling about £1m annually. Over most of that timeframe we encouraged applications using a standardised short application form, with guidance on how to apply and what we would consider funding on our website. Trustees met quarterly to decide which applications to fund. Typically, we would have between ten and twenty applications to consider each meeting. Having no paid workers, trustees made decisions based on the strength of the application. As we became better known and, crucially, optimised our search criteria for better search engine prominence, the number of applications increased to up to forty per quarter and the success rate dropped to below 10%.

Several factors led us to accept applications by invitation only:

- *What had become the impossible task for trustees in making well-informed decisions*
- *The burden imposed upon applicants whose applications stood little chance of succeeding*
- *Virtually no capacity for funding new applications, given that our grants were typically multi-year and that most grants would be renewed once the initial grant ended*
- *Trustees' desire to give more grants to environmental and climate concerns*

Freeing trustees from considering large numbers of applications has enabled trustee meetings to be much more focused and productive. We now have shorter meetings every six weeks and are able to hold video-calls with grantholders mid-way through a typical three-year grant period and again three to six months before the grant ends. All our grants are unrestricted and we do not require any written feedback.


Endangered Landscapes & Seascapes Programme



How we run our open calls for proposals

by Endangered Landscapes & Seascapes Programme

All our grants are awarded through open calls for proposals, with applications assessed against a clear set of criteria. We believe that this approach has the potential to fund a greater diversity of organisations, across a wider geography (landscapes, countries) than would be achieved by invitation only, where the networks and knowledge of programme staff impose limitations.

A challenge and risk associated with this approach is that many organisations (and their capacity and track record) will not be known to programme staff. For our large grants (up to US$5 million) this risk is mitigated in various ways, including:

- *A requirement for grantholders to demonstrate that they have previous experience of managing large grants*
- *Requiring references from past donors*
- *Sometimes staging the grant with an assessment after three years before funding continues*
- *Assessment of applications by a panel of experts with wide knowledge of the region/sector and the organisations and individuals within it.*

We also operate a three-stage approach to grantmaking to help minimise the investment of applicants. This begins with a short expression of interest. Selected applicants are then invited to submit a proposal. Fifty percent of those are then awarded an in-principle offer and go through to a (funded) co-development stage. This uses many standard project planning tools to help strengthen each project's strategy and implementation plan, and builds our relationship with them (positioning project delivery as a partnership in which we are both invested). This stage also helps to reveal the strengths and weaknesses of project leads and their partners.

One emerging challenge of open calls, which appears to be a response to the programme being more widely known, as well as the increased use of AI, is the volume of applications. The most recent call for proposals generated three times as many proposals as in previous rounds, which risked overwhelming the management team and selection panel. We are currently exploring mechanisms to deal with this in future.



How spending down changed our application format

by Polden-Puckham Charitable Foundation

When we started spending down, we reverted to an 'open applications' format, because we felt that by limiting ourselves to organisations we knew, we might miss a crucial opportunity to have the impact we wanted. Potential applicants were strongly encouraged to have an informal conversation with us to assess whether an application might be successful before embarking on the application form. Despite this, we were overwhelmed with applications, many of which clearly did not fit with our funding parameters. On reflection, with only a handful of our new, larger grants available, it felt unduly onerous on applicants to submit a full proposal off the bat, even with the recommended contact with foundation staff. Feedback we received from applicants also reflected this.

We decided to introduce a concept note (or expression of interest) stage, without the requirement for invitation, in subsequent grant rounds. We asked them to set out their idea, the objective it sought to fulfil, how it fit into our funding priorities and to give an idea of the anticipated costs/length of time needed to effect the change. This essentially gave us their 'big picture' of what they wanted to achieve over a period of time, and what would be needed to resource it. We still received a large number of applications but were able to filter them much more easily and it felt less extractive in terms of the time and resources of organisations seeking funding.



How we manage applications as a very small foundation

by Kreitman Foundation

We choose not to have specific funding windows as it allows us to respond to the needs of charities when best for them. Of course, there are instances where we may struggle to process enquiries quickly, for our own capacity reasons, but generally we've not found this approach to be prohibitive.

We find the brief first stage is often enough to tell whether an organisation might be a fit - and is hopefully not time-intensive for fundraisers. Having built a number of partnerships over the years, there is less and less likelihood of new, unsolicited enquiries being successful - and we make a statement to this effect on our website in order to set expectations accordingly and not waste applicants' time unduly. On the whole we feel the flexible approach to be best practice and it most fits our ethos.



Box 5 What our accessibility audit taught us

by John Ellerman Foundation



As part of our wider work on diversity, equality and inclusion, we decided to undertake an accessibility audit of our website. This was done by an external organisation that provided us with clear actions and guidance on how to make our website usable to a full range of different access needs. This was not something that we had the expertise to do in-house, and having external support ensured that we were able to do the work effectively.

Activities like this can feel daunting or like a lot of extra work, particularly in small organisations like ours. However, many of the findings were things that could easily be acted on. There were also larger modifications but these were set out clearly. This experience has also given us learning that we will take into any future website work.

Box 6 How we co-create applications with grantholders

by Friends Provident Foundation

In 2025, Friends Provident Foundation began experimenting with a more conversational and flexible approach to grantmaking. We were concerned that conventional written applications can favour organisations with greater fundraising capacity and fail to capture the nuance of complex, systems-focused work. Our first-stage success rate was also very low, meaning many organisations invested considerable time in applications that did not progress.

We therefore shifted to a model where anyone can submit an expression of interest in writing, by voice note or by video. We assess fit, then develop the application through conversation, with the onus of the writing at stage one being on our team. This has improved our early conversations, helping us understand complex ideas, identify poor fit and offer useful guidance sooner. It does not save staff time - it transfers some work from applicants to us - but it can reduce wasted effort overall and allow organisations to focus scarce capacity on their mission.

Our aim is to add value at every stage, even when we cannot offer funding. We support applicants through the process, are open about likely fit and provide clear, constructive feedback to everyone who applies. Where appropriate, we also suggest alternative routes, connections or opportunities. We want engaging with us to be useful in itself, rather than applicants investing considerable time only to receive a yes or no.

The approach has brought challenges. Some applicants already have proposals and find our drafting duplicative; others want greater control over how their work is represented. A relational process can also raise expectations, making rejection more surprising. We now offer a choice between a staff-written stage one and an applicant-written proposal, with feedback before final submission, and are clearer about the process's competitiveness.

We would recommend this approach to funders willing to commit staff time, listen to feedback and adapt. It is neither perfect nor quicker, but we hope it makes grantmaking more accessible and useful for those seeking funding.

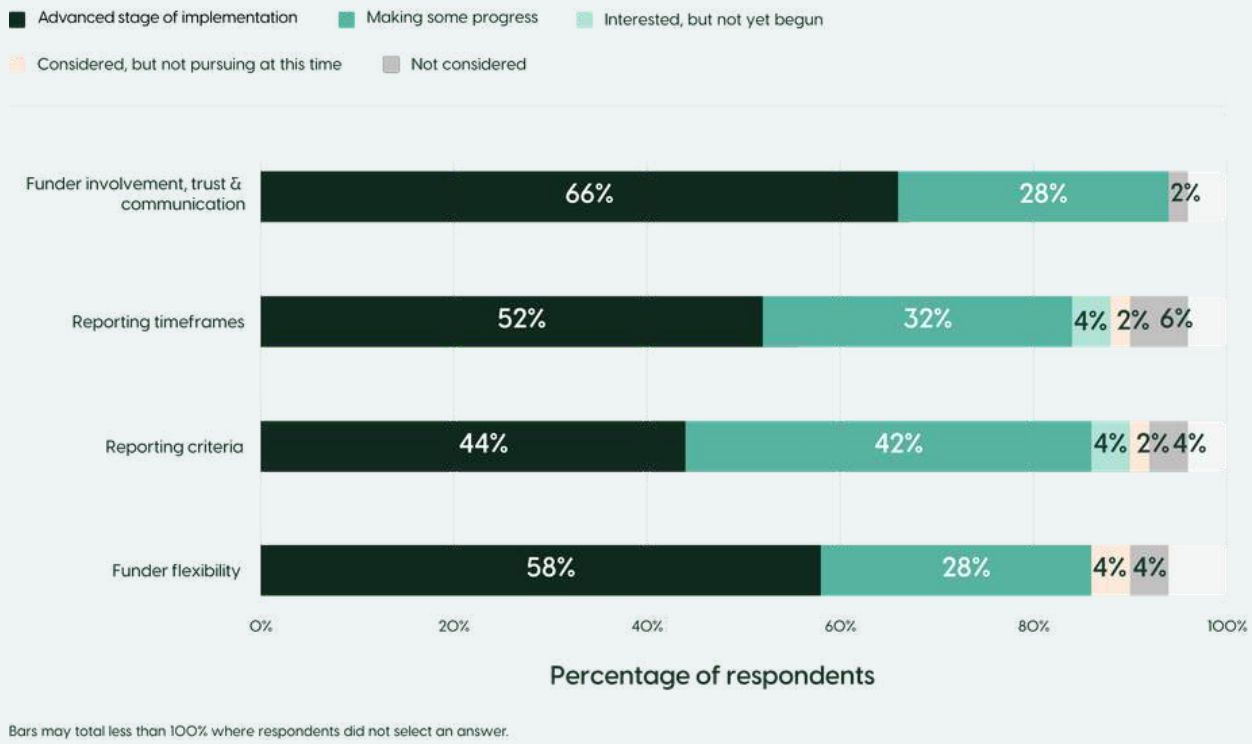
C) Grant management

Once environmental groups receive a grant, there can then be many challenges within the funder-grantholder relationship, which can impact delivery of activities. The key issues featured in this section are listed below (see Appendix 2 and Section C of our 2024 report for further details).

1. **Funder involvement, trust and communication:** extensive funder involvement can leave grantholders feeling controlled and untrusted
2. **Reporting timeframes:** demands for quick results can prioritise presentation over long-term impact
3. **Reporting criteria:** rigid reporting can be burdensome, inaccessible and ill-suited to demonstrating impact
4. **Funder flexibility:** limited flexibility can make responding to changing circumstances difficult

What progress have funders made regarding grant management?

Percentage of respondents at each stage of implementation



Bars may total less than 100% where respondents did not select an answer.

For 'funder involvement, trust and communication', of those who answered the question, all but one selected either 'advanced' or 'progress', suggesting that these practices are already relatively well embedded within their work. Funder flexibility, and reporting timeframes and criteria, also showed substantial levels of progress, with only a small number of respondents not considering changes in these areas. Taken together, the responses suggest widespread recognition of the importance of more flexible, communicative, and proportionate reporting relationships with grantholders.

Responses in this section focused mostly on reporting. There appears to have been quite a lot of movement away from traditional written reports among those surveyed. Several funders reported implementing a range of more creative and accessible options for grantholders to communicate impact. These include video calls, informal check-ins, site visits, accepting reports written for other funders, and reports being produced by storytellers or the funder themselves (Box 7, pg. 38). Others have adopted more relaxed timelines for reports or don't ask for any reporting at all. In terms of financial reporting, Open Collective[8] was cited as one tool for enabling a more light-touch approach.

'Grantholders are welcome to report to us in whichever way they see fit, we just ask for a minimum of one formal touch point every six months.'

'We offer to meet with grantholders and then we write up the annual report, with the final version being approved by the grantholder.'

'We allow people to share reports prepared for their board or other funders - and sometimes replace written reports with visits/conversations.'

'We are always reflecting and exploring other approaches to assess impacts.'

'We are regularly updating and tweaking our reporting processes to ensure that they are as light touch as possible, in any format, but still provide the information we need.'



8 Open Collective is an online platform that helps groups and projects raise, manage and distribute funding openly, with shared visibility over where money comes from and how it is spent.



Some respondents mentioned an ongoing challenge in balancing light-touch reporting with accountability, noting that it can make impact assessment more difficult. However, others reflected on how relaxing reporting requirements had not only benefited their grantholders, but also themselves.

'Not requiring reporting means it can be challenging for us to assess the impact of our funding.'

'A challenge is to synthesise and analyse the data and insight that is shared with us in multiple formats so that we can use it and share it practically.'

'Moving away from long-form and detailed reporting is one of the best things you can do for grantholders and for grant managers. I'd encourage everyone to think through what is the absolute bare minimum they need in terms of reporting and pilot a few grants without the fluff. Life-changer!'

'Flexibility doesn't equal lack of accountability, it just requires a different way of learning about an organisation and building trust.'

'We have evidence of how much our funded partners (grant recipients) appreciate our less cumbersome reporting practices and our learning events that bring them together.'

Several funders reflected on the importance of building trusting relationships with their grantholders, and others specifically described themselves as being trust-based and/or relational, with some citing IVAR's Open and Trusting commitments as a helpful driver. Respondents noted that offering more informal check-in calls, and maintaining open channels for communication, was helpful in building trusted relationships with grantholders.

'For us it has been about building a trusted provider relationship with our grant-funded organisations. I know some funders would find this more of a risk if the funding levels were much higher than we provide but I still think that a conversational, trusting approach is beneficial to avoid onerous reporting mechanisms.'



'We trust our partners to do what they need, and to get in touch if they need support but otherwise we leave them alone.'

'We try hard to be partners and remain open to frank communication with grantholders.'

'We offer quarterly meetings if the partner is a new organisation and might need more support to help them around strategy/recruitment/fundraising, but these aren't a requirement.'

Many respondents reported providing grants that are as flexible as possible, empowering grantholders to move budgets and alter projects as they need. One respondent said they had travel and emergency funds available; another reported that they set aside 10% of each annual grant amount for exceptional circumstances.

'We have partnership agreements with funded partners that agree the ultimate aim of the work, and we are very flexible in changes in how this work is delivered, over what time etc.'

'Those doing the work are best placed to define impact and reflect on progress.'



Raphael Pouget / Climate Visuals Countdown

Box 7 What our storytelling approach to reporting has shown us

by Blagrave Trust



Working with grassroots youth-led groups has taught us that one of their biggest barriers to accessing funding is the capacity required to meet compliance and reporting requirements, particularly when they are often juggling multiple jobs alongside their changemaking. This, in turn, threatens our strategic mission to support and enable young people to 'become louder voices' in the sector, particularly those with lived experience of the issues they focus on.

Our Roots & Routes programme is a pooled fund for youth-led organisations fighting for climate justice in England. Instead of asking them to complete traditional written reports, we hold one-hour catch-up calls with them every quarter, and commission storytellers to help them tell their stories in their own words. This removes the administrative burden on the organisations and helps us to understand what they are doing, the challenges and barriers they face, and their goals for the future. The resulting impact stories can also be used by the groups in other ways.

Together, these approaches give us much deeper insight into our grant partners' work than written reports typically provide. They also help our grant managers build relationships with funded organisations, which our learning shows is vital when supporting youth-led groups.

Box 8 What environmental fundraisers told us about reporting and evaluation processes

by EFN and the Green Fundraisers Forum



In 2026, we ran an online session with a small group of environmental fundraisers exploring their experiences of funder reporting and evaluation requirements – what was working well, what was feeling burdensome, and what a 'good' or 'healthy' reporting framework would look like from the perspective of an environmental fundraiser.

The overall feeling from the fundraisers was that reporting is beneficial provided it is proportionate, meaningful, flexible, built around learning, and conversational where appropriate. When done well, reporting gives environmental groups greater internal clarity, space for reflection, stronger storytelling skills, and better alignment with funders. However, when done ineffectively, it becomes burdensome, resource-draining and time-consuming; work has to be reshaped to 'fit' funder expectations, and fundraisers waste time with clunky systems and duplicative work.

D) Collaboration and coordination

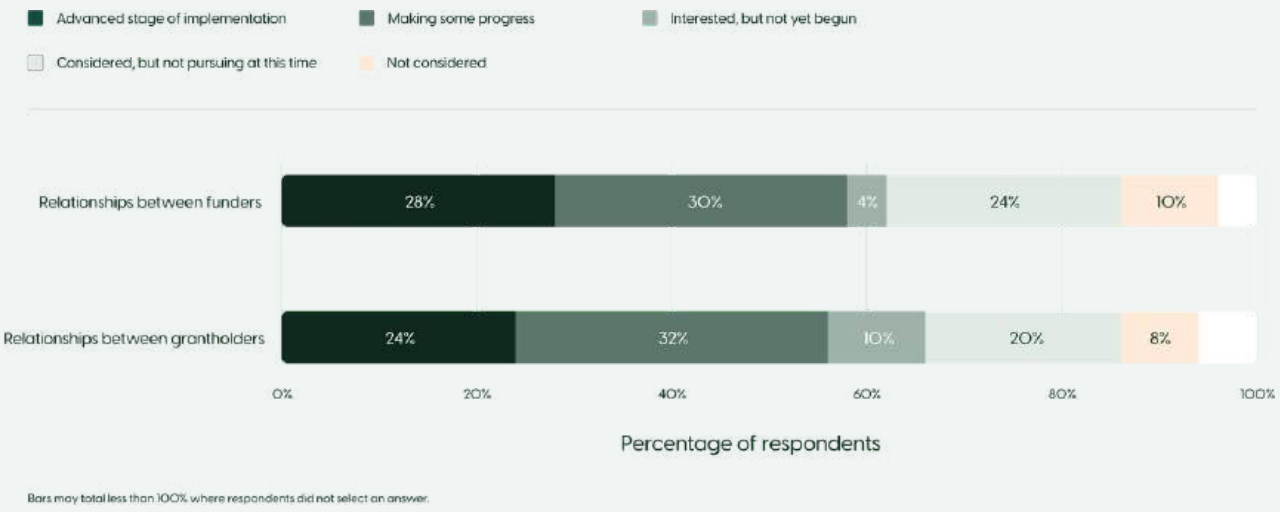
Within the wider funding landscape, collaboration is limited both among environmental groups and among funders. The key issues featured in this section are listed below (see Appendix 2 and Section D of our 2024 report for further details).

1. **Relationships between funders:** navigating different processes for individual funders can be very time-consuming for applicants

2. **Relationships between grantholders:** collaboration is encouraged but can lack funding and practical support

What progress have funders made regarding collaboration and coordination?

Percentage of respondents at each stage of implementation



Bars may total less than 100% where respondents did not select an answer.

Responses relating to relationships and collaboration showed a more mixed picture than other areas explored in the survey. While many respondents reported either making progress or being at an advanced stage of implementation, there was also a high proportion of respondents who reported not pursuing these approaches. Progress appeared slightly stronger in relation to supporting relationships and collaboration between grantholders than between funders themselves. Overall, the findings suggest growing interest in more coordinated and collaborative approaches across the sector, but also indicate that these remain areas where practice is still developing for many organisations.

The most common responses shared here were around bringing grantholders together. Funders reported hosting well-received get-togethers in person and online. Many also deliberately connect grantholders working on similar issues to try to aid collaboration and knowledge-sharing (with one noting that they always seek permission from each grantholder first and another mentioning the importance of building relationships with individual grantholders before seeking to connect them). One respondent told us that they have a learning fund specifically to support knowledge exchange.

'Part of our strategy is to put funded groups in touch with each other to support joint working or to share information and data.'

'We have convened our grantholders twice over the last four years for 1.5 days each time, facilitated using an 'art of hosting' approach. This has led to a high degree of trust between grantholder partners and sparked some collaborative connections and work. We were worried that these convenings would be a burden but grantholders gave positive feedback.'

'We bring our funded partners together online to cross-pollinate and learn from each other, and to advise us in our funding and advocacy work.'

Many respondents have been actively funding partnerships, with caution expressed around mandating collaboration. One funder, however, remarked that instead of funding partnerships specifically, they provide unrestricted funding, with the understanding that collaboration is already happening and allowing grantholders to determine for themselves how much they wish to invest in it. Several respondents also described supporting wider network infrastructure, ecosystem-building, collective voice and peer learning initiatives, though only two mentioned funding independent network bodies.





'We tend to provide core/unrestricted grants rather than specific funding for partnership. We are trying to move to funding the collective voice, recognising the strong collaboration already happening.'

'Many networks are underfunded - we support a lot of them. We work with aligned funders where helpful and support a lot of networking.'

Although there was considerable enthusiasm for collaboration between funders in principle, many respondents described it as difficult and resource-intensive to implement in practice. A few successful examples were given, including convening funders on specific topics, putting grantholders in touch with other funders, and facilitating match funding. Several respondents shared, however, that they find it hard to find other funders willing to collaborate who also share similar areas of interest and aligned ways of working.

'Collaboration in funding is important to get right and the optimal conditions for this may occur infrequently.'

'It's tricky to work with other funders as everyone works in different ways.'

'I recently became aware of two other family foundations, each financially much larger than us, that also support local projects. Neither has a website. I contacted both, suggesting we work jointly. One did not reply to several emails and the other said "we will consider your proposal", but I have heard nothing since.'

A couple of funders surveyed reported action or interest around sharing applications, but only one funder expressed interest in the idea of standardising application and/or reporting systems. Several respondents highlighted the value of pooled funds (Box 9, pg.42), particularly for smaller funders, although it was noted that participation requires clear alignment of priorities and objectives.

'Shared applications can limit flexibility, as all end up having to align with the least-flexible funder.'

'Unfortunately standardisation methods across trusts/grantmakers is just not always/yet feasible.'

'We hope to develop simple shared understandings of the collective impact funders are seeking in our focus area so we can make reporting and application criteria more common between funders.'

'We love collaborating but tend to avoid pooled funding, as our funding has to be tied to a specific priority.'

'Given our capacity issue but desire to engage in a range of climate areas, pooled funds allow us to give effectively and also learn from funders that are large enough to have dedicated teams working on these areas.'



Box 9 Exploring the power of pooled funding

by Synchronicity Earth



Synchronicity Earth

Synchronicity Earth established its Congo Basin Pooled Fund in late 2017 to provide longer-term, flexible support to local organisations and Indigenous Peoples and Local Communities (IPLCs), while demonstrating more effective approaches to conservation funding. As an intermediary between donors and grantholder partners, we manage due diligence, grants, risk and reporting, enabling our primary donors to support organisations they might otherwise consider too difficult or risky to fund directly.

The fund also provides a learning space where donors can better understand local realities and explore more flexible, trust-based approaches. This 'learning by doing' approach has influenced practices within and beyond the fund, helping several local partners subsequently secure significant multi-year grants from other donors. The fund therefore acts both as a funding mechanism and as a practical demonstration that locally led conservation can be funded effectively, even in complex contexts.



Synchronicity Earth



Assessing grantholder experience

In interviews with 11 respondents, we asked an additional question about whether they had gathered evidence on the impact of their own funding practices, beyond the impact of their grantmaking overall.

The quality of relationships between funder and grantholder was noted as an important outcome in itself, and several respondents described developing more intentional learning and feedback processes focused specifically on grantholder experiences. These included grantholder surveys, perception audits, annual reviews of guidance and processes, externally commissioned assessments, and integrating feedback into grant reporting.

'Our learning process and impact measurement are rooted in our values - how we learn is as important as what we learn. Our goal is to learn with, rather than about our funded partners, shifting the power dynamic around who decides what it is important to learn and how.'

'Perception audits aren't very expensive but it's like having an extra staff member with lots of great ideas.'

'Our grant close-out process is a conversation around five questions, at least three of which are about the funder-grantholder relationship: positives, negatives, what could be done differently, is the experience any different being supported by a spend-out funder, etc. We then use these for incremental learning, and also feed it into a bigger learning piece over time.'

Deep dive into a recurring funder challenge: capacity

Throughout our analysis, one of the challenges reported repeatedly by funders was limited capacity. Here we bring all of those concerns together, and then explore insights from funders at EFN's 2026 retreat on how this challenge might be tackled going forward.



There were strong concerns across all of the issue areas about receiving higher volumes of applications than can be assessed effectively and some respondents indicated this was a worsening issue[9].

Analysis suggests that despite total UK grantmaking having risen by 4% in 2024-25[10], it is insufficient to meet the needs of the sector. High volumes of applications have discouraged surveyed funders from advertising grants more widely, moving away from invite-only models, and relaxing applicant restrictions.

This challenge was reported most commonly amongst smaller funders surveyed, with smaller budgets and few to no paid staff. Some funders also reported that they intentionally try to keep their admin costs low, and so limit internal capacity in order to dedicate more funding to grantmaking.

'One fund had over 650 applications, and we could only fund ten!'

'Lack of resources to assess applications means we have to put in restrictions to avoid having too many applications.'

'We are a small team with limited capacity.'

'As a small funder, we can't be doing everything everywhere all at once. We have found our "niche" and we are as flexible as possible within it.'

9 Possible contributing factors include increasing funding need, reductions in government funding in the UK, USA and elsewhere, and other funders closing or pausing. Note that a pause may apply only to new applications while existing commitments continue, or may allow time to redesign a programme; see this ACF blog. The List tracks closures, pauses and other UK trust and foundation grantmaking changes.

10 See the results from the UKGrantmaking's annual publication on grant funding in the UK in 2024-25.

Limited capacity was also highlighted as a barrier to providing feedback and support to applicants. One respondent reported that, even though their staff team had doubled since they joined, they were still facing capacity restrictions, and had to cancel one of their grantholder support programmes to save budget and staff time.

'We are a very small team so providing feedback to all applicants is an area where we still fall short. AI could help with assessment and feedback but we need to ensure that it is factual and constructive.'

'We do open calls for applications. The response can be so huge that it is hard to figure out how to provide feedback.'

The additional capacity required to build trusted relationships with grantholders and provide strategic support was also mentioned multiple times, with several surveyed funders noting a trade-off between supporting existing grantholders and being open and accessible to new ones.

'We only have one part-time staff member managing a very relational fund so it is time-intensive having conversations with so many potential applicants.'

'I am sure we could do more to publicise our grants - but as a small team this isn't something we prioritise over other things, like offering a lot of pre-application advice and support.'

'To be a relational funder you need to have capacity. It can feel a struggle sometimes to balance creating relationships with all our funded partners and maintaining the same level of support/relationship as new funding programmes get implemented.'



Capacity was again cited as the primary challenge that surveyed funders face in engaging with more collaborative work. This type of work was reported as particularly energy and time-intensive, especially for smaller organisations.

'The problem here comes down to time. Co-funding involves liaison with co-funders as well as the funded organisation.'

'We only have one person managing the grants for the organisation so it is difficult to increase engagement with other funders alongside regular work.'

Addressing capacity constraints

Here we draw insights from EFN's 2026 funder retreat, where we asked approximately sixty funders to reflect on the issue of capacity and suggest ways to ease this challenge (see part four of our Methodology, page 17).

First, participants highlighted the importance of a clear, bounded and collectively agreed mission and vision to guide prioritisation. When capacity is limited, a well-understood mission can provide 'permission' to say no, or reduce activities, in order to direct resources towards the most aligned work.

In line with the survey findings, participants also emphasised the importance of collaboration. Specific suggestions included sharing due diligence and back-office functions, contributing to pooled funds and working with regranting organisations that already have established systems and processes for particular focus areas.

Participants also recommended investing in organisational infrastructure, leadership and team culture. Rather than taking a one-size-fits-all approach, participants suggested funders should determine the team size and skills needed to fulfil their mission. Some noted that teams must be sufficiently resourced to prioritise how they fund, as well as what they fund.

Other suggestions included recruiting people with diverse expertise and perspectives, including fundraising experience, introducing staff shadowing and peer support systems, and fostering active learning, risk-taking and openness to failure. Underpinning this, participants highlighted the need to build trust within staff teams, enabling them to make decisions and delegate effectively.

Participants also shared how supporting grantholders can help funders manage capacity constraints. Funding grantholders to strengthen their infrastructure may make future funding easier, while 'letting go of control' through flexible funding and trust-based relationships can reduce grant-management demands. Shorter applications and reporting focused on stories and outcomes (rather than outputs) may also ease the burden.

Finally, participants discussed using technology to simplify administration, including customer relationship management (CRM) systems and the responsible use of AI. However, views differed on whether AI's potential time savings justified its environmental impacts.



Deep dive into a recurring funder challenge: trustee and primary donor support

Trustee and primary donor support emerged as an important influence across all four issue areas within the survey results. Some respondents described working well with trustees and primary donors to develop more effective funding practices, while others encountered concerns about possible risks or differing priorities. Here, we explore those experiences and draw out factors that can support progress.

Several respondents reported nervousness at trustee level about adopting more progressive practices, even when there was clear willingness or eagerness from staff. Some respondents also noted differing views of trustees on how to engage with prospective applicants. Others mentioned challenges in securing trustee support for less formal reporting approaches, though one respondent explained how setting standard expectations for grantholders around governance and required policies had helped trustees feel more comfortable.

'We like to take a very flexible approach but our Trustees do require that applicants are registered charities.'



'As a pooled fund, our ability to commit larger, longer-term resources depends on our donor partners giving similarly long and generous grants to us ... We (i.e. an intermediary that's both fundraising and making grants) would like core, long-term, unrestricted funding just as much as our applicants, and we encounter all the same problems as our funded projects.'

'Our steering committee consists of philanthropists with mixed experience in environmental funding. Some are completely opposed to multi-year or repeat funding and see our role as kickstarting innovative projects.'

'Trustees have different opinions on what should be prioritised.'

'Lack of recognition from trustees/committee of the value of early stage engagement with prospective applicants.'

'Legacy-based grant-giving foundations often start with a board of trustees made up of colleagues and family members of the founder, who can have very limited experience of trusteeship or knowledge of effective practices.'



For regranters, particular examples of challenges related to primary donors included restrictions around funding outside a particular geography or topic when it doesn't align with that of the primary donor themselves. Similarly, some respondents noted difficulties in lengthening application windows when they conflict with primary donors' own pre-determined timelines. Regranters also have to report back to their own donors, limiting their ability to relax reporting requirements. Difficulties were also shared around convincing primary donors to support collaboration efforts. However, one example was given of a regranter working successfully with their primary donors to fund underfunded areas.

'When we act as a regranter, the biggest challenge is sometimes to bring our donors on our learning journey and positively influence how conservation is funded to address overlooked and underfunded priorities.'

'Only having annual or end of project reports isn't enough to keep our own donors interested in projects - they want updates and to see that work is happening throughout the year.'

'We are working on supporting networks of alumni but this is costly, often without a clear short-term outcome. As a regranter, this can be one of the most difficult parts of our grantmaking programmes to persuade our upstream funders to support.'

'We are an intermediary funder but we work with our donors to ensure the funding reaches those areas most in need, i.e. traditionally underfunded geographies or themes.'

Building trustee and primary donor support

Here we draw insights from EFN's 2026 funder retreat, where we asked approximately sixty funders to consider how support among trustees and primary donors for adopting more effective practices could be increased.



To facilitate trustee buy-in, retreat participants first emphasised board composition and structure. Trustees' experiences and knowledge influence their openness to progressive funding approaches, so boards should be diverse, ideally including representation of the grantholders a funder supports, and work actively to include the perspectives of all members. Participants recommended including people with community and business experience, voices from different generations and a space for nature.[11]

It was noted that fixed terms and open recruitment can enable regular intake of fresh perspectives, while subcommittees and clear expectations and terms of reference can deepen engagement.

Participants also stressed the importance of relationships and a positive board culture, fostered through joyful meetings, in-person connections and dedicated time for knowledge-sharing. Some suggested appointing a board facilitator to provide an external voice, challenge trustees, mediate conversations and encourage boldness.

Echoing the survey findings, participants strongly emphasised the value of knowledge-sharing and training. Suggested topics included myth-busting around Charity Commission regulations, systems change, funding for impact[12], understanding budgets, and flexible funding. Participants noted that trustees from different organisations rarely speak to one another and expressed interest in trustee convenings, exchanges and peer-learning circles where they could compare approaches.

11 Some organisations are experimenting with 'Nature on the Board' governance models, giving Nature a formal voice in board-level decision-making. For example, Gower Street is one example of a charitable foundation adopting this approach, as a way of embedding long-term ecological thinking and nature connection into strategic decisions.

12. Recommended resources included: *It Ain't What You Give, It's The Way You Give It: Making Charitable Donations That Get Results* (2012) by Caroline Fiennes; *The Life You Can Save: How to Do Your Part to End World Poverty* (2009) by Peter Singer; *Modern grantmaking: A Guide for Funders Who Believe Better is Possible* (2021) by Gemma Bull & Tom Steinberg.

One participant highlighted the value of exploring progressive approaches one at a time, and experimenting at different levels (e.g. offering unrestricted funding or lighter-touch reporting for repeat or smaller/short term grants first), sharing the learning openly with trustees without overwhelming them. External experts, including consultants, and organisations like Impatience Earth and EFN, can support this.

Stronger engagement with staff and grantholders was also seen as important. Building trust, respect and relationships between trustees and staff can support trustees' confidence to be bolder, while helping staff better understand trustees' perspectives and values. Meeting applicants, hearing directly from grantholders and joining site visits can similarly strengthen trustee engagement. One participant described how a trustee's business-mentoring calls with grantholders had enabled more trusting relationships, making the trustee more receptive to progressive practices.

The same is true of primary donors - facilitating relationships between them and grantholders can be helpful.

Finally, participants considered decision-making by trustees, given their governance role, limited time, and personal responsibility for a funder's activities. As they must give appropriate attention to assessing and managing risk, participants suggested they could consider the risks of inaction, or of reducing impact through overly restrictive funding, more often.

Clear and high-quality knowledge-sharing and communication with staff (where staff exist) and honest discussion of worst-case scenarios could help trustees make informed decisions and use their time effectively. Where appropriate, participants suggested funders might also increase the autonomy of staff to explore different approaches, while keeping trustees well informed so they can retain suitable trustee oversight and accountability.



What else would enable further progress?

Beyond the specific approaches discussed in the deep dives above, survey respondents identified several other factors that could help funders make further progress.

Many respondents described their organisations as actively experimenting, iterating and adapting their approaches over time, often informed by peer learning and external convening spaces. Several respondents reflected on the importance of being open to, and seeking out, external knowledge and expertise, and actively trying new and different approaches to their grantmaking.

A strong theme running through the responses was a desire to learn from other funders. Many respondents expressed interest in hearing how peers were approaching similar challenges, particularly through sharing experiences and lessons learned, though it was also noted that this can sometimes be time-intensive for those funders leading the way.

Several respondents commented that hearing a range of examples from different types and sizes of funders was especially valuable, recognising that no single approach will work for them all.

The value of networking opportunities and spaces for open, non-judgemental discussion was mentioned repeatedly. EFN, IVAR, the Association of Charitable Foundations (ACF), and Impatience Earth were all highlighted as extremely helpful in convening and/or providing support and resources.

'There needs to be space for a 'critical friend', like EFN, because grantholders can't play that role.'

'Sharing experiences, talking to others, and EFN research have been incredibly valuable in shaping our thinking.'

'ACF has been very helpful in putting us in touch with other funders to discuss particular issues.'

'EFN and Impatience Earth have been crucial in helping us to decide which areas to prioritise.'

There was particular interest in sharing best practice on topics such as trust-based funding, partnership support, knowledge management, impact assessment and (particularly international) due diligence processes. This could be through events, one-to-one conversations, working groups, or the sharing and compiling of resources and guidance.

'I would love to hear who is leading progress and learn from them.'

The need for clearer sector-wide frameworks and guidance was also raised, with respondents commenting on the need for a more consistent, shared vision and a stronger focus on long-term systems change and collective impact. In addition, the need for greater standardisation of approaches such as environmental data collection and analysis[13] was highlighted.

'Both funders and fundraisers could benefit greatly from actionable guidance on how to move from project-based assessments into organisation-wide trust-based assessments.'

The importance of collaboration within grantmaking processes was also mentioned. Some respondents emphasised the value of creating more spaces to explore funding partnerships. Others suggested coordination could be improved via digital mechanisms to help align timetables, share application systems and support continuation funding for successful pilot projects. (ACF's Funders Collaborative Hub is a useful resource for any funders looking to collaborate.) Respondents also expressed interest in learning from examples of successful collaboration and understanding what enabled them to work well.

13 The Conservation Evidence team at the University of Cambridge are exploring the role of funders in encouraging evidence generation in the environment sector; see recent paper, 'Role of funders in embedding tests in conservation practice'

How fundraisers can help

Several survey respondents highlighted the value of open communication, asking grantholders to be transparent about challenges or changes during a funding relationship.

Fundraisers were encouraged to provide constructive feedback on funding practices as honestly as possible, and to point funders towards good practice guidance. In particular, one respondent suggested fundraisers could feel more confident in asking for flexibility, commenting that power imbalances can sometimes cause applicants to assume restrictions are more rigid than they are.

Finally, a small number of funders mentioned practical improvements such as maintaining clear and up-to-date websites, and making it easy for funders to get in touch. (Some readers may find IVAR's peer review process a useful framework to gather feedback from their peers and grantholders.)

'A common problem is (a minority of) grantholders failing to notify the funder in advance of changes - we can be understanding, but "trust-based" works both ways.'

'Continue your good work and just keep applying!'



05

Conclusion

The funders who contributed to this research demonstrate a strong commitment to improving how funding is distributed and managed. Trusting relationships, funder flexibility and more proportionate reporting appear relatively well embedded among respondents. Many are also providing unrestricted or core funding, supporting a wider range of approaches and offering longer-term grants where their circumstances allow. Funders reported simplifying applications, using expressions of interest, accepting different application and reporting formats, and providing greater clarity and support to applicants. However, collaboration and coordination, particularly between funders, appear less developed than other areas, despite considerable enthusiasm for it.



It should be noted that much of the progress made pre-dates our 2024 research: this report captures funders' current approaches and experiences, regardless of whether our earlier recommendations influenced them. Also, since the survey for this report was circulated, there may have been further changes. In addition, these findings should not be taken as representative of all environmental funders.

Funders further along in developing progressive practices were probably more likely to respond, and the findings are based primarily on funders' own assessments of their progress. They may therefore present a more positive picture of current practice across the sector.

As such, we recommend reading this report alongside other work to explore the state of grantmaking in the UK, such as IVAR's 2026 report *Searching for Life Rafts*.

Even so, it is clear that those surveyed face significant challenges in trying to improve the funding system for fundraisers. Many describe feeling overwhelmed by demand, and restricted by factors such as limited staff time, fluctuating or short-term income, established organisational structures, and constraints related to legal and governance requirements.

These pressures create difficult trade-offs: between openness and a manageable workload; relationship-building and wider reach; flexibility and accountability; responsiveness and strategic focus; long-term commitments and the ability to respond to emerging issues; and standardisation and flexibility.

Funders must balance these myriad issues while operating in their own unique context, and so there is no single model that can work perfectly for all. However, the findings point to several changes that can benefit fundraisers while often also making funders' own processes more manageable, including:

- Publishing clear eligibility information, application questions and decision timelines in advance can prevent unsuitable applications and reduce repeated enquiries
- Having brief, initial eligibility checks or expressions of interest can help funders identify promising proposals before either side invests in a full application
- Offering webinars and Q&A sessions can be an efficient way to support many applicants at once
- For invite-only funders, providing a clear route for prospective aligned applicants to make contact can widen access without requiring a fully open call
- Accepting reports prepared for other funders, or replacing formal written reports with conversations or existing materials, can reduce strain on grantholders while still providing grantmakers with the information they need
- Allowing grantholders greater freedom to adjust activities and budgets without seeking approval for every change



These relatively simple changes, which also align with recommendations of others in the sector, can reduce unnecessary work, improve accessibility and free up more time for both parties to focus on relationships and impact. Suggestions may be familiar, as other sector leaders we have mentioned throughout the report, including ACF, IVAR and Impatience Earth, have also suggested some of these recommendations. We hope the case studies of fellow funders may provide inspiration on how some of these changes may be implemented.



Capacity

Other, more complex challenges will require longer-term and more nuanced approaches. Capacity was the barrier reported most consistently by funders surveyed, affecting their ability to, for example, run open calls, provide feedback, support applicants, build relationships and collaborate with peers. This was particularly acute among smaller funders with few or no paid staff.

Some funders surveyed keep their administrative costs low to maximise the amount distributed, but this can limit the time available to consider how funding is distributed or to provide effective support alongside it. Findings suggest that administrative capacity should not be viewed simply as money diverted from grants: appropriately resourced grantmaking can improve the accessibility, quality and impact of those grants.

Recommendations to ease capacity limitations include:

- **Investing appropriately in staff, leadership and organisational systems to improve accessibility, quality and impact of grants**
- **Establishing a clear and bounded mission to give staff a clear way to differentiate and prioritise between applications**
- **Sharing due diligence and back-office functions with other funders**
- **Using pooled funds or specialist regranting organisations**



Trustee and primary donor support

Trustee and primary donor support for adopting more progressive funding practices is another complex challenge. Trustees, as decision-makers and those responsible for organisational risk, may be more cautious - even if staff are motivated. Regranting organisations face additional challenges when their own donors ask for specific funding or reporting requirements. The findings suggest that progress depends partly on helping trustees and primary donors understand both the benefits of more flexible approaches and the risks of maintaining restrictive ones, including wasted applicant time, reduced organisational resilience and limited impact.

Suggestions put forward for enabling greater trustees and primary donor support included:

- Ensuring diverse board composition and a healthy culture
- Offering training and peer learning opportunities for trustees
- Facilitating stronger relationships between trustees and staff
- Creating opportunities for trustees to hear directly from grantholders
- Enabling trustees from different organisations to meet
- Starting slowly – testing new approaches with a small number of grants or established grantholder partners first



Our findings suggest that learning from others is an important enabler of progress. Respondents particularly value practical examples from different types and sizes of funder, alongside opportunities for honest, non-judgemental discussion through networks, roundtables, working groups and one-to-one conversations. External guidance and expertise can help funders challenge assumptions, navigate areas such as due diligence and impact assessment, and give staff and trustees greater confidence to try different approaches. Greater coordination between funders can also reduce duplicated effort through shared learning, due diligence and application processes, and funding mechanisms. Funders leading the way should be supported to share their experiences, recognising that doing so also requires time and capacity.

Trust and transparency seem to sit at the centre of many of these issues, and the solutions to them. Good relationships between trustees and staff can enable appropriate delegation, and openness between funders can support collaboration and shared learning. Trust between funders and grantholders can make funding more flexible, reporting less burdensome and communication more honest. Regular conversations, clear expectations, openness about constraints and genuine responsiveness to feedback can all contribute to building trust. Funders should also assess grantholders' experiences more intentionally, alongside the impact of the work funded, and use what they hear to keep adapting their practices.

Ultimately, improving the effectiveness of funder-fundraiser relationships is not about applying a fixed set of rules. It is about examining whether funding practices serve their intended purpose[14], being honest about the constraints and trade-offs involved, and remaining willing to experiment and learn.

We encourage funders to start exploring where they could have the greatest impact, seeking feedback from grantholders, learning openly with peers and continuing to challenge assumptions about what is and is not possible. The stories of solutions and new and improved funding practices throughout this report offer other ways forward that may inspire your own practices. Alongside other sector leaders, including IVAR and more, we recognise the urgency of the challenges the sector faces and believe that supporting funders and fundraisers to understand each other's challenges better enables us all to work together to overcome them. In a sector responding to escalating climate and nature crises, the way funding is provided directly shapes the resilience, diversity and effectiveness of the entire ecosystem.

14 Bull and Steinberg argue that professional grantmaking requires funders to place as much emphasis on the quality of their service (including application processes, reporting, communications and grant operations) as on funding decisions themselves. Modern Grantmaking Writes: Selected newsletter articles from 2023 to 2026.

Key takeaways for funders

Overall, our findings strongly reinforce the six cross-cutting approaches recommended for funders in our 2024 report (pages 26-30), and the benefits that can come with them.

- Focus on people and outcomes rather than projects and outputs
- Collaborate as much as possible
- Underpin all funding behaviour with trust and flexibility
- Create and embrace opportunities to hear from grantholders
- Make decisions based on a combination of long-term thinking and urgency
- Design application and reporting processes carefully and relax requirements where possible



Given that this research identifies capacity and trustee influence as strong enablers of these approaches, we now add two further recommendations:

Resource grantmaking effectively

Avoid viewing administrative capacity simply as money diverted from grants. Investing in grantmaking infrastructure, teams and technology can greatly improve the impact of the grants. This includes ensuring good leadership, staff agency, a clear mission, and a culture of trust, learning and appropriate risk-taking.



Strengthen governance and bring trustees and primary donors on the journey

Support trustees and primary donors to understand the effects of different funding practices through training, knowledge-sharing, peer learning and engagement with grantholders. Open recruitment for trustee positions, along with fixed terms and clear governance can broaden perspectives and support meaningful participation.

Trustees should seek to balance appropriate oversight with mission and impact, considering the risks of restriction or inaction. Primary donors should try to offer regranters the long-term, flexible and proportionate funding they are encouraged to pass on.

Funders do not need to change every aspect of their practice at once. Even relatively small improvements can release more time, energy and expertise for environmental work and contribute to a more resilient, equitable and effective sector.

Key takeaways for fundraisers

The difficulties experienced by environmental fundraisers are substantial and are not always acknowledged sufficiently. Many continue to navigate scarce funding, restrictive criteria, demanding processes and power imbalances. At the same time, this research shows that many funders are listening and seeking ways to improve their practices, while also navigating significant pressures of their own.

Although many of our research findings focus on actions or recommendations for funders, our research also highlights some possible recommendations for fundraisers to consider where appropriate. By being open with funder partners, they can enable funding practices to be shaped both with and for them.

↘ **Provide honest, constructive feedback on funding practices and share examples of approaches that work well**

↘ **Ask directly whether greater flexibility may be possible, rather than assuming that all arrangements are fixed**

↘ **Communicate transparently about changing circumstances during a grant, raising challenges as early as possible**



Key takeaways for EFN

This research reinforces the role of EFN, and other bodies, in supporting both environmental funders and fundraisers. We not only need to keep making the case for better funding but also help funders turn intention into action, ensuring change is grounded in the realities of organisations addressing the climate and nature crises. The following are not intended as a comprehensive work programme, but identify several areas in which we may be particularly well placed to try to contribute:

- Continue to amplify the experiences and perspectives of fundraisers and grantholders
- Facilitate peer exchanges and shared spaces involving funders and fundraisers
- Create honest, non-judgemental spaces where funders can discuss constraints, question assumptions and learn from one another
- Gather and share practical examples, guidance and tools on issues raised in this research
- Develop further learning opportunities for trustees and primary donors by, for example, facilitating connection between boards and running sessions specifically for trustees
- Help funders identify aligned partners, explore pooled approaches, share infrastructure and coordinate more effectively
- Reach funders whose experiences and challenges may not be represented in this research

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Appendix 1

Survey text and questions

Thank you for taking the time to complete this survey, which is aimed at staff and trustees/founders of funding organisations.

In 2024, we published a report on the challenges facing environmental fundraisers, and possible solutions: *Increasing the effectiveness of environmental funder-fundraiser relationships*. We are now planning a follow-up piece of work to explore challenges faced by funders in implementing these changes; this survey will feed into this research. Your insights will inform a forthcoming report designed to help funders better support the sector, and guide our own work at EFN. This research currently focuses on funding organisations, but we plan to do a second piece with individual donors at a later date.

There are four main sections, each covering a category of challenges identified by fundraisers and corresponding recommendations (20 in total). You'll be asked a brief multiple-choice question for each set of recommendations, with an opportunity to provide more detail at the end of each section. If short on time, you can skip these follow-up questions and focus just on the multiple-choice ones.

Responses are not limited to one per organisation. We ask that you specify your organisation so that we can keep track of which organisations have responded, and account for multiple responses from the same one. If you are confident you are the only person responding from your organisation, you don't need to specify your organisation name if you'd prefer not to.

Regardless of whether you have provided your name or organisation name, all responses (to the survey and any interviews) will remain anonymous in the final report. We may, however, contact you to ask whether your organisation would be open to being included as a case study.

Q1. Your name (optional; your responses will remain anonymous regardless of whether you give your name)

Q2. Your organisation's name (optional, but please provide this if there is a chance that multiple people from your organisation might respond)

Q3. Your role:

- Trustee or founder
- Director (or equivalent)
- Staff member
- Other (please specify)

Q4. Would you be interested in being interviewed to support this research, in addition to, or instead of responding to this part of the survey? If so, please provide your email address.

Q5A. Have you previously come across our research on Increasing the effectiveness of environmental funder-fundraiser relationships?

- Yes, I've looked at it
- I've heard of it, but haven't looked at it
- No, I've not heard of it

Q5B. If you have looked at this research before, have you considered or implemented any changes in your organisation as a result?

- Yes, it has had a large impact
- Yes, it has had a small impact
- No, it has had no impact

FOR EACH CATEGORY (A/B/C/D): Summary of challenges and recommendations for each issue provided, as featured in Appendix 2.

For each issue:

How would you describe your organisation's current engagement with these recommendations? (Please choose your answer regardless of whether or not any action was influenced by our research.)

- We have not yet considered them
- We have considered them but decided not to pursue them at this time
- We are interested in pursuing them but have not yet begun
- We are making some progress
- We are at an advanced stage of implementation

End of section

a. If you have made some progress in relation to these recommendations (or are planning to in future), please could you expand briefly on what you have done/are doing/are planning? (Feel free to choose 1–3 key highlights if there is a lot you are doing!)

b. What challenges or barriers (if any) have you/your organisation faced, or do you anticipate facing, in relation to these recommendations? (For example, legal/charity law restrictions, resources, capacity, etc.)

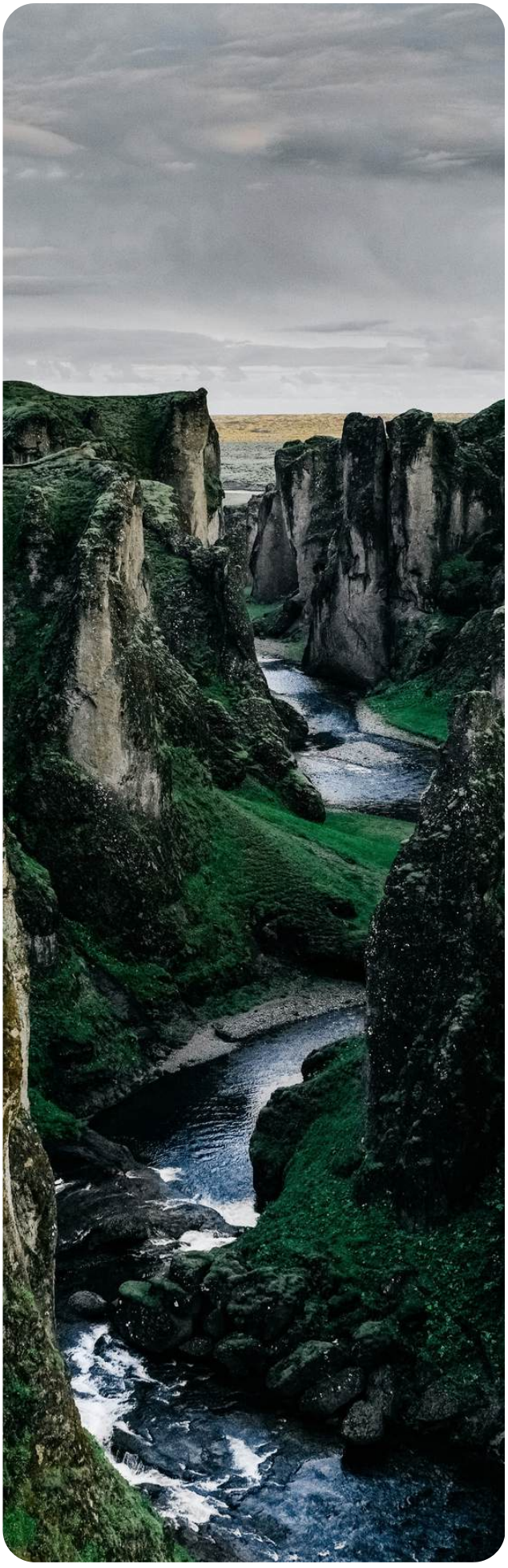
c. Is there anything that would help you/your organisation make further progress with these recommendations? (For example, further guidance, other funders sharing their experiences, etc.)

End of survey

Thinking about your organisation's efforts to make progress in any of these areas, are there any lessons you have learned that you think could be useful to other funders considering similar approaches?

Q. Is there anything that environmental fundraisers could do to help you/your organisation make further progress in any of these areas?

Q. If there are any other funding organisations you think are leading the way in making progress in these areas, please tell us which, and why?



Appendix 2

Key issues and recommendations from our 2024 report

Here we summarise each of the twenty issues and accompanying recommendations, under the four areas outlined in our 2024 report: funding availability, grant applications, grant management and collaboration and coordination. Please see the report, *Increasing the effectiveness of environmental funder-fundraiser relationships*, for the full versions.

Issue	Details	Recommendations for funders
A1: Applicant restrictions	Some funding criteria – such as requiring charity status or specific turnover levels – can unintentionally exclude groups despite mission alignment, particularly grassroots, newer, or differently structured organisations.	Reflect on the purpose of chosen criteria and remove or relax those that are less essential. Offer opportunities for discussion when they present as barriers to applying (e.g. allowing applicants to explain temporary circumstances) and consider flexibility when a project is a particularly strong fit.
A2: Location restrictions	Most funding calls are location-specific, which can restrict the work of groups working across larger areas and limit opportunities for achieving broader, systemic change. Funding is also not distributed equally and some areas receive much less than others.	If a choice to support a particular location reflects personal preference rather than specific expertise or a strategic place-based approach, consider opening up to other areas, particularly those that receive less funding (see our Where the Green Grants Went research for more information). Also be more open to work that includes, but is not restricted to, a location of interest.
A3: Topic restrictions	Environmental work often falls between funder priorities, forcing fundraisers to reshape projects to fit narrow categories. This can hamper vital systemic approaches and leave key work unfunded, especially for 'Cinderella' causes and emerging, less-understood issues that continue to be overlooked in environmental funding.	As well as funding projects within specific interests, welcome applications that align more broadly with overall aims, even if they don't fit neatly into particular chosen themes, or span several. Also consider supporting more emerging or underfunded issues.

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A4: Approach restrictions	Certain approaches struggle to attract funding, such as data management, which underpins on-the-ground work, and advocacy or movement-building, which funders may view as too political. This underfunding hampers coordination and increases duplication, despite these efforts being essential for a more effective, streamlined sector.	Increase recognition of the vital services underpinning high-profile projects and engage more with environmental groups to understand the importance of advocacy, policy, and movement-building. Focus more on the impact a project or group aims to achieve, rather than solely on methods.
A5: Project development restrictions	Early-stage work like research, baseline data collection, stakeholder engagement, and training is vital but hard to fund, as many funders prioritise later-stage delivery. This creates risk for both funders and grantholders, who may be expected to commit significant resources before essential groundwork is complete.	Increase research and development funding to support feasibility studies, capacity-building and data collection. Also offer initial, development-specific grants to strengthen potential multi-year, larger or partnership bids.
A6: Continuity restrictions	Continuing a project is often harder to fund than starting a new one, as funders can often favour 'innovative' work over proven approaches. This disrupts momentum and leads to staff turnover, with experienced team members frequently lost at the end of each funding cycle.	Consider directing resources towards maintaining and (when appropriate) scaling successful, proven areas of work, alongside making funding available for new projects.
A7: Timeline restrictions	Environmental work is long-term, yet funding is often short-term, with even multi-year grants requiring annual reapplication. Some funders delay renewal decisions or prohibit reapplication for a time, making planning, staff retention, job security and relationship-building difficult for environmental groups and placing strain on time, resources, and wellbeing.	Where financially feasible, offer multi-year grants as standard, especially when the annual amount given is small. Inform grantholders well in advance whether, and to what level, funding will continue.

Issue	Details	Recommendations for funders
A8: Core cost restrictions	Core funding for staff and organisational costs is often lacking, with many funders favouring project-specific support. This makes it hard for environmental groups to sustain vital functions like staff support, training, safeguarding, and fundraising, ultimately limiting impact and affecting staff wellbeing.	Increase core cost funding by e.g. adding core support to project grants, welcoming applications focused on core costs, or contributing to pooled funds for core funding.
B1: Application accessibility	Finding potential funding opportunities is extremely time-consuming. Many funders are invite-only, creating a bias towards established groups that have the capacity to maintain connections with funders and a strong online presence.	Publicise grant opportunities widely and ensure they are as accessible as possible; AI technology can facilitate initial review if oversubscription is an issue. Invite-only funders could set aside funding for new partnerships, and are encouraged to prioritise inclusion and diversity among their grantholders.
B2: Application clarity	Eligibility criteria and even simple grant information can be time-consuming to find, or only shared after the application process is underway, wasting applicants' time.	Publish clear information about opportunities with all basic details prominently located, specifying where there is and isn't flexibility, accompanied by supporting guidance where needed.
B3: Application timelines	Application windows are often tight, especially when consortia, letters of support or match funding are required. This limits the quality of applications and contributes to poor wellbeing in the sector, with fundraisers often working overtime.	Open applications for a minimum of six weeks, and publicise timings beforehand to enable potential applicants to plan ahead. Adopt consistent, rolling deadlines where possible.
B4: Application systems	Many funders use online application portals which may not be user-friendly, and sometimes restrict access to single users, hindering collaboration among colleagues. Technical failures and errors, such as word count discrepancies, are commonly reported.	Publish all application questions and guidelines clearly and accessibly, clarifying technicalities e.g. word/character limits. Where an online portal is used, provide Word/Google doc versions of application forms and offer an alternative submission method for attachments to mitigate upload difficulties.

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B5: Application processes	Applying for funding can be very time-intensive, even for small grants. Application templates can be very constraining, and questions are often unclear. Less experienced groups, and applicants with disabilities, facing inequity or working in different languages, can be greatly disadvantaged.	Make application processes accessible and transparent prior to the application window, and make questions clear and the format flexible. Consider inviting 'expressions of interest' prior to the full application.
B6: Application feedback	Sometimes funders take months to process applications, fail to make timelines clear and do not communicate rejections, making planning difficult for applicants. Feedback is rarely provided to rejected applicants, leaving them unclear as to whether or how they might try again, potentially wasting both their and the funder's time.	Communicate timelines clearly, set a limit by which applicants will hear if successful, and ideally provide some feedback to rejected applicants. Again, an 'expression of interest' stage, where initial feedback is provided, can save both parties a lot of time.
C1: Funder involvement, trust & communication	Some funders are perceived to be overly involved in the work, leaving grantholders feeling controlled and not trusted. Grantholders spend significant resources updating funders, which is often unfunded, and they may end up doing work they don't actually agree with.	Foster a culture of trust, listen to grantholders and recognise that they are experts in their fields, and allow updates to be as informal and flexible as possible.
C2: Reporting timeframes	It takes significant time to demonstrate impact, especially systemic change. Funder demands for quick results and frequent updates, cause unnecessary stress for grantholders and encourage prioritisation of easily presentable work, rather than long-term success.	Make reporting expectations clear from the outset, and limit frequency to no more than annually or at the end of a grant; ideally, reporting timelines should be mutually agreed with grantholders.

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C3: Reporting criteria	Reporting requirements can be rigid, fail to acknowledge the myriad ways in which impact can be achieved, and be excessively time-consuming. The need for formal written reports can disadvantage less experienced groups and those with disabilities, facing inequity, or working in different languages.	Agree on the definition of impact and the reporting format, with grantholders in advance, allowing them the flexibility to report in a way that suits them and reducing the detail required for reporting expenditure in particular.
C4: Funder flexibility	Funders are not always perceived to allow grantholders sufficient flexibility to respond to changing circumstances; the specificity required in many applications can mean funder permission is required for even small budget adjustments.	Be understanding and flexible in accommodating necessary changes mid-project, and consider allowing contingencies in budgets and establishing an emergency fund that is easily accessible to existing grantholders.
D1: Relationships between funders	There is huge variation in funder application and reporting processes and timelines, meaning grantholders spend significant time reworking the same information for each funder. Few funders signpost fundraisers to other funders, even when they require match funding.	Collaborate with funders that have a common vision on flexible and accessible pooled grants, or share applications with them (with permission from applicants), and standardise application and reporting forms as far as possible.
D2: Relationships between grantholders	The collective impact of environmental groups depends on the connections between them, and, while many funders express a desire for collaboration, they rarely provide sufficient support for it. Mandating collaboration can be counterproductive if the partnerships are forced rather than encouraged to develop organically.	Increase funding for partnership bids, in particular for project development. Also, facilitate connections between groups working on similar topics and support collaboration infrastructure, such as network and coalition groups.



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