

Trying to do the right thing

*Paul Hamlyn Foundation's
response to the Covid-19
Emergency*

September 2021

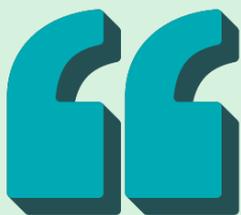
Commissioned by:

**Paul Hamlyn
Foundation**

Introduction

In May 2021, Paul Hamlyn Foundation (PHF) commissioned the Institute for Voluntary Action Research (IVAR) to support trustees and staff in *'learning from the experiences of 20/21, including the challenges of Covid-19 and the related issues of lockdowns and structural inequality as well as our organisational response to these challenges, with a view to informing PHF's planning for 21/22 and beyond'*. This short note captures the features of PHF's response; key areas of learning; and the challenges and opportunities going forward.

This exercise was primarily conducted with PHF staff and trustees for the organisation's own learning and reflection, but we hope there are insights other sector partners and funders will find useful.



New models spring from irreconcilable pressures – we should step into this possibility and not be afraid.

Features of the PHF response

PHF mobilised quickly and decisively in response to the emergency, and responded at scale, with trustees approving an additional £20 million Emergency Fund before the first national lockdown was announced.

Like many, PHF decided to focus its own immediate efforts on emergency support for existing funded organisations. Support was based on individual discussions rather than a blanket offer. Although resource intensive, feedback suggests organisations welcomed a nuanced response to their specific needs based on more open and trusting conversations – with PHF *‘not necessarily needing to have all the detail’* and *‘letting go’*. It certainly gave PHF a ‘live’ understanding of the different pressures facing the sectors it supports, enabling thoughtful and agile responses beyond existing funded organisations as the crisis unfolded.

In support of the collective effort to help alleviate immediate hardship, PHF also made early contributions of £500,000 to both the National Emergencies Trust and the London Community Response Fund. It has actively sought out further opportunities to pool or delegate funding, with the aim of *‘increasing reach and sharing power’*.

From the start, PHF’s external communications have been clear, succinct and forward-looking. Anticipating sector anxiety that emerged very early in the pandemic about the *‘funding cliff edge’*¹ threatened by a wholesale shift to emergency funding, in early April PHF shared its intention to re-open established programmes in the Autumn.

How PHF re-opened reflects two pressing concerns. In the wake of the murder of George Floyd, the Black Lives Matter protests, and the disproportionate impact of Covid-19 on minoritised communities, PHF has had very challenging conversations around racial equity and its responsibilities as a social justice funder. The revised strategy reflects PHF’s sharpened commitment to diversity, equity and inclusion (DEI), supported by its own DEI action plan on racial equity and what it takes to become a truly anti-racist organisation.

The second imperative was to make systems less burdensome for applicants and funded organisations, not only in the immediate emergency but for the longer term. This involved a rapid review and alteration of systems across grants and finance, safely and at speed. Successfully re-opening established programmes in October represents a significant achievement.

PHF is instinctively self-critical, and no-one shies away from reflecting on challenges, mistakes and miscommunications. But the sense of collective effort is clear, with everyone in PHF stepping up in an unprecedented way to *‘pull out every stop to try to do the right thing’*.

¹ IVAR (2020) *A funding cliff edge? Briefing 4 on the challenges faced by VCSE leaders during the Covid-19 crisis*, 6 May 2020

Key areas of learning

The importance of firm foundations

Alignment at senior level: PHF has paid careful attention to values and strategy and to developing mutual trust and confidence between trustees and the senior leadership team (SLT):

When the pandemic broke, it was possible for everyone to get behind what we needed to do quickly – we could draw on the goodwill built up in the preceding years.

Sector knowledge: With teams structured around each of its fields of interest, PHF relied heavily on their expertise and connections:

Our role is to contribute to a field of effort. And the teams' relationships in those fields meant we've been getting information from the ground in real time, so it could be fed back into our thinking processes all the time.

Commitment to learning: PHF had good intelligence to draw on about past experiments and innovations in grant-making – around, for example, unrestricted funding, pooled funds, partnerships, and hardship funding. And the learning team was active in facilitating space for reflection throughout.

Investment in systems and expertise: PHF had invested in IT, was part way through implementing a new, paperless finance system, and had just recruited to a dedicated systems post:

Looking after the back end is an essential part of working to put the applicant at the core of everything we do.

Organisational behaviours

Confident leadership: Both the trustees and the SLT responded with urgency and with a real sense of responsibility about their role in the face of unprecedented challenges:

Good leadership in a crisis needs to be visible and decisive. But you can only operate by not holding each misstep or mistake as super critical – otherwise you can't function.

Very early on, trustees signalled their support for bold ideas, for example radically shifting the focus of PHF's Awards for Artists programmes to support more individuals through a time of great uncertainty.

Greater delegation: The delegated decision-making model adopted for the emergency fund was a new experience for PHF – and a positive one. A quick and efficient way of distributing funds, it represented a tangible vote of confidence by trustees in the skills and expertise of staff. Regular engagement between trustees and heads of programme enabled a level of risk-taking that all felt was right and ‘*vastly improved the quality of questions and the honesty of debate*’, while decisions delegated to the SLT and broader management team opened up an important space ‘*for new thinking and policy work*’.

The possible not the perfect: The imperative to act with limited time and insufficient information has been uncomfortable for PHF. But the experience of doing so has been powerful:

As an organisation, we can agonise and get slightly caught in a loop. And this was the triumph of good enough for now. There is something now about holding our nerve through a period of experimentation and resisting the idea that somehow the uncertainty has gone away.

Grant-making practices and processes

Two specific shifts in grant-making practice feel particularly powerful.

Being more responsive and flexible

Starting with “How can we help?”: PHF has looked to the organisations it funds for direction rather than second-guessing what might be needed:

It shifted the conversation that we had with the outside world. Turning it on its head – so not how do you fit with us, but almost how can we fit with you?

More adaptable: The impact on different sectors – and the shape of the crisis as it unfolded – was very different. Driven by the simple desire to be useful, individual teams have felt more freedom to respond and adapt:

I’ve enjoyed when we were able to find solutions for the needs of the sector.

More radical action: ‘*We have tended to change things in small chunks in the past. But we turned the application process on its head. It’s a real sense of creativity and freedom*’.

More proactive and open: ‘*We’ve begun to shift some of the power dynamic and been able to have open and honest conversations with funded organisations*’.

Being more ready to streamline and simplify

Lighter touch: ‘*When we came back to the re-opening, we looked at “let’s re-open better” – opening up the enquiry process, slimming down the application forms – cutting back to make it quicker and easier*’.

Embracing online: *'With the new financial system, we have discovered that we can go paperless'; 'We've learned that everything to do with grant admin can be done digitally'.*

Focus on improving processes: *'It's really helpful having this new [specialist systems] role for both finance and grants teams. She focused on the grants processes and rewrote a lot of them. It's essential having a central person owning that'.*

More aware of interdependence: *'There have been some really good galvanising pieces that have brought everyone together – where it has felt, by hook or by crook, that this is happening, and people have risen to that challenge'.*

There is much to do to embed these new practices. Despite greater delegation and some notable innovations in ways of working, staff do not yet feel fully confident that they have greater permission to experiment and take risks: *'Knowing how far it is okay to push the boundaries when adapting has not always been easy or clear'.* The different needs and context of each sector have been brought into stark relief during the pandemic and will be a constant factor going forward: *'One size won't fit all – we need to be clear what, for example, it means to be "relational" in each of the different programmes'.* And there are genuine challenges in reconciling values and aspirations that may conflict in practice: *'I'm struck by a really deep tension between harnessing the spirit of the emergency response – particularly the open starting point and moving away from the rigidity of the previous model – and balancing that with managing demand'.* But there is a strong appetite for making the most of this experience:

Everything feels quite wide open. There are dynamics in play that were more closed before. That's exciting. All business as usual needs to be reviewed with a sharp lens.

Making a difference

In terms of PHF's contribution, what have we heard most powerfully?

First, that PHF responded decisively to the emerging crisis. It stepped outside the normal and became more flexible, more agile, more trusting – *'the model was flipped'.*

Second, because staff have got closer to the organisations that PHF funds, they can bear witness to how useful this contribution has been – alleviating serious hardship; supporting vital services; providing a lifeline and a breathing space to regroup; and as a much-needed vote of confidence and commitment. This is corroborated by everything that we have heard elsewhere about the 'impact' of this kind of response.² But the challenges going forward are clearly immense.

Third, because PHF placed a premium on trust, and reined in expectations about plans, reports and results, instead focusing on helping people to get through it and do the best they could, time spent on *'wringing hands about outcomes'* would be misplaced. All we have heard from trustees confirms that PHF embraced greater risk simply because *'it was the right thing to do'.*

² IVAR (2021) *Birds in a hurricane: Voluntary sector adaptation and resilience through and beyond Covid-19*, May 2021

Given this, there can be no definitive answer to questions like “*Were we wise?*” or “*Were we effective?*”. But – especially in the context of continuing uncertainty, of being ‘*not post anything*’ – there is deep learning to draw from in answering forward-looking questions, such as:

- How can we be most useful to the organisations and causes that matter to us?
- What can we reasonably expect from applicants and funded organisations about their plans and intentions over the next period?
- How can that translate into a system that is viable for staff, and provides sufficient balance between trust and rigour?

Looking forward

There is a strong desire that this year should be a transformative moment. Critically, PHF wants to hold onto and build on the positive changes to its practice and relationship that the crisis has driven: *‘I think it’s going to profoundly change the way we make grants in the future, as well as the relationships we have with the sectors we support’*. DEI, too, has been a hugely important discourse this year. All recognise that PHF has much more to do in stepping up to being truly anti-racist, alongside deepening its wider DEI work.

There are challenges, of course, in making all this happen. Although Foundations have many privileges when compared to the organisations they support, they too have to find ways to manage a *‘relentless’* pace of work and to make decisions about their priorities for the future. However, uncertainty is more familiar territory now: *‘We have also learned an incredible amount, as have the organisations that we fund. Organisations have been stress tested, so we do know more about what it takes to do good work, and also how much certainty we can reasonably expect of others’*. And there is a clearer sense of limits and the nature of the choices ahead:

New models spring from irreconcilable pressures – we should step into this possibility and not be afraid.

Authorship and acknowledgements

This report has been written by Ben Cairns and Liz Firth, based on interviews and desk research carried out by the authors with Sonakshi Anand and Richard Usher.

Thanks to the trustees and staff of Paul Hamlyn Foundation for giving up their time to take part in this review, and for sharing their experiences and ideas so freely and openly.