

Community Smoke-Free Projects Program

Trust-Based Funding Model

Traditional Funding Models

Traditional funding models for community service organisations (CSOs) include government grants or funding agreements, philanthropic funding, and individual wealthy donors. These traditional funding models usually involve government executives or a board of directors setting funding priorities and grant restrictions. CSOs seeking funding need to submit proposals for grants that conform to those set priorities. Once a grant is awarded, the CSO must comply with grant restrictions and reporting requirements that can be complex and time-consuming.

In traditional models, most of the power sits with the funder (the money giver) and the grantee (the money receiver) is accountable to the funder. A disadvantage of this model is that decisions are made by the funder, which may not be relevant or effective. Other disadvantages include reduced workforce capacity and capability may stop CSOs from applying for funding and having the resources to implement new projects and services.¹

Trust-Based Funding

Trust-based funding, or trust-based philanthropy, addresses power and money imbalances and emphasises building collaborative relationships where both funders and grantees are accountable to each other.^{1,2}

Understanding power and how power imbalances arise from race, gender, class, sexual orientation, dis/ability, immigration status and other factors is central to trust-based philanthropy. Systemic inequities can arise from the ways wealth is accumulated and how its distribution is controlled. A trust-based funding model requires the funder to give up some power and control to collaborate with the people who are providing the service or working with community.²

“Trust that nonprofits know best how to spend grant money.”

TRUST BASED PHILANTHROPY³

One approach to trust-based philanthropy promotes a core set of values supporting four key dimensions of funding: culture, structures, leadership, and practices. Read more about this [here](#).²

In practice, trust-based funding may involve:^{1,2,4}

- **Unrestricted funding:** money is provided to an organisation that chooses where the money is most needed. Multi-year, unrestricted funding supports the long-term nature of CSO work and allows for innovation and sustainable practices.
- **Less paperwork:** reduced time spent on grant proposals/applications and reporting requirements.
- **Participatory grant-making:** grantees and communities who will benefit from funding are involved in decision-making processes around the grant.

- **Homework:** funders are responsible for getting to know possible grantees and their issues, rather than grantees spending time on early proposals.
- **Two-way communication:** open, transparent communication builds trust and mutual accountability.
- **Ask for feedback:** grantees and communities know their area and can provide useful perspectives to help shape effective grant governance and successful outcomes.
- **More than money:** non-monetary support from funders may include supporting an organisation's leadership team, building staff capacity, acting as a sounding board or providing advice, and calling on external networks.

Read about more [practical steps](#) you can take in a trust-based philanthropy approach. **Error! Bookmark not defined.**

"Fund experimentally and creatively. Give long-term flexible (unrestricted) funding that is not issue or activity-based but that supports holistic visions of change with long term impacts."

JASS, JUST POWER⁴

TasCOSS Trust-Based Funding Model

Part of the TasCOSS [Supporting Smoke-Free Community Services](#) project was to provide 10 CSOs with \$5,000 each to conduct a small project to progress towards smoke-free work areas and services.

A trust-based funding model for the grants was simple and equitable for organisations with limited time and resources. TasCOSS and Quit Tasmania collaborated with each CSO to develop an idea that was relevant to that organisation and the people who used their services.

"Creating a smoke-free entrance has been a massive step for Wyndarra. Conducting this project has made people see that a smoke-free work site is achievable in the future."

BELINDA WILLIE, SUPPORT SERVICES COORDINATOR

Process

- TasCOSS negotiated with Public Health Service for an additional \$50,000 through the [Healthy Tasmania Fund](#). This money provided 10 CSOs with a small \$5,000 payment to recognise the value of the work they were proposing.
- Information about the Community Smoke-Free Projects Program was communicated through TasCOSS, Quit Tasmania and other peak body electronic newsletters.
- CSOs completed a simple expression of interest form outlining their smoke-free project idea and anticipated outcomes or learnings.
- Expression of interest forms were reviewed by a selection panel (Steering Committee members), with any feedback (e.g. simplifying project goals, focussing on priority populations, brief intervention conversation training).
- TasCOSS notified CSOs of approved projects within a week, CSOs generated an invoice and payment was promptly processed by TasCOSS.

- TasCOSS provided non-monetary support by helping with project planning and budgeting, providing project templates (e.g. client assessment sheet, staff survey, smoking cessation referral form), writing reports and case-studies.
- Establishing the Smoke-Free Community of Practice was a further support for CSOs conducting smoke-free projects and the broader community services industry.

“Never have I received grant funding where there was a Community of Practice available to better support recipients. I have received some valuable ideas that I would like to implement in the future for our organisations.”

SMOKE-FREE PROJECT PARTICIPANT

Successes

A trust-based funding approach allowed CSOs to design smoke-free projects that were directly relevant to their organisation and client needs. We now have proof of a broad range of community-led, place-based, smoke-free projects, namely:

- Brief intervention conversation training for staff;
- Train the trainer manual;
- Education and information resources;
- Individual quit plans;
- New, fresh smoke-free outdoor spaces;
- Education hub;
- Smoke-free workplaces; and
- Community collaboration (e.g. support from local businesses, volunteers).

“Northern Suburbs Community Centre wanted a sustainable train the trainer program to enable community-led, ongoing, quit smoking information sessions that was not dependent on short-term funding or pilot projects.”

TRISH O'DUFFY, GENERAL MANAGER

Read more about these fantastic smoke-free projects on the [Smoke-Free Communities webpage](#).

Challenges

\$5,000 grants were appreciated but essentially a symbolic payment, with many CSOs provided in kind resources to ensure projects were completed.

Recruiting CSOs to participate was time consuming and a lengthy process as CSOs were wary of the amount of work required to apply and conduct a project. Individual conversations were often necessary to explain the simplified, trust-based funding approach. On balance, the combination of \$5,000 grant, simple application and reporting, and support from TasCOSS, convinced CSOs that participating in the program was of value.

CSOs remained time and personnel resource poor at the end of 2023 and administration support by the Project Coordinator was critical to meet deadlines.

Lessons

CSOs were so used to detailed reporting and budget acquittal that they needed reassurance that this was not required in the trust-based funding model. Reports could focus on outcomes relevant to their project.

It is important to acknowledge that the context of these projects (2023) was of CSOs emerging from the challenges of providing services during COVID-19, short-term funding agreements, lack of indexation, workforce pressures, and unprecedented cost of living pressures for clients and CSOs.

References

¹ Finchum-Mason, E, "Some funders are embracing 'trust-based philanthropy' by giving money without lots of obligations," [The Conversation](#), 4 May 2022.

² [Trust-Based Philanthropy Project](#), A Trust-Based Approach.

³ [Trust-Based Philanthropy Project](#), An Approach.

⁴ Just Associates, [Bold Movements + Bold Funding = Bold Change](#), Jass Just Power.