

Examples of cost of living uplifts: shared by members of London Funders

This summary collates some of the examples shared by our members about the approach they are taking to grant uplifts as part of their response to the cost of living crisis¹.

- 1. Funder A is a national funder. They have been dealing with requests for uplifts as part of their ongoing grant management, and have actively encouraged grantees to get in touch to discuss any pressures they may be facing. As a result, they have had requests back for more flexibility, including:
 - change of use of grant, for example from project to core costs
 - changes to payments, e.g. frontloading payments to help with cashflow
 - condensing grants from three to two years to help again with cashflow

The funder hasn't offered uplifts to current grant recipients, but they have increased grant size for new grant applications and have reminded new applicants to take into account inflationary increases.

- 2. Funder B is a London based funder. All grantee organisations with a turnover under £1m have been offered an uplift on their multiyear grant.
 - For those with a turnover over £1m, discretion has been given, with the grants team identifying organisations who would particularly benefit from it. An uplift of 10% (up to £10k) has been given on remaining grant tranches. Those eligible are asked to claim it by submitting a very simple form on the funder's portal.
- 3. Funder C is a national funder. Towards the end of 2022 they made a one-off payment of £500 to all grant holders whose project was due to end after 1st December. This equates to 1,861 payments of £500, totaling over £930,000 to date.
- 4. Funder D is a London funder. They have provided uplifts to a number of existing grants. A 10% uplift was provided on grants under £500k that were active in October 2022, based on the outstanding balance to be paid.
- 5. Funder E is a London local authority. In December 2022 a recommendation went to Cabinet to offer uplifts of grants (of 10%) by way of a grant extension. If approved the funds will come out of their existing budget so will ultimately mean there is less in the pot for their new grants round. We have also heard from one other local authority also taking this approach of recommending a 10% increase to current grants.
- 6. Funder F is a local, borough based funder. As part of their wider support to the local community, they added an additional £300k to their annual grants budget to provide assistance for local

¹ At the time of writing, some decisions were still being communicated to grantees or being finalised, hence we've anonymised all the examples for the purpose of this briefing. Examples provided December 2022.



organisations and residents. This included an uplift on grants for individuals as well as cost of living crisis top-up grants to local organisations with currently funded projects (£190K). These grants are unrestricted and do not need to be reported on. The size of the grant is linked to the turnover of the organisation.

- 7. Funder G is a local, borough based London funder. They are giving grantees a 10% increase on the remaining period of their grant backdated to August 2022 (the starting date for most of their grants). This will be for either one, two or three years depending on the length of grant. This will be made in one payment in the new year. For example, a group getting a £30,000 grant over three years, which started in August 2022, will receive a one-off payment of £3,000.
- 8. Funder H is a local borough based funder. They have agreed a 10% uplift on core funded grants for this year and this will be matched next year. Most of these are in the second year of a three year grant.

We have also been keeping an eye on wider developments in the sector, where funders have published their approaches, with examples including:

The <u>Esmée Fairbairn Foundation announced</u> that it will be offering an uplift payment for most of the grants it made in or before 2022 where work is ongoing in January 2023 and is being affected by rising costs.

This is a commitment of an additional £7.4m. The payment will represent 10% of the Foundation's most recent grant payment made in 2022 as well as any further outstanding grant payments (capped at a maximum payment of £60,000).

<u>Kent Community Foundation wrote</u> about how they have automatically added £1,000 to most current grants to help with escalating costs.

If you'd like to discuss this briefing note, or have your own examples to share, please do get in touch with the London Funders team.