

Participatory Grantmaking: Ceding Decision-making Power to Local Communities in Peel

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Abstract

Philanthropic foundations are increasingly being challenged to make their funding more equitable, transparent, and accessible. Decision-making power in philanthropy has traditionally been concentrated in the hands of wealthy individuals or private foundations, while communities have had a limited say in the decisions that ultimately affect their lives. This article explores participatory grantmaking as a place-based social innovation approach that shifts decision-making power to the very communities impacted by the funding decisions. This article draws from the Tamarack Institute's insights and learnings from an innovative Participatory Grantmaking Pilot project that focused on building equitable economies for immigrants and refugees in the Peel Region (Ontario, Canada) in partnership with the World Education Services (WES) Mariam Assefa Fund.

INTRODUCTION

What would happen if the power, voices, and decision-making of community members informed the granting decisions of funders? How might the knowledge and experience of community members contribute to the better alignment of funding with local needs and priorities? Philanthropic foundations are increasingly being challenged by social justice movements to make their funding more equitable, transparent, and accessible (Gibson, 2017). Prioritizing investments in historically marginalized and underfunded communities is certainly part of the answer to address these issues (Vancouver Foundation). However, there is a need for innovation to challenge the power structures and practices of conventional philanthropy to more effectively address the profound inequalities in our society.

Decision-making power in philanthropy has traditionally been concentrated in the hands of wealthy individuals, private foundations, or grantmaking organizations, while communities have had a limited say in the decisions that ultimately affect their lives. Power sharing around decision-making represents a significant shift away from this top-down approach.

PARTICIPATORY GRANTMAKING | A PLACE-BASED SOCIAL INNOVATION

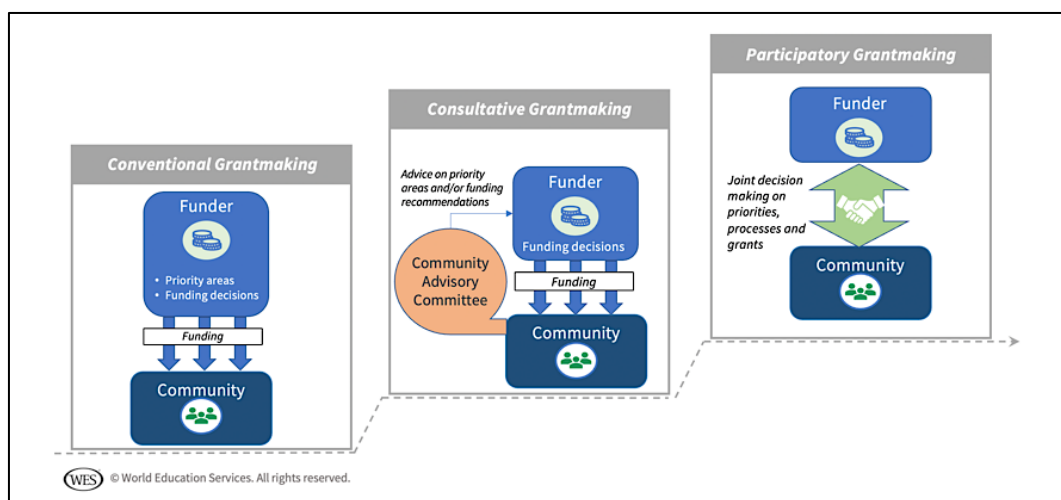
Participatory Grantmaking is a promising practice in philanthropy that gives communities a voice in the allocation of resources. As a social innovation, this novel and creative approach to

philanthropy address the unequal distribution of power and resources in grantmaking by involving local residents in making decisions about the allocation of funds and using their wisdom to guide investment decisions to generate positive social outcomes on the well-being of individuals and communities. Participatory grantmaking shares, and sometimes completely cedes, the decision-making power about funding from foundation staff to the very communities impacted by the funding decisions. Community members are actively involved in identifying needs, developing granting criteria, and selecting organizations or projects to receive funding through the grantmaking process (Gibson, 2018). At its core, this approach values and recognizes community members as subject matter experts whose lived experiences and collective knowledge are leveraged to develop effective and responsive funding decisions.

Figure 1 illustrates the transition from conventional to participatory grantmaking. By shifting beyond consultation towards community empowerment and ownership, the process of participatory grantmaking promotes greater equity, accountability, and transparency in the allocation of resources.

When designed for and implemented within a specific geographic community or region, participatory grantmaking is also a type of place-based social innovation. Such an approach honours the unique cultural, economic, and social conditions of a specific place and allows solutions to emerge that are grounded in the needs and perspectives of that community. This not only promotes greater community engagement but is also more likely to result in stronger alignment between grants allocations and community priorities.

Figure 1: The Participatory Grantmaking Model



PARTICIPATORY GRANTMAKING IN PRACTICE: PEEL REGION'S EXPERIENCE

Context

In July 2021, the [WES Mariam Assefa Fund](#) partnered with the [Tamarack Institute](#) to launch a two-year participatory grantmaking project. The project's aim was to design a new funding

opportunity to build more equitable economies for immigrants and refugees through the allocation of \$600 000 in grants in one location in Ontario, Canada. As a relatively new philanthropy operating in both the U.S. and Canada, WES decided to support participatory grantmaking to inform its own evolving approach and encourage other funders. They selected the Tamarack Institute for its expertise in community engagement as an intermediary organization to facilitate this innovative process.

The Value of Tamarack as an Intermediary Organization

For funders embarking on this journey for the first time, working collaboratively with an intermediary can help mitigate some of the potential risks and challenges commonly associated with participatory grantmaking. These challenges can include additional time and resources, low community buy-in, managing conflicts and tensions, and limited experience of community members to effectively take part in the decision-making process. An intermediary may also assist in bridging the power differences inherent to most funders-grantees relationships.

In the Peel project, Tamarack facilitated community engagement and dialogue, provided capacity-building for community members and local organizations to participate effectively in the process and contributed to the overall transparency and accountability of the project. The WES Mariam Assefa Fund worked collaboratively with Tamarack to create a relationship of mutual trust, open dialogue and learning, offering advice and technical support at every step of this pilot project.

The Four Stages of the Participatory Grantmaking Pilot

This two-year project, which will be completed in May 2023, consists of four stages.

Stage I: Selecting the Pilot Site

The [Peel Newcomer Strategy Group](#) (PNSG) is a community collaborative acting as the local immigration partnership table on behalf of the Peel Region. They were selected as the pilot site because their Letter of Interest met the selection criteria, which included demonstrated needs, priorities, and assets such as a strong history of collaboration.

The Peel Region is the only immigrant-majority region within the Greater Toronto Area (GTA). In Peel, immigrants account for **51.8%** of the **1.45 million** residents. Among them, 109,575 newcomers arrived in Canada during the 2017-2021 census period, representing **6.92%** of the annual national admissions for those years (Peel Newcomer Strategy Group, 2023). Unemployment and underemployment are among the many challenges faced by newcomers.

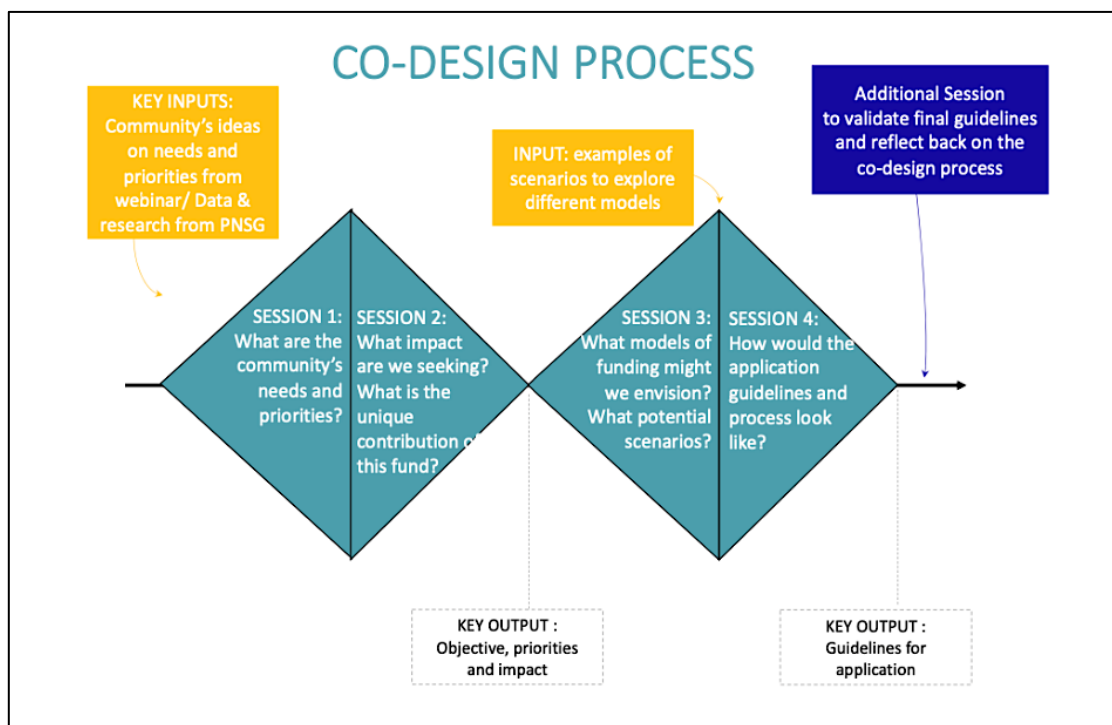
Stage II: Engaging the Community in Co-design

Community members were invited to an introductory session co-hosted by Tamarack and the PSNG, where they learned more about the local landscape and were invited to apply to be part of the Grantmaking Pilot's People's Panel. Panel members represented a diversity of experiences, ethnicities, genders, and ages from across Peel. Their role was to provide both content and context expertise to ensure the project was grounded in both lived experience and a strong

understanding of the region's immigrant and refugee-serving employment sector. Panel members were compensated at \$22 per hour. This is above minimum wage but is considered the living wage for the Region.

The Tamarack used a highly flexible facilitation process with the People's Panel that, over five virtual sessions, five virtual sessions created a new funding opportunity for the region that aligned with local needs and aspirations. Figure 2 presents an overview of the five sessions with the key questions and outputs for each session.

Figure 2: The Co-Design Process



The People's Panel reflected deeply on how to design the opportunity in a way that would be grounded within the needs and aspirations of the Peel community while also achieving the greatest impact. They then agreed on key funding priorities to match these needs and aspirations and defined the parameters of a call for proposals. The double-diamond-shaped process allowed for divergence (the sharing of perspectives in Sessions 1 and 3) and then convergence (making collective decisions in Sessions 2 and 4). The fifth session was used to review and validate the Panel's work and to reflect on the overall process to capture participants' learnings and insights.

Stage III: Grantmaking

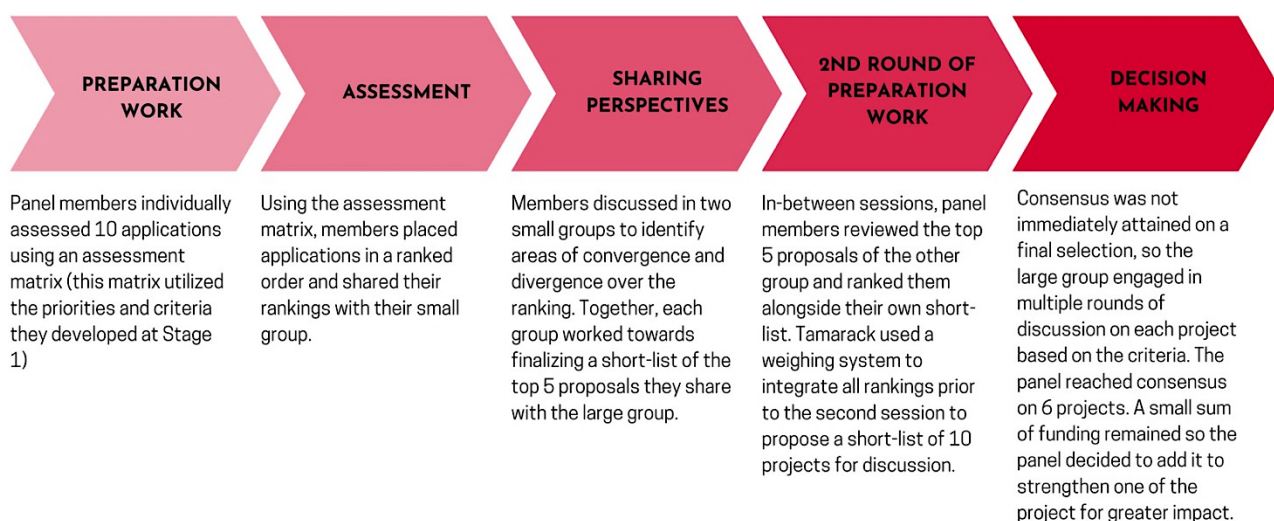
The grant opportunity developed by the People's Panel was promoted widely throughout Peel. Interested applicants could also receive coaching from Tamarack before developing their proposals. This increased accessibility and transparency of the application and decision-making processes for all.

The People's Panel members spent considerable time individually reviewing and assessing the grant applications using an assessment matrix that reflected the criteria and priorities they had developed in the grant design stage. Tamarack facilitated the Panel's decision-making around the disbursement of the \$600,000 in grant funds and also provided additional support by reviewing the financial and activity reports submitted by all applicants.

Initially, there was a relatively high degree of divergence within the Panel regarding the allocation of grant funds. This potential roadblock in the process was gradually overcome as a consensus emerged through a facilitated dialogue that encouraged ongoing reflection and adjustment. This illustrates the importance of the support and experience that Tamarack provided to this project. The ability to reach a consensus was also possible because of the trust and shared understanding of the assessment criteria that the Panel had built together. Ultimately, the Panel selected six projects for funding.

The grantmaking process is summarized below.

Figure 3: The Grantmaking Process



Stage IV: Grantee Support and Evaluation of the Pilot

In this stage of the project, Tamarack's role has shifted to supporting the six grantee organizations: disbursing the funds, offering check-ins, training, and coaching sessions (e.g., participatory evaluation, sustainability) and quarterly cohort calls to foster peer support and connections among the grantees.

While the members of the People's Panel have completed their mandate, some members are now engaged in different ways with the grantee's projects (e.g., advisory board), and others have joined Tamarack as part of the Pilot's participatory evaluation team that is developing the overall evaluation framework and the collective analysis of the results.

1. Four dimensions are being used to evaluate the success of the Grantmaking Pilot. These are: The participatory process is perceived by all those involved as legitimate, relevant, and has meaningfully engaged lived experiences.
2. This participatory approach contributes to empowering communities and leads to grantmaking decisions that are responsive to the local context.
3. Grantees' projects demonstrate employment-focused impact in serving and empowering marginalized immigrants and refugees and offering holistic, responsive, and collaborative solutions grounded in the Peel community.
4. More funding organizations are aware of the benefits of participatory approaches, as influenced by the Peel pilot, and knowledge transfer takes place.

LESSONS LEARNED AND ADVICE FOR FUNDERS

While the evaluation of the Peel Grantmaking Pilot is still unfolding, we have shared seven of Tamarack's insights about participatory grantmaking as a place-based social innovation that might be valuable to funders who are interested in evolving their own practice:

- **Start With a Clear Intention:** Clarifying the goals and objectives that the participatory grantmaking project is trying to achieve. These may include building the community capacity, promoting greater equity, increasing alignment between funding and local needs, etc., and then developing a clear, step-by-step plan for achieving these goals. In the case of the Peel grantmaking pilot, the WES Mariam Assefa Fund clearly defined its goals and transparently shared its intentions with Tamarack and the community through public information sessions.
- **Engage Community from the Beginning:** The process has to be grounded in the needs and priorities of the community, and the project design and development must be responsive to the local context. Community buy-in is greater when community members have the agency to define the strategy and criteria for funding decisions rather than just being involved in the grantmaking stage. In the case of the Peel, Project Tamarack engaged the community early on and at every step of the planning, implementation, and evaluation processes. A key element to maintaining engagement was to make visible to the Panel how their contributions were shaping the trajectory of the project. The members of The People's Panel had lived experiences as immigrants and refugees that they leveraged to shape the funding opportunity's objectives and priorities through their knowledge of target populations not being served and barriers that immigrants face in the labour market. This led to funding decisions that gave preference to holistic solutions, such as embedding mental health supports in the delivery of employment services.
- **Foster Trust, Collaboration, and Relationships:** Invest in building strong relationships with local organizations and community members and engaging in ongoing dialogue to ensure community buy-in, increase outreach, and increase alignment with community needs. Tamarack developed a partnership of trust relationship with the Peel Newcomer Strategy Group (PNSG) that was critical to the success of this pilot. PNSG's credibility

as a local organization provided valuable knowledge of the local landscape, research, and data to ground the work, as well as connections to key participants who later became either People's Panel members or funding recipients.

- **Be Flexible and Adaptive:** Participatory grantmaking can be complex as it involves diverse voices, and this requires funders to be flexible and adapt their approach as they gain more insight into the community's perspectives. A member of the People's Panel summarized the importance of the authenticity and responsiveness of the co-design process: "The integrity and the honesty in the ways the input was sought and accepted[...]It truly felt like this process was open to input, it was not pre-ordained but defined by participation. I have been involved in other grantmaking initiatives that have felt more performative – stakeholders are involved but the program/project has been pre-developed. This process was different. We shaped the process." (Bérubé and Pannu, 2022).
- **Invest in Capacity Building:** Building the capacity of community members and organizations to participate in the design and decision-making processes is essential. This can include providing technical assistance, training, and other resources to support community engagement and participation. The Peel Grantmaking Pilot invested in capacity-building in two ways: the facilitation process supported by the Tamarack allowed members of the People's Panel to build – or further develop – their capacity to navigate divergent perspectives, leverage their experience, collaborate more effectively, and build consensus. Second, the technical support provided to community organizations as applicants and then as grantees contributed to making the process more accessible and supportive.
- **Be Transparent and Accountable:** It is critical to share information – about the project's intentions, decision-making processes, progress, challenges, and results – with the community in a transparent and timely manner. This ensures a high level of accountability which is essential to the success of participatory grantmaking. This includes information about intentions, decision-making processes, and progress. Information sharing in the Peel project included hosting several community information sessions to inform the community on the project's goals, engagement processes, role in decision-making, and how critical issues, such as potential conflicts of interest would be addressed. The People's Panel also provided individual feedback on unsuccessful grant applications. This included an explanation of the Panel's decisions and feedback to help them develop future funding applications.

FINAL REFLECTIONS

This participatory grantmaking pilot offers a glimpse of what philanthropy's future could hold. It is an innovative and promising approach to support community-led solutions. It also offers a practical example of what is possible for foundations who want to be more transparent, equitable, and responsive to the need for greater justice, diversity, equity, and inclusion.

Funders can play a proactive role in empowering communities to drive change and address issues in ways that are responsive to their local context and culture when they are willing to move away from traditional top-down approaches.

Tamarack's experience with the Peel Project demonstrated for us the inherent value of developing meaningful relationships and partnerships with the community. The insights of the People's Panel were incredibly valuable in ensuring that this funding opportunity was responsive and grounded in lived experiences. This was highlighted powerfully by the Panel's ongoing commitment to acknowledge the diversity in newcomer experiences and the desire to focus attention on marginalized communities.

Above all, the value of this project is its demonstration of the value, and multifaceted impact that is created by shifting the traditional decision-making power funders have over the community. This Participatory Grantmaking Pilot gave Peel immigrants and newcomers the space to make decisions and enact meaningful change that reflected the needs and aspirations of their growing immigrant and refugee populations.

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