

## **Being a relational funder: the MHF approach**

While the description 'relational funder' is increasingly being used by grant-makers, in practice it can cover a wide range of behaviours and thinking. Specifically, taking a relational approach at MHF means we:

- regard the organisations we fund as Strategic Partners (SPs) i.e. people with whom we work alongside as equals to achieve common aims (not as grant-holders receiving our largesse)
- acknowledge the power dynamic between funder and grant-holder is still at play (no matter how 'relationally' we behave) and are mindful of that
- trust our SPs to spend grant funding wisely and to let us know if/when they encounter problems
- listen carefully to what our SPs tell us about the work they do and the wider context in which they operate, recognising their expertise
- acknowledge that, as a funder, we don't have all the answers and that our SPs hold the expertise in their areas
- embrace our inter-dependence with our SPs – we need them to fulfil our aims (reducing poverty and inequality in the North East), as they need us for our resources (funding, convening power etc)

These principles affect our grant-making practice in the following ways:

- we provide long-term core funding
- we don't require our SPs to set targets against which their performance is monitored, nor do we require regular reports on their activity
- we do form trusted working relationships with each SP, both through the trust manager and individual MHF trustees (through our 'pairing' programme), and ask them to tell us 'what the world looks like from where they are' on a regular basis
- we embrace experimentation and emphasise the acceptability of failure, encouraging SPs to share learning from the things that don't work, with us, the other SPs and the wider world
- wherever possible, without breaking the confidentiality of another organisation or individual, we share our own learning from the things that haven't worked for us, with our SPs and the wider world
- we create safe spaces where SPs can learn from one another and seek peer support to overcome difficulties
- we are transparent about our procedures and decision-making and ensure our application and reporting processes as 'light touch' as possible
- we acknowledge the power we have as a funder and aim to use it wherever possible to further our collective aims