Devolved Decision Making

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Lankelly Chase

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Prologue

In July 2023, Lankelly Chase Foundation (LCF) announced the radical decision to wholly redistribute its assets within a five-year period. This was not, the foundation has noted, a "snap decision". Rather, it followed longstanding inquiries into governance models, place-based working and equitable investment as elements of a just and equitable existence.

We at Northumbria University served as learning partners for LCF's place-based work from 2017-2022, supporting five places where LCF explored how to devolve powers, resources and decision making authority: York, Greater Manchester, Barking and Dagenham, Gateshead and Oxford. These experiments in devolving functions to a place-level were, looking back, a toe in the water before the decision to redistribute, not merely devolve, LCF's assets.

As it redistributes control, power and resources at an accelerated pace, one of LCF's key assets is its learning. LCF's decision provides an opportunity for other funders to consider their own position and think deeply about the inequities they might, perhaps unintentionally, be perpetuating as they carry forward their missions.

This report presents research into the charitable foundation's experience of devolving power and decision-making authority to a place-level. We carried this out initially to inform LCF's own journey into devolution. Following the decision to close the foundation however, we have reframed the work to serve a broader audience, including fellow charitable foundations, other grantmakers and observers.

While LCF's decision might be seen as radical in the field of charitable giving and philanthropy, it is hardly one taken in isolation. We observe increasing discomfort within the field of charitable giving as it grapples with the paradox of wielding accumulated private wealth for social purposes.

Many foundations are questioning the legitimacy of their endowments – whether in their historical origins or current investments in extractive global markets. The composition of charity boards and senior teams - the seats of power within philanthropic and charitable foundations – remains unrepresentative and exclusive. Standard 'good practice' in grantmaking – like competitive grantmaking and requirements for impact evaluation - now stand accused of creating a field of isolated 'winners' and demoralised 'losers'.

In response, we observe a broad trend toward devolving power and resources away from their traditional centres in philanthropic organisations and charitable foundations. Many charitable foundations and other funders have adopted participatory models of grantmaking, involving the people and communities at the heart of their missions in grant decisions. We also see closer scrutiny of foundations' endowment and investment practices, with increasing instances of foundations spending out and spending down their endowments. Devolved decision making – which we define as the devolution of power and resources from boards and senior teams to the people and communities at the centre of foundations' social missions – is increasingly understood as an expected facet of good charitable governance.

But we also know that trustees and senior management teams cope with a conflicted, often paradoxical practice. Devolution and redistribution sit awkwardly with legal and fiduciary responsibilities for prudent use of resources. Those on foundation boards and in senior leadership positions can struggle to envision a constructive role for themselves within a devolved foundation. While some foundations are ready to move confidently with devolution, others want a better-trodden path.

This report seeks to help foundations deepen their journey into devolving and redistributing their power and resources, and to clear the runway for those curious enough to take their first steps.

It draws on a detailed account of LCF's experience in devolving power to the places it operates to identify the opportunities as well as the risks involved.

We found that devolution brought energy, vibrancy and focus to LCF's place-based working, but caution that it also requires investment, capacity building, and careful navigation of new relationships and power dynamics.

Our key finding is that current discussions about risk and governance in devolution seem misplaced. Rather than the devolving parties - trustees and senior management teams - it is those stepping into new powers who need afforded the greatest care and attention.

This report is an assessment of LCF's progress in devolving power and resources. But it is also a call for the field to pursue devolution with greater emphasis and intent. Trustees have a legal right to demand the foundations they represent and endowments they steward involve those closest to their charitable missions as partners rather than subjects. Not every organisation will - or ought to - reach the position which LCF have. But they should, at the very minimum, consider whether their own approach to devolving power and decision making goes far enough. By drawing in detail from the LCF experience, this report aims to help with that.

Max French
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Executive Summary

Charitable foundations and grantmaking organisations are exploring ways to devolve power and responsibility for decision making to the communities and places they serve. Across the sector we observe increasing interest in place-based working, broadening inclusion and diversity in decision making, and models of participatory grantmaking and local investment. Such trends share a common working hypothesis:

Decisions about strategy and funding will be better informed, more equitable, and more impactful if those most affected take charge of decision making.

However, devolution can feel more like a risk rather than an opportunity. Those of us stepping into leadership roles as trustees take on significant moral and legal obligations, often with limited capacity to engage with devolved decision-making processes. Since funding and decision-making powers are traditionally reserved to governing boards and executive staff members, government guidance and professional norms tend to be geared toward risk reduction and a narrow perspective on "value for money". From a more sceptical perspective, devolution might muddy the oversight and stewardship of charitable missions, court the misuse of funds or spur unethical behaviour.

But is devolution any riskier than the status quo?

Patterns of social exclusion and marginalisation are often mirrored in the composition of charity governance boards and staff teams. The investments in global capital markets which many charitable foundations adopt to sustain and grow their endowments can fuel the very injustices their spending seeks to tackle.

Without careful consideration, funding programmes can disproportionately benefit larger, more professionalised organisations rather than smaller groups with firmer local foundations. The concentration of decision-making authority in executive staff and governing boards can insulate charitable organisations from the communities they seek to empower.

By not pursuing devolution, status quo governance threatens to deprive communities subject to marginalisation of access to funds and a voice in deciding how they are distributed.

Lankelly Chase Foundation (LCF) has pursued a concerted strategy of devolving power and responsibility for decision making. This report was commissioned by LCF prior to the July 2023 announcement to redistribute the totality of its assets. As learning partners to the place-based work, we aimed to take stock of progress in devolving power, resources and decision making authority to the five places within LCF's 'Place Inquiry': York, Barking and Dagenham, Greater Manchester, Gateshead and Oxford.

The report reflects LCF's recent experience and its first steps into devolution. It speaks more broadly however to a growing audience of charitable foundations, funders and other partners who are undertaking their own journeys into devolving power and resources. We highlight the opportunities and challenges of devolution as a distinctive trajectory in governance and grantmaking and offer further thoughts for how a shared inquiry into devolving decision making might proceed.

Findings

Better informed decision making.

We found numerous examples where the freedom and legitimacy afforded by devolution helped local decision making processes become better informed and more relevant.

More diverse voices and networks.

We found the structures created through devolution helped build local networks and deepen relationships in place particularly involving under-represented communities.

More equitable funder-place relationships.

Devolution blurred traditional boundaries between grant 'makers' and 'recipients', challenging negative perceptions (e.g. the perceived ignorance or intransigence of grantmakers or senior officials), and helping achieve a broader shared vision for local strategy.

Better information for organisational decision making.

Devolution helped some LCF staff feel more connected to the place work and better able to consider its implications for organisational strategy.

The report is based on 28 interviews with participants from across LCF's place work, observational data from learning-focussed group events and our own action research conducted as Learning Partners for LCF. **Our overarching conclusion is that the benefits of decision making have substantially outweighed its drawbacks.**

Our findings should ease concerns about the potential organisational risk emerging from devolution.

One noted concern is that devolution may weaken scrutiny and accountability as decision making authority moves further away from executive staff and governance boards. We found devolution often brought more meaningful oversight and scrutiny to grant decisions, and in general more consensus and criticality in funding decisions was achieved in the two most devolved places.

Another is that devolution may lead to a lack of coordination or 'mission drift', as local groups develop their own strategic direction which diverges materially from the foundation's mission. We did find strong local preferences influencing decision making. However, overall LCF staff and trustees considered this enhanced rather than stretched LCF's understanding of its mission. LCF staff still felt able to adequtely influence strategic direction as minority voices in devolved structures.

This positive assessment includes one important caveat. **Where risks did emerge, they accrued to those stepping into power, not devolving it.**

Place Actors taking on new decision-making responsibilities often reported additional anxiety, with some continuing to question their legitimacy in making financial decisions. The speed of decision making could be slowed down by the level of detailed consideration and scrutiny given by local teams uncomfortable with exerting new powers. The dual role played by Place Actors - as funding decision makers and local representatives - also carried the potential to negatively impact local reputations and relationships.

The temporary nature of many core roles resourced by LCF in devolved structures - while considered by many a necessity for systems change work - also created tensions. Devolved roles, including contracting and payment conditions, could disincentivise more insecure and marginalised place actors from playing meaningful roles in devolved work.

Research

Report

Introduction

Within Lankelly Chase Foundation (LCF), devolved decision making (DDM, for short) has played a number of central roles: as one of the nine 'system behaviours' underpinning LCF's mission, as a reference point guiding how COVID-19 crisis funding was deployed, and as a guidance principle for LCF's place-based work. This trajectory has been spurred on partly by a persistent discomfort with the unequal power relations involved with charitable governance and funding relationships. More recently, it has caught a number of prevailing winds, from the disruption brought about by COVID-19, the positive signals coming from initial moves toward DDM, inspiration from other critical voices in the charity and philanthropic community, and the constructive challenge raised by the increasingly diverse cast of partners LCF works with.

The devolution of power and decision making has deep roots in a philanthropic context. It is not a new idea: in the UK, locally-embedded and controlled community foundations have been in existence for over a century. Nor is it an unpopular idea: the National Lottery Community Fund's 'Big Local' initiative, the largest of a broad range of place-based and resident-controlled funding programmes, has invested £217 million across 150 areas in the UK.

Yet to the charitable and philanthropic community at large, devolution can look like risky territory. Regulatory frameworks, statutory obligations, government guidance, and many intellectual currents in the sector focus those in power on risk management, due diligence, and transparent stewardship of financial resources and charitable mission. If devolution moves decision making powers further away from executive staff teams and boards of Trustees, how will standards (be they moral, social, or legal) be upheld? Who directs the mission and is accountable for its delivery? Who is responsible when something goes wrong?

While this report's primary audience is LCF and its networks in place, we also speak to a broader interest in the charitable and philanthropic sector in exploring more devolved, participatory and inclusive models of grantmaking and governance. LCF, as an independent foundation with a conducive organisational mission, has taken advantage of its independence and discretion to devolve functions to an extent which is rare in the UK philanthropic community. In this report we use this position as a vantage point to shed light on some of the benefits and pitfalls which others interested in undertaking their own journeys of devolving power might encounter.

We find that in LCF's experience, the benefits of DDM have - so far - outweighed its costs. However, in many respects this report raises more questions than it answers. We identify significant open questions surrounding how the legitimacy of devolved teams is conceptualised and communicated locally, what the long-term relationships between central organisations and devolved structures should be, and how Trustees and governance boards can play a meaningful role in a devolved foundation. Perhaps most excitingly, these first steps into devolution brought into view a landscape of practice which promised to be more radical and system-changing, though likely more challenging to put into practice.

This report has four parts. Readers interested in the transferable learning will find parts three and four of most value and may wish to skip ahead.

In Part 1 we provide a detailed summary of the progress so far in each of the five places core to LCF's place-based work, focussing mostly on the two areas where, at time of writing, devolution has progressed furthest (Gateshead and Greater Manchester), but also taking stock of important developments in York, Barking and Dagenham and Oxford.

In Part 2 we assess evidence of the risks and benefits which have emerged so far. Importantly, we explore theorised risks at the organisational level (e.g. to the integrity of mission, and prudent use of resources), but also explore risks which accrued to individuals stepping into devolved responsibilities, and to the places in which devolution is occurring.

In Part 3, we explore four key areas where substantial open questions with key organisational implications have emerged:

- What is the long-term role of a devolved foundation in place-based work?
- How do devolved structures understand their democratic legitimacy?
- How should a devolved foundation be governed?
- How can devolution become more radical?

In Part 4, we summarise findings and discuss how these might inform LCF's further journey into devolution, and how this might involve the broader philanthropic sector.

Defining devolved decision making

'Devolved decision making' (DDM) is a turn of phrase used within LCF's place work to refer to a broad array of decision categories. It can refer to financial allocation or grantmaking decisions, i.e. yes/no decisions on funding allocation as with models of participatory grantmaking. DDM can also impact on design decisions which take place upstream to funding decisions, including those on mission alignment, eligibility criteria, scheduling, and funding conditionalities. Even further upstream, it may include broad strategic decisions regarding investment decisions, overall strategic direction and organisational mission. DDM can also involve moral and ethical decisions, for instance around inclusion and representation (e.g. who should be represented on devolved structures), or how the power relationships embodied by money-holding and funding allocation should be managed.

We use DDM as a broad conceptual umbrella encompassing all possibilities outlined above. While we focus significantly on funding decisions (as was our remit and the focus of devolution so far) we also report where possible on decision making from these other domains.

We also recognise a number of inadequacies related to the term, and perhaps more so to its shorthand, 'DDM'. Firstly, we acknowledge the problematic nature of 'devolution' as a policy term associated with the devolution of sovereign powers from nation states to subordinate entities or tiers of government. This is worsened through the association in public consciousness with politicised elements e.g. through constitutional referenda (like the 2014 Scottish Independence Referendum) and regional development (such as the UK Government Levelling Up White Paper).

We also acknowledge the presumptuousness of the term. Firstly, the implicit reasoning that it is the legitimate prerogative for charitable foundations - as inheritors of private wealth - to devolve powers at their behest, rather than in step with empowered democratic demands. The presumption that power derives from the financial wealth held by charitable foundations is also shaky. The financial resources possessed even by large foundations are often dwarfed by the scale of the problems they confront.

Finally, we acknowledge challenges to the term as a catch-all descriptor, referring as we do to a fluid range of activities and structures which may not all accord with one another. We refer in this report to instances of power sharing, partnership, devolved grantmaking, participatory models of grantmaking, and various new regimes of accountability - to peers, collaborators, citizens in general, and communities who may be excluded from existing 'devolved' decision making processes.

Research Scope

This report was commissioned within a Learning Partnership between Northumbria University and Lankelly Chase to take stock of LCF's progress with devolution. We speak to a developing interest in the charitable and philanthropic sector in devolved, participatory and inclusive models of grantmaking. The scope of the research was guided by an initial set of questions agreed with LCF staff in 2020 as most useful to the developing organisational trajectory of devolution.

1. What can our collective experience within the place work tell us about how to proceed with DDM?

2. How can we manage the risks of DDM – to Trustees, staff, and Place Actors?

3. How can we move further with DDM within LCF's place-based work, and what does this imply for how LCF operates as an organisation?

We conducted semi-structured interviews with 28 participants involving perspectives from all levels of the organisation with a connection to LCF's place-based work (Place Actors, Associates, Lankelly Chase staff and Trustees). We also draw on a range of learning-focussed group events conducted over 2020 and 2021 among both LCF staff and place-level 'Associates', and a summative workshop undertaken in early 2022 with participants to sensitise our conclusions and generate further directions for future inquiry. Finally, we draw on our own action research conducted as current Learning Partners for the place work, which has involved direct interaction with a large number of current Place Actors over the past four years. Interviews were held online via Microsoft Teams and were recorded and transcribed verbatim for analysis. We used an inductive thematic coding approach analysing risks, benefits and opportunities according in reference to the three research questions above. Participants were provided with an information sheet and consent form which outlined the nature of the research (see Appendix A).

Glossary of terms

Lankelly Chase Foundation's evolving approach has involved a range of structures, roles and approaches, most of which have emerged to support devolved decision making processes in place. Each of these have taken hold in the discourse used to communicate within LCF and across places.

Place work	LCF began to work more closely with places in 2016, following a strategic reorientation toward place-based system change. Six places with an existing connection with LCF became the locus of this work: Barking and Dagenham, Gateshead, Greater Manchester, Oxford, York and Barrow, with the work in Barrow later transitioning to another organisational domain. Initially referred to as the Place Action Inquiry, we refer to the broad area of place-based inquiry with the five remaining places as LCF's 'place work'.
Associate	LCF created and resourced the role of the 'System Change Associate', later renamed as 'Associate', as key local changemakers and points of contact. Associates have often played key roles in the establishment of devolved structures (see below).
Place Actor	Many other individuals have been involved in the place work, both in paid and voluntary roles. We use the term 'Place actors' to refer to other local partners and observers not in an 'Associate' role.
Learning Partner	Learning Partners support LCF staff, Place Actors and local organisations to reflect on their work and build understanding about the process of place-based systems change. Northumbria University played a Learning Partner role for the place work from 2018-2022.
Devolved structure	The ongoing devolution of decision making has created a layering of devolved structures, including portfolio teams, Coordination Teams and other localised structures. This latter category has included local groups which facilitate place leadership, e.g. York's 'Enabling Team', and other areas of work on e.g. structures facilitating participatory grantmaking in York and Barking and Dagenham.
Coordination Team	Coordination Teams (often called 'core groups' or 'core teams') are a prominent type of devolved structure, having been purposefully brought together with the view of coordinating the Lankelly Chase associated work in place and to bring in multiple perspectives from local people. Coordination Teams provide place-level stewardship and take responsibility for budgetary decisions. They are staffed by locally-embedded Place Actors, Associates, and involve at least two members of the LCF staff team (not necessarily involving a Director). Financial decision making is regulated by LCF's internal Resourcing Portfolio team through a governance checklist which ensures standards for decision making are upheld.
Portfolio Team	Portfolio Teams were established to take responsibility for the strategic direction of place work, thematic issues, or key organisational functions. Portfolio teams changed in composition and function over the years, however each place had a constant and dedicated portfolio team expected to provide local stewardship for the place work, until further devolution to Coordination Teams takes place. LCF staff made up a majority of members. Until October 2021, an LCF Director's participation was required for advancing grant/contract decisions.

Devolved decision making in Lankelly Chase Foundation's place-based work

2017–18

Devolution to LCF staff team

Proposal to establish a new place-based system change approach agreed by LCF board.

Around 200 organisations involved in designing and agreeing 9 'System Behaviours' guiding activity. 'Decision making is devolved' is selected as one of the three System Behaviours relating to power.

A significant decision-making mandate is established and delegated to LCF staff executive committee with Director approval (Grants/contracts under £300,000 with an allowance for this amount to rise with inflation)

Resourcing decisions across LCF's other (non-place) programmes and inquiries are also delegated away from the Board to the LCF executive staff team

2019

Devolution of budgets to 'portfolio teams'

LCF board agrees to extend the decision making-mandate to place-level 'portfolio teams', enabling these bodies to take local stewardship of the place work. Portfolio teams often involve external actors, though LCF staff make up a majority of membership.

A collaborative budgeting process is established for financial year 2019-20

2020–22

Devolution of budgets to place-based Coordination Teams in Gateshead and Greater Manchester

In October 2020, LCF's board approves a third extension of the decision-making mandate to place-based 'Coordination Teams' led by Place Actors with LCF staff in minority.

This decision-making mandate is taken up first in Greater Manchester, then Gateshead.

2020 Appointment of new board of trustees

2023–28

Redistribution of assets

July 2023, Announcement to redistribute assets in totality within the five year period to 2028

Greater Manchester

LCF's early work in Greater Manchester was focussed on the Elephants Trail, an initiative which aimed to identify and address the barriers (the eponymous 'elephants in the room') which prevented meaningful participation and co-production between policymakers and residents. While continuing support for the Elephants Trail, LCF has sought in recent years to broaden its coverage and networks in Greater Manchester to address barriers in its representation of communities subject to marginalisation:

"we were really clear that Manchester's so big, and the partners that we had were so rooted in the 'old' [language of] severe and multiple disadvantage (...) and yet, when you think about what marginalisation in Manchester looks like, and who those people are, they're massively missing; massively missing."

LANKELLY CHASE STAFF MEMBER

In April 2020 a decision was made to establish a Coordination Team, separate from but connected to the Elephants Trail and other projects LCF had supported, which would be more representative, diverse and inclusive than LCF's previous operations. The establishment of this team was led by LCF staff members with a history of engagement in Greater Manchester. Coordination Team members were asked to take responsibility, on a temporary basis, for a devolved annual budget. When first considering how to organise their work, the members of the Coordination Team began a consultation process with their networks. One individual described this process as 'deep listening':

"really, we didn't know what the process was going to be, we didn't know how we were going to make decisions or anything like that. So, we kind of, we went out and just spoke to loads of people in our networks about what was needed, and where the gaps were and stuff like that"

PLACE ACTOR

The group found that many in their networks reported both a lack of flexible funding and opportunities to connect with others. In addition, many groups representing more marginalised communities were excluded from funding opportunities. Alongside undertaking some smaller funding decisions, e.g. funding a system change-focussed arts project, the Coordination Team created the GM Narratives Lab, a programme dedicated to learning how to 'decolonise the web' and also decided to undertake a larger strategic grantmaking programme, called the Spaces Fund. This fund aimed to resource and support local groups, with a particular focus on marginalised women and young people living in Greater Manchester:

"That was a massive decision we had to make, I guess, and we went for the fund, to fund those spaces where the people were telling us there was gaps, but also to broaden our network, we realised that a lot of the projects in Greater Manchester we were connected to were led by mainly white working-class men, so we wanted to reach out and have spaces run by women or young people, and/or young people, and reaching out to communities of colour as well.

PLACE ACTOR

Devolution process

The Spaces Fund was a major strategic decision with clear aims to build networks and deepen connections with marginalised communities. Establishing and administering this became the central focus of the Coordination Team's energies initially. In early meetings, the group reached collective decisions on its structure and format, establishing two small grant awards to fit different organisational needs, designing a simple application form, and setting a goal to reach 30-50 organisations who convened spaces for people experiencing marginalisation. The networks held by Coordination Team members were used for community outreach, with all members publicising and motivating underrepresented communities to apply:

"[we used] the networks that we all have, to reach out into those communities, and that for me, is the best example of why devolved decision making is really important, because we would never have met ... so many of those communities if it was just Lankelly Chase."

LANKELLY CHASE STAFF MEMBER

Successful organisations were asked to commit to a system-wide learning programme spanning six months, convened by the Coordination Team. The Coordination Team became involved in the detailed administrative tasks, interacting with a large number of funded organisations:

"...it was a lot of work, writing it up, writing the fund up, promoting it, because we did weekly drop-ins, two a week for people to talk to us about what they were doing, what they wanted to do, then we had to, obviously, go through all the funds. And we funded half of who had applied, and then getting the funding out and everything, all the administration, all that stuff. So, it was a massive piece of work."

PLACE ACTOR

Since 50% of applications to the Spaces Fund were ultimately unsuccessful, the Coordination Team had to make many difficult funding decisions. Turning down applications was an uncomfortable process for many of the team who came with their own negative experiences of inequity and insecurity in funding relationships. The limitations of the spaces fund resources (capped at under £10,000) was also juxtaposed with clear precarity which many applicants faced, and played on the minds of several members interviewed:

"I found that very difficult, that's what I'm saying because I've never had that kind of power before (...) so when it came to [making decisions]...it didn't feel like power. For me, it felt like a burden so I didn't feel powerful. It just felt like a burden. I felt burdened to share something that was not enough. That's how I felt."

PLACE ACTOR

"So, we hold that responsibility of well if we fund A, then we're not going to be able fund B, and that can we quite, it's a big responsibility really, particularly some of the groups that we ended up working with, they're dealing with some really survival stuff really, so quite a lot of pressure in their communities"

PLACE ACTOR

Decisions were made using a consensus building process, and a Deep Democracy approach was used in situations of disagreement. LCF staff played a crucial role as partners in this process, bringing grantmaking expertise and technical know-how to administering grantmaking programmes legally and efficiently, while also providing oversight and due diligence to the process. A majority agreement was needed to support decisions in the Coordination Team, and Coordination Team members felt confident enough even to outvote LCF staff members on occasion:

> ## "[we used] the networks that we all have, to reach out into those communities, and that for me, is the best example of why devolved decision making is really important, because we would never have met ... so many of those communities if it was just Lankelly Chase."
>
> LANKELLY CHASE STAFF MEMBER

"There have been times within that that, you know, Lankelly have been outvoted and respected that (...) it's been one or the other of [LCF Staff] that have kind of said, "No." And everyone else has said, "Yes."

PLACE ACTOR

The decision making 'burden' associated with funding power was lessened through the collaborative decision making process the team developed. Through in-depth debate the team brought their multiple skills and perspectives to bear on each application. The development of trust, and routines of collaborative working within the coordination team helped members step into their power:

"And we have questioned, why is there not more conflict in the group, and it's not, we question whether are we all just going along with it, or, but nobody really dominates either, it's kind of, it just seems to work, it seems weird. But so, yes, there's not been a lot of conflict. There's been some, questioning, there's always been another perspective, and we'll bring that in, but never conflict."

PLACE ACTOR

While the most visible feature of the Spaces fund was its grantmaking function, its primary purpose was understood by all interviewees to be one of networking and relationship building. By all accounts this was a success with the group building many new connections with smaller and more liminal community organisations, enabling LCF also to establish new connections and deepen relationships with underrepresented and marginalised groups.

"So, that was the mission really is to reach out into groups that are on the fringes and not able to kind of, or don't feel able to get funding really. So, quite a lot of them were like that, they'd never had funding before."

PLACE ACTOR

A learning process was initiated alongside the Spaces Fund, inviting successful applicants to monthly learning and networking meetings which attracted significant interest and ongoing participation from new organisations. These sessions enabled groups to connect and begin to form and deepen their own interconnections, while also exposing Coordination Team members to the priorities and challenges facing groups:

> "I was pleasantly surprised by the amount of people that came (...) It's not just a half hour meeting you're chipping into, it's quite a long thing to pay attention [to] but they were so forthcoming with that, I was pleasantly surprised and inspired by it"

PLACE ACTOR

The extent of devolution in Greater Manchester was recognised as limited, initially constrained to the stewardship of a ring fenced annual budget, although the team also took responsibility for reviewing this and prosposing a new budget to Lankelly Chase for 2022/23. In this regard, the Coordination Team were largely involved in the administrative work of a strategic process that was broadly predetermined:

> "it's not a given that the money's going to go out of the door to the projects that were there that we were handed, but it has felt, in the first instance, that it's a bit more of an administrative gesture"

LANKELLY CHASE STAFF MEMBER

The devolution of a budget had given team members an introduction to being 'on the other side of the equation' and increased understanding of the challenges which grantmakers faced. We did however find some evidence of a discomfort with this position and a reluctance to step into a more strategic decision making role. The funding power held by Coordination Team members contrasted starkly with the positions of the grassroots and often marginalised organisations involved in the Spaces Fund. Positioned somewhere between the stability of LCF staff and the liminality of grassroots organisations, Coordination Team members often questioned their legitimacy or entitlement in budgetary decision making:

> "It just feels like there's this massive elephant in the room that it's like Lankelly Chase's money. (...) We're making decisions which are more informed by place rather than I'd say decisions that have been made by place."

PLACE ACTOR

"It just feels like there's this massive elephant in the room that it's like Lankelly Chase's money. We're making decisions which are more informed by place rather than I'd say decisions that have been made by place." PLACE ACTOR

Outlook (as of 2022)

The Spaces Fund gave Coordination Team members something tangible and valuable to collaborate on and co-design, which in turn built bonds and created a sense of shared purpose within the Coordination Team. Decision making was initially focussed on technical and administrative functions, rather than more searching and existential questions of purpose, direction and strategy. This proved a challenge as the Spaces Fund drew to a close, and the group was confronted with strategic choices about what came next:

> "And that is where we're getting to now, and this is the bit of concern that I have, you know, when we start to really look at, well, strategically, where do we want to go as a group? People are really, really, really, really cautious and thoughtful, and you can feel the responsibility. (...) It's so overwhelming that there's a ... and because the need is so great, there's a paralysis of decisions."

LANKELLY CHASE STAFF MEMBER

This was being addressed through a process of outreach and reconnection with the networks and contacts built through the Spaces Fund, summarised under the intent to build a critical mass of changemakers. A decision to work with Culture Hack Labs was cited as an early key strategic decision in this regard, and the Coordination Team contributed as a group to LCF's Common Ground series. Amongst other initiatives, a 'Spaces Festival' was also arranged as a key calendar event to begin a broader system-oriented conversation to consider how to build a more strategic approach to DDM, drawing larger groups of participants and building legitimacy for something more ambitious:

> "The most exciting [event] is coming together in February (...) it's that thing of bringing everybody together so that we can all codesign where the work needs to go, and that feels really exciting."

LANKELLY CHASE STAFF MEMBER

Gateshead

LCF's engagement in Gateshead has involved multiple areas of activity, including engagement with a council-led service reform initiative, a community and voluntary sector coalition, and more latterly a place-based inquiry beginning in the Bensham area. In 2019 LCF staff involved in place began to explore possibilities for working across these areas of inquiry and exploring a strategic basis for the work. An Associate was appointed from a locally-embedded consultancy, who was given a remit to convene a Coordination Team. In contrast to Greater Manchester's LCF-led approach, in Gateshead the Associate took the lead role in the selection, recruitment and convening of this group.

This began with a significant research and relationship building process, in which conversations and interviews were conducted with many different actors in positions across the statutory and community and voluntary sector. This process helped to identify potential Coordination Team members who shared a frustration with 'business as usual' and an interest in system change and cross-organisational working. Following recruitment onto this Coordination team, the decision making mandate was passed down to this body in 2020, which has involved 8-10 people from a variety of organisational backgrounds in the community, voluntary and statutory sectors:

"When we assembled the Coordination Team we went out to people and said, "Look, Lankelly funding, system change experiments, locality basis, goal to devolved decision making", and everybody thought that was really interesting and everybody wanted to get involved."

PLACE ACTOR

Two issues seemed most prominent in this initial phase of assembling and directing the Coordination Team. The first concerned developing a shared purpose and orientation. Members of Coordination Teams described some initial confusion about this:

"So, I probably spent the first three meetings going, 'I don't really understand what we're doing here,"

PLACE ACTOR

"So, it felt like, a few months ago, maybe the Coordination Team was a bit lost..."

PLACE ACTOR

This was partially due to the novelty of the devolution process, as one Place Actor explained, 'it's a bit hazy

> "I think what we did that was good, one of the solid decisions that we made, we didn't instantly jump into devolved decision making, we built relationships and we set purpose, and clarified what we feel about the group and what's happening in the space, what each other's insights are etc." [PLACE ACTOR]

because we're doing something different'. Coordination Team members inevitably encountered role uncertainty on various fronts: the scope and focus of decisions, how the team connected with other streams of work, and how LCF resources would be invested in the area. Before any focus on strategic decision making was embedded, priority was instead given to undertaking an exploration of the Coordination Team's purpose and aims.

> **"I think what we did that was good, one of the solid decisions that we made, we didn't instantly jump into devolved decision making, we built relationships and we set purpose, and clarified what we feel about the group and what's happening in the space, what each other's insights are etc."**
>
> **PLACE ACTOR**

Interviews suggested the group was gradually transitioning from being championed by the Associate to a shared platform with a more collaborative sense of ownership and an inclusive view of purpose. As decision making procedures and working relationships became embedded, Coordination Team members became better able to communicate this purpose to others.

> **"However, over the last year, we've developed procedures, I suppose, about how we're going to spend that money, what we're going to spend it on, what we understand our aims to be. So, that's really good and that makes us feel somewhat legitimate but the transparency I**

think links back to what I was saying earlier about how I tell people about what we're doing."

> **PLACE ACTOR**

A second issue discussed was relationship building. In order to bring in a range of perspectives and critical engagement, the Coordination Team first had to get to know one another.

> **"the relationships within the team are good, but not deep enough yet, not secure enough yet, because a couple of people in the team have observed that people are still trying to be nice to each other"**
>
> **PLACE ACTOR**

Some members considered that Coordination Team members' local roles - which included senior council officials - might internalise power dynamics with external hierarchical positions structuring group relationships, in turn affecting the equity of decision making. Likewise, the Associate's unique position in leading the initial development and framing of the group was identified as a particular form of framing power. The group navigated tensions by developing their awareness of these power dynamics and strategies to address them, such as rotating chairing duties and incorporating more formalised models of decision making.

Devolution process

Governance processes within the Coordination Team were based on the checklist developed by LCF to guide discussions around how decisions were made, and establish key legitimising factors like meeting quoracy, due diligence on funding decisions and the management of conflicts of interest. It was mandated by LCF that funding decisions would require two members of the Lankelly Chase Team to be present in discussions. While both place actor and LCF staff interviewees noted this gave Lankelly Chase Staff 'special status' as a voting bloc in comparison to other members, it was welcomed as a step on the journey of devolved decision making.

Certain barriers were encountered in Coordination Team discussions. In certain cases, Members' local roles sometimes affected their contribution, either in limiting their capacity for attendance and engagement, or in keeping mindsets 'rooted in their day job' as one Place Actor contended. Some Coordination Team members described their local roles as largely separate (rather than interrelated) to their 'place' team role. Some interviewees considered the responsibility for funding decision-making led to a more risk-averse and critical approach to funding proposals and ideas. To support a more generative conversation, consent-based decision making processes were established to create a 'depressurised environment' rather than creating tension in seeking consensus for decisions across all members.

The Coordination Team consciously pushed against becoming a local 'funder' and, in contrast to Greater Manchester, did not utilise external grantmaking in its strategic approach:

> **"It's like we've got concentric circles of a community developing here, so what we never want to do is give people funding to go off and do their own thing over there. What we want to do is find a way for people to share ideas with the community, this emerging community, but then be part of the community."**
>
> **PLACE ACTOR**

This led to the conceptualisation of a range of conceptual roles, 'Bridgers', 'Organisers' and 'Influencers', which would be funded to provide outreach and connection to the place, bringing in an awareness of what is important to local communities:

> **"...influencers, bridgers and organisers and the organisers are folk that we're going to start recruiting for soon actually. So, they are people who will sit on the Coordination Team but also go out and do some community organising...Then there are bridgers who are people who bridge between organisers and the system, and the influencers are the people who sit fairly high within the system, have a lot of influence and maybe are able to reflect back to the system, some of the stuff that the others are figuring out"**
>
> **PLACE ACTOR**

This fed into conversations about legitimacy as a power holder in Gateshead and transparency around decision making in the form of communication also felt important to certain interviewees:

> **"I don't want us to look like a shady part of the system that's got some money and is working for our own agenda. I do really think that there's something about being inclusive and being open..."**
>
> **PLACE ACTOR**

> **"...So part of this new process is how do we break out of that structure and some of it is going to be ...actively stepping out of that... I think a little bit of that is going to need to happen in the beginning until people find their comfort space and until those relationships are really established and people feel more able to do that without checking but it's feeling like we need to be quite explicit about it at the minute I think is the crucial thing."**
>
> **LANKELLY CHASE STAFF MEMBER**

Alongside developing processes and procedures for making decisions, the Coordination Team also recognised the need to maintain the quality of its internal relationships. As the emphasis in meetings centred more on decision making, this squeezed out room for learning and exploration:

"...what we're missing is actually that exploratory time we spent earlier on system questions or to give it a simple name, learning"

PLACE ACTOR

The duality of Coordination Team members' roles - as locally-employed place actors and system observers in the team - also created some tension. One example was given whereby the Coordination Team were asked to make a funding decision on an existing LCF-funded project:

"...we inherited the responsibility for future funding of it, and that was very uncomfortable."

PLACE ACTOR

Some Coordination Team members interviewed reflected that their membership affected how their own organisations were perceived externally and their relationships with local partners. So too had the establishment of the Coordination Team itself, as a power-holding entity in Gateshead with a strategic agenda, shaped place-level power dynamics. One interviewee considered that, on reflection, more could have been done to support place-level relationship management:

"Power shifted to the Coordination Team really because the wider work of what was funded by Lankelly was re-orientated around the Coordination Team. However, there wasn't any discussion held with [partner organisation] to highlight that this was going to happen. Lankelly didn't approach them to say that this was what was going to happen, or why it was happening. To the point where the guys at [partner organisation] didn't even... I don't think they understood what it meant at the time."

PLACE ACTOR

Outlook (as of 2022)

There was a strong sense from interviewees that decisions were now more reflective of the locality, although some considered a level of separation persisted. This sense of disconnection had driven much of the strategic thinking from the Coordination Team on its ability to authentically reflect communities in Gateshead. In addition to this, there was a burgeoning agenda around actively trying to diversify the composition of the Coordination Team:

"... since decision making has been devolved... that's actually changed the circumstances for the team and has led to us reflecting that we probably need to change the team as a result of the circumstances... Yes, the decisions are now closer to home geographically, but they're still divorced from the work itself."

PLACE ACTOR

"So there's always been the discussion about the legitimacy of the people in the room, and whether that is representative of what we are actually wanting to do, the answer to that was 'no' at the start. And it's still 'no'. There's not enough people who are doing the work to have a legitimate perspective within the work that we're trying to achieve, what we're trying to build... there's no sort of, it's not like you and me can have a conversation and then the next week we've solved it. This has been ongoing."

PLACE ACTOR

Although Lankelly Chase staff were part of the group, the Coordination Team were not comfortable with the status of funder, and saw grantmaking as a step backward. Instead, Coordination Team members expressed interest in exploring a more strategic role in its own right, with multi-year budgets and longer-term planning.

Devolved decision making in 'less-devolved' Places

The experience with devolving decision making has centred on Gateshead and Greater Manchester where strategic and resourcing responsibilities have been officially handed over to a locally-led Coordination Team with its own governance and decision-making frameworks. Devolution had, at time of writing in 2022, been less pronounced in the other three areas central to the Place work (York, Barking and Dagenham and Oxford), where budgetary discretion was still reserved by Portfolio Teams, but in communication with (and under the guidance of) local partners. We include a discussion of these areas for two reasons. Firstly, these structural differences provide a counterfactual through which to assess the relative impacts of devolution in relation in our three research questions. Secondly, these 'non-devolved' places have much to contribute to collective learning in their own right: each has pursued their own distinctive approaches to participation, co-creation and inclusion which stand to inform collective learning about the opportunities devolution can offer.

York

LCF first became involved in York through its funding relationship with York Pathways, a partnership initiative funded with a range of statutory organisations. This was a collaboration between multiple local services supporting individuals with a range of support challenges under the term 'severe and multiple disadvantage', based on the core insight that many different services and interventions across the city were dealing with the same issues, populations and individuals. The LCF Associate engaged in this work made an assessment of local services delivering to this group, finding five separate, unconnected interventions. Following a proposal from this Associate, the focus of LCF's work substantially broadened into a Multiple Complex Needs (MCN) Network, supported by infrastructure 'backbone' support in the form of a locally-based 'Enabling Team', including Associate roles funded by Lankelly Chase to hold, coordinate and administer the network.

The network had some early challenges in establishing a steady membership amongst public and third sector organisations, but grew to become a valued convening forum enabling different collaborations and conversations across traditional institutional divides. The network developed themed working groups through a democratic process (including on commissioning practices, creative action, exploring the culture and values of the system), and also developed a strategy for engaging lived experience in the network's conversations. The working groups were considered by interviewees to have given the MCN direction and focus, and gave network members specific issues to coalesce around. In turn, these groups developed their own systems for co-designing proposals and action plans, and had their own budgets which they could draw down from LCF through liaison with the Enabling Team.

As part of the overall approach in York, parallel initiatives were also funded by LCF, related to but also independent from the MCN Network space. Concerns about a disconnect between the Network and individuals on the receiving end of services spurred the creation and resourcing of a lived experience leadership group, hosted by a local Community Interest Company. Two other work streams were also funded through a partnership with Two Ridings Community Foundation: a participatory grantmaking exercise was which became known as Deciding Together, to enable direct local control of funds; and, as a way of spreading conversations about disadvantage and exclusion beyond adult service delivery, the Together With Young People collective. A member of Two Ridings Community Foundation staff joined with MCN convenors in the York 'Enabling Team' to build visibility and connections across the different strands of work.

Devolution process and Outlook

By mid-2021 in York, devolved decision making was evident across several threads of the work:

- The York Portfolio Team – which held the official mandate to approve spending decisions – had evolved to include both Lankelly Chase staff and colleagues in York (with LCF still in the majority).

- Working groups formed from within the MCN, with funding proposals from these groups signed off by the Portfolio Team.

- The Together With Young People collective, which developed its own decision making and management processes, and was also exploring holding its funds through fiscal hosting platform.

- A significant participatory grantmaking process (Deciding Together) led by Two Ridings Community Foundation. LCF also contracted Art of Hosting practitioners to support the people involved with designing and holding their own decision-making process:

Whilst the principle of devolved decision making was visible in several places, there was no single, unifying body or process (such as a Coordination Team) through which this was managed. The Portfolio Team still held the mandate for approving spending, but had reduced its role to a largely confirmatory and technical 'signoff' process, putting trust in local processes (i.e. the MCN working groups) to scrutinise and develop proposals to a conclusion they were happy with. This also raised some questions about the devolved responsibility of 'approving funding' (generally held at some kind of board or panel level) compared to the much more engaged process of bringing ideas, plans and proposals to life in the community, where different groups had considerable freedom to operate.

In York, the presence of independent but interrelated initiatives has raised questions about not just the extent to which decision making is devolved – which powers and responsibilities are transferred – but also the extent to which it is dispersed and spread out through the

place where work is happening. While interviewees were uncertain about the applicability of a central Coordination Team like in Gateshead or Greater Manchester, many felt the overarching funding and budgeting approach in York would soon need to change. Whilst some interviewees considered independence between different streams of work was a natural and appropriate feature, others would have preferred a more integrated approach:

> **"So we're now having to go through the process of proposals from the children and young people work and another round of the Deciding Together Fund which are going through the portfolio team and have no connection to the [MCN] network or the working groups or the enabling team."**
>
> **PLACE ACTOR**

While interviewees described current flaws in the current decision-making process, there was a recognition

that the overall picture is evolving to a better place. One interviewee, taking a long view of the governance mechanics surrounding the devolution of decision making, considered the approach had set the table for an improved grantmaking function for LCF in York:

> **"I think that that will lead to greater transparency in York and between all of the activity happening and whoever is doing this infrastructure role."**
>
> **PLACE ACTOR**

The focus on devolved decision making has also been helpful in putting structural and relational barriers into the spotlight and necessitating changes in these which may otherwise have been missed. In effect, the dispersed character of work in York relative to some other places was substantially a contextual matter, shaped by two strong, separate, programme identities taking form:

"So it's not like it's created the issues that are coming up, it's just that the change has unearthed them and brought them into view and hopefully it will mean that we get better at working through those changes but also learning about what do we need to think about when thinking about, and for Lankelly Chase, what do they need to think about in terms of unintended consequences and mitigating for that from that learning." PLACE ACTOR

> **"So it's not like it's created the issues that are coming up, it's just that the change has unearthed them and brought them into view and hopefully it will mean that we get better at working through those changes but also learning about what do we need to think about when thinking about, and for Lankelly Chase, what do they need to think about in terms of unintended consequences and mitigating for that from that learning."**
>
> **PLACE ACTOR**

Barking and Dagenham

There are several interconnected groups and initiatives involved in the work in Barking and Dagenham, providing a broad base of organisations and stakeholders but with some common principles informing different strands of work, particularly around community power, marginalised voices and meaningful participation.

LCF funding includes:

- A skills-building and participatory grantmaking partnership coordinated by a local charity, Kingsley Hall Church and Community Centre, with various grassroots community groups receiving funding and supported to hold a central discussion and planning space

- A learning partner for BD Collective, a 'network of networks' to support collaboration in the Borough's voluntary and community sector

- Another participatory grantmaking fund led by BD Giving, a local funder and platform for community involvement in decision making in the Borough

- Pots of money held by Community Resources, another local charity, to resource community involvement in the various funded initiatives (eg travel expenses,

Devolution process and Outlook

Responsibility for resourcing decisions in Barking and Dagenham is held by a Portfolio Team which initially comprised solely of Lankelly Chase staff, but has since expanded to include additional members from the local authority, community sector leads and an LCF Associate. The LCF Associate convened a 'learning group', comprising people involved directly and indirectly in the different streams of work in Barking and Dagenham, to connect and build relationships, explore priorities together and provoke different and more system-oriented ways of thinking. This approach was partly an exploration of what an appropriate decision making process might look like in the locality, much like the exploratory approach taken prior to the development of Gateshead and Greater Manchester Coordination Teams. The intention was that this group, or a subsection of it, form a central 'locality team' to hold the next iteration of devolved decision making in the Borough:

> '...it will be kind of saying, you know, these guys are getting money from Lankelly Chase, how are we learning from that together rather than how are they learning from it? (...) So, it's not a kind of, you must come and give an account. But it's, you know, what are we learning at [our organisation]?'

PLACE ACTOR

> "...it's a way of thinking about how other decisions might be made, it might have a money aspect, but it might actually be how decisions are made about learning and sharing information, and the way that people work together."

LCF STAFF MEMBER

However, one Place Actor raised a counterpoint, 'how do you stop the network becoming the organisation?' Another reflected on how they could provide support for the work without this becoming permanently relied upon and institutionalised:

> 'I've got a moment in time where I've built up enough relationships that I can bridge things. And hopefully, if I'm doing what I should be doing, they'll no longer need me because the relationships will be built without me.'

PLACE ACTOR

One approach being pursued was to develop the learning group into a more open and trusting environment in which actors feel comfortable to share the challenges they were experiencing. This would enable critical reflection around the work to push boundaries and move beyond comfort zones:

> 'I think we've got to learn how to develop that environment, that safe environment where you can actually genuinely share what isn't working and together consider (...) "how could we make it work?"'

PLACE ACTOR

> "...it's a way of thinking about how other decisions might be made, it might have a money aspect, but it might actually be how decisions are made about learning and sharing information, and the way that people work together."
>
> LCF STAFF MEMBER

Oxford

Devolution process and Outlook

LCF have a longstanding engagement with Oxford, where the character of funded work has transitioned from an issue-focus to a place-based approach over time. Oxford's Portfolio Team holds the decision making mandate, which is made up of a majority of Lankelly Chase Staff as well as the Associate for place and two members from the Old Fire Station which serves as the place work's key 'anchor organisation' in Oxford.

Through close working with LCF place-based Associates and local institutions, a 'learning group' of around 10 individuals has served as the focal point of the work, overseeing at least five active projects. A participatory grantmaking project was developed through learning group members and jointly funded by Lankelly Chase and Oxfordshire Community Foundation to give local people an opportunity to make funding decisions.

Although the learning group was instrumental in establishing a participatory grantmaking project, under the current structure, final sign off for spend remained with the Portfolio Team. Some tensions around detachment were voiced by interviewees, particularly with the ability to provide support and input from afar. This introduction of funding responsibilities was described as a challenging process:

> **'...it added, like, a sort of, power thing and particularly the community members who are part of writing this became very anxious when they knew it was going to be, like, a funding committee.'**
>
> **LCF STAFF MEMBER**

The learning group established close and effective working relationships, and there were also efforts being made to further diversify and broaden its membership. One interviewee considered that as the activity in Oxford had become more sophisticated and interrelated, there was a greater need for Lankelly Chase to 'amplify the agenda that is already there' by providing a supportive sense of structure and boundaries. Discussions were also underway which indicated further devolution might open more generative discussions and strike a better balance of power between between LCF staff and Place Actors:

> **'I just get a sense of we're not the right people to be making those decisions. I do feel like the decisions are usually best placed by those who are closest to the issue.'**
>
> **LCF STAFF MEMBER**

Comparing across cases

As Table 1 shows, the extent and composition of devolved decision making structures varied significantly across the five places central to LCF's place work by 2022. In Gateshead and Greater Manchester, operational decision making is substantially devolved, with central 'coordination' teams taking stewardship of annual budgets and LCF staff membership in a minority. In the three other places, decisions remain held by Portfolio teams in which Lankelly Chase make up the majority of this team. In all cases however, experiments are underway in deepening the structure and extent of devolution, moving beyond central Coordination Teams in Gateshead and Greater Manchester, building toward establishing some form of coordination body, or developing a more complex and multi-actor form of devolution, e.g. in York.

Looking across all areas we can also see a general trend toward more devolution of powers and functions. Each place could point to numerous areas in which networks with marginalised communities were being deepened, responsibilities shared and greater levels of power-sharing being requested of LCF.

Some interviewees described their perception of a general expectation of devolution, in which place dynamics were to tend toward a central decision-making team. Many resisted this as a general model, preferring a more diverse and pluralistic engagement with DDM. Indeed, the experience of devolution within the Place work, viewed over the long term, shows a more dynamic and cyclical character. The process of the 'Associate' role initiating a systemic conversation and spreading a sense of ownership to other place-embedded Actors was modelled years ago in York - in the time since, York has become a more multi-polar landscape of work. Within each case there has been a dynamic process of 'focussing in' (e.g. Greater Manchester's Spaces Fund) and 'opening out' (e.g. Greater Manchester's subsequent approach to exploring ways forward after the Spaces Fund). Table 1 therefore captures a mere snapshot of a highly dynamic and evolutionary process. The glossary of terms invented or elaborated to describe Place Action Inquiry work (e.g. steward of place, learning partner,

Associate, etc) has evolved, with terms shifting as they met different contexts, incorporated different functions and were played by different people. While these terms have provided a solidifying shared language, the roles themselves remain fluid with divergent understandings of functionality at play.

One explanation for the dynamism observed in moving toward devolved decision making could be what social scientists call path dependency: each area is beholden to the set of evolving opportunities and challenges in place, and so activity inevitably settles into the grooves of its place context. But we also see the agency of place actors driving developments. The label of 'funder' was resisted by the Coordination Team in Gateshead, but less so in Greater Manchester, which saw grantmaking as a key network building approach, leading to the Spaces Fund becoming the central area of work. Another reason for the dynamism we observe over time was power-consciousness provoking restlessness and constant desire for change. Place actors often expressed a fear that locality teams could end up becoming accustomed to their power, replicating hierarchical structures with a minority of individuals holding power, gatekeeping or creating silos.

Table 1. Comparison of status of Devolved Decision Making Across the Place work by 2022

	GATESHEAD	GREATER MANCHESTER	BARKING AND DAGENHAM	YORK	OXFORD
MAIN DECISION MAKING BODY	Coordination Team	Coordination Team	Portfolio team	Portfolio team	Portfolio team
DECISION MAKING COMPOSITION	LCF Minority (2 of 8-9 in core team)	LCF minority decision makers (2 of 6 core team)	LCF Majority (Portfolio team)	LCF Majority (Portfolio team)	LCF Majority (Portfolio team)
DDM ESTABLISHMENT PROCESS	Associate-led	LCF staff-led	Associate-led	Multi-actor	LCF staff-led
DECISION MAKING PROCESS	Consent-based decision making	Consensus building; Deep democracy for contested decisions	Portfolio team holds overall budgetary power	Portfolio team holds overall budgetary power	Portfolio team holds overall budgetary power
GOVERNANCE MECHANISM	LCF Checklist	LCF Checklist	Portfolio team	Portfolio team	Portfolio team
OUTLOOK FOR DDM	Coordination Team as permanent focal point. Additional roles: Bridgers & Influencers	Coordination Team as temporary focal point Community involvement building from Spaces Fund	Moving toward a central Coordination Team	Uncertain- Remaining a multi-actor process with distinct project identities or moving towards central coordination team	Uncertain - learning group in place to explore possibilities

The risks and rewards of devolution

This report seeks to assess the relative risks and benefits of DDM which have materialised across Lankelly Chase's place-based work. In part this is to inform a reasoned analysis of devolution as a grantmaking and governance trajectory, but, more practically, it seeks to understand where risk lies and what lessons can be learned to improve the collective experience with devolving powers, resources and responsibilities.

DDM has been animated by a working hypothesis that:

Better informed, more equitable, and more system-changing actions will occur if those most closely affected take charge of decision making.

By placing decisions with those who are most closely affected, there is the possibility for more informed decisions and more holistic assessments of future opportunities and past impacts. Decisions might be made more quickly and responsively by avoiding the delays involved in processing and evaluating funding proposals in distant organisational structures. By involving debate and discussion amongst diverse local Actors, decisions might be reached which are better-informed than the sum of their parts, and which are better manifestations of collective will. DDM might be an empowering act in its own right, providing an opportunity for local actors to view funding processes from the 'other side of the table'. Finally, beyond these instrumental benefits, DDM may provide an opportunity for representation and voice for communities subject to marginalisation, correcting the historic and systemic exclusion of marginalised voices in grantmaking.

DDM requires traditional power holders - executive staff and Trustees - to relinquish control and oversight of decision making. By moving decision making further from the scrutiny and oversight of these accountable actors, from a certain perspective, DDM can increase organisational risk. Since DDM necessarily involves significantly greater numbers of people in decision making processes, it might also problematise the application of due diligence, scrutiny and monitoring processes traditionally used to manage risk.

For example, DDM processes might become unduly influenced by charismatic individuals, focussing on issues of personal significance rather than a genuinely collective agenda. DDM could lead to 'mission drift', in which organisational mission is diluted or squeezed out by divergent local priorities. By involving local Actors in decision making, DDM could invoke conflicts of interest, in which individuals involved may personally benefit in some way through strategic and financial decisions made locally. DDM might coax what economists call 'moral hazard': since devolved decision-makers are not legally accountable, their privileged access to local knowledge might be used to pursue actions which disregard risk. Taken to its extreme, DDM might increase the danger of fraud and misuse of funds.

Some of these theorised risks come from a pessimistic viewpoint aligned to standard economic theory but ill-fitting to a values-driven sector. However, cultural expectations and official guidance surrounding charitable governance continue to place a strong emphasis on risk management and emphasise robust approaches to scrutiny and monitoring. Another, potentially more justified, concern is that historic power inequalities might merely be replicated through devolution by introducing new, unanticipated risks like gatekeeping, cheerleading or in new decision making processes merely replicating the inequities they were intended to resolve. We balance our analysis of these organisational risks with the personal risks incurred by those stepping into positions of decision-making responsibility.

Benefits of Devolved Decision Making

Better-informed, more relevant local decisions

We found broad agreement and convincing examples of collective decisions at the place level leading to courses of action which were more locally relevant and better reflective of the demands encountered at a place level. In decision making processes undertaken by Coordination Teams, it was customary to seek understanding of community needs - either through direct representation in Coordination Team memberships, or by drawing on the wide networks which team members brought with them. Including local people in decision making through participatory grantmaking, without the establishment of a Coordination Team, was another way that York and Barking and Dagenham harnessed a broader range of insight to tackling pressing issues encountered at a place-level. The structures and Place Actors working with LCF in place brought a range of perspectives and life experiences into decision making:

'Our Caribbean sisters and brothers have been here for a while so they understand how systems work. They understand, some of them have moved so far from their culture that they can integrate better than us. For me, my perspective is to always remind whoever I'm working with, that these women, first generation who don't speak English, who have cultural barriers, they've got the skills, they've got the education, they've got everything. They just need support to understand how the systems here operate. For me that's the perspective that I bring to the core group.'

PLACE ACTOR

Although it was often recognised that Coordination Teams - and other devolved structures - were often not entirely representative of marginalised communities, the DDM process seemed to move decision-making further into the detail of tackling marginalisation and exclusion:

'The advantage is, I suppose, that we, I think, came up with something that was much closer to what is needed in [this place] in terms of, because it had come out of those conversations. [That's] not a criticism of Lankelly Chase, but I think from their position, it would've been hard for them to do that, because we understand [this place], I suppose.'

PLACE ACTOR

LCF's continued presence in devolved places meant LCF staff could provide strategic direction. LCF's involvement in participatory grantmaking processes for instance were often understood as helping rather than hindering DDM:

'But in a funny way, maybe if there had been a [devolved] process at the time, we wouldn't have got even to participatory grantmaking. Because when I was trying to bring in participatory grantmaking initially with the grantmaking trust at the time, the whole board said, "No. It's not really how it works here (...) If Lankelly Chase hadn't come in and done it, I don't know if we would have been ready.'

PLACE ACTOR

This carried a potential - for better or worse - for the different areas of work to remain disconnected. While this might have carried a potential for 'mission drift' and a lack of alignment in work, in general, we found that places which had progressed further with devolution had better integrated decision making processes. As one person from a less-devolved place reflected for instance:

'So we're now having to go through the process of proposals [from one project area] that have no connection to [another project]'

PLACE ACTOR

'Just feeling like it was their space and they could do what they wanted (...) not what the funder wanted, and I think that's what made the big difference in terms of where, how they got to such deeper places [so] quickly.' PLACE ACTOR

There was also a sense from some places that the long-term commitment from LCF to the place-based work and the processes of devolved power involved provided local decision making groups with the freedom and legitimacy to be able to follow up on the ideas which they felt identified as important. Those in devolved structures also reported a sense of freedom and permission to try out new ways of working, which in turn created space to consider issues in more depth, explore alternative paths, and seek out contrasting perspectives. This was seen to prevent a rush to action that might perpetuate short-termism and introspective thinking.

'Just feeling like it was their space and they could do what they wanted (...) not what the funder wanted, and I think that's what made the big difference in terms of where, how they got to such deeper places [so] quickly.'

PLACE ACTOR

'This is something that hasn't happened in loads of places and we're trying to do something innovative and creative, so it's okay (...) [It] feels like a permission-granting space to do some of this puzzling-through and maybe not get it right every time.'

PLACE ACTOR

Devolving decisions to local teams provided more opportunity to deepen connections with previously disconnected marginalised communities. Both coordination Teams had developed coherent strategic approaches to engaging more deeply with their local communities. Local teams were also conscious of areas where they could be more representative or inclusive, challenging themselves to respond to this.

'A time came when we said, "We've got too many from [place B], we've got too many from [place C], we've got too many from [place D], but where's [place A]?" We tried to seek out organisations that we don't really normally work with, we feel that at least we represent about 85%, so the 15% we're actively seeking to connect with.'

PLACE ACTOR

Widening outreach and inclusion

'... it's really grassroots built up from the local need (...) I think that was a smart move from Lankelly, definitely, to get that locally–grown, with relationships already [in place].'

PLACE ACTOR

Devolved decision making processes seemed to lead naturally to building networks and deepening relationships in place. This was apparent in for example, the recruitment of people who carried broad networks onto Coordination Teams, or the establishment of dedicated roles and structures which reach out to under-represented and marginalised communities:

'[we used] the networks that we all have, to reach out into those communities, and that for me, is the best example of why devolved decision making is really important, because we would never have met ... so many of those communities if it was just Lankelly Chase.'

LCF STAFF MEMBER

However, in Gateshead, Place Actors distanced their own roles from a grantmaker function, with the belief that a grantmaking power dynamic was fundamentally exclusionary. While others (including Greater Manchester) did adopt grantmaking as a strategy, there was a broadly expressed concern about unintentionally re-introducing iniquitous power relationships through devolution.

In Greater Manchester, the Spaces Fund was an attempt at networking and relationship building under the guise of a small grants programme, initiating a shared learning and community building programme for successful applicants. Its intent however extended past the initial grantmaking cycle to build local networks, bolster relationships and initiate further relational work in the area. In areas which did have a grantmaking presence, we found involved Place Actors were sensitive to barriers which might exclude under-represented groups, like detailed funding application forms, a lack of targeted advertising and encouragement to apply to traditionally excluded communities, and the attachment of onerous monitoring processes. The application processes established in Greater Manchester, Barking and Dagenham and York were informal, relational and accompanied by tailored promotion and support for under-represented communities. There were also examples of moving away from written applications where potential applicants might not have English as a first language or who were not accustomed to funding bids:

'We designed it to really reach out to groups who perhaps wouldn't get funded ordinarily, or certainly wouldn't be in our network. So, that was the mission really is to reach out into groups that are on the fringes and not able to kind of, or don't feel able to get funding really. So, quite a lot of them were like that, they'd never had funding before.'

PLACE ACTORS

By adopting a more relational approach to grantmaking, some places were able to build relationships and generate awareness of their work. In Barking and Dagenham for instance, individuals that had previously been applicants for funding became involved in participatory grantmaking decision-making processes, while in Greater Manchester recipients of the Spaces Fund regularly met as part of a learning community, both of which were considered to generate engagement and enthusiasm:

'I was pleasantly surprised by the amount of people that came. I was like, this amazing given that you're not being paid to be in these sessions. Some of them are three hours long.'

PLACE ACTOR

Better information for organisational matters

"[DDM] is one of the system behaviours, it's been one of themes for a little while, and it's been one of the things we wanted to model and live by, experiment with and demonstrate".

Devolved decision making was seen as core to both LCF's values and its strategic approach. Where decisions were still held by Portfolio Teams, interviewees acknowledged an 'intelligence gap' which prevented the organisation holding rich conversations about proposed activities due to a lack of knowledge of the place. This had been heightened by COVID-19 restrictions preventing LCF staff from being able to visit places as regularly.

In places where decision making mandate was withheld by Portfolio Teams, we found less satisfaction with current decision making processes. Portfolio Teams were described as sometimes simply 'rubberstamping' proposals, as one LCF staff member put it, and interviews with other LCF staff and trustees revealed discomfort with exerting real scrutiny for fear of overstepping boundaries or souring relationships. At board level, some LCF trustees reported feeling divorced from places and lacking contextual insight. Some LCF staff however, working in partnership with local Place Actors, felt better able to participate in decision making processes.

'So, it's this constant ... and because we meet every two weeks and because, you know, I've got [a close relationship with the Associate], I've got all of these people, then it's like live data coming in on a scale that I don't think we've had access to before.'

LCF STAFF MEMBER

As learning partners over the years we were often asked to provide regular overviews and updates of developments in place. As the role of LCF staff deepened, some responded that they were able to hold better quality discussions as an organisation about the place work based on this 'live' connection. LCF staff were not just managing the process, but learning from it:

'So, it's this constant ... and because we meet every two weeks and because, you know, I've got [a close relationship with the Associate], I've got all of these people, then it's like live data coming in on a scale that I don't think we've had access to before.' LCF STAFF MEMBER

'So I suppose it felt like devolving the decision making opened up the spectrum of perspectives which, in a very short space of time, has given [LCF staff] a much greater, deeper understanding of the system in [the place] and how it operates and its similarities to other places and its unique particularly cultural differences as well. So that has helped us to, I guess, think differently and have different conversations.'

LCF STAFF MEMBER

Devolution had expanded staff networks and brought in often excluded voices. Some LCF staff described how building local networks and generating a better understanding of place contexts through DDM could be used strategically. In particular a better connection to the place work helps to connect different pieces of work LCF are engaged with

'...we've got lots of partnerships with, I guess, with movements and networks that are London based, and they aren't necessarily reaching the communities in [place], (...) actually I can be saying (...) where are the gaps? (...) So, I think for the first time since I've been there, it feels like the two, particularly the [other LCF workstreams] and the place work are now informing each other.'

LCF STAFF MEMBER

'There's a lot more shared ambition [amongst LCF staff]; a lot more honesty; a lot more kind of sitting with the uncertainty; sitting with the complexity as a collective rather than one or two people holding it. I think everybody is stepping into their own leadership, which is what we want to see and are supporting in place as well.'

LCF STAFF MEMBER

Changing perceptions of grantmaking and funding relationships

'As someone who's applied for a lot of funding, the understanding that I had of funders was that they sit in a room in an ivory tower somewhere and they go "I don't like the colour paper that that's printed on so chuck it in the bin". That's not the reality (…) having done the work now I'm like oh, this is actually very different.'

PLACE ACTOR

Another area DDM seemed to influence was the perceptions around the funder-grantee relationship. Many place contacts expressed profoundly negative experiences with previous funders, and carried quite negative perceptions of grantmakers in general. By stepping into the role of local decision making about allocation of resources, Place Actors often challenged these initial presumptions:

'...There's a hierarchy that we perpetuate as like we are the funders and they are the funded organisations therefore we have to behave and act a certain way and we can't be in a conversation with them, you can't have a cuppa with them and talk to them in a particular way. I found that really interesting but that sort of like shift in dynamic as well.'

PLACE ACTOR

Stepping into the responsibility for stewardship of significant annual budgets was a challenging and perception-shifting experience for many. A wide range of reactions to this were apparent - while some individuals moved easily and confidently into Coordination Team roles, others reacted with significant uncertainty and tentativeness. There was some tendency to over-scrutinise funding decisions in participatory grantmaking processes with perhaps an overemphasis on due diligence, shifting at times to a default initial position of distrust:

'The person knows what budget they've put down and they're going to be running it, [I've learned I] have to trust that person to be able to do what they need to do.

PLACE ACTOR

By operating as resource holders, participants in Coordination Teams invariably described growing into their power with varying degrees of comfort. LCF staff and Place Actors reflected that devolved grantmaking could be developmental:

'Another reason why a lot of the people that I've spoken to haven't wanted to be involved is because of either lack of confidence or just generally not having good experience with institutions, organisations, not believing, it sounding too good to be true (…) I think that [DDM] will help develop confidence and move it more and more away from the likes of [people like myself] and more to people being able to grab it by the scruff of the neck a bit more, I suppose.'

PLACE ACTOR

This group evolved toward a more generative, open approach to grantmaking based upon mutual trust rather than gatekeeping resources. Contrasting the devolved approach to grantmaking in one place with another similar local fund, the comparison for one individual was stark in retrospect:

'...the fund that they put out was more about getting rid of money than it was about supporting people to do what they need to do...The application process was like 15 pages and it was like a full budget and you have to show X, Y and Z whereas our application process, and I understand comparatively the money is a lot smaller that we're giving out but it felt much more holistic and much more place based.'

PLACE ACTOR

Risks of Devolved Decision Making

Risks to the 'devolving' organisation

Given the move away from centralised control around decision making and the resulting distance from scrutiny (e.g. through Lankelly Chase's governing board), those with critical perspectives on DDM might worry about what economists call the 'moral hazard' problem: as decision making authority moves further away from scrutiny, there is a risk for appropriation or misapplication of resources. We found no evidence of this in practice. In areas of the most significant devolution of decision making, e.g. Coordination Teams with LCF-minority membership, the use of light-touch checks and balances, e.g. the 'checklist' for decision making used at Coordination Team level, and the boundary setting role which LCF staff played in defining what was 'out of bounds', and provided some limitation on local autonomy.

In practice, we often found the level of scrutiny applied by non-LCF staff members in Coordination Teams often went far beyond those ordinarily applied by LCF staff. Our analysis indicated that without exception, those involved with discharging LCF funds attached a great level of responsibility and consideration in making best use of resources for the place

'I personally always felt that we had the freedom to do what we wanted, really. But then, we weren't wasteful with that, we took that on as a responsibility, and that was really important.'

PLACE ACTOR

Interviews with some LCF trustees and place-engaged staff indicated an awareness of low-level risks associated with DDM. When balanced with an assessment of its potential benefits however, these individuals judged the endeavour worthwhile:

'You know, some places have been funded where there isn't, like, a strong existing relationship and, you know (...) there's probably a few places that we've funded, that haven't turned up for the one-to-ones or anything. I couldn't tell you anything about what they've done and, you know, is that a risk worth taking to kind of cast the net out that much wider.'

PLACE ACTOR

Loss of criticality and mission drift

Another potential danger expressed by some is that devolution of decision making from staff teams might result in a loss of direction or critical reflection on mission at the place level. This, in the language of charitable governance, might be called 'mission drift.

We did find some tensions around maintaining criticality in DDM processes. For example, in those places where portfolio teams were ultimately responsible for decisions, a lack of understanding or local knowledge could limit their ability to meaningfully scrutinise proposals. This led to a set of generalised criteria being used to 'rubberstamp' proposals.

'So we've ended up funding... it's not that the activity isn't worthwhile... but it's quite hard to see how that's actually going to impact apart from it just being a nice project. (...) How do you bring a systemic lens into that to help to push them towards what we actually want to fund?'

PLACE ACTOR

In other areas, we found a few instances where the perceptions of group members were overly influenced by their past experiences, or in one interviewee's words, 'rooted in their day job', and not by looking creatively at solutions through a systemic lens. When relationships within decision making teams were in their infancy, there was a risk of a lack of security inhibiting constructive challenge.

The above points however relate more to the retention of decision making powers - not their devolution. In places where the decision making mandate had been devolved furthest to Coordination Teams and LCF voices were in the minority, we found no shortage to the criticality attached to decision making. We found a keen sense of value and significance attached to financial decision making, understanding the significance this was understood to hold for resource-scarce organisations:

'We hold that responsibility of well if we fund "A", then we're not going to be able fund "B", and that can we quite, it's a big responsibility really, particularly some of the groups that we ended up working with. They're dealing with some, really, survival stuff, so [there is] quite a lot of pressure.'

PLACE ACTOR

'So we've ended up funding... it's not that the activity isn't worthwhile... but it's quite hard to see how that's actually going to impact apart from it just being a nice project. (...) How do you bring a systemic lens into that to help to push them towards what we actually want to fund?' PLACE ACTOR
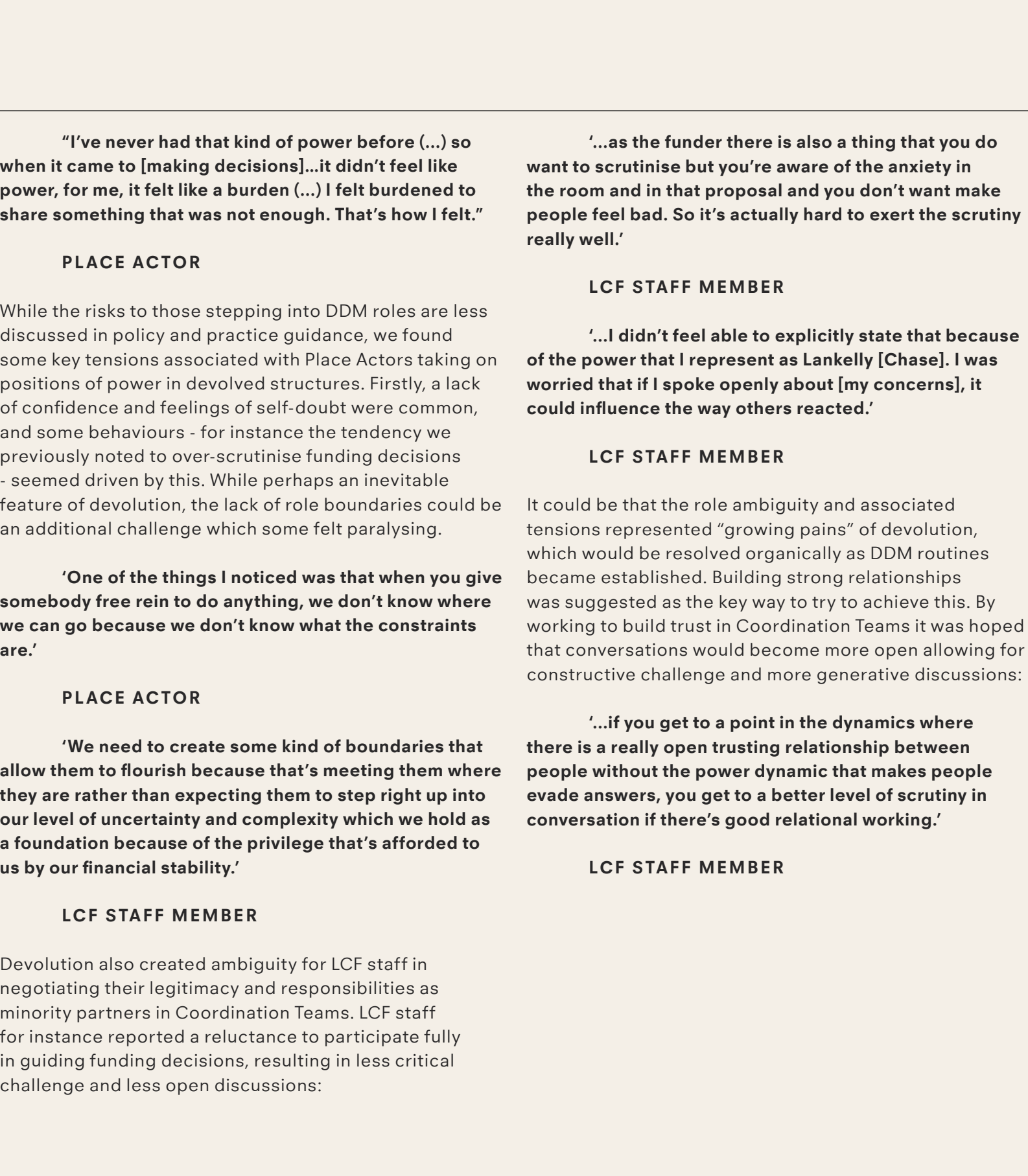
Risks to individuals and places

The burden of decision making

"I've never had that kind of power before (…) so when it came to [making decisions]…it didn't feel like power, for me, it felt like a burden (…) I felt burdened to share something that was not enough. That's how I felt."

PLACE ACTOR

While the risks to those stepping into DDM roles are less discussed in policy and practice guidance, we found some key tensions associated with Place Actors taking on positions of power in devolved structures. Firstly, a lack of confidence and feelings of self-doubt were common, and some behaviours - for instance the tendency we previously noted to over-scrutinise funding decisions - seemed driven by this. While perhaps an inevitable feature of devolution, the lack of role boundaries could be an additional challenge which some felt paralysing.

'One of the things I noticed was that when you give somebody free rein to do anything, we don't know where we can go because we don't know what the constraints are.'

PLACE ACTOR

'We need to create some kind of boundaries that allow them to flourish because that's meeting them where they are rather than expecting them to step right up into our level of uncertainty and complexity which we hold as a foundation because of the privilege that's afforded to us by our financial stability.'

LCF STAFF MEMBER

Devolution also created ambiguity for LCF staff in negotiating their legitimacy and responsibilities as minority partners in Coordination Teams. LCF staff for instance reported a reluctance to participate fully in guiding funding decisions, resulting in less critical challenge and less open discussions:

'...as the funder there is also a thing that you do want to scrutinise but you're aware of the anxiety in the room and in that proposal and you don't want make people feel bad. So it's actually hard to exert the scrutiny really well.'

LCF STAFF MEMBER

'...I didn't feel able to explicitly state that because of the power that I represent as Lankelly [Chase]. I was worried that if I spoke openly about [my concerns], it could influence the way others reacted.'

LCF STAFF MEMBER

It could be that the role ambiguity and associated tensions represented "growing pains" of devolution, which would be resolved organically as DDM routines became established. Building strong relationships was suggested as the key way to try to achieve this. By working to build trust in Coordination Teams it was hoped that conversations would become more open allowing for constructive challenge and more generative discussions:

'...if you get to a point in the dynamics where there is a really open trusting relationship between people without the power dynamic that makes people evade answers, you get to a better level of scrutiny in conversation if there's good relational working.'

LCF STAFF MEMBER

Lack of confidence and paralysis of decision making

Although locally-based decisions were seen as more relevant to place, some interviewees considered that DDM risked decision making processes being slowed down. This was reflective of the level of consideration and participation that went into decisions and developing shared principles and purpose amongst Coordination Teams:

'I don't know about [decisions being made] 'more quickly' at this stage. In some ways, I feel that it complicates things a bit (...) maybe forces you to slow down a little bit to say, like, you know, kind of, what is it? What is it that we do here? And where do we... where do we need to go next?'

PLACE ACTOR

Although it was acknowledged that DDM brought the potential for greater insight into the needs of the local community to make best use of resources, the negative side was that having a greater depth of information could lead to decision paralysis. Finding ways to manage the inclusivity of outreach with the imperative of making strategic decisions was a balancing act often discussed by Coordination Teams:

'I suppose if you don't make the decisions, and get the money out somehow, you just become a block, you're the gatekeeper, and we didn't want to do that either.'

PLACE ACTOR

The risk of gatekeeping was also present at the individual level with tensions around the need for coordination of local decision making and various streams of work contrasted with the desire for genuine collaboration.

'I say that I'm more of an enabler with this work than a coordinator, because a coordinator is a traditional position of power, but the reality is that there has to be someone that's coordinating it. There has to be someone that sends the invoice, there has to be someone that sets

an agenda that we can talk about, these are all things that are tangible examples of power in a certain given space.''

PLACE ACTOR

Further practical challenges were unearthed through the process of devolving decision making, for instance the difficulty of keeping an organic process of decision making with LCF's current system of annualised budgeting. The technical problem of valuing the contribution of people in receipt of state benefits without adversely affecting their financial situation by jeopardising their claim, has proved another enduring and unresolved problem. In deepening the extent of devolution, it is likely that further technical problems will be discovered relating to legal, financial and structural issues. Finding a way to resolve these at the organisational level seems an important consideration in ensuring momentum is not stalled and marginalised individuals are not further disadvantaged:

'We are stuck because, you know, if we really want to work with people who are on the margins of the margins, then we are actually talking about women who have no recourse to public funds; who don't have the right paperwork; who can't legally work.'

LCF STAFF MEMBER

'There's a massive risk that we are in danger of just having to, legally I guess, keep asking the people who are doing the most work to continue doing the most work without [giving them] the right... what is it... value.'

LCF STAFF MEMBER

'I suppose if you don't make the decisions, and get the money out somehow, you just become a block, you're the gatekeeper, and we didn't want to do that either.' PLACE ACTOR

Precarity and uncertainty

DDM involved creating many roles to initiate and carry forward work in place, particularly within devolved structures. In practice short term contracts were a flexible tool in the dynamic and uncertain work of changing systems. While suiting many, the temporary nature of this work at times created discomfort and tension. Some LCF staff interviewees also noted an uncomfortable juxtaposition between the relative security of permanent staff compared with their colleagues engaged in devolved structures. From a 'contractor' perspective, this was in certain cases experienced as insecurity and precarity by Place Actors:

'So I think that at the moment for the work, the impact is that there's no job security, there's no future vision or development. We know that there is capacity needed but it's such a messy process of where that sits and how that's approved that it's personally too insecure and frustrating whilst trying to continue to support the whole system through transformation and change'

PLACE ACTOR

In a few cases, short term contracts have been cited as reasons for previous Associates having moved on from roles. More substantively however, this risks a loss of diversity in the work. Small groups and individual self-employed contractors - who have played a crucial role in motivating many of the key developments across the place work - may be less able to participate than more established consultancy organisations who can juggle a range of active work contracts. The most significant risk in this area may be that more marginalised, less economically secure and less well-established actors might be excluded. Some role differences, e.g. some contracted Place Actors being classified as 'Associates' while others performing similar functions were not, were cited by some interviewees as creating an informal hierarchy.

Risks to relationships in place

Devolving decision making reconfigured financial and accountability relationships within LCF, and in several situations we found that relational dynamics were challenged by the handling of this transition. Tensions could be observed where devolved structures sought to develop their own identity and purpose but remained tethered to ongoing work already funded and prioritised by LCF. In two places we found clear examples of devolved decision-making processes which made long standing partners feel sidelined, as previously-funded projects were challenged by incoming Place Actors in Coordination Teams.

The allocation of funding could also alter or damage working relationships amongst LCF's core partners in place by introducing accountability processes, conditionality or power differentials that could lead to Actors feeling devalued or excluded. There was recognition that there could be negative impact from being seen to turn down funding requests, particularly when there was no transparent system for 'grading' applications or justifying how decisions were made:

'I know for some that are embedded in the community work and are more linked to the communities, I suppose they might have to face somebody who [did not] get the funding (...) And because there's not always been a clear process of how to access the funding, it's been murky, I suppose, and for me to say, "No, you can't have it." Or, "no, that doesn't feel right." So, I think there's some personal risks for that.'

PLACE ACTOR

'There's a risk of, like, as soon as you have any kind of power differential in a relationship it does change and people probably start being less honest with you and start, you know, kind of that dynamic of [people] wanting to please you and wanting to prove themselves to you and all that type of stuff starts to kick in.'

PLACE ACTOR

Summary

In our analysis of risks of devolution, we found no evidence of organisational risks foregrounded by traditional charitable governance: mission drift, diminished scrutiny or oversight, or misuse of funds. We found that those charged with stewardship of LCF funds uniformly attached a high level of responsibility and scrutiny. Decisions were more reflective of the local context in which they were based, and the focus on learning gave breathing space for greater innovation and creativity, both in terms of decisions being made in place but also opportunities to spread this learning at a Lankelly Chase organisational level. Place Actors within devolved structures were purposeful not to replicate iniquitous power relationships.

Instead, risks accrued to individuals stepping into power through opportunities created by devolved structures. The burden of decision making was heavily borne by many individuals, and concerns about potential relational damage from playing a 'funder' role had to be navigated. In addition, there was some concern about the perceived need for often short-term working contracts associated with devolved structures, and a need to respond to the many organisational challenges unearthed by devolved operation.

Our key finding here is the risks of DDM accrue not to those in traditional power roles (trustees and executive staff members) but to those stepping into newly created power relationships. Most official guidance around charitable governance foreground the concerns of the organisation. We suggest, in a devolution context, this concern has been misplaced. Foundations and other grantmakers pursuing DDM should place attention on minimising the risks to incoming groups, particularly marginalised and excluded communities.

Open questions within devolved decision making

The previous section has assessed LCF's devolution process, finding that its benefits in practice have outweighed any risks. In this part, we explore four questions which have emerged as significant matters to progressing effectively with DDM. We focus in this section on four questions:

1. What is the long-term role of a devolved foundation in place-based work?

2. How do devolved structures understand their democratic legitimacy?

3. How should a devolved foundation be governed?

4. How can devolution be more radical?

Devolving responsibilities to Place Actors has required LCF staff to develop new administrative and pastoral relationships at a place level, while also making changes to core organisational processes (e.g. in budgeting and planning). As part of our interviews, we explored how the roles played and relationships held by LCF staff in place had changed as devolution progressed, and surveyed perspectives relating to the long-term role of the foundation in devolved places.

What is the long-term role of a devolved foundation in place-based work?

Boundary-setting and holding risk

LCF staff had to establish boundaries for decision making and vocally grant permission for risk taking. Even in devolved places, LCF staff were often turned to sanction what was in or out of scope in making funding decisions. LCF staff also played an important role in defining the parameters of Lankelly's organisational mission to help with local strategic planning, and provided a conduit for negotiating budgetary and financial settlements between LCF and devolved places. Some interviewees described that LCF staff provided a helpful 'foot on the brakes' in situations where boundaries might be crossed, and granted more freedom to take measured risks:

'Having [an LCF staff member] in the room meant that we could be reassured that if there would ever be an issue, that [they] would be able to stop it, meant that we were able to think as freely as we wanted to in that space. Whereas I think if [they] weren't in the space (...) I think personally I would do a lot of, "oh, that's really great but would Lankelly Chase be okay if we did that?" (Place Actor)

Technical and administrative support

LCF staff continued to play a crucial administrative support role in devolved areas. The technical knowledge and expertise in making grants and holding contracts was valuable to Coordination Teams who often requested support in the construction of new processes and procedures. One key function of this was to relieve the burden of grantmaking and conforming to organisational processes. One staff member described being called upon to perform multiple, simultaneous and overlapping roles to this end:

'...to be available, to hold the burden of things like administration, risk-management, due diligence, actually getting the mechanics of getting money out of the door, helping to hold spaces for people to learn together, where they want to and where that's needed.' (LCF staff member)

This support role, in devolved places, allowed Coordination Teams to hold more open, generative conversations around 'bigger picture' strategic issues for place. This was particularly apparent in Greater Manchester where the creation and curation of the Spaces Fund drew on detailed grantmaking expertise:

'They're the only ones who understand some of the legalities, I guess, about how to get money out there in a way that's compliant with, you know, the Charity Commission and everything else (...) It's definitely helped us to have people that have done this before, in general, you know, designed funds and got money out because it is difficult.' (Place Actor)

In turn, LCF staff provided a conduit to external networks, brokering access to, for example, creative facilitators, consultants with particular skill sets, or external experts with knowledge on specific problems encountered.

Coaching and mentoring

Beyond the provision of 'back-office' technical support, close relational working also deepened in the devolved places. Several LCF staff described regularly providing pastoral support to individuals in Coordination Teams, and operating as a critical friend in other places. In the two devolved areas, stronger working relationships were formed with staff members describing taking on quasi-formal coaching roles formed with key members of Coordination Teams or participating in informal regular catch-up meetings were arranged with Place Actors:

'...so I spend a lot of my time, way more than I anticipated, coaching [actors in the Coordination Team] (...) I think that there's something around being able to see the systemic... that helicopter view... And also kind of really encouraging people to be okay with making mistakes.' (LCF staff member)

External engagement, brokering other funds

In one devolved place, there was interest in spreading a devolved approach wider by engaging with other funders and place actors. Devolved structures provided focal points for learning which could inform others engaged in place-level funding. Some participants suggested an ongoing role for Lankelly Chase staff in brokering place-level funding relationships including:

'Demonstrating to other funders that, well, this work can be done differently, radically differently.' (LCF staff member)

There were other suggestions that other local partners, including funders, could be invited into Coordination Teams to be part of local decision making:

'The way that would work would be- the funder would contribute money towards the [place] budget, just like Lankelly does...I think that the trade-off for that or balance for that would have to be somebody from the other funder sits on the Coordination Team... because I think if we want other funders to become more like Lankelly, Lankelly needs to stay involved.' (Place Actor)

Perspectives on LCF's ongoing role

Devolution has called upon LCF staff to play a range of critical, technical and relational support roles in place. The above functions described - technical and administrative support, coaching and mentoring, boundary-setting and risk-holding, and network brokering - are not exhaustive, and are likely set amid a broad range of other informal and ad-hoc roles. Nevertheless, this gives an indication of the changing nature of place-organisation relationships and job demands that devolution has surfaced. What is less clear at this stage is whether these LCF roles will taper out as places to take hold of decision making, or are shifting toward a different - though similarly involved - type of engagement.

One perspective, strongly evident in LCF staff responses, was that the foundation's active role in place would taper off as capacity and confidence were established, with LCF's role diminishing to a 'back office' or corporate support function. In this view, LCF's significant place-based roles would diminish as capacity and enthusiasm for local stewardship was built:

'I think it is possible to see a time where we're not needed in the same way. It might be an illusion (...) but if we find a way to channel the resources locally, that we get to a point where there is enough momentum and capacity and resource locally for the kind of change processes that we're trying to build, to be continual and ongoing and we might not be needed then, as an external force.' (LCF staff member)

Indeed, once experience with the norms, boundaries and scope of work become established, we might expect demands on LCF staff to reduce. Once Coordination Teams become more established and experienced, cross-place support might also support less devolved places to move further with DDM. However, LCF staff continued to play a significant relational role which may be less straightforward to reduce and in devolved places were valued as actively contributing partners within devolved structures. In many cases however, Place Actors expressed reluctance to see LCF's place role diminish:

'So, [LCF] asked sometimes, like, should we just be out of the way completely? And my answer to that is, I'd rather it be (...) like a genuinely equal partnership because ultimately (...) It feels like, you know, kind of, yeah, just too much of a possibility for that to turn into, like, a helicopter parent type thing.' (Place Actor)

A contrasting perspective was that the demands of place-based working would prove too substantial for LCF to fully step away from an operational place role. Rather than an 'exit' from place dynamics, relationships held and roles played by LCF staff might reconfigure into a different form of partnership. At time of writing, while LCF staff involvement in strategic place leadership had reduced in the devolved places (particularly in Gateshead), an operational role was intact in every place, and the staff role was reconfigured rather than diminished. One staff member, reflected on the disconnect between internal LCF discussions about DDM and her place-level experience:

'...sometimes there's a narrative in the organisation that we just need to give funds and get it out of the way. That isn't what is being asked of us in place... Now, I think devolved decision making is great and, you know, we want to spread it even further and we want it to be more owned by the whole ecosystem, and people are really up for that but, at the moment, so many people don't have the space or the time, and we're only just really starting out' (LCF staff member)

How do devolved structures understand their democratic legitimacy?

Traditional grantmaking is subject to legal duties and strongly influenced by cultural norms of charitable governance. Standards and guidance published by the government and charity regulators invariably foregrounds value-for-money, risk management and due diligence. Importantly, these provide defensibility: when things go wrong, someone can be held accountable.

Those who take on responsibilities for DDM hold complex (though perhaps more equitable) accountabilities and responsibilities than in standard grantmaking practice. DDM has required Place Actors to develop additional skills and capabilities to navigate tensions involved with taking on new powers. In our interviews, we were interested in exploring how legitimacy was defined and understood, both as an underlying mental model and explicitly in how Place Actors went about communicating their legitimacy to others.

In some cases (perhaps a substantial minority), Place Actors had been called upon by external actors to provide some account of their legitimacy (e.g. by other organisations, or other democratic authorities like councils, health boards or local institutions). It was more common however for place actors to require an internal account of legitimacy for their own comfort and role orientation. We found that legitimacy was defined and put into practice in four overlapping ways: through representativeness, criticality, temporariness, and systemic orientation.

Representativeness

When setting up local Coordination Teams, interviewees often expressed concern with ensuring the involvement and recognition of local communities (particularly including those they saw as subject to marginalisation and exclusion). Coordination Team members were sometimes selected based on their position as community representatives or proximity to groups subject to marginalisation:

'[the Coordination Team] is a fractal of the wider system. So, that's why we really thought about, (...) if we wanted to connect with black women then I don't have legitimacy to go into those black communities. Nor, would I know how to. Well, we were lucky enough to find [an individual] who has all of those relationships. (LCF staff member)

Representativeness was an ongoing challenge for both devolved places, and indeed in the core groups of Actors in the three other places. Representing marginalised voices was impossible to achieve merely through membership of Coordination Teams, so all also engaged in active outreach and engagement. This was most apparent in Gateshead where 'organiser' roles were created to involve more diverse voices in decision making:

'So in terms of trying to represent the space that is geared to that, I don't think we've created, quite yet, a legitimate–looking [Coordination Team] So, some of that will be corrected in the organiser roles that are recruited in.... And the vast majority of them are from different types of backgrounds, different types of host countries, you know, people who have come here through the mechanisms of asylum, working–class voices, people who are just different to what we've already got in the Coordination Team.' (Place Actor)

Temporariness

While there were no explicit caps on length of tenure, participants tended to view their own roles and engagement with devolved structures as necessarily temporary, and often expressed a view that there would be a point in time that either membership or the structure of the team would need to be changed. Some interviewees suggested that devolved structures themselves are temporary, and should be subject to review. Place Actors felt a need to be objective and dispassionate about tenure within devolved groups:

'Legitimising myself in a space has been: okay, I've done this work and I know the history of it but that doesn't mean that I stay in the position (...) you [end up] doing that work because your needs are being met rather than you're doing that work because you're meeting the needs of [other] people. I think once that transition occurs, that's the moment that I have to go, okay, no, I can't do this anymore.' (Place Actor)

Systemic position and orientation

Other interviewees related their legitimacy to their instrumental positions within the places. Some felt their power, networks, or privileged access in the places they represented gave them a strategic insight which could benefit the devolved structures' work, which in some cases had developed through working in a pre-existing function with LCF. In some cases, senior organisational representatives from statutory agencies were sought out for inclusion on devolved groups. The key systemic positions occupied by senior figures were understood by some to open doors and provide pathways to influence, and also to boost the reputation and legitimacy of devolved structures. Part of this rationale is instrumental: involving senior figures from local power holding institutions would remove barriers and threats which could emerge if they were not included. This created a conflicted view of legitimacy within membership of devolved structures:

'We sit at a level which nobody else really sits at or have the freedom to sit across as well. So yes, I think it's taken a long time for us to feel legitimate.' (Place Actor)

Criticality

Members of devolved structures often expressed how the capacity for criticality at both was a core part of their legitimacy. There was broad recognition that disagreement and challenge was therefore a healthy indicator:

'There's not been a lot of conflict. There's been some questioning, there's always been another perspective, and we'll bring that in, but never conflict. It's been useful because otherwise, we are thinking, well why are all agreeing all the time, are we the right people, do we need people who've got other perspectives?' (Place Actor)

Many Coordination Team members played dual roles in place (e.g. as organisational senior leaders or community organisation representatives), so criticality was understood not as an individual capability to scrutinise effectively, but a broader ability to strategise from a place-based (rather than personal or organisational) lens. Interviewees often stressed how important it was that organisational affiliations be left at the door within devolved structures.

How should a devolved foundation be governed?

As DDM has deepened at a place-level, a growing number of organisational challenges for LCF have emerged. Some relate to organisation-wide policies and working practices. The deepening of inclusion and engagement activities in Greater Manchester raised questions about policies for paying non-incorporated groups and individuals which took several years to reach a resolution. LCF's pre-existing annual process for setting place-level budgets and accounting for projected expenditure has become more lengthy and complex as Place Actors became involved in budget proposals.

More significantly, the practice of organisational governance, vested in board members in charitable organisations, faces challenges in a devolved foundation. Trustees play a number of crucial roles in governance: providing oversight and scrutiny, championing the organisational mission, and contributing specialised knowledge and insight. Trustees are also, from a legal standpoint, the ultimate bearers of responsibility when things go wrong. DDM, from one perspective, removes control from Trustees while leaving them with the risk and accountability.

Our interviews affirmed that LCF benefits from productive relationships with its board, and that while LCF trustees considered risks were involved, they were largely undeterred from further devolving decision making. Trustees had consented half a decade previously to devolving substantial powers - including budgetary control for all but the largest grants - to the executive staff team. This was considered a necessary adaptation to Lankelly's new systems-informed approach and enabled quicker, more responsive funding decisions. Trustees interviewed considered devolving decision making to a place-level a natural next step.

However, in our experience, there is an important difference. The devolution of the decision-making mandate to executive staff was managed through interpersonal trust between LCF staff and Trustees. Devolving DDM to places could not be managed through trust, since this necessarily involved far larger numbers of people who held no pre-existing relationship with trustees.

We therefore explored how confidence and trust in devolved decisions could be assured, and which processes might uphold appropriate levels of scrutiny and protect legal and administrative obligations. We found three potential ways forward: building relationships between Trustees and Place Actors, establishing new checks and balances for devolved decision making, and trusting in staff judgements.

Building relationships

One possible mitigation suggested was to build Trustee relationships in places. This would help Trustees build a greater understanding of devolved work and the appropriateness of decisions made. Trustees interviewed suggested this needed to go beyond 'leadership walkabouts' or executive visits, with Trustees becoming actively engaged in devolved work. This could involve members of the Trustee board specialising in one place, building relationships with key actors there, and perhaps even participating in devolved structures:

'Yeah, I think that is a little bit about giving that time to build them relationships, broker those relationships in place, to really then start believing and trusting in that…it's really getting to know the players who we are investing in.' (Trustee)

We found that Trustees held limited knowledge about place-based work and struggled to dig into depth with the relative infrequency of existing board meetings. Engaging trustees in devolved work would further stretch Trustee capacity and perhaps the reasonable expectations which can be placed on a voluntary role. A second concern is that Trustees might play more of an advocacy role for particular places, unintentionally perpetuating some of the power dynamics that DDM intended to overcome.

Establishing new checks and scrutiny processes

An alternative is to create a set of processes or principles that would provide adequate boundaries for Place Actors when making financial or strategic decisions. From a Trustee perspective this would provide assurance that resources were allocated based on an agreed compliance process:

'[Devolved decision making is] increasing the level of risk. You just need a level of assurance, through the audit process and through the financial team, [about] how the money is used and spent.' (Trustee)

This approach had been pursued in part through a loose-touch 'checklist' adopted by Coordination Teams in making financial decisions, covering issues such as quoracy, conflict management and member involvement. However, while new checks and scrutiny processes can provide helpful bounding for DDM, care should be taken not to circumscribe the scope of activity or agency which Place Actors in devolved structures can pursue.

Trust in staff judgement

Finally, Trustees could rely on LCF staff members to manage DDM effectively, and accept staff judgements on devolving decision making. To some extent, this is the 'do nothing' option in LCF since DDM was already underway as a broadly staff-led process. Trustees interviewed recognised that prior to devolution, proposals would already have undergone scrutiny from Lankelly staff before being brought to Trustees. There was confidence that this level of scrutiny would continue when places were making decisions, given that Lankelly Chase staff would still be present:

'I think the primary thing that I'd come back to is what I said earlier about relationships. It's very easy for me to trust [Lankelly Staff] to make a good call on where the money goes' (Trustee)

However, while this may prove an effective strategy for managing risk, it is less clear how Trustees might develop an understanding of place work which will become more important as place-level devolution deepens. This also rests upon a continued, active and engaged role for LCF staff within devolved structures – a course of action which would be contested by certain staff members and Place Actors interviewed. This traditional division in governance responsibilities may begin to jar awkwardly with DDM as a galvanising organisational mission.

Summary

Each of the three approaches for assurance provided a justifiable means of integrating DDM with the demands of charitable governance for grantmaking. Whichever direction is pursued however, each is accompanied by a tradeoff, and we can easily see DDM potentially leading to increased demands on the voluntary effort of time-pressured Trustees. While much can be done to mitigate the risks to governance from devolving decision making, it may require acceptance be that risk cannot be entirely eliminated. Instead, a different attitude to risk (balanced against the risk of an iniquitous status quo) might be required amongst Trustees. As one of our interviewees implied, an alternative approach might be to prepare a justified response for when something does go wrong:

'I know that [with] this devolved decision-making something's going to go wrong on the ground (…) it's about being able to stand up for [our colleagues]' (Trustee)

How can devolution be more radical?

Over the period of study (2018-2022), LCF underwent a slow, incremental approach to devolving its power and resources. This was an appropriate strategy in pursuing its charitable mission responsibly, and in charting a path through territory which remains poorly mapped.

There was also steady progress, with the organisation's budgetary process becoming incrementally more inclusive and participatory. In absolute terms however, by the end of 2022 there remained many more powers which were reserved by the organisation than devolved to place, with DDM limited to annual budgetary discretion within Coordination Teams in two of five places. With the experience appearing positive, there was significant appetite to move further with devolution as a core organisational mission. In this section we discuss opportunities for deepening devolution, which were either suggested directly by interviewees or which relate strongly to parallel developments in the sector (e.g. within participatory grantmaking).

Longer-term budgetary authority

LCF devolved place budgets on an annualised basis. This limited the strategic focus of devolved structures, with perhaps too much emphasis on short-term delivery and the administration of small grants programmes.

One clear route forward would be to develop longer-term, multi-year budgets, which would enhance local ownership and encourage a more ambitious, long-term strategic character. However, this will place more demands on devolved structures. We found that the requirement to develop an annual costed plan was challenging to Coordination Team members who had focussed attention on allocating resources against a fixed budget. Moving to longer-term financing would require foundations to support and challenge devolved structures to think more proactively about their longer-term impacts and sense of purpose.

Moving to a longer-term budgeting cycle would also create significant implications for an organisation structured around annualised budgeting. Further, a transparent and equitable means of distributing a central budget across devolved places would need to be developed. This could be administered on a basis of equality (e.g. that each place should share an equal proportion of the budget), on place characteristics (e.g. larger, more populated places require more resources), or opportunity (e.g. if one place were to propose more ambitious but costly actions). Managing budgets on a cross-place basis would require some form of collective discussion and deliberative decision making, and likely the creation of a high-level organisational decision making structure to accomplish this.

Devolved endowments

Another approach would be to devolve a proportion of endowment to place-level. We found a few expressions of interest in pursuing this course. In practice this would involve endowing devolved structures, with their membership taking responsibility for stewardship of financial resources. This route might help increase the sense of responsibility and ownership of the place work which members of devolved structures often struggled to develop. This would however require significant organisational restructuring and involve a substantial increase in perceived risk:

'Yes, I do see [DDM] going further, I see it probably going to endowment of the places, whether it means setting up a special vehicle in some respects, in those places that then holds the funds (...) an endowed systems change body of some description.' (LCF staff member)

At its extreme end, devolving endowment could involve a significant, irreversible decision to break up a foundation into discrete place-based entities, mirroring a community foundation structure. We suggest that the strength of LCF's approach has been in its interconnection, both amongst places, and between places and a broader range of thematic inquiries which LCF takes forward at an organisational level. LCF's national remit also has a role in motivating Place Actors to play a role in a larger-scale endeavour. Devolving endowments to place may also endanger a dilution of resources and influence and risk a loss of identity amid the many small-scale local foundations set up across regions and cities in the UK. Fully devolving powers to smaller, more localised funding bodies might also inadvertently replicate structural inequalities at a place-based level.

An accommodation might be to create a separate organisation-level budget line for discretionary access by devolved structures. This could invite or encourage proposals from devolved areas for endowment or local investment strategy. Trustees could then retain financial oversight and power to adjudicate over the proportionate usage of devolved/invested endowment to balance organisational mission with financial sustainability.

Devolved investments

The final area which interviewees touched upon was the devolution of investment decisions. Investment management had in 2022 – as with many foundations - been isolated from LCF's place work, though developments, including the appointment of a Investments Director, brought closer analysis of the potential links. Foundations could invite place contacts into discussion to raise awareness and survey opinion on investment strategy. Similar to a devolved endowment approach, this could be made more participatory, for instance by inviting scrutiny on investment plans.

Foundations could also seek stronger links between investment and spending at a place-level. Investment could be explored as a means for local place-building. For example, capital could potentially be employed in a Community Wealth Building strategy to invest in local, public and cooperative businesses. While a local endowment may be marginal in this context, it could support the local investment strategies of local anchor institutions where these exist. There could also be potential to group together investment strategies from other foundations or socially-minded investors to create jointly managed funds with a local place-building focus.

'The decision-making devolution we've got (...) I think it's the fifth stage on a four hundred stage journey to that local participative equitable decision-making body. It could then invest the money in local infrastructure, rather than us investing in the stock market, it could be a much more sustainable model, much more equitable model, and a much more involving model than the one that we've got' (LCF staff member)

Implications for charitable foundations and philanthropy

This report is the culmination of our research into LCF's experience with place-based devolution. It draws from interviews with 28 key actors in governance, staff roles, and decision-making bodies, alongside research from a four-year learning partnership between Northumbria University and Lankelly Chase Foundation. In this concluding section, we explore what our findings mean for a galvanising interest in devolving power and decision-making responsibility in the philanthropic and charity sectors.

Our clear conclusion is that, within LCF's recent experience, the benefits of DDM have considerably outweighed its drawbacks. We found little evidence to support the concern attached to projected organisational risks from DDM: mission drift, a lack of scrutiny in decision-making, misdirection or misuse of funds. In fact, the quality of scrutiny and oversight appeared greatest in areas where DDM had progressed furthest. Rather than mission drift, participants felt devolution contributed to a better realised and more resonant sense of mission. This positive assessment was shared by our research participants, whether Trustees, LCF staff or Place Actors.

This is not to say that DDM was risk-free, rather that many have been looking in the wrong place. Risks from DDM seemed to accrue more to the people and places stepping into positions of responsibility in devolved structures, rather than the executive staff and governance boards devolving it. Members of devolved structures became more entangled with local work and exposed to personal and relational impacts. They also subjected themselves to very high standards of decision-making oversight, to the extent that this sometimes took a toll on their personal wellbeing. Many (particularly those with experience of marginalisation, we found) struggled to move confidently into new powers, since this involved crossing professional and cultural boundaries which had historically worked against them.

We recommend foundations pursuing DDM resource adequate guidance, mentoring and training for those involved in devolved structures, and invest in the strong local relationships required to operate devolved structures. This could be a function provided by place-level support organisations, or a dedicated training programme for onboarding and orienting those coming into positions of devolved responsibility (e.g. a reconfigured LCF System Changers programme). In addition, peer-to-peer learning opportunities convened across devolved groups or places could provide additional relational support.

Devolution has organisation-wide implications and requires an appropriate governance structure to manage this. Within LCF, DDM required organisation-wide changes to its annual budgeting process, its risk management procedures and its funding rules. But changes to these areas were often pinpointed by interviewees as impeding progress. Our chief concern for LCF was that no clear centre for a collaborative inquiry into devolution to manage the emergent challenges of DDM.

We recommend foundations pursuing DDM convene a high-level and organisation-wide structure to engage relevant stakeholders in the devolution process in an ongoing participative conversation. This structure would take responsibility for adapting organisational processes based on learning through the devolution process.

Viewing DDM as a cost-benefit analysis is only part of the story - DDM is more a central component of LCF's mission than an instrument to achieve it. Many foundations are pursuing devolution as a matter of principle, rather than an instrumental tool. One exciting area to consider therefore is how devolution can proceed as a more radical trajectory.

In Part 3 we have discussed three directions which foundations considering devolution might wish to explore. These include devolving multi-year budgets to support longer-term thinking at a place-level, devolving control of endowments, and devolving control of investment strategy to support localised strategic investment. We also note a developing sectoral interest from philanthropic foundations and other grantmakers and charitable organisations in devolution and decentering power. Further efforts in devolution could chart a more ambitious collaborative agenda in this direction, involving foundations, allies and peers within a shared inquiry across the sector.

Epilogue
Where are we now?

As referenced in the introduction, this report is being published against the backdrop of Lankelly Chase's decision to close as a grantmaking foundation and redistribute all of its assets.

In preparing a report covering a complex process of change across five different places, working at different paces, there have inevitably been times when the churn of events overtook the ability to establish a true and current picture of the whole. The bigger context of Lankelly Chase's closure announcement complicated and extended this task even further. Rather than telling the story of a single process of change or even parallel tracks, it became more like observing a solar system of moving parts, all interacting and relating differently, developing their own ecosystems, and exerting different gravitational pulls on each other.

In retrospect, it feels clear that the work on Devolved Decision Making was a prequel to, or ancestor of, the Board's decision to redistribute entirely – possessing the same genes of discomfort with established models of charitable governance and resourcing and, in particular, rejecting the separating out of 'the money' from 'the work'. Nevertheless, Lankelly Chase's 'Transition Pathway' decision still had an earthquake effect across Lankelly Chase's work, not least in the Place inquiry, where relationships and processes had long since moved beyond the paradigm of grant-funded projects and held much more interdependent relationships.

Lankelly Chase's decision to redistribute its assets and close down has resulted in large amounts of minimally restricted funding going to a more devolved, collective governance body to steward the Place work in future, alongside budgets for the individual places. In both cases Social Change Nest have been a valuable fiscal hosting partner, able to hold funds, risks, governance and accountability structures at arm's length from Lankelly Chase. Looking back at the options and possibilities outlined in this report, these results feel at the more radical end. However, working through the impact of Lankelly Chase's dismantling and exit on the work which had been funded and nurtured up until then has been a difficult process – full of hope and opportunities for growth, but fraught with grief, loss, uncertainty and frustration too. We now find ourselves at the beginning of a different story, and we don't know what future chapters hold.

As well as changes in the overall context, work in individual places has also developed considerably since this report was first imagined and drafted.

In York, a devolved decision making group was established in the form of York Together.

The Greater Manchester Systems Changers are organising towards collective liberation in their region.

In Barking and Dagenham, the local coordination team took the form of a 'Disruptive Explorers' group hosted by Barking and Dagenham Giving, which as a place-based foundation itself, has also developed considerable experience in participatory methods and community stewarded investments.

In Gateshead, the Community Bridgebuilders are taking forward their mission to change the ways in which decisions are made and power is exercised.

The Marmalade Handbook summarises the shape of the work in Oxford.