



# Flexible Grant Schemes: What the Evidence Says (and What We Still Need to Know)

There have been increasing calls for more flexibility in government grant schemes<sup>[1,2]</sup>. Flexible grant schemes are granting models that are designed to be adaptable to the needs of grantees by allowing them more flexibility in the use of funds, project timelines or objectives.

It is expected that more flexibility in funding will:

- improve health equity<sup>[2]</sup>,
- increase risk-taking and innovation in program and service delivery<sup>[3]</sup>, and
- better support context-sensitive interventions like place-based approaches<sup>[4]</sup>.

Given this growing interest, it was timely to <u>map the available evidence</u> on flexible grant schemes.



#### Why does it matter?

Governments often fund public health initiatives through grants that support other organisations in delivering activities that seek to improve health outcomes<sup>[6,7]</sup>. Traditional grant-making methods have limitations, especially in supporting context-sensitive initiatives like place-based approaches that require increased adaptation, alignment to local community needs, and collaboration across sectors. These limitations have prompted increasing calls for more flexibility in government grants over the past few decades <sup>[1,2]</sup>.

#### What did we do?

We conducted a <u>systematic scoping review</u> of government-funded flexible grant schemes to answer the following questions:

- 1. What literature is available on flexible grant schemes, and from which sectors?
- 2. How is flexibility interpreted across the grant schemes?
- 3. To what extent have flexible grant schemes been evaluated, what methods were used, and what outcomes were examined?
- 4. What are the key factors associated with the perceived success of grant schemes?

We included publications that met the following criteria:

- a main focus on one or more flexible grant schemes,
- funding had to refer to the use of 'public money' (i.e., from national or subnational levels of government) to another organisation to support specific programs, projects, services, or activities; and
- published in English.

Once relevant publications were identified, we extracted data and collated findings that related to our four questions.

## What were our findings?

- 1. Thirty eight publications, most from public health, with a large increase in publications post 2010: The substantial increase in publications post-2010 indicates a growing interest in flexible grant schemes, which could be related to a growing interest in place-based, systems change, and other approaches that require increased flexibility and adaptability in their implementation.
- 2a. A lack of clarity and consistency in the interpretation of flexibility: The consequences of this lack of clarity and consistency within some schemes and across grant schemes include a:
- mismatch in funder and grantee expectations and interpretations of flexibility, and
- challenges with evaluating flexible grant schemes as the focus of the evaluation is vague.

2b. A focus on adaptation, autonomy, and coordination: Descriptions of 'flexibility' in funding often revolved around three key ideas

- Adaptation Giving grantees the ability to adjust or tailor services, activities, or projects to fit local needs and priorities. This allows grantees to be more responsive to the unique challenges in their communities.
- Autonomy Giving grantees more freedom to decide how they deliver services or deliver projects, with minimal interference from funders. This includes broad discretion over activities and objectives.
- **Coordination** From the funders' perspective, it refers to combining funds from different sources or programs to ensure spending is better aligned with a specific goal across sectors, portfolios, or jurisdictions. For grantees, it refers to the flexibility to pool funds from multiple funders for the same project or program.



- 3. Few flexible grant schemes have been evaluated: Only five publications were self-described as evaluations. Although findings were generally positive, we caution against making conclusions based on these findings due to the low number of evaluations and concerns about the rigour of the evaluation designs and methods used.
- 4. Seven factors associated with the perceived success of flexible grant schemes (see Figure 1):

**Figure 1:** Factors associated with the perceived success of flexible grant schemes blue = positive association red = negative association



Of these seven factors represented in the Figure 1, staff capacity appears to be crucial because flexible grant schemes require both funders and grantees to work in new ways.

## What do we suggest?

- Government funders include greater clarity about what they mean by 'flexibility' in grant guidelines to improve communication and alignment across funders and grantees. Our new <u>framework</u> provides guidance on how to do this.
- Government funders invest in developing the capacity of their own staff and grantees to support the administration and implementation of flexible grant schemes. This investment is needed to support new ways of working, reduce administrative burdens, and support collaboration and alignment.
- Government funders commission robust evaluations to determine the effectiveness of flexible grant schemes and advance the evidence base.

#### **Suggested citation**

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## **About Pathways in Place**

Pathways in Place: Co-Creating
Community Capabilities is an innovative
program of research and action that
supports flourishing of children and young
people. This Program is jointly delivered by
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The Program teams are each leading one of two complementary streams:

- Early learning and development pathways (children and youth 0-15 y.o.), led by Griffith University in Logan (Queensland, Australia).
- 2. Pathways through education to employment (youth 15-24 y.o.), led by Victoria University in Brimbank (Victoria Australia)



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