



THE FUNDING NETWORK
AUSTRALIA

PRODUCTIVITY COMMISSION PHILANTHROPY INQUIRY SUBMISSION

A proven co-investment model to catalyse new donors and ignite sustainable cycles of generosity *from everyday Australians* to fuel grassroots organisations throughout Australia.

When Corey Tutt OAM was selected to share his story through The Funding Network (TFN) in 2021, he was hoping to raise enough money to hire [DeadlyScience](#)'s first employee - himself. Today, DeadlyScience supports 800 regional and remote schools and inspiring Indigenous kids to embrace their legacy and future as First Scientists.

[BackTrack](#). [Batyr](#). [Happy Paws Happy Hearts](#). [Orange Sky](#). [Raise Foundation](#).

TFN powered their early stages to allow them to grow into the high-impact organisations they are today.

TFN provides a platform to raise funds and create connections and the confidence, training and support necessary to fuel growth, enabling Australia's brightest social entrepreneurs to move closer to their dreams for a better, more equitable Australia.

The Funding Network is the catalyst and amplifier of more than 300 emerging non-profits and social enterprises and 2,000 leaders. Over the past 10 years, TFN has facilitated \$22 million for the non-profit sector. We vet and guide the organisations we work with through shortlisting to presenting and then provide ongoing support so that the people who donate to them have confidence in their impact and will continue to give to grassroots programs.

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Executive Summary

The Funding Network (TFN) Australia recommends that grassroots giving and organisations be included in the Productivity Commission's Philanthropy Inquiry recommendations to transform philanthropy and double giving in Australia. This lack of support is a gap that can be easily filled. Currently, 98% of funding provided to organisations by the Australian government goes to those classified as large or extra-large. And 94% of donations to Australian organisations go to the largest 10% of charities. As a result, grassroots organisations are often omitted from conversations about changing the culture of philanthropic giving in Australia. As TFN's impact shows, these organisations should not be ignored. We have the strategy for igniting grassroots giving in our recommendations and our experience has shown that the key to increasing charitable donations is to showcase grassroots organisations' impact on communities and make giving accessible, easy, and fun.

Grassroots organisations (less than \$1m revenue) often work directly with their communities, and their impact can be significant, especially in those areas where larger organisations may not have a presence. As Australia's largest collective giving model, The Funding Network (TFN) has significantly impacted the grassroots non-profit sector. TFN connects everyday Australians with grassroots organisations, showcasing their work and providing a platform for direct funding. TFN's unique approach to live crowdfunding events also **encourages new sustainable donors who may have never considered donating to a charity before. Since 2013, TFN has facilitated over \$22m across 490 projects and inspired over 20,000 Australians** to give funds and other resources to fuel social change. In response to the COVID pandemic, TFN pivoted to deliver 42 virtual and hybrid events raising more than \$6 million in revenue when many organisations struggled to remain viable. Through TFN's pitch coaching, marketing and promotion, and alumni community, these **grassroots organisations are also equipped with the tools to continue fundraising and expand their impact beyond the initial TFN event**. A 2020 Social Impact Review by Social Ventures Australia (SVA) of TFN's impact revealed that over 85% of organisations disclosed that TFN had a 'very important' or 'critical' impact on their organisation.

Within this submission TFN is sharing the data from our donor network evaluation as insights into how everyday donors across Australia choose to give and why. The evaluation has shown that the TFN effect lasts far beyond the time we spend together at our events, with **more than 85% reporting an increase in their giving behaviour and among those who did not already give before attending, three-quarters now donate in some capacity, and 39% now give regularly**. The TFN model encourages donors to give to causes in their local community, building community spirit and connection. TFN recommends investment to scale the social impact and sustainability of small and medium Australian-based organisations across major cities and regional centres as a strategy to double philanthropic giving. With a direct investment of \$4.5 million in TFN over 3 years (as outlined in TFN's pre-budget submission), the Australian Government can achieve multiplying effect of an estimated three times with matched funding from corporate partners, philanthropists and everyday Australians while strengthening the grassroots for-purpose sector and the communities they support, and the Australian economy. TFN has set a strategic goal to facilitate \$50 million in funding for 500 grassroots enterprises and 1,000 social change initiatives by 2030, with the intention of unleashing Australia's capacity for positive impact.



In 2021, TFN launched [Giving Heroes to empower more young people to become active changemakers in their local communities](#). This submission includes recommendations to scale the 'Giving Heroes' model which encourages young people and their families to actively connect with causes they are passionate about and nurtures the next generation of givers. TFN also supports Philanthropy Australia's recommendation to introduce philanthropy to schools.

TFN is a trusted intermediary in the non-profit sector and can provide a vital link to grassroots organisations in a national giving campaign recommended by Philanthropy Australia. The TFN model creates a sense of community among donors and non-profits, fostering a culture of giving and social change.

Thank you for reviewing our submission. TFN's [FY22 Annual Review](#), which includes case studies and impact summaries, and our 2020 [Impact Evaluation](#) provide additional background. We welcome queries and further discussions.

Kristen Lark
Chief Executive Officer

TFN's Recommendations to the Productivity Commission Philanthropy Inquiry at a Glance

TFN's submission calls for investment in its proven model for supporting grassroots Australian-based charities and social enterprises across major cities and regional centres.

- TFN aims to facilitate \$50 million in funding for 500 grassroots enterprises and 1,000 social change initiatives by 2030 to unleash Australia's capacity for positive impact and build stronger, more resilient communities.
- Our core recommendation to the Productivity Commission is that the Australian government invest in grassroots organisations, which could be facilitated by The Funding Network through 30 live crowdfunding events in communities across Australia. TFN will multiply any investment an estimated three times with matched funding from other partners. TFN's Pre-Budget Submission recommends an initial \$4.5 million investment.
- An investment in grassroots organisation will bring Australia closer to the double philanthropic giving target, strengthen the grassroots for-purpose sector, and create a more vibrant and connected Australia.

We also recommend investing in our Giving Heroes program, an innovative platform empowering young people to become philanthropists and create positive change in their communities.

- Investing in Giving Heroes can help build the next generation of socially conscious leaders and create a culture of giving and community engagement.



Sharing: How Everyday Australians Are Donating to And Fuelling Grassroots Non-Profits and Social Enterprises (Grassroots organisations) with TFN to drive real benefit

In 2022, TFN conducted a Donor Impact Evaluation of The Funding Network (TFN) to focus on deepening the culture of giving among event attendees, which forms the second part of TFN's mission. This evaluation, which is available in its entirety upon request, provides a credible and comprehensive assessment of the organisation's impact on attendees and donors, ensuring that TFN effectively achieves its mission and continuously improves its practices. This report is conducted by Social Ventures Australia (SVA), a reputable organisation with a proven track record in evaluations. It builds upon a previous 2020 evaluation that examined the impact of TFN on its alumni grassroots organisations.

Barriers Donors Experience When Giving to Grassroots Organisations

TFN events offer attendees a platform to support grassroots organisations by addressing obstacles that may have previously hindered their contributions. As outlined in TFN's Theory of Change for Donors, these potential barriers may encompass limited knowledge or awareness of grassroots organisations by potential donors, insufficient resources for conducting personal due diligence, or a lack of opportunities to connect with grassroots organisations and like-minded donors. The Theory of Change also highlights the intended outcomes that TFN seeks to achieve through its initiatives, which contribute to its overall mission of enhancing the capacity of grassroots organisations, fostering a culture of giving and promoting increased community engagement.

TFN hosts impactful events that positively influence thousands of attendees each year, inspiring them to financially support grassroots not-for-profit organisations (NFPs) and cultivate long-lasting connections. These events foster immediate donations and encourage ongoing giving and lasting changes in donor behaviour. A comprehensive evaluation of TFN's impact on its network of donors reveals the most effective aspects of the TFN experience, such as broadened networks, increased knowledge of grassroots NFPs, stronger connections to social causes, and a joyful experience of collective giving.

LASTING CHANGE FOR GOOD: Attendees form enduring connections with organisations that pitch at these events, often leading to sustained philanthropic relationships. As a result of attending TFN events, attendees report broader changes in their giving behaviour, such as increased frequency of donations, encouraging others to donate or get involved with TFN, and starting to donate to those who were not regular donors before.

TFN's co-funding model is simple yet extremely impactful. Each event has a specialist focus within a geographic region or a cause area (e.g., Homelessness or Migrant/Refugee services). For each event, TFN shortlists three projects nominated by high-potential grassroots organisations. On the night of the event, which is co-hosted by a corporate, government or philanthropic partner, each organisation pitches for six minutes and then answers questions from the audience. After the organisations leave the room, TFN facilitates live pledging to raise funds for each project. While the amount raised varies from event to event, the average per project is \$30,000 across 2022 with a total of \$22m raised in 10 years.



Our events create connections and inspire action from our donors:



Why Donors Choose to Donate at TFN Events – First Hand Exposure with Heart

For donors, TFN offers a time efficient way of meeting and supporting brilliant small organisations which have the endorsement of TFN. Our distinctive charity selection process, led by independent assessors, and our own due diligence and training commitments, equip donors with confidence that their backing is being given to robust organisations. We provide security in knowing that financial support is well placed, sustainable, and given directly to organisations in a transparent timeframe. Key factors influencing attendees' decision to donate include the high-quality due diligence process, collective giving, and matched funding. Additionally, the event atmosphere, engaging presenters, and high-quality pitches from organisations enhance the overall experience for attendees. Over the past two years, TFN has successfully held mostly virtual and hybrid events, catering to the diverse preferences of attendees. Continuing to offer a mix of event formats presents an opportunity for TFN to broaden its reach and impact. By enhancing certain program elements, TFN can deepen its outcomes for attendees and inspire even more individuals to support grassroots NFPs and foster a culture of giving.

The TFN model gives donors a sense of agency by allowing them to choose which grassroots charity they want to support and at what level. At TFN events, presenters share their stories and invite audience members to donate to their organisations. After the pitch, audience members choose to donate to one or more of the non-profits and sometimes commit to providing further in-kind or pro bono support. **Donors are not only given the opportunity to give, but they are also given the power to decide where their donations go and how they will be used.** This level of control empowers donors and gives them a greater sense of ownership over their philanthropic efforts.



Additionally, TFN's focus on storytelling allows donors to connect with the causes they support on a more personal level, enhancing their sense of agency and engagement in the giving process. Furthermore, the TFN model encourages donors to go beyond monetary donations and consider **providing in-kind services or volunteering their time with the grassroots organisations they support**. This feature allows donors to contribute their skills, expertise, and time, in addition to financial contributions, to the causes they care about. Donors can directly engage with the charity and its beneficiaries by offering these types of support, creating a deeper sense of connection and commitment to the cause. Additionally, providing in-kind services or volunteering can help the charity stretch its resources further and amplify its impact, making the donor's contribution even more meaningful. The ability to provide in-kind services or volunteer with the charity further enhances the sense of agency and ownership that donors experience through their involvement with TFN.

The TFN model **also gives donors a sense of community by connecting them with like-minded individuals who share a passion for social change**. At TFN events, donors come together to hear the inspiring stories of grassroots non-profits and their impact on their communities. Through this shared experience, donors feel connected to the presenting organisations and each other. They can see the collective impact they can make by coming together and supporting these causes. Additionally, TFN fosters community among its presenting organisations by providing ongoing support and networking opportunities. As valued members of the TFN alumni community, these organisations have access to capacity-building opportunities and pro bono support, which further reinforces the sense of community and collaboration within the non-profit sector.

Profiles of TFN Donors include:

- Seasoned Donors - often High Net Worth Individuals (HNWI) and Private Ancillary Funds (PAFs) with a history of investing in grassroots organisations.
- Emerging & Future Donors - TFN incentivises and inspires everyday Australians - regardless of income level - to give at an accessible entry level which can be seen as a stepping stone to lifelong giving; these individuals are actively pursuing ways to align their spending with their social values and are curious about how collectively giving and leverage greater impact.
- Corporate Philanthropy - organisations actively finding ways to align their sustainability strategies, values and corporate responsibility with grassroots organisations contributing to positive social change.

This diverse audience of donors is a critical success factor in TFN securing matched giving and strong collective giving at each event. Corporate foundations and philanthropists choose to give via TFN's co-funding model, because it allows them to witness a more significant impact on their contribution. By pooling their donations with other donors, they can support multiple high-potential grassroots organisations at once and help to amplify the impact of their giving.

Participants in TFN events tend to be majority female, with the most common age range of 41-65. Individuals are strongly convinced of their personal and civic responsibility. They are motivated to become:

- More effective in their giving (83%)
- Achieve greater leverage of their investment (76%), and
- See the impact of their giving (66%).



TFN's impact evaluations reinforce that the TFN effect lasts far beyond the initial experiences – 85% of presenting organisations credit TFN with having a critical or important impact on their ability to get where they are now and **90% say the financial donations received were extremely or very valuable to their organisation**. From a donor perspective, more than **85% reported an increase in their giving behaviour, and 63% continued to support grassroots organisations after the event. Among those who did not already give before attending, three-quarters now donate in some capacity, and 39% now give regularly.**

By 2030, TFN's strategic plan aims to Unleash Australia's Capacity for Good by facilitating \$50 million for 500 grassroots enterprises and 1,000 social change initiatives.

The Donor Impact Evaluation findings include data collected through various sources between December 2021 and February 2022, including TFN donor network data, a survey of TFN event attendees, and one-on-one interviews with a subset of survey respondents. The survey, developed jointly by SVA and TFN, received 102 responses. The interviews, conducted by TFN with support from SVA, involved 18 donors representing a diverse range of engagement levels. This robust methodology and the collaboration between TFN and SVA ensure the credibility of the impact evaluation and its findings, providing valuable insights for TFN's ongoing growth and development.

Impact of Collective Giving in Australia

TFN would like to also highlight research statistics which highlight the impact of collective giving. In 2017, more than a third of respondents to the [Philanthropy and Philanthropists](#) survey (38.5 per cent) said they were now participating in collective giving. This was on top of giving individually or through foundations. Of those who participated in collective giving, **90% indicated they were motivated by the desire to encourage giving in others.**

The report said a working definition of collective giving was people coming together to pool or share resources for grant making and encompassed giving circles and established entities such as The Funding Network (TFN), Impact100, 10x10 and the Melbourne Women Donors Network as well as community foundations.

The Giving Australia 2016 project was undertaken by the [Australian Centre for Philanthropy and Nonprofit Studies](#) at the Queensland University of Technology, the [Centre for Social Impact](#) at Swinburne University of Technology and the [Centre for Corporate Public Affairs](#) on behalf of the Commonwealth Department of Social Services and the [Prime Minister's Community Business Partnership](#).

The report also highlighted how donors reported engaging with giving groups substantially improved their philanthropic knowledge and changed attitudes and behaviours:

- 74% learnt more about evaluation and assessment
- 67% gained a greater awareness of community needs
- 66% experienced a longer-term commitment to giving, and
- 70% increased or substantially increased the amount they give.

\$3m of In-Kind Support to Grassroots Organisations

Since its inception, TFN Australia has provided the social impact sector with another \$3 million-plus worth of in-kind services. It has helped to upskill them via TFN's tailored pitch coaching sessions, measurement and evaluation workshops and impact reporting programs. In FY22, 147 alumni took advantage of professional development workshops, 91 benefited from pro bono support and 32 were offered additional fundraising and/or engagement opportunities through TFN or via partners.



Digital Impact Sharing Tool

TFN's Roots of Change (www.rootsofchange.org.au) features the pitches and impact reports of organisations (Alumni) selected to pitch at a TFN Flagship Event. It has become a valuable resource to the philanthropic sector, with many using it to find grassroots organisations to recommend and fund. This resource can be scaled to support the Productivity Commission's need to support donors to discern which charity to donate to. TFN intends to seek funding to invest in their resource further with improved searchability and functionality as well as ongoing fundraising tools to encourage new donations. This existing tool can be leveraged further, with additional investment, to provide for-purpose organisations and potential donors a central resource for sharing powerful and evocative stories that move people to action.

Sharing: International Evidence of Effective Giving to Grassroots Organisations: TFN UK & International

TFN Australia is an independent part of a global network that includes affiliates in 20 countries around the world. The Funding Network was founded in the UK in 2002 and introduced in Australia in 2013 by Lisa Cotton and the late Steve Lawrence AO. The global network has raised over AU\$27m via 36,000 donors and dispersed to more than 2,400 organisations globally. As part of the international TFN network, **TFN Australia benefits from access to a global knowledge base, shared best practices, and innovative ideas** from other affiliates worldwide. Collaborating within the network allows us to learn from the experiences and successes of other TFN organisations, enhancing our capacity to host influential live crowdfunding events and promoting a culture of giving in Australia.

Furthermore, this international network provides opportunities for international collaborations, fostering a broader understanding of social change and philanthropy across different regions. By leveraging the collective wisdom of the network, we continuously refine our strategies and practices, ultimately amplifying our impact on grassroots non-profit organisations and the communities they serve.

Additionally, the international TFN network offers a robust support system, including ongoing training, resources, and guidance, enabling us to better serve our mission and expand our reach. This collaborative environment encourages an exchange of ideas, inspiring us to adapt and evolve while contributing to the global "giving revolution" and helping to create lasting social change in communities worldwide.

Recommendation: Nurture the Next Generation of Donors with Giving Heroes

TFN endorses the Philanthropy Australia recommendation (2.5) ensure every Australian child is given the opportunity to participate in a philanthropic project, so they are exposed to the power of giving and volunteering at an early age, paving the way for more giving across their adult life and a more giving and generous national culture. In 2021, TFN launched **Giving Heroes to empower more young people to become active changemakers in their local communities**. The Giving Heroes model encourages young people to actively connect with causes they are passionate about and nurtures the next generation of givers.



To support children fundraising the Giving Heroes global-first platform is all about connecting children with causes that help other children. Children register to be a Giving Hero and are provided with practical fundraising ideas to raise funds prior to the giving event. The website and fundraising platform (<https://givingheroes.com.au>) developed to support this program presents the opportunity to create an always-on resource for families and schools to use year-round. The Giving Heroes model can be leveraged to be hosted by school communities and material can be used as short, intensive experiential learning on charity and philanthropy for Australian students; ultimately building a more generous giving culture across Australian communities. Here is the [Year 1 Impact Video](#) highlighting the success of the pilot.

Recommendation: A Strategy to Double Philanthropic Giving to Australian Grassroots Non-profit organisations and social enterprises.

At TFN, we firmly believe in grassroots organisations' vital role in enhancing Australian communities' social and economic fabric. These organisations are often established by passionate individuals who aim to address specific issues within their communities. They play an instrumental role in advocating for and fulfilling the needs of the most vulnerable members of society.

Grassroots non-profit organisations (NFPs) and social enterprises (SEs) are uniquely positioned to respond quickly and effectively to the needs of their communities, despite having limited resources. They possess a deep understanding of the challenges their beneficiaries face and can develop innovative and creative solutions to address complex social problems. Moreover, they are typically staffed by volunteers who are strongly committed to the cause and motivated by a desire to effect positive change.

In addition to providing essential services and support, grassroots NFPs and SEs foster social connections and build a sense of community. They provide a platform for individuals to come together and work towards a common goal, creating a shared sense of purpose and community spirit.

Grassroots NFPs and SEs are also crucial in developing a robust and resilient social sector. They serve as incubators for new ideas and innovative approaches to addressing social issues. They provide opportunities for individuals to gain skills and experience in the sector and often act as a stepping stone to larger organisations.

Australian NFPs and SEs organisations play a critical role in addressing the needs of under-served communities and supporting vulnerable people to develop the skills and capabilities necessary to break cycles of disadvantage. Through a succession of challenges - natural disasters, global pandemic, economic uncertainty, and cost of living increases - these organisations have offered practical, innovative solutions to people in need. And they will continue to do so even as another global recession threatens to leave the most vulnerable further behind.¹ TFN is committed to supporting and empowering these organisations to thrive and grow. We continuously work towards creating an environment which enables them to operate without impediments, providing funding and support for their work, and recognising their pivotal role in building strong and resilient communities.

¹ [Inequality Kills](#), Oxfam [2020]



THE OBSTACLES - impeding sustainable philanthropy to effective grassroots programs.

Currently, 98% of funding provided to organisations by the Australian government goes to those classified as large or extra-large with small and emerging grassroots organisations missing out. The Funding Network Australia (TFN) offers a proven, efficient model for getting funds into the highest potential grassroots organisations - often led by local changemakers with lived experience - whilst inspiring giving and strengthening community connections in every part of Australia.

Despite being the birthplace of significant social innovation, these organisations struggle to remain financially viable. Both government funding and philanthropic giving are unevenly distributed across communities and causes with a strong bias towards well-known brands. Grassroots organisations (less than \$1m in revenue) represent 66% of organisations, yet they receive just 2% of government funding²; the largest 10% of organisations receive 94% of all donations.³ This leaves little money to invest in social innovation that is so often borne from people with lived experiences leading grassroots programs in their local communities. This is compounded by the fact that grassroots organisations and prospective donors lack the time, skills and often the confidence to find one another and connect meaningfully.

THE OPPORTUNITY – Utilising TFN’s proven model to fund grassroots, double giving and sustain repeated giving.

TFN fills this gap - reviewing the credentials, effectiveness, and capacity of those grassroots NFPs and SEs through an independent selection process and preparing them to present at engaging events where individual and corporate donors can learn about and contribute to their impact. The TFN model is a highly successful funding model, both in Australia and globally, based on a specialised vetting and support process that helps organisations mature and report clear impact to those who choose to donate money and/or skills. The end result – a circle of giving powering grassroots NFPs and SEs in communities across Australia and a growing army of Australians donating dollars and expertise to create better outcomes.

The Funding Network’s proven model directs more funding to grassroots programs and increases overall participation in giving. This enables participating organisations to expand their life-changing services and engage a new network of supporters. Australia is on track to witness an unprecedented generational wealth transfer with an anticipated \$2.6 trillion shifting to a new generation of potential donors and volunteers. This cohort is increasingly purpose-driven, socially conscious, and loves participating in experiences. TFN acts as a conduit to find, fund and grow social change initiatives and catalyses new money into the social sector. TFN provides a vehicle for all Australians – regardless of their income level – to incorporate giving as a way of life by providing an event-based vehicle for giving, volunteering and ongoing engagement. TFN’s efforts are in direct support of the ambitious yet achievable goal championed by the Hon. Dr Andrew Leigh MP and Philanthropy Australia to double giving in Australia to 1.6% of GDP by 2030.

² [Australian Charities Report - 8th Edition](#) [2022]

³ [The Support Report, JB Were](#) [2018]



THE FUNDING NETWORK SUCCESS & IMPACT

From a laundry and shower service that allows Australians to connect ([Orange Sky](#)) to keeping young people alive and out of jail with the help of dogs ([BackTrack](#)), many of today's most innovative organisations received significant initial support from The Funding Network. And many of these changemakers have gone on to be recognised as Young Australians of the Year, Local Heroes and other accolades. For the last ten years, The Funding Network has unleashed the power of community to bring about positive change and skilled over 2,000 non-profit leaders, training them to use storytelling to communicate their purpose and impact to secure funding and other support.

Across 158 events delivered throughout Australia and online, TFN has facilitated \$22 million in critical funding for more than 500 for-purpose projects through the collective generosity of more than 20,000 people. On top of this, TFN has fostered many of these organisations through the critical stage of transitioning from a start-up to an established organisation with the necessary governance structures in place. In response to the COVID pandemic, TFN delivered 42 virtual events raising more than \$6 million during lockdowns and now delivers a combination of in-person, virtual and hybrid events. Building on experience across Sydney, Melbourne, Brisbane, Canberra, Adelaide, and Perth, TFN has successfully rolled out an efficient and effective way to support regional communities to raise awareness and funds for local programs and strengthen community connections. To date, it has supported 14 regional events across Victoria, and the first regional event in NSW, (Wagga Wagga) was an overwhelming success in March 2023 raising over \$70k.

Following event attendees' feedback, TFN conducted a successful pilot of mobile pledging. TFN plans to roll-out new event technology in 2023 that gives guests more ways to pledge their support and engage with grassroots organisations. Development of an integrated online event experience, where people can participate from across Australia and interact and engage with each other as well as in-person guests will expand the number of people TFN can reach through our model.

Projects funded through TFN in 2022 alone include:

- [Australian Spatial Analytics](#): Provide employment and support to neurodiverse people, using data to promote diversity.
- [Enrise](#): Provide tutoring and educational support to First Nations students.
- [Centre for Women's Economic Safety](#): Support and empower women experiencing domestic economic abuse.
- [Cherished Pets](#): Extend local veterinary social work service nationally so more people can stay together with their pets.
- [Food Ladder](#): Provide greenhouse systems to remote and regional schools and communities to support small scale food growing.
- [Hotel Etico](#): Support trainees with intellectual disabilities through a 12-month hospitality training program.
- [Prison Network](#): Enable women to find and retain employment upon release.
- [The Social Studio](#): Provide paid internship program in fashion and creativity to refugee and new migrant communities.

"The networking, professional development, self-confidence and validation both as a person and as an organisation is invaluable.

The TFN involvement has been the most positive, life-changing experience for me in my 18 years working in community."



The Paul Ramsay Foundation⁴ describes intermediaries, such as TFN, as organisations that “support other changemakers through capability building and coordinating efforts to foster community participation” and contribute to “increasing overall effectiveness and improving outcomes for individuals and communities most at risk of cycles of disadvantage.”

TFN’s impact evaluations⁵ reinforce that the TFN effect lasts far beyond the initial experiences – **85% of presenting organisations credit TFN with having a critical or important impact on their ability to get where they are now and 90% say the financial donations received were extremely or very valuable to their organisation.** From a donor perspective, more than 85% reported an increase in their giving behaviour, and 63% continued to support grassroots organisations after the event. **Among those who did not already give before attending, three-quarters now donate in some capacity, and 39% now give regularly.**

THE SOLUTION – Our Recommendations to the Philanthropy Productivity Commission

With an investment of \$4.5m over three years, TFN will identify, vet and support almost 100 emerging for-purpose projects and seek to inspire an estimated 5,000 Australians to give funds and other resources to fuel their growth. Through community events and a comprehensive ongoing development program, these organisations will be equipped with the skills and resources they need to grow. An accessible, fun and engaging event experience will nurture community connections and inspire grassroots giving.

With partial support from government and local event partners, this recommendation will aim to raise an average of \$90,000* per event with government, corporate, philanthropy and individuals collectively contributing to the total. These high-energy in-person and hybrid live crowdfunding events will generate social capital by uniting individuals, philanthropists, and impact investors to co-invest in fully vetted local grassroots purpose-led organisations. TFN events foster connectedness, give social issues local significance, and invite people to engage and take action in ways that align with their personal values and interests. And the connections made at these events often translate into ongoing relationships, nurtured by updates on the co-funded projects.

TFN plans to collaborate with local community leaders, government officials, corporate partners, and changemakers to facilitate a program that supports multiple regions and causes. The organisation will take care of all aspects of the program and offer continuous capacity building to all participants, providing them with the necessary funds, skills, connections, and resources for their continued success. TFN will work with its partners to co-design the selected regions, locations, and themes and prioritise disadvantaged cohorts disproportionately affected by COVID-19, climate change, and economic, racial, or gender inequality. TFN envisions an annual event schedule that focuses on priority issue areas in major cities and regional centres, with the latter being open to all qualifying grassroots NFPs and SEs. Additionally, TFN can extend support to NT and WA.

⁴ [Growing fields, shifting systems](#), The Paul Ramsay Foundation [2022]

⁵ *TFN Impact Evaluations conducted by Social Ventures Australia [2020, 2022]*

*The amount raised at each event is subject to a variety of factors and cannot be guaranteed or predicted.



Matched Funding (Government + Event Partners + Community)

The investment sought will be utilised by TFN as the initial seed/matched funding of \$30,000 per event (\$10,000 for each selected organisation) with every effort made to **multiply three times with contributions from corporate, philanthropic and individuals to scale the impact**. Note: The average raised at TFN events across metropolitan and regional events over the past 10 years exceeds \$100,000. The amount raised at each event is subject to a variety of factors and cannot be guaranteed or predicted.

Extending Capacity Building for Alumni Organisations

Every organisation that participates in one of TFN's flagship events (Alumni) can take advantage of our ongoing Alumni Program that offers professional development, pro bono support and new funding opportunities so they can remain efficient, effective, and viable post-event. This ongoing program plays a significant role in **supporting Alumni on their path to becoming thriving, sustainable organisations**. All organisations' pitches and impact reports selected to pitch at a TFN Flagship Event also get hosted on the TFN's Roots of Change (www.rootsofchange.org.au).

Alumni are invited to participate in a series of thought leadership events and workshops throughout the year, with topics chosen based on their needs. In the last 18 months, TFN has co-delivered workshops on donor engagement, change management, employee life cycle and organisational culture. TFN also curates ongoing funding and pro bono opportunities. In FY22, 147 alumni took advantage of professional development workshops, 91 benefited from pro bono support and 32 were offered additional fundraising and/or engagement opportunities through TFN or via partners.

"The TFN model is a great way to connect charities and potential donors in a direct and engaging way. It's one where donors can hear directly from the charity on how the funds will be used and the impact, and then join together to co-fund the project in a fun and collaborative way."

COLLECTIVE IMPACT

Investing in a well-established intermediary like The Funding Network is a powerful strategy for directing funding towards grassroots organisations in a way that inspires giving and creates meaningful community engagement.

TFN's approach offers a more leveraged use of government funds than traditional program delivery models, enabling a broader set of charitable organisations to thrive. With a proven model and a track record of success, investing in TFN guarantees that government funding will be directed towards the highest potential programs at a critical moment in their growth, creating a more significant impact with available resources. Moreover, TFN's approach engages local communities in the decision-making process of which programs receive funding, fostering collaboration between the government, corporates, the community, and the for-purpose sector, leading to more impactful outcomes. Investing in TFN is investing in leaping towards doubling philanthropic giving to grassroots Australia whilst also contributing to building stronger, more resilient communities across Australia.



Funding & Event Partners include:

5point Foundation
 Accenture
 Australian International Development Network (AIDN)
 AMP Foundation
 Barr Family Foundation
 Bell Family Fund
 Corporate Match 2.0
 Deloitte
 English Family Foundation
 Evans Five Fund
 Fairness Fund
 IOOF Foundation
 Evans Five Fund
 Fairness Fund
 Morgans
 The Jack Brockhoff Foundation
 The Harris Charitable Foundation
 The Snow Foundation
 Vasudhara Wild Woman Fund
 VivCourt Trading
 Waratah Education Foundation
 Private donors and philanthropists

Regional Partners include:

Give Where You Live Geelong
 United Way Glenelg
 Into Our Hands Foundation, Wangaratta
 Ballarat Foundation
 WDF Accounting & Advisory, Wagga Wagga

Representative organisations funded through TFN include:

First Nations

CASSE
 Curious Works
 Deadly Connections
 DeadlyScience
 First Australians Capital
 Library for All
 Literacy for Life Foundation
 Malpa
 Melbourne Indigenous Transition School
 Ngarramilli
 Weethunga
 Thamarrur Youth Indigenous Corporation

Gender Equality & Women's Issues

Centre for Women's Economic Safety
 Dress for Success
 Emerge Women's Refuge
 Eureka Mums
 Law and Advocacy Centre for Women
 Prison Network
 Say No 2 Family Violence
 The Sanctuary
 Vulcana Women's Circus
 Women & Mentoring
 Women's Centre for Health Matters
 Women's Community Shelters
 Zara's House Refugee Women's Centre

Education & Employment

Australian Spatial Analytics
 Bus Stop Films
 BackTrack
 Bridge Darebin
 GG's Flowers
 Dismantle
 Happy Paws Happy Hearts
 Hotel Etico
 Lively
 Plate it Forward
 Rollercoaster Theatre
 Western Edge Youth Arts
 Work ReStart
 Youthworx

Health & Wellbeing

Ballarat Men's Mental Health
 Batyr
 Boots for All
 Eat Up
 For Change Co
 Free to Feed
 Green Connect
 MIEACT
 MindfulAus
 Orange Sky
 Raise Foundation

More information on these and other programs support by TFN can be found at: www.rootsofchange.org.au.

The Funding Network Australia Limited (ABN 75 166 134 774), is a Public Benevolent Institution (PBI), registered as a charity with the Australian Organisations & Not-for-Profit Commission (ACNC) with deductible gift recipient status, item 1.



Appendix

The TFN Model for Grassroots Capacity Building

There are six proven elements of TFN:

- 1. Program selection:** TFN undertakes an open call for applications, conducts due diligence and convenes an independent selection panel with local community and business leaders to choose the 3 organisations that will pitch at the event. To be eligible, organisations must meet stringent selection criteria. *TFN only accepts applications from registered organisations, social enterprises and Aboriginal Corporations providing benevolent relief to identifiably disadvantaged people.*
- 2. Pitch coaching:** TFN's expert pitch coach guides and prepares the grassroots presenters to articulate their unique case for support through a proprietary half-day workshop and rehearsal process supported by a digital toolkit and resources for ongoing use.
- 3. Building the audience:** With the support of local event partners, TFN brings together a network of like-minded people and organisations to experience the magic of live crowdfunding and to pledge their money, time and skills. Where practical, events will be streamed to reach an even broader audience.
- 4. Live crowdfunding event:** With an experienced MC (typically a local media personality) at the helm, TFN engages the audience in a short, sharp, effective night of live crowdfunding. With matched funding provided through this proposal and from additional event partners, **donations are doubled**, and the joy of collective giving heightens generosity. Volunteer and in-kind opportunities are also showcased.
- 5. Donations collection & grant-making:** TFN collects the tax-deductible donations pledged at the event and grants the funds raised to the 3 presenting organisations. Receipts are provided to all donors. *As a non-profit, TFN typically retains 10 percent of funds raised to contribute to our operating costs. This could be waived with Government support.*
- 6. Impact Reporting:** TFN provides six and 12-month updates to everyone who participates, keeping them apprised of the impact of their donations and sharing opportunities to volunteer their time or expertise.