

Postcode International Trust

Funding Strategy 2025-2030



Postcode International Trust

Trust Vision

Postcode International Trust has a vision of a world where no one lives in poverty. We will work towards achieving universal food security and improved nutrition, and ensure that people in vulnerable situations have access to adequate support and protection to achieve sustainable livelihoods.

Trust Mission

Postcode International Trust's mission is to support the creation of sustainable solutions that alleviate poverty, hunger and enable food security, particularly for women and girls, refugees and persons with disabilities.

The Trust supports charities and good causes with those purposes through grant funding for charitable activities internationally.

Supported Charities

Postcode International Trust funds charities that focus on the creation of sustainable solutions to poverty, with a particular focus on food security, economic livelihoods and protection for vulnerable groups.

Humanitarian need continues to grow – driven by the layering of climate change, national and regional conflicts, and mass displacement – alongside an increasingly volatile global geopolitical situation. As such, we seek to strengthen our work in protracted crises, particularly in the areas highlighted above, recognising that this is where our flexible funding can achieve the most impact.

Finally, we acknowledge that organisations involved in the international development system need to change in order to play a more constructive role in global civil society. In support of this, we will prioritise working organisations that are actively working to tackle power imbalances in the international development system and strengthen locally-led civil society organisations around the world.



How we work with our charity partners

Long-term partnerships

We provide long-term and unrestricted funding, allowing our charity partners the freedom to use these funds where they consider they will be most effective. It enables charities to meet their strategic goals faster without the need to adjust their plans to meet donor interests. Long-term partnerships give our charity partners the flexibility to address the most pertinent and pressing issues. It allows them to formulate long-term strategies, adapt rapidly and redirect their priorities to changing needs and evolving situations. Our trust-based philanthropic approach enables our charity partners to maximise their positive impact.

There is a growing body of academic research demonstrating that (multi-year) unrestricted funding:

- Makes social initiatives financially stronger, because the funds serve as a catalyst to secure other sources of financial support
- Allows nonprofits the time to develop, evaluate, and improve programmes which address systemic and complex social issues
- Enables grantees to re-allocate money in response to changing needs
- Encourages innovation
- Supports investment in research and development

‘Address systemic issues’

ADD International’s participatory grant making supports disability justice organisations for whom the main goal is tackling ableism to achieve systemic change. ADD’s African grant making is supporting women’s disability justice organisations’ advocacy, which will ultimately see implementation of national disability inclusive policy and programming. In Cambodia, ADD International supported disability justice activists who decided to plan advocacy on the representation of disabled people in local councils, on access to social protection and work on livelihoods and gender-based violence.



‘Respond to changing needs’

British Red Cross works with Red Cross and Red Crescent National Societies around the world to help people in crisis. Flexible funding from Postcode International Trust allows them to deliver programmes as effectively as possible in complex and fast changing contexts. And when priorities shift, our funding provides the flexibility needed to move at pace in times of crisis. Our funding also goes towards protracted crises, providing urgent humanitarian assistance to underfunded areas such as Yemen, Lebanon and Syria.

Supporting

BritishRedCross

More than just funding

We connect charities with each other, facilitating powerful collaborations aimed at tackling global and local issues. This means that, where possible, we will provide more than just funding. For example, by offering informal opportunities for charities to connect for peer learning and support. We organise multiple events every year where our partners can meet with each other and our Board members. We foster a network for collective action in which organisations join forces to maximise their reach and effectiveness. We encourage charities and good causes to work collaboratively to develop and deliver impactful solutions.



“We’re beginning to see evidence of a shift from a culture of compliance and philanthropic control toward collaboration and grantmaking practices that recognize nonprofit leadership and expertise.”

The Trust-Based Philanthropy Conundrum:
Towards Donor-Doer Relationships That Drive Impact,
April 2024

Application and evaluation

We promote open communication, personal contact, and minimal bureaucracy. We champion diversity and human rights and promote inclusion, fairness and opportunities for all. We strive for a broad portfolio of charity partners where everyone can see themselves represented in the work that our players support. Before providing funding and entering multi-year partnerships, we carefully assess organisations based on their track record and future plans for societal support, national reach and financial sustainability. We look for evidence of good governance, including internal checks and balances, and professionalism.

In addition, we look for organisations which are innovative and courageous in their approach. We are open to working with organisations which disrupt and challenge the status quo, taking risks, trying new approaches and speaking out about change needed to enable a better world. As funds are raised by players of Postcode Lottery, most of our charity partners will have strong public support. However, to fulfill our mission, we also support a range of causes that address gaps and priorities not covered in the existing portfolio.



2024 Gathering in Newcastle



Practical Action aim to build sustainable livelihoods through innovative community-based projects. Our funding contributed to the Climate Resilient Farming project in Rwanda – an innovative pilot which combined improvements to energy and agriculture and access to finance and business coaching. This holistic approach allowed the project to achieve its goal of strengthening the livelihoods and climate resilience of refugees and the host community.

**Practical
ACTION**

Funding cycle

Once a year the Trust team presents proposals for funding to the Board which makes the final decisions on allocations of awards.

Charities receiving long-term funding apply through a simple process annually, which provides the opportunity for our charity partners to share how unrestricted funding has helped them to achieve their goals, demonstrate success and showcase their innovation. We conduct periodic in-depth reviews of our partnerships, aligned to the Trust strategy period.

Types of grants

While we mainly give long-term, unrestricted grants, we also support short-term projects that show clear goals, innovation, communication potential, or respond to emergencies

Grants:

- Multi-year (mostly five years) unrestricted funding
- Additional (project) awards to existing partners
- One-off awards to organisations, complementary to the existing portfolio
- Awards to strategic partners who can expand our reach into communities



The funder-grantee relationship

We are committed to being a responsible and responsive funder. We realise how uneven power dynamics can be between the funder and those applying for support. We have signed up to IVAR's eight commitments to Open and Trusting Grant-making.

Our team is trained to be open, friendly and provide realistic expectations around the application process and timing. We value equality and transparency in all relationships. We are committed to establishing and maintaining effective relationships with all charity partners.

Our teams live by the following principles:

- We respect the expertise and time of all partner organisations that apply for funding
- We engage in open, two-way dialogue with all charity organisations and encourage feedback to improve our partnerships
- We only ask for the information, data, and content needed for our decision-making. Because we believe in unrestricted funding, we focus on information to perform due diligence on charities such as public support for the charity, (financial) robustness, and professionalism. We remain neutral on where and what programmes form a charity's strategy
- We invest time to understand the work of our charity partners, looking for opportunities to provide more than financial support, e.g., through supported networking or skills-based volunteering from our team
- We give clear information on our criteria, decision processes and timelines
- We respond to all questions as soon as possible and can be reached in person during working hours





We manage delicate situations which may occur during the partnership carefully, recognising that, just as in the business world, government, and everywhere people work, issues may arise with charity organisations, particularly those operating in challenging contexts involving complex political dynamics or vulnerable populations. Procedures to prevent and address problems effectively, taking the needs of all stakeholders into account, should

be in place. In challenging times, it is vital to review the effectiveness of these procedures after they have been implemented. It is also crucial that those with responsibility for governance, strategic direction and those with legal liability, including boards and supervisory boards, manage such situations effectively and take measures to learn, improve, and whenever possible, prevent any recurrence.

Equity, Diversity and Inclusion

We are committed to Equity, Diversity and Inclusion. We strive for a portfolio of funded programmes where everyone can see themselves represented in the work that our players support.

We use the following definitions of Equity, Diversity and Inclusion:

Equity: Striving for fair opportunities and outcomes for the people we work with and their communities.

Diversity: Valuing and welcoming different identities, experiences and perspectives.

Inclusion: Building a culture of belonging by ensuring that our work, language, and activities are open and accessible to all.

In order to deliver on our EDI commitments, while supporting the most vulnerable groups in society through the organisations we fund, we continuously look for ways to improve our understanding and practice.



Postcode International Trust is a registered charity with the Scottish Charity Regulator OSCR (SC044835) and has been in operation since 2014. The trust operates its own society lottery and receives all its funding from the players of Postcode Lottery.

An independent board of trustees is legally responsible for the governance of the trust and how it is managed.

