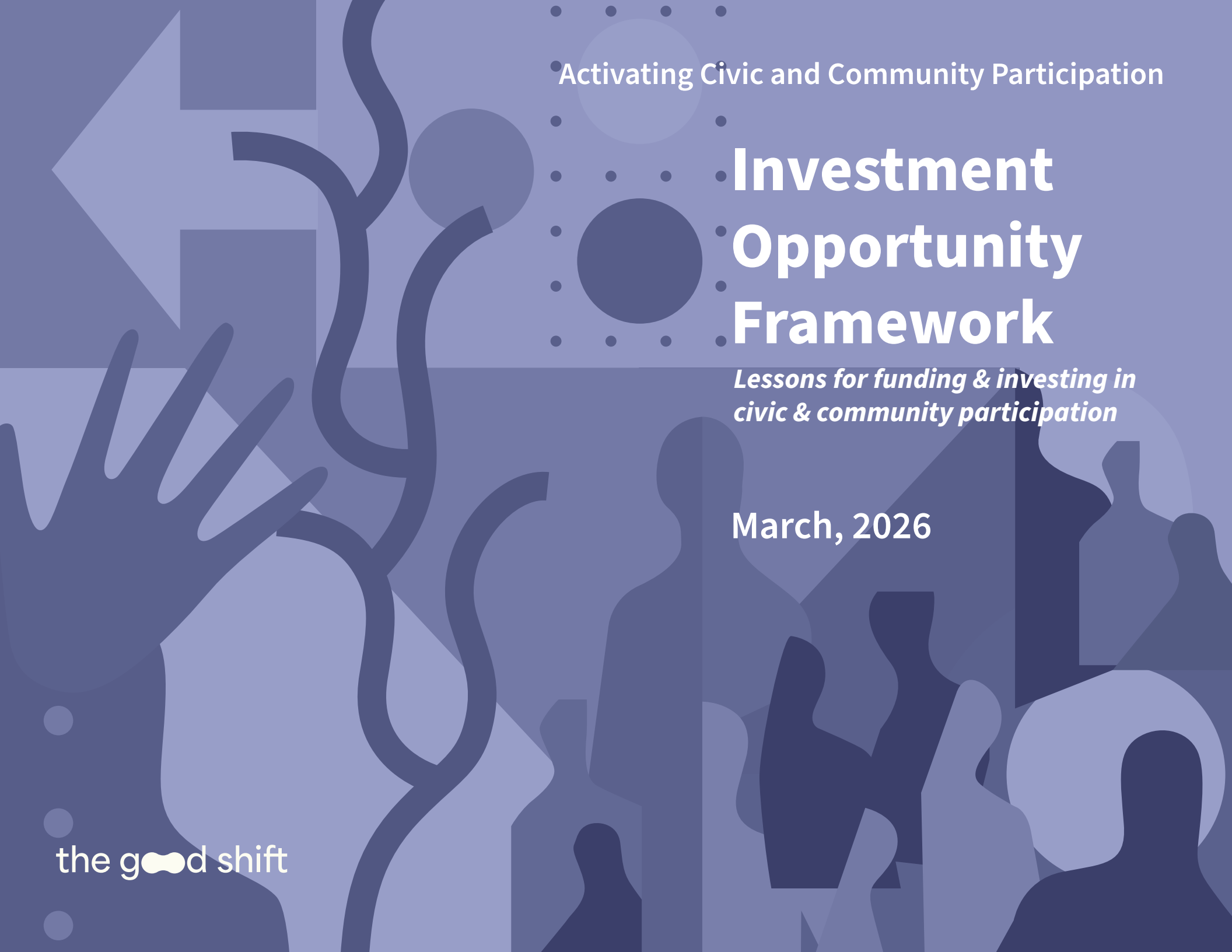


Activating Civic and Community Participation

Investment Opportunity Framework

Lessons for funding & investing in civic & community participation

March, 2026

the good shift

Contents

3
Investing in Bold Approaches

- Beyond Programs
- What Bold Resourcing Looks Like
- Practical Interventions Beyond Programs
- The Case for Sutained Investment
- Philanthropy's Relative Advantages

5
Purpose & Users

- Why this Framework, Why Now
- A Whole Foundation Approach
- What this Framework Does
- Who This Framework is For
- How to Use this Document

8
Core Concepts & Working Definitions

- A Working Definition of Participation
- Connecting Civic & Community Participation
- Distinguishing Participation from Engagement
- Participation as Investment in Multiple Forms of Capital

11
Investment Principles

- Seven Principles to Guide Investment

17
Investment Strategies

- Connecting Strategies to Principles
- The Five Strategies
- Combining Strategies for Whole-of-System Change

25
Structuring Funding

- Why Funding Structure Matters
- The Four Funding Tiers
- Matching Funding to Readiness & Context
- Preconditions for Each Tier
- Balancing Investment Over Time

33
Investment Opportunities

- Exploring Opportunities across Seven Domains

38
Roles, Partnerships & Funder Practice

- Australia's Participation Funding Landscape
- Gaps in Current Funding & Support
- The Potential of Funder Collaboration
- Finding Your Foundation's Distinctive Role
- Shifts in Funding Practice
- From Inquiry to Mobilisation

42
Results & Learning

- An Approach to Results & Learning
- The CPI Wayfinding Guide & Most Significant Change
- Tools for Practical Decision-Making
- Results across Three Time Horizons
- Practical Principles for Measurement

44
Conclusion

Investing in Bold Approaches

This Investment Opportunity Framework grows out of the Activating Civic and Community Participation (ACCP) project funded by the Minderoo Foundation. This work involved exploring how we can support, grow and invest in fostering civic and community particiation in Australia. This part of the work focuses on how we might invest differently, and invites philanthropic foundations to be bold, not just in rhetoric but in the kinds of work they are prepared to treat as investable. It builds on an integrated evidence base developed through ACCP showing that many of Australia's most pressing challenges, across inequality, democratic strain, gendered disadvantage, climate disruption and social cohesion, cannot be solved through programs or policy alone. They require sustained civic capability: people, communities and institutions able to act together with agency, trust and shared purpose.

Across the thematic reviews, ***participation emerges not as a peripheral activity but as core civic infrastructure: the 'operating system' through which social capital is built, gender equity is advanced, community wealth is grown, climate and disaster resilience is strengthened and social cohesion is maintained over time***.

This **framework therefore distinguishes between performative boldness and deep, structural boldness** in how participation is funded.

Performative boldness leans towards visible, time-bound initiatives - new platforms, innovation challenges, short-term pilots or campaigns - that can be showcased but leave underlying funding architectures, power dynamics and decision-rights largely unchanged.

Structural boldness, by contrast, means shifting what counts as an investable opportunity: underwriting long-term local coordinators and backbone roles, neighbourhood centres and hubs, paid lived-experience leadership, community-governed funds and shared governance capability, and doing so in ways that favour continuity, trust and place over quick wins.

The opportunities set out in the pages that follow are designed to reorient capital, governance and learning so that future innovations in climate resilience, community wealth building, gender equality and democratic practice are grounded in communities that already have the power, relationships and infrastructure to shape and sustain them.

Without this shift, participation risks remaining a *feature of programs* rather than a *fact of governance*, and the boldness Australia needs will continue to be performed rather than practised.

Beyond Programs: Resourcing Participation as Core Infrastructure of Flourishing

The investment opportunities outlined in this framework should not be read as a menu of programs to fund. They represent something more foundational: a call to resource the conditions, relationships, and structures through which communities develop the sustained capacity to act together with agency, trust, and shared purpose.

The evidence from across Australia and around the world points to the same conclusion. Participation is not an add-on to social outcomes but, 'the operating system through which communities build capability, resilience and fairness over time'.

When that operating system is under-resourced, fragmented, or treated as a line item within time-limited projects, the outcomes this framework seeks to strengthen (such as social capital, gender equity, community wealth, climate resilience, and social cohesion), are structurally undermined.

What bold resourcing looks like

Bold approaches to strengthening participation require foundations and their partners to recognise and act on several forms of power that philanthropy holds beyond grant capital:

- ***Convening power*** - the capacity to bring together diverse actors (community organisations, government, researchers, business) that no single actor could assemble alone, to tackle shared learning agendas and hold space for the trust-building that meaningful collaboration requires.
- ***Agenda-setting power*** - the ability to influence which questions get asked and when communities enter the conversation.
- ***Narrative power*** - the authority to reshape what counts as legitimate civic contribution. The invisible, feminised, and culturally diverse labour of care, facilitation, cultural brokerage, and relational organising is the connective tissue that sustains participation, yet it remains structurally undervalued by most funding models. Philanthropy can shift this by naming it, paying for it, and designing accountability systems that recognise it.
- ***Institutional influence*** - the standing to broker trust between communities and institutions, to advocate for policy and systems changes that expand civic space, and to model the governance and power-

sharing arrangements that other institutions can learn from.

These forms of power are not confined to large foundations. A family foundation or a community foundation may hold significant convening or narrative power within a region or field, even where its grant capital is modest.

Tangible interventions beyond programmatic investment

Acting on these forms of power translates into a distinct set of investment priorities that sit alongside, and underpin, programmatic funding:

- ***Invest in social and relational infrastructure, not just projects.*** Local convenors, coordinators, neighbourhood centres, backbone organisations, and community hubs provide the connective tissue that grows relationships and social capital between funding cycles and across issues. These are not programs - they are participation infrastructure.
- ***Resource participation as civic work.*** Across the evidence, participation deepens and becomes more durable when it is resourced as real work through stipends, peer roles, short contracts, and micro-enterprise pathways. Bold investment recognises that asking people to participate without material support reproduces the very inequities the framework seeks to address - particularly for women, First Nations communities, and those experiencing economic insecurity.
- ***Fund the transition from having a say to having a stake.*** Community land trusts, housing cooperatives, food cooperatives, community-owned energy, and community investment models represent a fundamentally different kind of participation - one in which residents are not consulted about decisions but are co-owners of assets and co-governors of institutions.
- ***Shift who decides.*** Participatory grantmaking and participatory budgeting represent the clearest expression of philanthropic power being redistributed rather than exercised.
- ***Invest in ecosystems, not isolated organisations.*** Social capital scales when local participatory infrastructure is connected horizontally through peer networks, learning communities, and cross-movement alliances.
- ***Adopt trust-based funding architectures.*** How philanthropy funds matters as much as what it funds. Short timeframes, complex acquittals, competitive grants, and extractive reporting actively discourage participation, while trust-based approaches, long-term horizons, and relationship-based reporting help sustain it.

The infrastructure argument

What is outlined here is not a set of projects awaiting funding. It is an argument for bold, sustained, and structurally aware investment in the infrastructure of flourishing - the conditions under which communities can exercise agency, build belonging, generate shared wealth, and navigate the shocks ahead.

Philanthropy's greatest contribution may not be in what it funds, but in how it uses its full range of power - convening, narrative, institutional, and relational - to ensure that the operating system of participation is resourced, recognised and valued as the essential public good it is.

Philanthropy's Relative Advantages

Philanthropic foundations can be well placed to invest in civic and community participation because of four capabilities that are hard for other actors to combine:



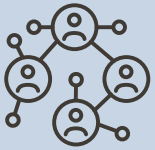
Long-term, flexible capital - Ability to make 5–10 year commitments and adapt as contexts change, which the evidence shows is essential for structural change



Appetite for complexity and learning - Willingness to invest in relational, emergent work where outcomes cannot be fully specified in advance



Convening power - Capacity to bring together philanthropy, government, and private capital around shared strategies and place-based portfolios



Relationships and partner networks: established, trusted relationships with place-based initiatives and with local, regional and national partners who bring complementary expertise in place-based change and systems practice.

Together, these advantages mean philanthropy can take on work that is too long-term for government cycles, too complex for most competitive grant programs and too early-stage for commercial capital, while building the field and shifting funder practice more broadly. Few foundations hold all four advantages in equal measure. The more useful question for each foundation is which it holds most strongly, which it could build, and which it might access by partnering with others.

Purpose & Users

Why This Framework, Why Now

In many communities across Australia, people are living through converging pressures: democratic strain, climate-related disasters, persistent inequality and a crisis of disconnection that erodes trust and hope. At the same time, there is growing recognition that these challenges cannot be solved through programs or policy alone. They require sustained civic capability: people, communities and institutions able to act together with agency, trust and shared purpose.

Whatever a foundation's mission, its work is likely to depend on one consistent condition: that the people closest to problems have the power, resources and voice to shape solutions. Activating civic and community participation is the connective tissue that makes this possible. It is not a separate initiative or a new funding stream. It is the operating system through which a foundation's vision can become reality, whether in thriving communities, gender-equal economies or resilient places able to navigate climate disruption.

A 'Whole Foundation' Approach

Civic and community participation need not be confined to a single program area. It is a cross-cutting enabler with direct relevance to most areas of philanthropic investment. For example:

Communities & Place

Place-based work succeeds when communities have the power to accelerate progress on what matters most to them. Participation infrastructure (local hubs, connectors and shared governance) is the foundation for thriving, connected communities.

Gender Equality

Participation must be designed to address gendered barriers (unpaid care, economic insecurity, safety and cultural exclusion) to be genuinely inclusive. Women-led participation infrastructure transforms structures, rather than simply including women within them.

Climate & Natural Ecosystems

Climate resilience is built through community participation before, during and after shocks. The relationships grown through everyday participation become the channels for self-organisation, improvisation and transformative adaptation.

Crisis & Disaster Response

Social capital - trust, networks, belonging - is the strongest predictor of community safety and recovery from disasters. Participation investments are resilience investments.

Other Areas (eg. Health, Education, Early Years & Housing)

The same logic applies: outcomes are more durable when the people most affected help shape priorities, decisions and resources.

By embedding the activation of civic and community participation across program areas rather than siloing it, a foundation can:

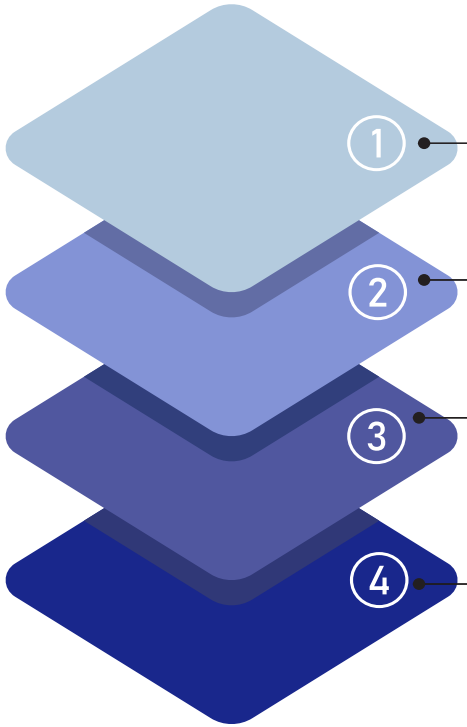
- Maximise leverage from shared infrastructure (for example, community-controlled funds that serve early childhood, economic dignity and climate adaptation goals at once)
- Ensure participation practice shifts flow across the whole foundation, not just one team
- Build an internal culture of learning, adaptation and community partnership

Many foundations already hold commitments that this framework can help put into practice, such as commitments to empower and entrust partners and communities, or to apply First Nations, gender equality and climate lenses across all work. Applied well, these lenses ensure investments actively remove barriers to participation for those who face the greatest structural disadvantage.

Participation is often a foundation's strongest case for integration: the ground beneath every program area and the thread that connects them. When each part of a foundation resources participation as core to its own work, rather than as someone else's brief, integration becomes more than a structure. It becomes a shared practice of building civic capability, and a demonstration that complex challenges require people and communities able to act together with agency, trust and shared purpose.

What This Framework Does

The framework is organised in four interconnected layers which together are designed to build coherence from high-level strategy to on-the-ground decisions.



Investment Principles
Non-negotiables that guide every decision

Investment Strategies
How principles translate into action

Investment Structures
Funding architectures (four tiers of capital)

Clear Opportunities
Illustrative, investment-ready examples by domain

The framework links a foundation's values to actual investment decisions over time by answering four strategic questions as outlined here.

Strategic Question	What this Framework Provides
1 **Where should our foundation focus for maximum impact?**	Guidance on place-types, readiness levels, and contextual adaptation
2 **What bold, evidence-based solutions address structural barriers?**	Investment principles, strategies, and illustrative opportunity menus
3 **How will we deliver - and with whom?**	Potential funding architectures, partnership models, and the distinct roles a foundation can play
4 **What results could be anticipated & how will we know?**	Indicative outcomes across three horizons and an approach to shared learning

Who This Framework Is For

This framework serves four primary audiences, each with distinct questions.



Board & Leadership

- Does this align with our mission, strategy and relative advantages?
- What shifts in our own practice are we prepared to commit to?
- What are the key decision points for endorsing principles, approving pilots and scaling?



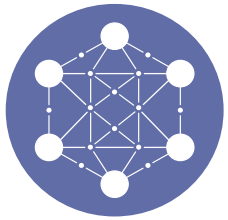
Program & Grants Teams

- Which opportunities fit our investment principles?
- How do we assess community readiness and select appropriate funding structures?
- How do we work across program areas on shared participation infrastructure?



Partners & Communities

- How does this foundation work differently from other funders?
- What can communities expect in terms of funding horizons, decision-making authority and flexibility?
- Where do communities' own priorities and aspirations drive the agenda?



Co-funders, Intermediaries & Government Partners

- Where could we align or pool investment with other funders?
- What roles could intermediaries, such as community foundations and backbone organisations, play?
- How might philanthropic investment complement, rather than substitute for, public investment?

How to use this document

If you are....	Start with....
Seeking strategic alignment	Purpose and Using the Framework, and Investment Principles
Assessing a specific opportunity	Structuring Funding (readiness levels & preconditions) & Funding Opportunities
Understanding funding structures	Structuring Funding
Designing partnership & delivery	Roles, Partnerships & Funding Practice
Preparing for Board decisions	Results & Learning, Shifts in Funding Practice

Core Concepts & Working Definitions

A Working Definition of Participation

For the purposes of this framework, civic and community participation is defined not as one-off consultation or tokenistic involvement, but as ***people having real authority over decisions, assets, and futures - through shared decision-making, community ownership, and ongoing practice in everyday democracy.***

This definition carries three key implications:

1. ***Participation is about power, not just presence.*** Meaningful participation goes beyond being informed or consulted to shaping policies, budgets, and governance arrangements - from local initiatives to national reforms. The test is whether communities can influence what decisions are made, not just react to decisions already taken.
2. ***Participation includes economic agency.*** When people have genuine roles in shaping assets, enterprises, budgets, land use and investment decisions, participation becomes a pathway to community wealth - not just voice. Ownership, jobs, land and finance become sites of civic power and agency rather than oppression.
3. ***Participation is built over time, not delivered as an event.*** Participation deepens when people trust that the work will continue and their involvement matters. Short funding cycles and crisis-driven engagement undermine the accumulation of trust, skills, and assets needed for systemic change.

Deliberately Connecting Civic & Community Participation

This framework uses the term "civic and community participation" deliberately. The two are distinct but inseparable.

Community participation - the everyday relational, cultural, and practical activities through which people build trust, belonging, and shared capability, is the essential precondition for ***civic participation*** - the exercise of agency over decisions, resources, and governance.

Neither is sufficient alone. Community participation without civic ambition builds connection but does not shift power. Civic participation without community roots reproduces the very exclusions it seeks to remedy.

The opportunity for foundations lies in investing in the continuum between them - resourcing the community-level relationships, infrastructure, and practices through which civic capability grows.

Civic and community participation, as defined here, encompasses:

- ***Formal democratic participation*** - voting, standing for office, participating in public consultations, citizens' assemblies, participatory budgeting
- ***Community governance*** - serving on boards, co-operatives, community land trusts, Aboriginal Community Controlled Organisations
- ***Everyday participation*** - volunteering, mutual aid, cultural activities, neighbourhood organising, informal care networks
- ***Economic participation*** - worker ownership, community enterprises, local procurement, shared investment vehicles
- ***First Nations self-determination*** - community control through institutions designed and led by First Nations peoples themselves, including ACCOs and Indigenous data sovereignty.

The framework recognises that informal participation (such as mutual aid, care work, cultural practice), is often invisible to formal systems but is core civic infrastructure, particularly in First Nations, migrant, and persistently disadvantaged communities. Resourcing this invisible labour, rather than exploiting it, is key to genuine inclusion.

Distinguishing Participation from Engagement

In practice, the terms "participation" and "engagement" are often used interchangeably. For clarity, this framework draws a useful distinction depicted in Figure 1.

This distinction matters because the locus of control shapes outcomes. Research distinguishes between:

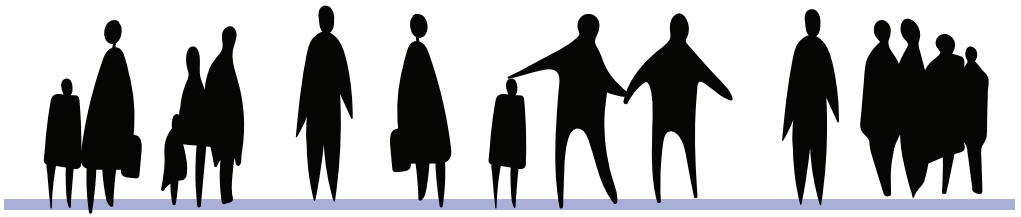
- ***Invited spaces*** - created by institutions to consult or involve citizens, where the agenda is largely pre-set;
- ***Claimed or created spaces*** - where communities and movements organise on their own terms and then confront or negotiate with authorities.

Foundation's investments would ideally support both, but with particular attention to claimed spaces where communities set their own agendas, because this is where the deepest power shifts occur.

What Participation is NOT

To sharpen the definition, this framework explicitly distinguishes participation from practices that may look similar but do not shift power:

- ***Consultation without consequence*** - gathering input with no commitment to how it will be used or visible influence on decisions;
- ***Extractive engagement*** - mining lived experience without change, leaving underlying power dynamics intact;



Participation
= acts of taking part in civic/community life.

Engagement
= depth/quality indicator, + in many institutional settings engagement is used for formal, organised processes.

Quality of relationships + experience

Is there mutual respect, and space for disagreement without punishment?

Do processes build trust, connection and skills (not only harvest "input")?

Alignment with Context + Stakes

Is the level of participation proportionate to the decision's impact on communities?

Are high-stakes, high-impact decisions matched with higher-influence forms of participation (co-design, co-governance), rather than low-influence consultation?

Capacity + Support

Are communities supported to prepare, deliberate and organise (e.g. time, facilitation, mentoring)?

Are institutional actors trained and supported to host participation well (not just to 'manage' it)?

Depth + Continuity of Involvement

Is participation one-off or ongoing (e.g. standing groups, long-term partnerships)?

Do people move from low-risk, low-influence roles into deeper, shared-authority roles over time?

Inclusivity + Accessibility

Who is in the room - and who is missing (by class, race, age, gender, migration status, disability)?

Are barriers actively removed (stipends, childcare, transport, interpretation, digital access) so that participation is possible and safe for those with least power?

Transparency + Feedback

Are participants given clear information in accessible formats so they can contribute meaningfully?

Do they see how their input influenced decisions ("you said, we did / did not, because…")?

Ownership + Initiation

Who defines the problem and designs the process - institutions alone, or with communities?

Are there spaces that are community-created as well as institution-invited (claimed as well as invited)?

Influence on decisions

How far can participants shape agendas, options and outcomes (not just react)?

Is there a clear 'promise' about how input will be used, and evidence that this happens?

Figure 1: Distinguishing Civic and Community Participation from Engagement

- *Participation as free input* - treating community time and knowledge as a costless resource rather than work that should be resourced;
- *One-off events* - episodic engagement that does not build relationships, trust, or ongoing capacity;
- *Elite capture* - processes formally open to communities but dominated by those with existing power, networks, or resources.

When poorly designed, engagement can add to the burdens on already-challenged communities, causing exhaustion, stress, and disempowerment.

This framework outlines how foundations could fund participation that builds capacity and shifts power.

Participation as Investment in Capital

This framework treats participation as an investment in multiple forms of capital that, when properly resourced, underpin resilience, wellbeing, and long-term systems change.

Evidence shows these forms of capital are mutually reinforcing: individual wellbeing enhances capacity for civic participation, which strengthens community bonds, which improves institutional effectiveness, which builds societal resilience - creating a virtuous cycle, as depicted in figure 2.

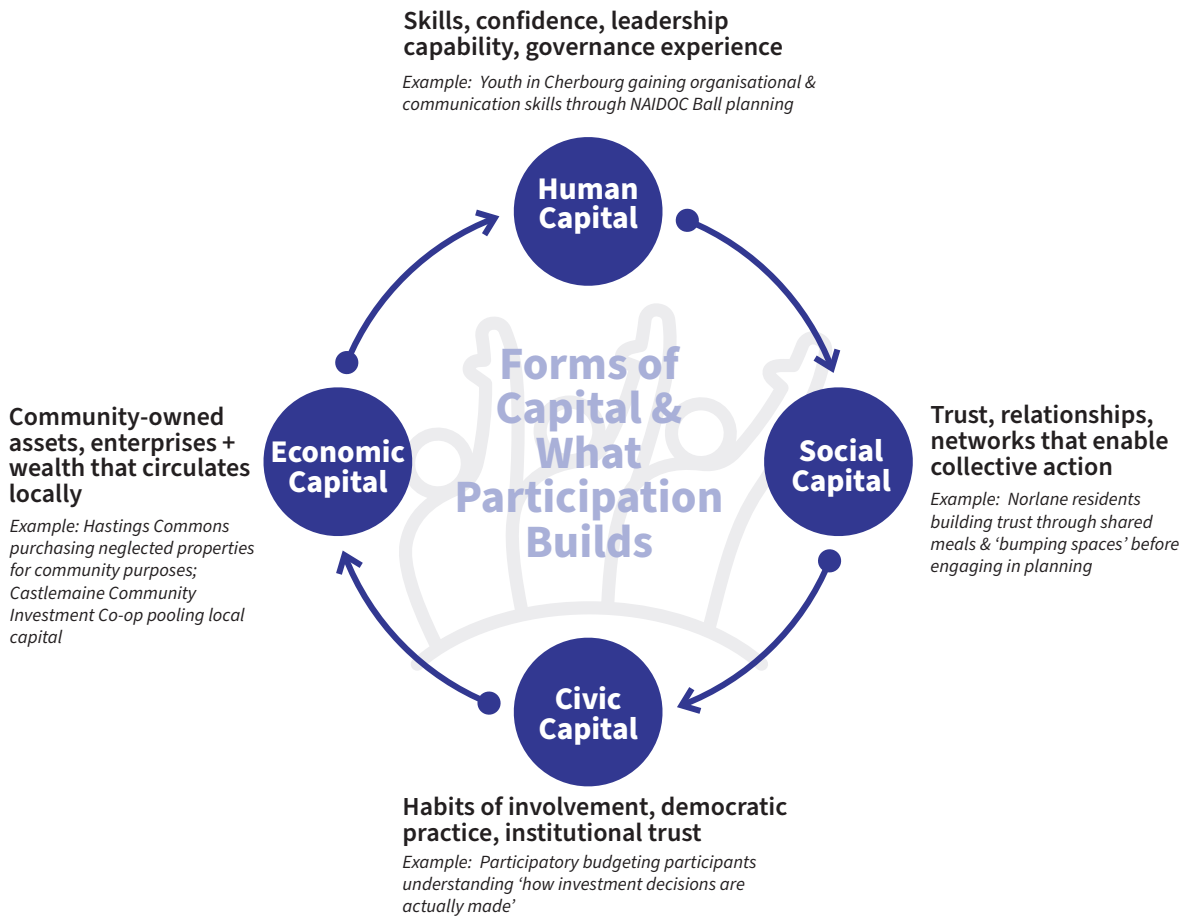


Figure 2: Participation as an investment in multiple forms of capital, which are mutually reinforcing

Investment Principles
(Non-Negotiables)

A principle is a non-negotiable rule of thumb or value that should shape every grant or investment. It does not tell funders exactly what to fund, but it indicates what 'good' looks like when making decisions and comparing options.

In practice principles:

- *Become screening and alignment tests*
  For example, "Does this proposal really shift power to communities, or does it just consult them?".

- *Guide trade-offs between options*
  For example, if there is a choice between a short-term project vs. a longer, more flexible relationship, the 'long-term, flexible & relational' principle pushes decision-makers toward the latter.

- *Support consistency across the portfolio*
  Different program areas can make different investments, but all should be recognisably long-term, equitable by design, learning-oriented and so on.

The seven principles depicted in Figure 3 below, come out of the evidence collated and analysed as part of the Activating Civic and Community Participation project.

Any foundation can use them as the first filter for investment decisions in civic and community participation. They apply regardless of place, topic, funding tier or the size of the foundation. Each is explored in further detail below.

Each of the Seven Principles is explored in further detail below.

Investment Principles for Activating Civic & Community Participation

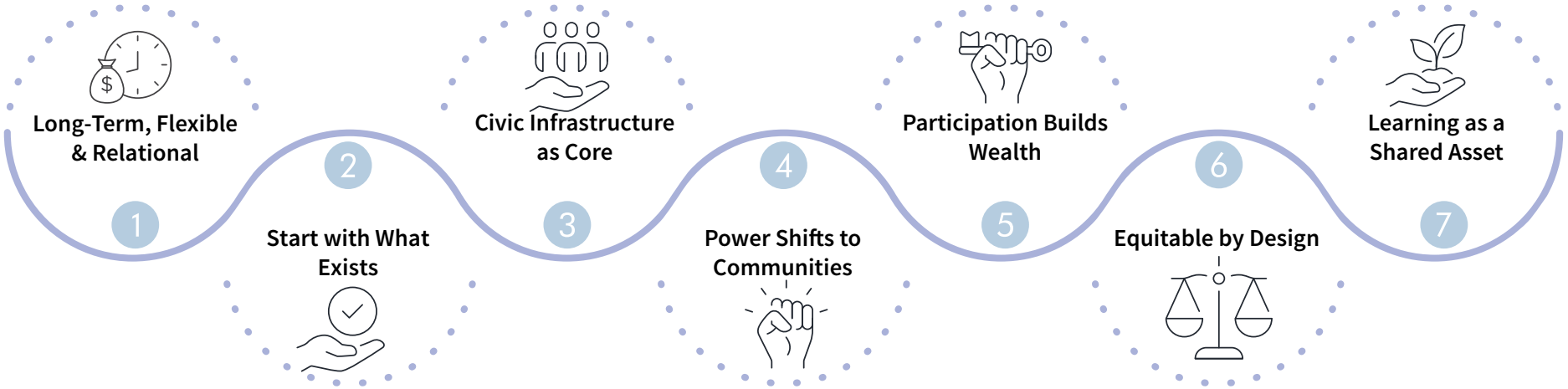


Figure 3: Investment principles for activating participation

The Seven Principles

1 Long-Term, Flexible & Relational

What this means:
Foundations privilege 5 to 10 year commitments and adaptive relationships over short-term projects, because the evidence shows this is what structural change and scalable participation require.

Why it matters:
Participation that shifts power is built over time, not delivered as an event. Trust deepens when communities know the work will continue and their involvement matters. Short funding cycles undermine the accumulation of skills, trust, and assets needed for systemic change.

> *"The boundaries between funder and funded dissolved... it became a network rather than a hierarchy."* GS, Peter McKenzie Project

In practice:

- Default to multi-year grants (minimum 3 years; aim for 5+)
- Build in adaptive review points rather than rigid deliverables
- Fund the relationship, not just the project

What a foundation might choose not to fund: One-off consultations, 12-month pilots with no pathway to continuation, or engagement activities disconnected from ongoing community infrastructure.

2 Start With What Exists

What this means:
Foundations focus on existing hubs, connectors, and backbone roles - neighbourhood centres, networks, First Nations organisations - as the foundation for impact, rather than creating new institutions from scratch.

Why it matters:
Social capital already exists in communities. Participation strengthens existing social capital when processes amplify local leadership, including informal leadership and shared lived experience. Many initiatives succeed by identifying and resourcing trusted community connectors - often women, elders, peer and cultural leaders.

> *"For mob to be working on country and caring for country, it's not something that is sitting dormant… funding and resources is what needs to be activated to drive that work further."* Independent Practitioner, Australia

In practice:

- Begin with asset mapping and relationship diagnosis before designing interventions
- Prioritise strengthening existing organisations over establishing new ones
- Recognise informal infrastructure (mutual aid, cultural networks, care work) as civic assets

What a foundation might choose not to fund: New entities that duplicate or compete with existing community-controlled organisations; interventions that bypass established local leadership.
What this means:

3 Civic Infrastructure as Core

Foundations fund the ongoing coordination, facilitation, and backbone roles that hold participation together between project cycles - treating civic infrastructure as essential investment, not overhead.

Why it matters:
Participation scales through infrastructure and authority. Power shifts most clearly where people can see what decisions they influence, what resources they control, and how participation changes outcomes - supported by backbone roles that hold the work together. Local convenors and connectors, neighbourhood centres, and governance bodies provide the connective tissue that sustains social capital across issues and funding cycles.

> *"There's a real tension - volunteers are essential to neighbourhood centres, but the red tape, risk, insurance and management involved means you can't just have people walking in and out."* CM, Neighbourhood Centres QLD

In practice:

- Fund coordination and facilitation as core line items, not administrative costs
- Support multi-year backbone grants for hubs, networks, and intermediaries
- Recognise that "invisible" infrastructure (relationship maintenance, conflict mediation, knowledge brokerage) enables visible outcomes

What a foundation might choose not to fund: Projects that assume coordination will happen without resourcing; interventions that extract community input without investing in local capacity to sustain engagement.
What this means:

4 Power Shifts to Communities

Foundations' investments move assets, budgetary control, and decision rights into community hands - especially First Nations communities - rather than keeping power with external institutions.

Why it matters:
Power shifts when participation starts before, not after, problems are defined, funding criteria are set, and decisions about solutions are made. When communities help frame the questions and solutions, participation generates ownership, legitimacy, and more fit-for-context responses.

> *"People are asked to buy into something that's already been designed, with no flexibility to move. That's not participation."*
> Independent Practitioner, Australia

In practice:

- Fund processes where communities set the agenda, not just respond to it
- Support community-controlled governance structures (participatory budgeting, community-governed funds, cooperatives)
- Embed First Nations self-determination as a design requirement, not an add-on

What a foundation might choose not to fund: Engagement processes where decisions are already made; projects that consult communities but retain all authority with external organisations; initiatives that treat First Nations partnership as optional.
What this means:

5 Participation Builds Wealth

Foundations treat participation as a generator of community wealth - human, social, civic, and economic capital - not as a free input to be extracted.

Why it matters:
When people have a genuine role in shaping assets, enterprises, budgets, land use, and investment decisions, participation becomes a pathway to community wealth - not just voice. Community wealth building turns participation from occasional consultation into something embedded in everyday life. When assets, jobs, and decision-making power are anchored locally, residents become co-owners, workers, and stewards of local institutions.

> *". . . there's so many massive issues that people are really worried about, and they want to have something that gives them agency. And so food is a really concrete, obvious thing to kind of work in . . . [But] it's extremely difficult to have a business that works over time. Just the economics . . is extremely difficult. .. people work out ways to make it work, because it's their activism in the world. This is their response to the politics . . So it is central to their kind of path in life."* SH, Open Food Network

In practice:

- Connect participation investments to asset-building pathways (community land trusts, cooperatives, community investment funds)
- Pay participants for their time and expertise - treat participation as work
- Design funding so that economic value stays local

What a foundation might choose not to fund: Engagement that mines community knowledge without sharing returns; initiatives that treat community time as costless; projects disconnected from any pathway to community ownership or economic agency.
What this means:

6 Equitable by Design

Foundations fund processes that actively remove participation barriers - time, cost, access, safety, cultural exclusion - so that those facing the greatest structural disadvantage can lead, not just attend.

Why it matters:
Socio-economic inequality depresses civic participation, creating a vicious cycle where those most affected by policy decisions have the least capacity to influence them. Gendered barriers - unpaid care, economic insecurity, safety concerns - systematically suppress participation. Effective practice makes participation materially possible through childcare, stipends, transport, culturally safe spaces, and flexible design.

"[People] don't always feel safe to share their voice and...quite often kept suppressed to keep the status quo... over and over again. So we need diversity and more and different people at the table."
KC, Independent Practitioner, New Zealand

In practice:

- Budget for stipends, childcare, transport, translation, accessible venues as standard
- Apply an intersectional lens to participation design
- Learn who is participating and engaging - and who is missing and what it takes to grow inclusive participation in each context.

What a foundation might choose not to fund: Processes that assume everyone can participate equally; initiatives that reproduce existing hierarchies.
What this means:

7 Learning as Shared Asset

Foundations fund learning, narrative, and experimentation as legitimate outcomes - and will treat data and stories as shared assets owned by communities, not compliance burdens extracted by funders.

Why it matters:
Participation works best when it is treated as a learning system rather than a fixed method. This requires feedback loops, shared reflection, and permission to adapt as contexts change. Rigid outcomes, over-prescription, and risk aversion weaken participation. Indigenous Data Sovereignty principles (CARE, OCAP) articulate communities' rights to govern data about themselves.

> *"Replace control and compliance with trust, learning and adaptation."*
> -Strategic direction from thematic research

In practice:

- Co-design measurement with communities so it is useful to them and proportionate to grant size
- Invest in cross-place learning exchanges and peer networks
- Commit to Indigenous data sovereignty in all First Nations partnerships
- Fund narrative and storytelling as legitimate field-building work

What a foundation might choose not to fund: Evaluations designed only for funder accountability; data extraction without community benefit; learning approaches that treat communities as subjects rather than partners.

Questions for your foundation

- Which principles does our current practice already reflect, and which would require the biggest shift?
- How would applying these principles as a first filter change the last three investments we made?

The Principles at a Glance

Principle	Core Commitment	Test Question
Long-term, flexible, relational	5-10 year adaptive commitments	*Will this still matter in year 5?*
Start with what exists	Build on existing infrastructure & leadership	*Who is already doing this work?*
Civic infrastructure as core	Fund coordination & backbone-like roles	*Is there ongoing capacity to sustain this?*
Power shifts to communities	Move authority over decisions & assets	*Who decides? Who owns?*
Participation builds wealth	Connect voice to economic agency	*Does participation lead to assets or income?*
Equitable by design	Remove barriers; prioritise those facing greatest disadvantage	*Who is not here, & why?*
Learning as shared asset	Community-owned data & adaptive practice	*Who benefits from what we learn?*

Investment Strategies
(How Principles Show Up in Action)

This section describes five core strategies through which foundations can turn the investment principles into action. Each strategy addresses specific structural barriers to participation and points towards the kinds of bold, evidence-based solutions a participation portfolio could prioritise.

A gendered and intersectional lens applies across all strategies, ensuring that a diversity of people move from holding informal participation roles to sharing formal authority, resources and safety in civic life. Investments that do not actively address intersecting barriers (gender, race, class, migration status, disability and trauma) risk reproducing exclusion regardless of intent.

How Strategies Connect to Principles

The seven investment principles define what good looks like. The five strategies define how a foundation could pursue good outcomes, translating principles into practical investment priorities. Strategies sit between values and projects: they define the main ways a funder will pursue its principles over time. In practice, strategies play a critical role in implementing principles by:

- ***Helping with focus:*** instead of backing anything that looks aligned with 'participation', the funder can intentionally emphasise a few approaches that align strategically.
- ***Guiding portfolio design:*** funders can ask "Do we have a healthy mix of grants and investments that strengthen enabling conditions, grow shared assets, and build power pathways?" rather than assessing each proposal in isolation.

Smaller foundations do not need to pursue all five strategies at once. Taking up one strategy well, or contributing to one strategy within a shared place-based portfolio, can be a strong starting point.

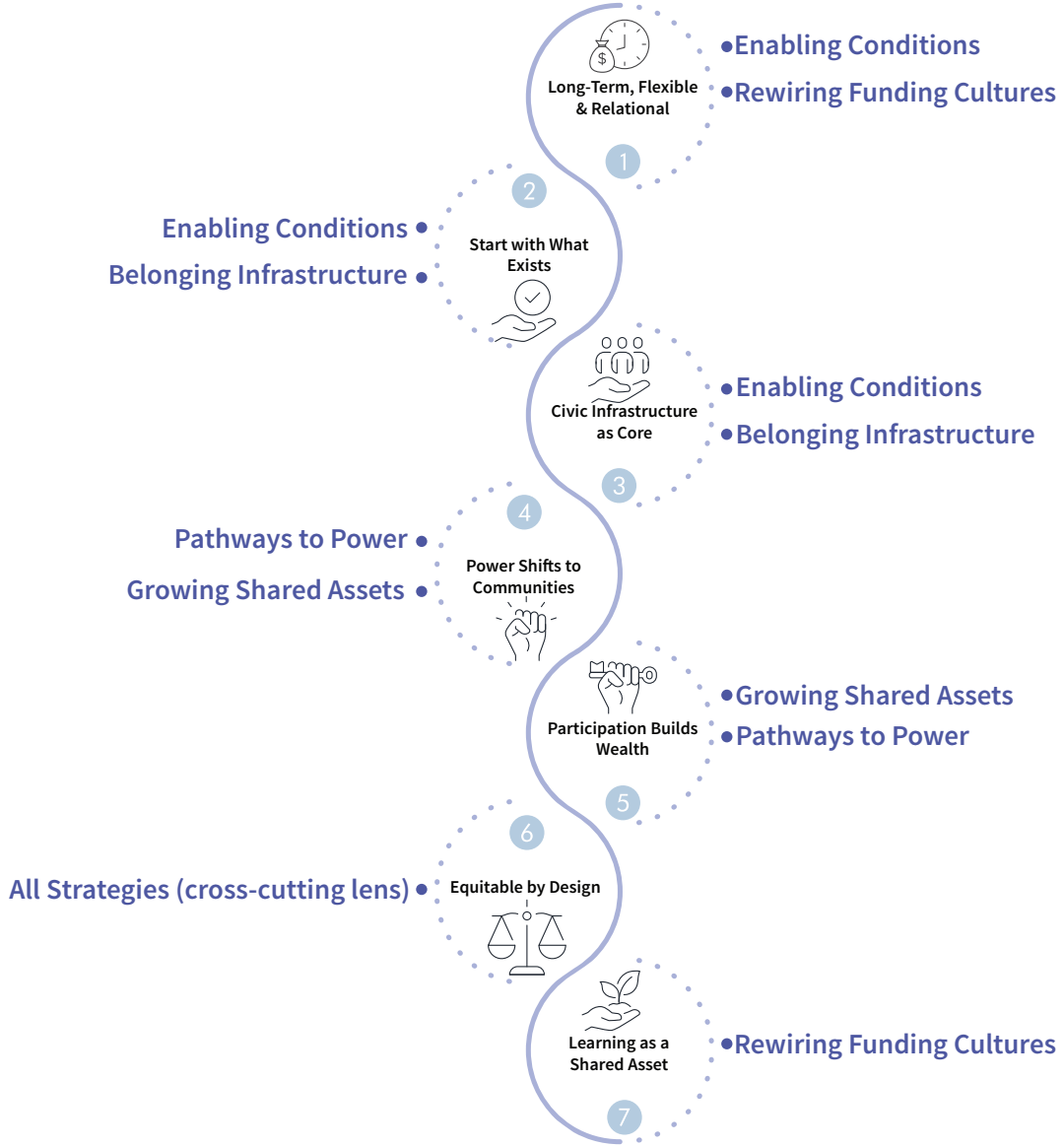


Figure 4: Investment strategies

Strategy 1: Resource the Enabling Conditions for Participation

Intent
Fund the relational infrastructure, coordination roles, and practical supports that make participation possible - especially for those facing structural barriers. This includes recognising informal volunteering, mutual aid, and care work as core civic infrastructure to be resourced, not just relied upon.

What the Evidence Shows
Participation relies on conditions that are often invisible and undervalued: care, relationships, trusted connectors, backbone coordination, and the material supports (time, transport, childcare, stipends) that allow people to show up. Without these enabling conditions, participation initiatives fail to reach those who face the greatest barriers - and risk extracting from communities rather than building with them.

In communities experiencing persistent disadvantage, forms of informal volunteering, helping, and mutual aid are often high even when formal volunteering appears low. This informal participation - often carried by women, elders, migrants, and First Nations people - is vital civic infrastructure that funders must recognise and support rather than inadvertently undermine through overly prescriptive funding models.

Structural Barriers Addressed
- Lack of time, income, and material security to participate.
- Gendered barriers (unpaid care, economic insecurity, safety concerns).
- Intersectional barriers (race, migration status, disability, trauma) that suppress participation unless it is materially supported and culturally safe.
- Digital exclusion (lack of devices, connectivity, skills, accessible platforms).
- Absence of trusted local connectors and backbone coordination.
- Short funding cycles that prevent relationship-building.

Illustrative Investment Types
- Multi-year core funding for neighbourhood centres, community hubs, and backbone organisations.
- Paid community connector and peer worker roles (especially for women, First Nations, migrant, and disability communities).
- Care, cultural brokerage, and peer work roles recognised as investable civic infrastructure.
- Participation budgets covering stipends, childcare, transport, translation, accessible venues.
- Capacity building for facilitation, governance, and leadership development.
- Place-based digital inclusion (devices, connectivity, skills) via trusted intermediaries such as neighbourhood houses, ACCOs, migrant resource centres, and disability organisations.
- Locally embedded coordination roles that support relationships before, during, and after crises (e.g., community resilience coordinators), with long-term funding beyond single disaster events.

Evidence Illustration
- ***Co-operation Housing WA Housing Co-operative (WA)*** budgets explicitly for community engagement - including a dedicated community facilitator and a participation agreement - treating relationship-building as essential infrastructure, not administrative overhead.
- ***Neighbourhood Centres Queensland*** highlights that volunteers are essential to participation infrastructure, but the costs of recruitment, training, supervision, and insurance are often borne by organisations while society benefits from reduced isolation and increased social capital. Funding must cover these "invisible" coordination costs.

"A community leader is not the person you might see on television or the council website... a community leader invariably is the woman doing the work behind the scenes who people call at one in the morning."
SD, GenWest

Strategy 2: Grow Shared Assets Under Community Control

Intent

Shift economic resources (land, property, enterprises, capital, data and digital platforms) into community ownership and governance, so participation leads to wealth, not just voice. This strategy is one way foundations can respond to Australia's intergenerational wealth transfer, estimated at between $3.5 trillion (Productivity Commission, 2021) and $5.4 trillion (Philanthropy Australia, n.d.) over the coming decades, by helping convert some of that capital into community-owned, intergenerational assets.

What the Evidence Shows

Community wealth building turns participation from occasional consultation into action embedded in everyday life. When assets, jobs, and decision-making power are anchored locally, residents become co-owners, workers, and stewards of local institutions. This deepens agency and improves the legitimacy and quality of decisions made with, rather than for, communities.

Economic stability (including housing stability) enables meaningful participation, but equity extends beyond income to encompass who owns and controls assets and how economic value is generated and retained. Asset ownership transforms communities from recipients of external investment to owners of their economic futures, fundamentally shifting power dynamics and creating ongoing returns rather than dependency on short-term grants.

Structural Barriers Addressed

- Lack of community ownership over land, property, and economic assets.
- Wealth extraction from local economies through external ownership, property speculation, and procurement that flows resources out.
- Asset poverty in communities facing persistent disadvantage (lack of community-controlled land, infrastructure, enterprises, capital).
- Exclusion of communities from economic decision-making.
- Precarity that undermines sustained participation.

Illustrative Investment Types

- Community land trusts and housing cooperatives.
- Community investment co-operatives and pooled local capital vehicles.
- Cooperative enterprises (food systems, energy, housing, care).
- Community-controlled procurement pathways with anchor institutions (councils, hospitals, universities, foundations redirecting spending toward locally owned enterprises).
- Blended capital stacks combining grants, patient capital, and community investment.
- Community-owned digital infrastructure (platform co-ops, community data trusts, ACCO-governed platforms) that embed civic participation and data sovereignty.

Evidence Illustration

- ***Castlemaine Community Investment Co-operative (Vic)*** is a non-distributing co-op of local residents who collectively purchase and manage profitable properties, moving them from speculative real estate markets into long-term community ownership. This keeps wealth circulating locally and strengthens the town's resilience.
- ***Hastings Commons (UK)*** takes neglected properties into community ownership as homes, workspaces, and community venues - pursuing "regeneration without gentrification" through community ownership and stewardship.
- ***Preston Model (UK)*** demonstrates that when anchor institutions redirect procurement spending locally, measurable improvements in employment for people with disabilities, minority ethnic groups, and those with lower education levels can result.

"Shift the focus from having a say to having a stake. Participation that supports communities to co-own assets, shape investment and funding decisions, and to influence procurement, workforce development and supply chains can help to grow shared economic power."
Strategic direction from thematic research

Strategy 3: Build Pathways from Participation to Power

Intent
Create structured pathways through which participation translates into real decision-making authority over budgets, policies, governance, and institutional practice - ensuring women, First Nations people, young people, and those facing intersecting barriers access authority and resources, not just involvement.

What the Evidence Shows
Participation scales through infrastructure and authority. Power shifts most clearly where people can see what decisions they influence, what resources they control, and how their participation changes outcomes. This requires moving beyond "listening better" to changing who decides.

Women often build and sustain participation infrastructure but hold less formal power. Participation strengthens gender equity when it translates women's informal leadership into shared power and authority. Similarly, young people - facing climate anxiety and exclusion from decisions about their futures - require genuine pathways to decision-making, not just consultation.

Structural Barriers Addressed
- Consultation without consequence (input gathered but ignored).
- Decision-making power retained by institutions.
- Women's informal leadership not translating into formal authority.
- Youth exclusion from decisions about climate, housing, and local futures.
- Lack of transparency about how decisions are made.
- No clear pathways from engagement to governance roles.

Illustrative Investment Types
- Participatory budgeting funds (with real budgets, community-led processes).
- Community-governed funds and participatory grantmaking.
- Training and support for community members to take governance roles.
- Youth-led participatory platforms (online and offline) with real budget or decision authority, particularly on climate, housing, and local futures.
- Intergenerational governance forums (youth, parents, elders) that strengthen family and community resilience.
- Institutional reform partnerships (with councils, anchor institutions) to embed shared decision-making.
- First Nations-led governance structures with genuine authority and self-determination.

Evidence Illustration
- ***Participatory Budgeting Project (PBP USA/ Canada)*** partners with governments and grassroots groups to design, implement, and strengthen Participatory Budgeting processes. By coaching local organisers, providing stipends and childcare, and resourcing community organisations to host idea-collection events, PBP demonstrates how giving residents real power over real money can invite new voices in, increase civic skills, and normalise shared decision-making.
- ***Cherbourg Youth Advisory Group (Qld)*** shows how young people gain organisational and communication skills through planning community events like the NAIDOC Ball - building leadership capability and civic confidence through practical, culturally grounded action.

> *". . .most people are not apathetic. . . most people, care very deeply. It's not that they don't care. It's that they don't trust that investing that care, investing that time, will result in any sort of impact."*
> RT, Participatory Budgeting Project

Strategy 4: Invest in Belonging Infrastructure

Intent

Fund the physical and social infrastructure - hubs, gathering spaces, networks, cultural practices, intergroup programs - through which people build trust, connection, and a sense of belonging across difference.

What the Evidence Shows

Social capital emerges through shared experiences - working on country, gardening, food distribution, mutual aid, co-governance - rather than one-off consultations or formal meetings. Local spaces and assets (co-working hubs, gardens, cafés, cultural centres) act as ongoing 'relationship containers' and network enablers. Participation grows belonging and strengthens social capital when people are engaging with others they will continue to live or work alongside.

Structured intergroup contact - under conditions of equal status, shared goals, and institutional support - reliably improves trust, reduces prejudice, and builds bridging ties. This is particularly important in the current Australian context of rising antisemitic, Islamophobic, and racist incidents, where communities need structured opportunities to build relationships across lines of difference.

Community-owned spaces - health centres, hubs, gardens - function as resilience infrastructure precisely because they are socially embedded. Social capital is the strongest predictor of community safety and recovery from natural disasters.

Structural Barriers Addressed

- Social isolation and disconnection (including rising loneliness in Australia).
- Lack of trusted gathering spaces.
- Erosion of bridging capital across groups.
- Racism and narratives that frame institutions as hostile, which erode willingness to participate.
- Absence of culturally safe spaces for marginalised communities.
- Lack of community-controlled spaces that can serve as resilience infrastructure during and after crises.

Illustrative Investment Types

- Multi-year funding for neighbourhood centres, community hubs, and cultural spaces
- Community gardens, maker spaces, and shared facilities
- Structured intergroup programs (shared projects, facilitated dialogues, arts and cultural practice) designed to build bridging capital and counter racism and polarisation
- Networks of networks (peer learning, movement infrastructure, inter-movement convening) that connect local hubs horizontally and vertically
- Cultural and creative programming as civic infrastructure
- Community-owned resilience infrastructure (hubs, gardens, cultural centres) that double as evacuation, coordination, and recovery spaces
- Counter-narrative and media literacy initiatives that challenge dehumanising rhetoric and build capacity to resist online hate and disinformation.

Evidence Illustration

- ***Norlane Good Neighbourhood Project (Vic)*** treats everyday relationships built through community cafés, shared meals, neighbourhood hubs, and "bumping spaces" like Labuan Square as core civic infrastructure - the precondition for everything else, from surveys and advocacy to health projects, new enterprises, and leadership development.
- ***Tatreez Collaboration (Logan, Qld)*** shows how creative, culturally grounded practices - women-led making, storytelling, and mutual support - open gentle but powerful pathways into civic life, particularly for migrant and refugee communities.
- ***Mallacoota Wilderness Collective (Vic)*** demonstrates how community-owned spaces and locally embedded networks become critical resilience infrastructure during and after disasters, with social capital proving the strongest predictor of community recovery.

> *"Neighbourhoods are sites for big picture change, and it's the connectivity and care for the whole system, by the whole system, that makes this work powerful."*
> JS, Hastings Commons

> *"If there's something happening locally that feels like you can belong to it, people come out of isolation and start working together."*
> WR, Inter-Movement Impact Project

Strategy 5: Rewire Funding Cultures

Intent
Transform how individual foundations, and the broader philanthropic and government funding ecosystem, resource participation: shifting from short-term projects and compliance to long-term relationships, core funding, shared governance, community-defined learning, and field-building as shared infrastructure.

What the Evidence Shows
Short funding cycles undermine participation that shifts power. Participation deepens when people know the work will not disappear after a pilot or grant cycle. Rigid outcomes, over-prescription and risk aversion weaken participation. Transforming funder practice is itself a strategic intervention, and one where every foundation has some leverage to shift the field.

Given the complexity of outcomes like social cohesion and resilience, measurement approaches must be handled with care. Evidence suggests that single "cohesion scores" are unreliable, and that the greatest value in measurement is identifying particular challenges and opportunities in context, not ranking places against each other. Investment in mixed-methods, community-defined learning, rather than single indices, should be prioritised, with proportionate expectations and feedback loops visible to communities.

Structural Barriers Addressed
- Short-term, project-based funding that prevents sustained relationship-building.
- Compliance burdens that extract rather than build capacity.
- Power imbalances between funders and communities
- Measurement approaches that treat communities as subjects rather than partners.
- Lack of shared learning across places and initiatives.
- Funding models that inadvertently stifle the informality, responsiveness, and agency of community-led responses.

Illustrative Investment Types
- Multi-year, flexible core grants (minimum 3 years; aim for 5–10).
- Participatory grantmaking pilots (community decision-making over funding).
- Simplified application and reporting processes proportionate to grant size.
- Field-building infrastructure: peer learning communities, cross-place exchanges, shared tools, narrative work, and research as shared assets (not reporting burdens).
- Funder practice shifts: Indigenous data sovereignty commitments, shared governance experiments, community-defined success measures.
- Investment in intermediaries that can hold complexity (community foundations, ACCOs, regionally embedded networks).

Evidence Illustration
- ***Peter McKenzie Project (Aotearoa NZ)*** is a 17-year, $17m spend-down fund that invites funded partners ("Kaikōkiri") into strategy, learning, and some funding decisions via regular hui. This participatory philanthropy model softens the boundary between funder and grantee, treating relationships as the core of the work.
- ***Regen Labs (Australia)*** co-designs governance arrangements and funding flows with regional activators, First Nations leaders, enterprises, governments, and philanthropy - using patient, place-based capital matched to local priorities and timeframes.

"The boundaries between funder and funded dissolved... it became a network rather than a hierarchy."
GS, Peter McKenzie Project

"Replace control and compliance with trust, learning and adaptation. Participation works best when it is treated as a learning system rather than a fixed method."
Strategic direction from thematic research

Strategies in Combination: A Whole-of-System Approach

The five strategies are mutually reinforcing:

- Enabling conditions make participation possible;
- Belonging infrastructure makes it meaningful;
- Pathways to power make it consequential;
- Shared assets make it durable;
- Rewiring funding cultures makes it sustainable.

Place-based investment that combines multiple strategies (for example, a neighbourhood hub, a community-controlled fund, a participatory budgeting pilot, core backbone funding and digital inclusion) will generate the strongest outcomes (see Figure 5). Because few foundations can fund all of these alone, combinations are often best built by several funders communicating their priorities to others and investing in complementary parts of the same place-based, or systemic portfolio.



Figure 5: Investment strategies in combination create a 'whole-of-system approach'

Five Strategies at a Glance

Strategy	What it Builds	Test Question
Enabling Conditions	Capacity, coordination, material supports, informal infrastructure	*Are the conditions in place for people to participate?*
Shared Assets	Ownership, wealth, economic agency, community-controlled capital	*Does participation lead to assets communities own?*
Pathways to Power	Decision authority, governance capability, institutional reform	*Who decides? Does participation shift who holds power?*
Belonging Infrastructure	Trust, connection, bridging capital, resilience infrastructure	*Do people feel they belong? Are divisions being bridged?*
Rewiring Funding Cultures	Sustainable, adaptive, learning-oriented resourcing	*Is funding practice itself enabling or undermining participation?*

Questions for your foundation

- Which one or two strategies best fit our current strengths and relationships?
- Which strategies could we pursue with other funders in the same places?

Structuring Funding
(Tiers & Readiness)

This section describes a practical architecture for philanthropic capital in participation: what kinds of money, over what horizon, with what governance. The four-tier structure is designed to match different types of investment to different levels of community readiness, so that funders, individually or together, can resource the full spectrum from relationship-building to asset ownership.

Why Structure Matters

The evidence is clear: *short-term, project-based funding undermines the long-term relationship-building, trust, and asset accumulation needed for participation to shift power.* At the same time, not every community or initiative is ready for complex governance structures or blended capital stacks. This proposed funding architecture therefore provides:

- Multiple entry points based on where communities are, not where funders wish they were;
- Clear pathways from early relationship-building to community-controlled assets;
- Appropriate governance matched to the scale and complexity of each tier;
- Portfolio balance ensuring a foundation invests across the full spectrum, not just in 'investment-ready' opportunities.

Figure 6 outlines the four proposed funding tiers, which are then further outlined in the following pages.

The funding ranges below are indicative and reflect what each tier typically requires in total. Smaller foundations can take part in every tier by co-funding with others, pooling through a community foundation or collaborative, or funding a defined component (for example, one connector role, a readiness grant or a micro-grant pool).

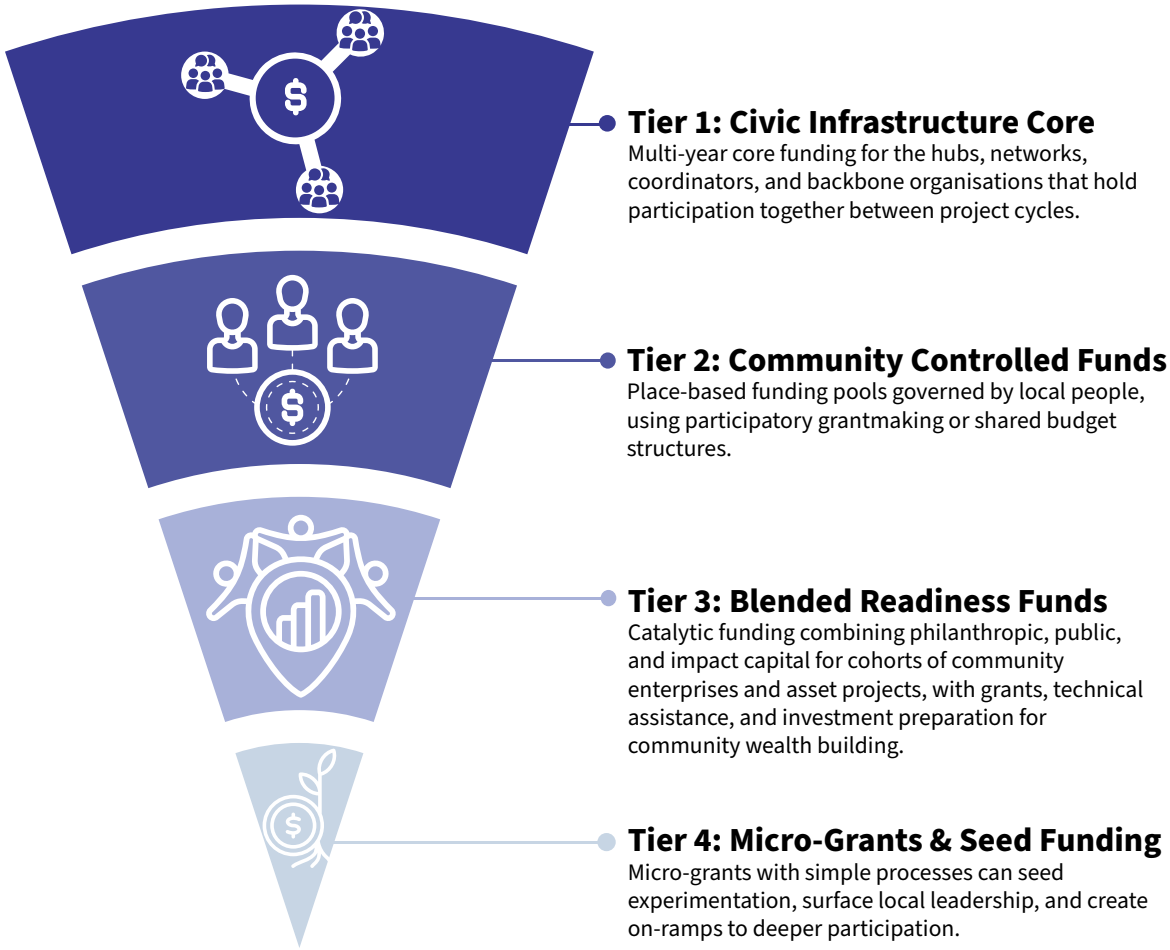


Figure 6: Investment tiers for funding civic and community participation

Tier 1: Civic Infrastructure Core

What it is:
Multi-year core funding for the hubs, networks, coordinators, and backbone organisations that hold participation together between project cycles.

Why it matters:
Civic infrastructure - neighbourhood centres, community foundations, ACCOs, backbone networks - is the connective tissue that sustains social capital across issues and funding cycles. Without stable core funding, this infrastructure relies on volunteers, burns out staff, and collapses between grants.

Typical funding:
- 3–7 year unrestricted or lightly restricted grants
- $150K–$500K per year for backbone organisations
- $100K–$150K per year for community connector roles

Governance:
- Light-touch reporting;
- relationship-based accountability;
- annual reflection conversations rather than compliance-heavy acquittals.

What Foundations could fund:
- Core operating costs for neighbourhood centres, hubs, and backbone organisations;
- Community connector, facilitator, and coordinator roles;
- Governance training and leadership development;
- Participation budgets (stipends, childcare, transport, translation);
- Digital inclusion infrastructure via trusted intermediaries.

Illustrative examples:
- Multi-year core grant to Neighbourhood Centres Queensland for state-wide coordination and learning;
- 5-year backbone funding for a regional community foundation to convene place-based work;
- Paid community connector roles in 3–5 partner communities.

Tier 1 Case Study: The Wilderness Collective, Mallacoota (VIC)

Following the 2019-20 bushfires that destroyed 123 homes, five women from three generations led the creation of the Wilderness Collective, transforming a decrepit building into a solar-powered, debt-free coworking hub that now anchors economic development, youth opportunity, and social wellbeing.

With volunteer labour, local fundraising, and philanthropic partnership, the Collective functions as backbone infrastructure for a remote community, hosting the Sanctuary Youth Group, Friends of Mallacoota habitat restoration, and emerging care initiatives like CHIRF and Mallacoota Cares. The Collective provides an example for the sort of infrastructure that could absorb Tier 1 core funding (estimated $120k-$200k/year over 5 years) in order to sustain the coordination, facilitation, and backbone roles that hold participation together.

The Collective's coordinator described the precariousness of such infrastructure clearly: "We are firmly in the valley of death. If I don't get some money coming in the door, we will be shut by next year".

Multi-year core grants would stabilise this infrastructure and enable succession planning, intergenerational initiatives, and lighthouse documentation for other regional communities.





Tier 2: Community-Controlled Funds

What it is:
Place-based funding pools governed by local people, often with First Nations co-leadership, using participatory grantmaking or shared budget structures.

Why it matters:
Shifting who decides how money flows is itself a power shift. Community-controlled funds move decision-making authority from foundations to communities, building governance capability and ensuring investments respond to community-defined priorities.

Typical funding:
- $500K–$2M per place over 5–10 years
- Community governance body makes allocation decisions
- Foundations provide capital, capacity support, and accountability infrastructure

Governance:
- Community-led steering committees or boards;
- participatory grantmaking processes;
- First Nations co-governance where relevant;
- Indigenous data sovereignty commitments.

What Foundations could fund:
- Capitalisation of place-based community funds;
- Participatory grantmaking pilots and processes;
- Governance capacity building for community decision-makers;
- Technical assistance for fund administration;
- Learning and evaluation as shared assets.

Illustrative examples:
- Place-based community fund in a disaster-affected region with local steering committee;
- First Nations-led fund for cultural and economic priorities, governed by community-controlled organisation;
- Participatory grantmaking where young people allocate a portion of a foundation's local investment.

Tier 2 Case Study: Housing Matters Action Group (HMAG) and the Waterfall Way Community Land Trust, Bellingen (NSW)

HMAG is using creative, relational engagement to ground a 10-year strategy and the development of one of Australia's first community land trusts in Bellingen.

Through community film nights and focus groups, local social workers and community development workers with lived experience of housing precarity approach parents as peers, surfacing rich conversations about "the Bellingen Shuffle" of constant rental moves.

This exemplifies the potential for Tier 2 community-controlled fund design: the community governs priorities, a steering committee shapes allocation decisions, and the process simultaneously builds governance capability while connecting eligible 'missing middle' households into the CLT pipeline.

Philanthropic capital underwrites the relational infrastructure, evidence-building, and governance capability that community wealth building requires.



Tier 3: Blended Readiness Funds

What it is:
Catalytic funds combining philanthropic, public, and impact capital for cohorts of community enterprises and asset projects, with grants, technical assistance (TA), and investment preparation.

Why it matters:
Community wealth building requires patient, place-based capital matched to local priorities and timeframes. Many community-led initiatives need grant funding to reach investment-readiness, technical support to structure deals, and blended capital stacks that combine concessional and commercial capital. Foundations can act as catalytic funder, using philanthropic capital to de-risk and unlock other sources.

Typical funding:
- $1M–$5M per fund, deployed over 5–10 years
- Mix of grants (for readiness, TA, and community development), concessional loans, guarantees, and equity
- Co-investment with impact investors, social investment funds (eg. SEFA), government, and community capital

Governance:
- Fund-level governance with community, funder, and intermediary representation;
- clear investment criteria aligned with principles;
- community veto or co-decision rights on major investments.

What Foundations could fund:
- Readiness grants for community enterprises and asset projects;
- Technical assistance for business planning, governance, and legal structuring;
- Guarantee or subordinate capital to de-risk community investments;
- Capitalisation of community investment vehicles (e.g., community investment co-ops, Community Land Trusts);
- Anchor institution procurement partnerships.

Illustrative examples:
- Blended fund for community energy projects in regional Australia, combining foundation grants with Clean Energy Finance Corporation (CEFC) capital and community investment;
- Readiness cohort for 5–8 community land trust or housing co-op projects, with TA and investment preparation;
- Community investment co-operative capitalisation (modelled on Castlemaine) with foundation seed capital matched by local investors.

Tier 3 Case Study: Castlemaine Community Investment Co-operative (VIC)

The Castlemaine Community Investment Co-operative is a non-distributing co-op of local residents who collectively purchase and manage profitable properties, moving them from speculative real estate markets into long-term community ownership. This keeps wealth circulating locally and strengthens the town's resilience.

A Tier 3 blended readiness fund could provide seed capital matched by local investors, readiness grants for governance and legal structuring, and technical assistance to explore and seed this model in other regional communities facing similar pressures from property speculation and wealth extraction.





Tier 4: Micro-Grants / Seed Funding

What it is:
Micro-grants with simple processes can seed experimentation, surface local leadership, and create on-ramps to deeper participation.

Why it matters:
Many community initiatives begin informally - mutual aid, cultural practice, neighbourhood projects - and are invisible to formal funding systems.

Typical funding:
- $5K–$20K per grant
- Fast decision-making (2–4 weeks)
- Simple application (1–2 pages or verbal/video)
- In-kind and volunteer time accepted as match

Governance:
- Delegated to local intermediaries, community-controlled funds, or backbone organisations;
- Light-touch reporting;
- Learning focus.

What Foundations could fund:
- Seed funding for emerging community initiatives;
- Micro-grants for informal groups, cultural projects, and mutual aid;
- Small innovation grants for participatory experiments;
- Community-led documentation and storytelling.

Illustrative examples:
- $10K micro-grants distributed via neighbourhood centres for resident-led projects;
- Youth-led micro-fund with young people deciding allocations;
- Seed grants for First Nations cultural projects via ACCO partners.

Given all we have discussed above in relation to investment principles and strategies could make this tier of funding seem counter-intuitive. However we suggest that it can help seed deeper participations where conditions for activating civic and community participation are either missing or are less clearly visible.

What Micro-Grants could achieve:
- ***Surface invisible leadership and informal civic activity:*** The literature is clear that in places where socio-economic disadvantage is persistent, forms of informal volunteering, helping and mutual aid can be high even if formal volunteering or other forms of civic participation may be judged to be low. Micro-grants signal that these forms of civic work are valued - and make visible leaders who would never apply for formal grants.
- ***Provide low-barrier on-ramps to participation***: Task-based, creative, and cultural activities provide "gateways to skills and enterprise development, leadership development and income circulation". The Palestinian women's tatreez workshops, the Cherbourg youth NAIDOC ball, the Vic Park Soup micro-grant dinners - all show how modest funding for practical, shared activities creates belonging and seeds future leadership.
- ***Support emergence before structures exist:*** In pre-readiness contexts, there are often no trusted backbone or governance infrastructures. Larger grants would have nowhere to land. Micro-grants allow foundations to support 'what is already happening' rather than imposing external structures. In addition distributing this funding through local intermediaries builds capacity and capability into those organisations, distributing power and leadership, and enables the relational contact necessary in these contexts.
- ***Build trust and test relationships:*** Small, fast, flexible funding is a way to demonstrate trustworthiness before deeper partnership. It shifts the risk from community to funder - communities don't have to over-commit to access resources.
- ***Fund things that don't fit formal categories:*** Mutual aid, cultural practice, community arts and cultural initiatives, neighbourhood experiments, youth-initiated projects - these often don't fit standard grant categories. Micro-grants create space for community-defined priorities outside institutional frames.

What micro-grants cannot do:
- Build sustained civic infrastructure.
- Shift decision-making power at scale.
- Create durable community assets.
- Support complex governance development.
- Replace core funding for backbone organisations.

Tier 4 Case Study: Palestinian Women's Tatreez Collaboration, Logan (QLD)

Low-barrier, culturally rooted activities such as embroidery, food preparation, and narrative therapy exercises brought together more than thirty women from different communities, creating shared presence and informal conversations through which friendships, solidarity, and political voice grew.

This project required modest funding but generated significant belonging infrastructure, particularly for women who were newly arrived, caring for children, and wary of more formal civic spaces.

It demonstrates how micro-grants (5K-20K) can surface invisible leadership, provide on-ramps to deeper participation, and seed future civic engagement through local intermediaries.



Readiness Levels: When and Where to Use Each Tier

Understanding Readiness

Community readiness is not a fixed score or a binary gate. It describes the constellation of conditions that determine what kinds of investment a community can absorb, govern, and sustain at a given point in time. The ACCP evidence consistently shows that participation is shaped by context and conditions, and that what works in one place does not necessarily work in another. Readiness assessment should therefore be undertaken relationally, through dialogue with communities, not applied as an external ranking.

A Participation Readiness Framework

To make readiness practical, this framework identifies four dimensions that shape a community's capacity to absorb and govern participation investment. These dimensions draw on the developmental pathway concept from the ACCP evidence base, which describes participation as a cumulative process from initial connection to active contribution to shared agency and leadership. Together, they provide a diagnostic lens that foundations and their partners can use when scoping potential investments.

Dimension	What to look for	Why it matters
Relational Infrastructure	Trusted connectors, backbone organisations, neighbourhood centres, ACCOs, informal networks	Without relational infrastructure, funding has no-where to land. The evidence shows that participation is strongest where people spend time locally, third spaces are visible, and community connectors actively reduce friction
Governance capability	Experience with shared decision-making, community boards, cooperative structures, participatory processes	Higher-tier investments require communities to govern funds and assets. Governance capability develops through practice and must be built, not assumed.
Economic + asset foundations	Existing community-owned assets, enterprises, procurement relationships or clear pathways towards them	Community wealth building requires a base of economic activity and asset awareness. Without it Tier 3 investments can be premature.
Learning + adaptive capacity	Willingness to experiment, reflect, and adapt; existing feedback loops; peer learning connections	Participation is always evolving and requires a learning posture rather than fixed models. Communities with adaptive capacity can absorb flexible funding productively

Readiness Levels Matched to Tiers

These four dimensions are not binary; they exist on a spectrum. To help match investment types to community contexts, the framework distinguishes four broad readiness levels. These are orienting descriptions rather than rigid categories, and help determine which funding tiers are appropriate and what sequencing might be needed. In practice, a community may sit at different readiness levels across different dimensions, and readiness in one dimension can develop faster when another is already strong.

Pre-readiness (Tier 4 appropriate):
Communities where civic infrastructure is fragile, invisible, or absent. Informal participation may be high, but there are no trusted backbone organisations, no governance infrastructure to channel larger investments, and structural barriers (compliance, insurance, cost) block grassroots action before it begins. Investment at this stage should surface what already exists, build trust, and test relationships through micro-grants distributed via local intermediaries.

Foundational readiness (Tiers 1 and 4 appropriate):
Communities where relational infrastructure exists but is under-resourced and precarious. Trusted connectors, neighbourhood centres, or ACCOs are operating but rely on volunteers, burn out staff, and collapse between grants. Investment should stabilise and strengthen existing infrastructure through multi-year core funding.

Developing readiness (Tiers 1, 2, and 4 appropriate):
Communities where backbone infrastructure is stable and governance capability is growing. There is experience with shared decision-making and community appetite to take on greater authority over funding allocations. Community-controlled funds can begin, supported by governance capacity building and technical assistance.

Investment readiness (All tiers appropriate):
Communities where governance, asset, and learning infrastructure are mature enough to absorb blended capital. There is demonstrated capacity for enterprise governance, asset stewardship, and community-led accountability. Tier 3 blended readiness funds become viable, combining grants, concessional loans, and co-investment.

Key Preconditions for Each Tier

Beyond readiness levels, each tier carries specific preconditions that foundations should confirm before committing capital. These preconditions are not checklists to be completed in isolation; they describe the minimum conditions under which an investment of that type is likely to be productive and accountable.

Tier 4: Micro-Grants	At least one trusted local intermeidary or connector exists; community energy or informal activity is visible; simple learning / monitoring processes (1-2 pages or verbal/video) can be administered locally
Tier 1: Civic Infrastructure Core	Identified backbone organisation(s) with community trust and legitimacy; existing coordination or facilitation roles (even if volunteer-based); demonstrated commitment to place over 3+ years
Tier 2: Community-Controlled Funds	Tier 1 infrastructure in place or being stabilised concurrently; emerging governance body or steering group with community legitimacy; willingness from foundations to cede decision-making authority; Indigenous data sovereignty commitments where First Nations co-goverance is involved
Tier 3: Blended Readiness Funds	Tiers 1 and 2 functioning; demonstrated enterprise or asset governance experience; technical capacity for business planning, legal structuring and fund administration (or access to technical assistance); co-investment partners identified; community veto or co-decision rights established

Foundations should resist pressure to move too fast to higher tiers. The evidence is clear: without foundational civic infrastructure (Tier 1), higher tiers are very unlikely to succeed. The Mallacoota case demonstrates that even highly capable, volunteer-rich communities can sit in a “valley of death” without stable backbone funding. Readiness is not about community deficit; it is about whether the conditions exist for investment to be absorbed productively and governed accountably.

Balancing the Portfolio Over Time

A foundation building a participation portfolio, or a group of fundings building one together, could maintain a balance across tiers, recognising that:

- ***Tier 1 (Civic Infrastructure Core) is foundational***- without this foundation, higher tiers are very unlikely to succeed. This should be the largest share of the portfolio, especially in early years.
- ***Tier 4 (Micro-Grants) provides on-ramps and experimentation capacity.*** Such grants should be delegated to local intermediaries and community-controlled funds.
- ***Tiers 2 and 3 require significant readiness and governance.*** Foundations should resist pressure to move too fast to sophisticated or complex structures before communities are ready.
- ***Scaling should be measured not just by number of sites but by depth of power shift, asset ownership, and policy/institutional change.***

The table below gives an illustrative capital allocation across the four tiers and field-building. These are not fixed targets; they are indicative proportions to help a foundation plan its portfolio shape, and to illustrate the principle that foundational civic infrastructure should receive the largest share of capital in the early years, gradually rebalancing as community readiness develops and higher-tier investments become viable. Field-building and shared learning, while a smaller share of total spend, are essential throughout, particularly in the first two years while field activation and cross-place learning are being established.

A foundation that cannot fund every tier can use the same logic to decide where its contribution fits within a shared portfolio, for example by holding the micro-grant tier locally while a larger partner anchors Tier 1 and Tier 3.

Questions for your foundation

- Which readiness levels best describe the communities we already work with?
- Which tier, or which part of a tier, is the natural home for our capital, and who could hold the others?

Indicative Portfolio Capital Allocation (Illustrative)

Tier	Year 0	Year 1-2	Year 3-5	Year 5-10
Field Activation / Learning Development	50%	10%	5%	5%
Civic Infrastructure	30%	50%	40%	35%
Community Controlled Funds	-	15%	25%	30%
Blended Readiness Funds	–	10%	20%	25%
Micro-Grants / Seed	20%	15%	10%	5%

Investment Opportunities

This section translates the investment strategies and funding architecture into actionable opportunity areas, organised by strategic domain. Each domain follows the three-layer structure outlined above: a strategic opportunity area describing the broad investment focus, indicative investment cases drawn from ACCP fieldwork that illustrate where early investment explorations might begin, and scoping priorities where the evidence points to high-value investment but specific partners have not yet been identified.

The indicative investment cases are not commitments. They are drawn from the ACCP fieldwork because they surface practice, relationships, and community contexts that align with the investment principles and strategies set out in this framework. They represent the kinds of initiatives foundations could explore in early conversations, through due diligence, and relationship-building as the portfolio develops.

Insights from the learning phase, which has its own defined set of projects and backbone partners, will further refine which of these (or others) progress to active investment. Scoping priorities are deliberately kept at a higher level, as the learning phase should shape the specifics of what follows rather than pre-determining them.

Domain 1: Civic Infrastructure and Backbone Organisations

Strategic intent: Fund the coordination, facilitation, and backbone roles that hold participation together between project cycles - treating civic infrastructure as essential investment, not overhead.

Primary strategies: Resource the Enabling Conditions; Invest in Belonging Infrastructure

Strategic opportunity area: Multi-year core funding for the hubs, networks, coordinators, and backbone organisations that hold participation together between project cycles. The evidence is clear that participation scales through infrastructure and authority, supported by backbone roles that hold the work together. Without stable core funding, this infrastructure relies on volunteers, burns out staff, and collapses between grants.

Indicative investment cases:

- ***The Wilderness Collective (Mallacoota, VIC):*** Community-led post-disaster backbone organisation that has transformed a decrepit building into a solar-powered coworking hub anchoring economic development, youth opportunity, and social wellbeing. Currently in the “valley of death” between grant cycles, the Collective illustrates the case for multi-year operational funding to stabilise backbone infrastructure in regional communities.
- ***Neighbourhood Centres QLD:*** State-wide coordination, peer learning network, and sector capacity building that illustrates how backbone infrastructure operates at scale. An investment exploration could focus on the coordination costs that enable volunteering and social capital development across the network.

Scoping priorities: First Nations backbone infrastructure and ACCO partnerships, shaped through First Nations-led processes; opportunities where civic infrastructure serves several of a foundation’s program areas at once.

Domain 2: Community-Controlled Funds and Participatory Grantmaking

Strategic intent: Shift who decides how money flows - moving decision-making authority from foundations to communities, building governance capability, and ensuring investments respond to community-defined priorities.
Primary strategies: Build Pathways from Participation to Power; Rewire Funding Cultures

Strategic opportunity area: Place-based funding pools governed by local people, using participatory grantmaking or shared budget structures, so that communities make allocation decisions about resources that affect them. Shifting who decides how money flows is itself a power shift, and the process of governing a fund builds governance capability that communities retain long after any single grant.

Indicative investment cases:

- ***Housing Matters Action Group / Waterfall Way Community Land Trust (Bellingen, NSW)***: HMAG's steering committee and community engagement model offers a live example of community governance developing in real time, as residents shape a 10-year strategy and Australia's first community land trust. Foundations could explore capitalising a place-based community fund with the steering committee making allocation decisions on community development priorities linked to the CLT pipeline.
- ***Cherbourg Youth Advisory Group (QLD):*** Young people in this First Nations community already exercise leadership through delivering community events like the NAIDOC Ball, building practical governance skills through real responsibility. An exploration could consider a youth-led participatory grantmaking pilot where young people allocate a portion of funds for community priorities, generating learnings around First Nations youth governance.
- ***Vic Park Collective (WA):*** The Vic Park Soup model of micro-grant dinners, where community members pitch ideas and attendees vote to allocate funding, offers a lightweight entry point to participatory grantmaking that could be explored and adapted for other contexts.

Scoping priorities: First Nations-led community-controlled funds with genuine self-determination in governance design (to be co-designed through the First Nations participation stream); disaster-affected regions where community-controlled funds could support locally governed recovery; integration with a foundation's existing place-based work.

Domain 3: Community Wealth Building and Shared Assets

Strategic intent: Shift economic resources - land, property, enterprises, capital - into community ownership and governance, so participation leads to wealth, not just voice.

Primary strategies: Grow Shared Assets Under Community Control; Participation Builds Wealth

Strategic opportunity area: Investment that shifts economic resources into community ownership and governance, so that participation leads to wealth, not just voice. Australia faces an unprecedented intergenerational wealth transfer of an estimated $3.5 to $5.4 trillion over the coming decades, which, without deliberate intervention, will deepen asset-based inequality. Community wealth building strategies convert participation into pathways for community ownership and shared economic power, making the social and economic benefits of participation durable rather than episodic.

Indicative investment cases:

- ***Housing Matters Action Group / Waterfall Way Community Land Trust (Bellingen, NSW):*** An investment exploration could consider how seed funding, technical assistance, and governance development support could be combined to progress this model toward viability.
- ***Castlemaine Community Investment Co-operative (VIC):*** Foundations could explore providing readiness grants and technical assistance to support other regional communities facing similar asset-stripping pressures.
- ***Karen Community House (Nhill, VIC):*** The Karen community's experience demonstrates how settlement, enterprise, and community-owned spaces generate long-term economic and social returns, with more than 300 community members contributing over $100 million to the regional economy. This offers a compelling indicative case for how community wealth building intersects with migration, social cohesion, and place-based revitalisation.

Scoping priorities: Community-controlled procurement pathways with anchor institutions (councils, hospitals and universities); community energy projects and cooperative enterprise development in regional Australia; blended capital stacks combining philanthropic, public and community investment; connections to a foundation's existing work on economic security or economic dignity. Early learning should clarify which asset types and ownership models are most viable and impactful in the Australian context before committing to larger-scale Tier 3 investment.

Domain 4: Climate and Disaster Preparedness

Strategic intent: Resource participation infrastructure that enables community-led preparedness, response, and recovery - recognising that social capital is the strongest predictor of resilience.

Primary strategies: Resource the Enabling Conditions; Invest in Belonging Infrastructure; Grow Shared Assets

Strategic opportunity area: Investment in participation infrastructure that enables community-led preparedness, response, and recovery, recognising that social capital is the strongest predictor of community safety and recovery from natural disasters. Resilience is built through community participation before, during, and after shocks, and the relationships grown through everyday participation become the channels for self-organisation, improvisation, and transformative adaptation.

Indicative investment cases:

- ***The Wilderness Collective (Mallacoota, VIC):*** Directly demonstrates how community-led infrastructure built after the 2019-20 bushfires supports ongoing resilience, from the coworking hub and Sanctuary Youth Group to Friends of Mallacoota's habitat restoration and emerging care initiatives. It also surfaces critical tensions around funding architecture: short timeframes, complex acquittals, and competitive grants actively discourage participation, while trust-based philanthropy and community asset ownership sustain it. Foundations could explore this as an indicative model for how backbone investment in disaster-affected communities generates resilience as a co-benefit of participation infrastructure.
- ***DisasterWISE Communities Network (Australia-wide):*** A community-led learning network linking communities living with disasters so they can exchange knowledge, build relationships, and shift how disaster resilience is practised. An investment exploration could consider multi-year coordination funding to stabilise its stewarding board, four work-package groups, and collaborative governance platform.

Scoping priorities: Locally embedded community resilience coordinator roles with long-term funding beyond single disaster events; community-owned infrastructure (hubs, gardens and cultural centres) that doubles as evacuation, coordination and recovery space; connections to a foundation's existing climate and environment work. Early learning should test how participation infrastructure built for everyday purposes performs under disaster conditions, rather than creating separate "resilience programs".

Domain 5: Gender Equity and Inclusive Participation

Strategic intent: Design participation to address gendered barriers - recognising that women often build and sustain participation infrastructure but hold less formal power, and ensuring participation translates informal leadership into shared authority.

Primary strategies: Resource the Enabling Conditions; Build Pathways from Participation to Power; Equitable by Design

Strategic opportunity area: Investment that designs participation to address gendered barriers and ensures that women's informal leadership translates into shared power and authority, not just involvement. The evidence shows that women often build and sustain participation infrastructure but hold less formal power, and that gendered barriers including unpaid care, economic insecurity, safety concerns, and cultural exclusion systematically suppress participation. Effective practice makes participation materially possible through childcare, stipends, transport, culturally safe spaces, and flexible design.

Indicative investment cases:

- ***Palestinian Women's Tatreez Collaboration (Logan, QLD):*** Shows how women-led, creative, culturally grounded practice can both strengthen everyday social bonds and open pathways into civic life, particularly for migrant and Muslim women whose public voices are often constrained by racism, gendered care responsibilities, and precarity. An investment exploration could consider support for continuity and expansion of this work, alongside documentation of what makes creative, low-barrier, women-led participation effective across cultural contexts.
- ***Kyloring Housing Co-operative (WA)***: An affordable, resident-developed seniors' cohousing community that embeds deep participation through sociocratic circles, a participation agreement, and a budgeted community facilitator role. Illustrates how cooperative housing can be designed to address intersecting barriers of gender, age, and disability from the outset, and offers an indicative model for gender-equitable community asset development.
- ***Wise Well Women (Shepparton, VIC):*** A currently volunteer-run initiative focused on women's wellbeing and participation that could benefit from multi-year operational funding to stabilise and grow. Represents the kind of small, trusted, women-led infrastructure that is invisible to most funders but functions as core civic fabric.

Scoping priorities: Integration with a foundation's existing gender equality work, particularly on women's economic opportunity; First Nations women's leadership pathways, shaped through partnership with First Nations-led organisations (the ACCP fieldwork identified the Wiyi Yani U Thangani Institute for First Nations Gender Justice as one potential partner for example); participation design standards that apply an intersectional lens across all domains, not only the gender domain.

Domain 6: Youth Participation and Intergenerational Civic Practice

Strategic intent: Create genuine pathways for young people to participate in decisions about climate, housing, and local futures - not just consultation, but real authority and resources.

Primary strategies: Build Pathways from Participation to Power; Invest in Belonging Infrastructure

Strategic opportunity area: Investment that creates genuine pathways for young people to participate in decisions about climate, housing, and local futures, with real authority and resources rather than consultation alone. The evidence shows that young people do not necessarily engage in traditional models; they want something creative, digital, inclusive, and genuine. At the same time, intergenerational practice, where youth, parents, and elders participate together, builds stronger social capital and community resilience than age-segregated approaches.

Indicative investment cases:

- ***Cherbourg Youth Advisory Group (QLD):*** Young people in Cherbourg gain practical skills in organisation, communication, and teamwork through planning and delivering community events, with participation understood as a pathway to community leadership rather than a tokenistic exercise. The centropic farming project further connects young people to food production, land stewardship, and economic opportunity. Foundations could explore how this model might inform the design of youth participation infrastructure in other First Nations communities.
- ***Buzzly Initiative (Auckland, NZ):*** While based in New Zealand, this digital youth engagement platform co-created with Auckland Council offers practical lessons in how incentives, recognition, micro-payments, and peer-led design can make civic participation accessible and ongoing for young people. Foundations could explore whether the principles and design features are transferable to an Australian context.
- ***Think Forward (Australia):*** A non-partisan think tank led by younger Australians that translates complex economic and policy ideas into relatable content and campaigns, demonstrating how accessible economic education, narrative change, and digital organising can invite younger generations into civic participation. An investment exploration could consider how this kind of youth-led narrative infrastructure complements place-based participation work.

Scoping priorities: Youth-led participatory budgeting pilots with real budgets, in partnership with local councils; intergenerational governance forums that strengthen family and community resilience; youth climate assemblies and deliberative processes; connections to a foundation's early years work, particularly how participation by young parents creates conditions for child wellbeing.

Domain 7: Field-Building, Learning, and Narrative

Strategic intent: Invest in learning, narrative, and experimentation as legitimate outcomes - treating data and stories as shared assets owned by communities, not compliance burdens.

Primary strategies: Rewire Funding Cultures; Learning as a Shared Asset

Strategic opportunity area: Investment in the shared knowledge, practice, and narrative infrastructure that the whole participation ecosystem needs. This domain is distinctive because it supports all other domains: the tools, stories, evidence, and peer connections generated here enable practitioners, funders, and policymakers to learn and adapt across the system.

Indicative investment cases:

- ***A Field Activation Platform (Stream 1):*** A co-designed living repository and knowledge platform to package and share tools, briefs, and guidance from this and other evidence bases, co-delivered with advocacy teams.
- ***Cross-place learning exchanges:*** Co-learning partners offer potential nodes for structured peer exchanges between the indicative investment cases listed across domains. Foundations could explore how to fund and facilitate these exchanges so that learning generated in one place informs practice and investment in others.
- ***Community researcher methodology:*** The ACCP's engagement of community researchers, trusted locals engaged to contribute lived experience and relational insight, is itself a methodological innovation worth documenting and sharing. An investment exploration could consider funding a practice guide and peer network for community research across the participation ecosystem.
- ***Peter McKenzie Project (Aotearoa NZ):*** As a 17-year, $17 million spend-down fund that invites funded partners into strategy, learning, and

some funding decisions, PMP offers a living case study in participatory philanthropy. Foundations could explore learning exchanges with overseas funders such as PMP to generate practical insights into how funder practice shifts work over time.

Scoping priorities: Narrative and storytelling as field-building work, including support for communities to tell their own stories rather than having them told by external evaluators; Indigenous Data Sovereignty capacity building; a funder practice peer network connecting Australian philanthropic peers around shared learning on participation funding; development of a pragmatic measurement framework using hope, confidence and agency as headline signals. Early learning should test which narrative and knowledge-sharing approaches actually influence funder and policymaker behaviour, rather than assuming that producing evidence is sufficient.

A Note on Cross-Domain Connections

These seven domains are presented separately for clarity, but in practice they are deeply interconnected. Many of the indicative investment cases sit across multiple domains: Mallacoota spans civic infrastructure, climate resilience and community wealth building; Norlane connects civic infrastructure, wealth building and belonging; HMAG bridges community-controlled funds and shared assets; and the Palestinian women's collaboration links gender equity and belonging infrastructure. A key task in early investment explorations is to understand how investments in one domain generate benefits across others, and whether the domain structure remains useful or should be reorganised around place-based portfolios that cut across domains. Applied learning projects and backbone co-learning partners are well suited to surfacing these cross-domain dynamics.

Roles, Partnerships & Funder Practice

This section examines who else is working in the civic and community participation space in Australia, what gaps exist in the current philanthropic landscape, and what distinctive roles foundations can play. Rather than simply listing actors, it analyses the structural features of the Australian funding ecosystem that shape what is possible, and identifies the practice shifts foundations would need to make to credibly lead in this space.

The Australian Philanthropic Landscape for Civic and Community Participation

Australia has a growing but fragmented philanthropic ecosystem relevant to civic and community participation. Several major foundations and intermediaries are active, but their work is distributed across adjacent concerns rather than deliberately coordinated around participation as a strategic priority.

Structural Gaps in the Current Landscape

Despite this activity, the ACCP evidence base and the broader philanthropic landscape reveal five structural gaps that limit the impact of current funding on civic and community participation.

- **Gap 1: No funder treats participation as core infrastructure.** Most Australian philanthropy funds participation instrumentally, as a means to achieve outcomes in education, health, housing, or employment. No major funder has yet framed participation itself as investable infrastructure analogous to roads, hospitals, or broadband. This means the backbone coordination, facilitation, and connector roles that hold participation together are chronically underfunded, treated as administrative overhead rather than essential assets. The Mallacoota Wilderness Collective's "valley of death" is not an aberration; it is the predictable result of a funding architecture that does not recognise civic infrastructure as a category.
- **Gap 2: Short funding cycles dominate.** Even among foundations committed to place-based and community-led work, typical grant terms remain one to three years. FRRR's Small and Vital grants, for example, have delivery timeframes of 12 to 18 months. While these serve important purposes, the ACCP evidence is unambiguous that participation that shifts power is built over five to ten years, not one to three. The trust-based philanthropy movement is gaining traction globally, with more than 70 philanthropic entities signing pledges to simplify grantmaking, extend funding terms, and remove restrictive conditions. Australian philanthropy has begun engaging with these ideas, but practice has not yet caught up to aspiration.
- **Gap 3: Community wealth building is virtually absent from philanthropic portfolios.** While the Paul Ramsay Foundation has begun advocating for community wealth building trials in areas of entrenched disadvantage, no Australian funder has yet made sustained investment in community land trusts, community investment cooperatives, anchor institution procurement reform, or other mechanisms that shift economic assets into community control. This is a significant gap given the estimated $3.5 to $5.4 trillion intergenerational wealth transfer that risks deepening asset inequality without deliberate intervention.
- **Gap 4: Coordination exists for place-based work, but not for participation.** PLACE represents a landmark collaboration between government and philanthropy for place-based approaches, initially focused on entrenched disadvantage, early years, employment, and energy transition. The Investment Dialogue for Australia's Children (IDAC) coordinates funders around early childhood outcomes. This is not an argument for this level of collaboration, however, there is no real coordination mechanism for civic and community participation as a cross-cutting capability. Funders working on adjacent

topics, such as social cohesion, democratic resilience, community development, and disaster recovery, rarely compare notes on participation as the shared infrastructure that underlies all of these.

- **Gap 5: First Nations self-determination remains under-resourced and under-governed.** While several foundations support First Nations-led initiatives, the ACCP evidence shows that genuine self-determination requires more than funding Aboriginal Community Controlled Organisations. It requires Indigenous Data Sovereignty (CARE and OCAP principles), community control over governance design, and funding architectures that do not impose external accountability frameworks on communities exercising self-determination. This is an area where Australian philanthropy collectively has significant work to do.

What Greater Funder Collaboration Could Achieve

Addressing these gaps does not require a new coalition or formal collaborative structure. What is needed first is a shared understanding of the landscape, and then deliberate coordination around specific roles and investment gaps. The ACCP process strategy notes consistent feedback that the sector is looking for direction and coordination from funders willing to lead. Three forms of funder collaboration would be particularly valuable.

Shared intelligence on participation funding. No comprehensive mapping exists of what Australian philanthropies are currently investing in civic and community participation, broadly defined. Funders working on place-based disadvantage, democratic resilience, social cohesion, disaster recovery, community development and gender equity are all funding participation-adjacent work without necessarily recognising the overlap. A lightweight mapping exercise, potentially hosted through Philanthropy Australia or ACF, could surface where investments cluster, where gaps persist and where coordination would add value without requiring formal partnership structures.

A funder learning network on participation practice. The trust-based philanthropy movement demonstrates that funder practice shifts happen faster when funders learn together. A small, informal peer network of Australian funders interested in participation (distinct from PLACE or IDAC, which have their own mandates) could share emerging practice, commission shared research and hold each other accountable for practice shifts. A shared knowledge platform could serve as a resource for such a network.

Complementary positioning across funding tiers. Different foundations have different risk appetites, time horizons and areas of expertise. Rather than all funders converging on the same approach, greater value comes from deliberate complementarity. FRRR, for instance, has strong reach into small rural and remote communities and could be a natural partner for Tier 4 micro-grant distribution. Foundations with scale and a focus on entrenched disadvantage are well placed to co-invest in Tier 1 backbone infrastructure in priority communities. Smaller foundations and community foundations can amplify Tier 4 and Tier 1 investments at the local level. Large foundations with long-term capital, appetite for complexity, convening power and established partner networks are positioned to take on the higher-risk, longer-horizon work that others cannot: Tier 2 community-controlled funds, Tier 3 blended capital, and the field-building that benefits everyone.

Finding Your Foundation's Distinctive Role

Given this landscape and these gaps, a foundation's value lies not in duplicating what others already do, but in occupying the roles that its particular combination of assets makes possible. Four roles emerge from the evidence. Most foundations will play one or two strongly; few will play all four.

Catalytic funder. Using philanthropic capital to de-risk and unlock other sources of capital for participation infrastructure. This means making early, patient investments in community land trusts, cooperative enterprises and community investment vehicles that demonstrate viability and attract government co-investment, impact capital and community capital over time. It also means underwriting the governance development and technical assistance that communities need before they can absorb larger or more complex capital.

Field-builder. The ACCP evidence base is, by some measures, among the most comprehensive investigations of civic and community participation undertaken in Australia. But evidence without distribution infrastructure is inert. Field-building involves investing in the shared knowledge, narrative and practice infrastructure that the whole sector needs, through shared platforms, ongoing convening and support for peer learning across places and organisations. This includes investing in narrative and storytelling as legitimate field-building work, not as "soft" outputs subordinate to quantitative data.

Learning partner. The way a foundation funds is itself a signal to the field. By modelling a different kind of funder relationship, based on trust, shared governance, adaptive practice and genuine willingness to cede decision-making authority, a foundation can demonstrate what trust-based philanthropy looks like in the Australian context. This matters because Australian philanthropy has been slower than its US and UK counterparts to adopt trust-based practices at scale.

Convenor. Foundations with institutional weight and cross-sector relationships can bring together philanthropy, government and community actors around shared strategies. This is not the same as building a formal collaborative. It means using convening power strategically to surface shared interests, broker complementary investments, and advocate for policy and system shifts that no single funder can achieve alone. Community foundations can play this role powerfully at a regional level.

Practice Shifts Needed

To credibly occupy these roles, foundations would need to make a number of internal practice shifts. These are not abstract aspirations; they are the operational implications of the investment principles set out earlier in this framework. The ACCP evidence base identifies them as essential, and the global trust-based philanthropy movement provides both precedent and practical guidance (Trust-Based Philanthropy Project, n.d.).

From project-based to place-based funding. Most philanthropic portfolios are organised around issue areas or programs. Participation infrastructure is organised around places. Foundations would need the internal capacity to hold place-based portfolios, where multiple investments in a single community or region are coordinated, adaptive and governed relationally rather than through separate program streams. This has implications for how teams are structured, how reporting works and how success is defined.

From compliance-heavy reporting to trust-based, community-defined learning. The six practices of trust-based grantmaking, which include giving multi-year unrestricted funding, doing the homework rather than requiring lengthy applications, simplifying and streamlining paperwork, and being transparent and responsive, provide a concrete framework (Trust-Based Philanthropy Project, n.d.). This means redesigning application and reporting processes so they are proportionate to grant size, useful to communities rather than only to the foundation, and designed around learning rather than compliance. For Tier 4 micro-grants, this might mean one-page or verbal applications. For Tier 1 core funding, it means co-designed learning frameworks. For Tier 3 blended capital, it means governance structures where communities have veto or co-decision rights.

From short-term delivery expectations to long-term stewardship. The evidence is unambiguous: participation that shifts power requires five to ten years of sustained investment. Funding architecture should default to multi-year commitments (minimum three years, aiming for five), with adaptive review points rather than rigid deliverables. This means building internal comfort with uncertainty, accepting that year-one results will look like "relationships forming" rather than "outcomes delivered", and resisting pressure to demonstrate quick wins at the expense of structural depth.

From funding organisations to funding ecosystems. A portfolio of individual grants to individual organisations, no matter how well selected, will not build participation infrastructure. Infrastructure is relational: it exists in the connections between organisations, and in the peer networks, learning exchanges and shared governance structures that allow knowledge and practice to flow across places. Foundations would need to invest deliberately in this connective tissue, including cross-place learning exchanges, backbone co-learning partners and shared platforms, not only in the individual nodes.

From funder-defined measurement to community-owned learning. Measurement in participation work must serve three purposes: informing the foundation's investment decisions, supporting community-level learning and adaptation, and building the evidence base for the broader field. This requires co-designing measurement with communities so it is useful to them and proportionate to grant size. It means committing to Indigenous Data Sovereignty in all First Nations partnerships. And it means accepting that the most important signals of change, such as hope, confidence, agency, new people showing up, unexpected collaborations and shifts in how communities talk about their futures, are qualitative and emergent, and best captured through participatory methods like Most Significant Change (Davies & Dart, 2005) rather than predetermined indicator frameworks.

From neutral positioning to active advocacy. A foundation's institutional voice carries weight. Using it to advocate for policy and system shifts, such as longer government funding cycles for community infrastructure, reformed procurement practices by anchor institutions, and recognition of civic infrastructure as an essential public good, would amplify the impact of direct investments many times over. This does not require partisan positioning; it

requires willingness to name the structural barriers that suppress participation, and to use the foundation's platform to make the case for change.

Committing to participatory grantmaking. At least a portion of a foundation's participation portfolio should be governed through participatory grantmaking, where communities or representative bodies make allocation decisions. This is not only an operational choice; it demonstrates the framework's core principle that power should shift to communities. Tier 2 community-controlled funds provide the natural vehicle, but the principle should influence how decisions are made across all tiers, including through community advisory panels, co-design processes and feedback mechanisms that give communities real influence over the foundation's strategy.

A Realistic Sequence for Practice Shifts

These shifts will not all happen at once, and attempting to implement them simultaneously risks institutional overload. But they do not need to happen in a vacuum. Foundations can test, refine and embed them through a defined phase of applied learning, built on the evidence the ACCP inquiry has already generated.

From inquiry to mobilisation

The ACCP project delivered a 12-month foundational inquiry into civic and community participation across Australia, generating a substantial and integrated evidence base. That evidence base tells a consistent story: participation is not a discretionary social outcome, but core civic and social infrastructure. It underpins hope, confidence and agency in communities, and shapes outcomes across social cohesion, economic opportunity, gender equity and resilience.

The evidence also tells a sobering story about barriers. Participation is constrained not by a lack of community motivation, but by entrenched structural conditions:

- time poverty driven by insecure work and caring responsibilities;
- cost-of-living pressures that crowd out civic engagement;
- fragmented and under-resourced local infrastructure, and the absence of funded community connector roles;
- compliance, insurance and risk settings that actively discourage community-led activity;
- limited access to flexible and patient capital;
- funding and policy architectures that reward short-term delivery over continuity, learning and sustained agency.

Left unaddressed, these barriers will continue to suppress participation regardless of how willing communities are to engage. For any foundation, the practical next step is to move from research into mobilisation and applied learning, using existing insights, partnerships and momentum while they are still fresh, and in parallel embedding participation across its own portfolio.

The case for moving promptly

There is a real risk that insights from inquiries like this one lose traction if they are not mobilised in a timely way. Communities across Australia are experiencing intensifying pressures on social cohesion, trust and agency. The philanthropy and community development sectors are actively seeking practical leadership on participation: not from a single organisation claiming to have all the answers, but from funders willing to interrogate what is not working, test what does, and support greater coherence across the ecosystem.

Throughout the ACCP fieldwork and ecosystem engagement, the research partners encountered a consistent signal: practitioners, intermediaries and peer funders are ready for this work, and are looking for critical, evidence-informed direction. Delay risks more than lost momentum. It risks relationships fraying, evidence becoming disconnected from the communities that generated it, and the window for catalytic action closing as attention moves elsewhere.

Results & Learning

Approach to Results

Measuring the impact of participation work presents a genuine challenge: the outcomes are emergent, contextual, and often invisible to conventional measurement. The ACCP evidence makes clear that rigid outcomes, over-prescription, and risk aversion weaken participation. At the same time, foundations and other funders need practical tools to know whether investments are working, to make course corrections, and to build the evidence base that justifies continued and expanded commitment.

Given this tension, a single outcomes framework would be counterproductive. Instead, foundations should consider adopting a layered approach to results and learning that serves three purposes:

- informing foundations investment decisions;
- supporting community-level learning and adaptation; and
- building the evidence base for the broader field.

The CPI MEL Framework & Most Significant Change

Two approaches already identified through the ACCP work provide a strong foundation.

- The CPI Wayfinding Guide provides a systems-oriented approach to monitoring, evaluation, and learning that helps funders navigate how to enable participation rather than prescribing what to fund. It could support a foundation to map the conditions that enable participation and choose funding roles and postures accordingly.
- Most Significant Change (MSC) is a participatory evaluation method well suited to this work because it allows communities to define what counts as meaningful change, surfaces unexpected outcomes, and builds shared understanding between funders and communities through story-based dialogue. MSC should be embedded as a core practice across all tiers.

Additional Approaches for Practical Decision-Making

These two approaches provide the strategic and participatory foundations, but foundations also need tools for real-time, practical decision-making. Three additional approaches could fill this gap:

- ***Weak signals monitoring:*** Weak signals are early, qualitative indicators that something is shifting before it shows up in formal data. In participation work, weak signals might include new people showing up at community events, informal leaders starting to take on formal roles, unexpected collaborations emerging between previously disconnected groups, or changes in how community members talk about their agency and future. Weak signals are particularly valuable in pre-readiness and foundational readiness contexts where formal measurement is premature. They can be captured through regular reflective conversations with community connectors and backbone organisations, and should be documented and shared across places to support pattern recognition.
- ***Lead indicators***: While traditional outcome measurement is retrospective, lead indicators point to the conditions that make outcomes likely. They give foundations a way to assess whether the right foundations are being built, without waiting years for lagging outcome data. Drawing on the ACCP evidence, practical lead indicators for participation infrastructure include:
  - Number and stability of trusted connector/coordinator roles in a place;
  - Diversity of who is participating (by age, gender, cultural background, disability, economic status);
  - Existence and use of community-controlled gathering spaces;
  - Whether communities are setting agendas or responding to externally set ones;
  - Presence of pathways from informal involvement to governance roles;
  - Evidence of economic value staying local (community-owned assets, local procurement shifts);
  - Quality of relationships between communities and institutions (as reported by communities).

  These lead indicators align with the process strategy's proposal to use hope, confidence, and agency as headline signals, combined with quantitative indicators aligned with Gallup, OECD, and World Values Survey (WVS) indices.
- ***Contribution analysis over attribution:*** In complex systems work, it is rarely possible to attribute outcomes to a single intervention. Contribution analysis asks

whether the investment plausibly contributed to observed changes, given the context and the evidence. This approach is well established in international development and systems change evaluation, and respects complexity while still supporting accountability.

Results Across Three Horizons

Because participation infrastructure develops cumulatively, results will look different depending on the stage of investment.

The following table maps potential indicative results across three horizons, aligned with the readiness levels described earlier in this framework.

Practical Principles for Measurement

Whatever combination of tools a foundation adopts, the following principles should guide how measurement is designed and used across the portfolio:

- Co-design measurement with communities so it is useful to them and proportionate to grant size;
- Treat data and stories as shared assets owned by communities, not compliance burdens;
- Commit to Indigenous Data Sovereignty in all First Nations work;
- Invest in narrative and storytelling as legitimate field-building work, not just "soft" outputs;
- Use measurement to identify particular challenges and opportunities in context, not to rank places against each other.

Horizon	Investment Timeframe	Examples / indicative results to look for	Potential ways to measure
Horizon 1: Foundations	Funded Years 1-2	Relationships forming; trust building; backbone roles stabilised; barriers identified; micro-grants seeding activity; learning infrastructure established	Weak signals; reflective conversations; MSC stories; process documentation; lead indicators
Horizon 2: Emergence	Funded Years 3-5	Governance capability growing; community-controlled funds operating; asset pathways developing; participation deepening and diversifying; cross-place learning happening	Lead indicators; MSC; community-defined metrics; contribution analysis
Horizon 3: Structural Shifts	Funded Years 5-10	Power visibly shifted (who decides, who owns); community wealth growing; policy and institutional practice changing; participation infrastructure self-sustaining	Outcome measures; policy shifts tracking; asset and wealth indicators; community-led evaluation; field-level narrative shifts

Conclusion:

This Investment Opportunity Framework does not present a single program to be delivered. It presents a strategic architecture for how philanthropic foundations can invest in the civic infrastructure that underpins whatever else they seek to achieve, whether in thriving communities, gender equality, climate resilience or other areas of social change.

The evidence from twelve months of inquiry across more than a dozen communities, 400 voices and three complementary lenses is consistent: participation is core community infrastructure, not a program outcome. It is constrained not by motivation but by entrenched structural barriers. And it is strongest where communities have real authority over decisions, assets and futures.

The framework offers foundations four interconnected tools for action:

- Investment principles that screen and align every decision around long-term, flexible, power-shifting and wealth-building approaches;
- Five strategies that translate principles into practical priorities, from resourcing enabling conditions to rewiring funding cultures;
- A four-tier funding architecture matched to community readiness levels, with clear preconditions and pathways between tiers.
- A results and learning approach that combines systems-oriented MEL, Most Significant Change, weak signals and lead indicators to support adaptive decision-making without over-prescribing.

The named opportunities in this framework should be treated as test cases and illustrations, not as a finalised investment portfolio. The natural next step for any foundation is a period of applied learning: sharing the evidence broadly, and testing these ideas in practice with communities, First Nations-led partners and co-learning organisations.

No single foundation can resource this alone, and none needs to fund everything. Each can start from where it is: applying the principles as a first filter, using the forms of power it already holds, choosing an entry point that matches its scale, and joining with others to extend the horizon for communities. A foundation's distinctive contribution is to model a different way of funding: long-term, trust-based, structurally bold and genuinely willing to shift power.

If foundations can demonstrate together that this approach produces stronger, more resilient communities, they will have done something more valuable than any single program. They will have helped rewire how participation is resourced across Australian philanthropy.

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