

Informative summary: Grants in balance

An evaluation of the Augustinus Foundation's practice relating to capacity grants to non-governmental organisations in civil society working with vulnerable individuals

October 2025

Introduction

As part of its support for social initiatives in Denmark, between 2020 and 2024 the Augustinus Foundation awarded a total of DKK 137m to non-governmental organisations (NGO) in civil society working with vulnerable individuals. A significant portion of this funding took the form of capacity and organisational development grants. The aim of these is not to create new projects but to consolidate the initiatives the recipient organisations are already delivering and make them more sustainable. This may concern better conditions for employees and volunteers, stronger leadership, method development, knowledge building and/or reaching out to more vulnerable individuals.

Capacity grants are characterised by their flexibility and a multi-year perspective, typically three to five years. This sets them apart from conventional project support, which is usually short-term and focused on new activities. The evaluation investigates the impact the capacity grants have had for the nine recipient organisations, and the strengths, challenges and perspectives associated with this form of grant. The evaluation is further intended to show how the collaboration between the Foundation and the recipients has been perceived, and how the experiences gained can contribute to future decisions on grant practice.

Conclusion: A grant that creates balance

The evaluation shows that capacity grants give the organisations receiving them a significant boost. The grants foster stability, a sense of calm, and more favourable conditions for strategy and development. The organisations have the opportunity to raise their level of ambition, strengthen employee wellbeing, develop methods in the field of social work, and bring operations and development into balance.

Overall, the grants are perceived as being easy to administer and having a significant internal knock-on effect. At the same time they provide legitimacy, bolstering the organisations' opportunities to attract support from other quarters. The challenges experienced are linked primarily to the processes surrounding the grants: how the organisations are selected, how

expectations are aligned, and how trust and transparency are established. Implementation plans and exit strategies are particularly challenging for the smaller organisations.

Results

At the time of the evaluation, the following nine non-governmental social voluntary organisations were in receipt of an active capacity grant: Morgencafé for Hjemløse, PUK - Politiets Ungdomsklub, Landsforeningen Lænken, STH Servicehunde til Handicappede, Foreningen Fisken, Settlementet Vesterbro, Mændenes Hjem, WeShelter and KFUK's Sociale Arbejde.

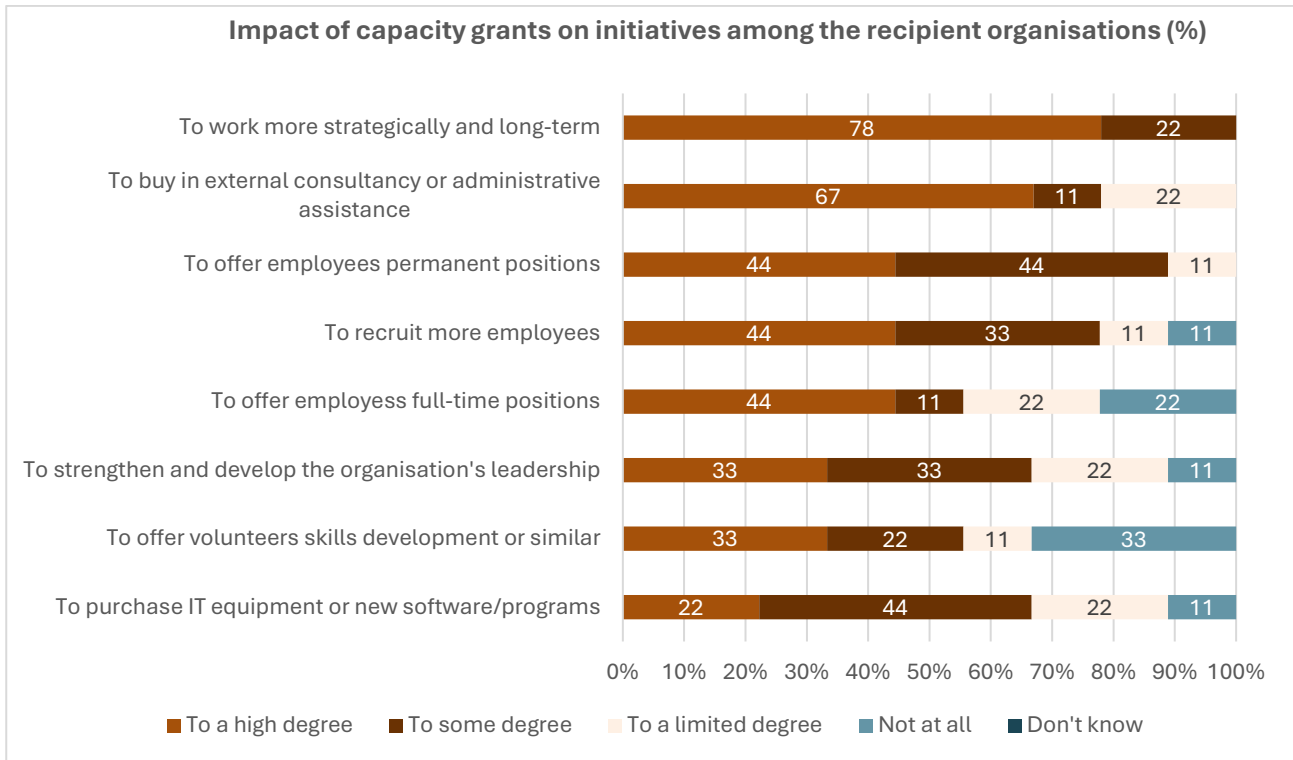
All nine organisations had also previously received support from the Augustinus Foundation. The evaluation – which is based on interviews with and questionnaires completed by people within these nine organisations – shows that capacity grants have a large number of strengths but also present challenges and barriers.

Strengths of capacity grants

The evaluation documents that long-term grants that support and strengthen organisational aspects have the intended impacts and effects.

Capacity grants strengthen strategic work in all the organisations

In all nine organisations, the grants have had a significant impact on the strategic and long-term work. They have also bolstered opportunities to buy in external support, recruit more employees and foster stability. The flexibility and duration of the grants are highlighted as clear benefits compared with short-term project support.



N/n=9

Capacity grants safeguard long-term planning

The grants foster a sense of calm, making it possible to plan further ahead and raise the level of ambition. Small organisations are able to recruit employees and sustain activities, while larger organisations in particular have better opportunities to develop initiatives and employees at a strategic level.

The flexibility of capacity grants makes it possible to adapt to real-world situations

The organisations highlight the built-in flexibility as a key strength of the grants, making it possible to adjust budgets, change initiatives and react quickly to unforeseen challenges. This means the organisations can both safeguard operations and develop new approaches.

Capacity grants can foster culture change

The organisations describe how the grants have provided time for strategic reflection in the organisations, method development and a focus on the working environment. This has improved both employee wellbeing and the quality of initiatives, and brought about better balance between vulnerable individuals' needs and employees' working conditions.

Capacity grants are less cost-intensive

Compared with other types of grant, capacity grants require less administration and reporting.

The organisations see it as an investment where the return exceeds the administrative costs, although it may initially also be perceived as resource-demanding.

Capacity grants can safeguard operations without directly paying for them

Several organisations have used the grants to strengthen communications and backing, which has been decisive in retaining municipal contributions to operations. In other cases the funding has made it possible to handle the extra tasks ensuing from growth in partnerships with the public sector. In this way the grants indirectly help to safeguard operations in the longer term.

Capacity grants confer legitimacy, strengthening finances

As well as economic value, the grants have a significant signalling effect. The organisations find that having received funding from the Augustinus Foundation makes it easier to attract funding from other foundations and partners. This both creates internal stability and opens up new sources of funding.

Challenges associated with capacity grants

The evaluation points to a number of barriers associated with capacity grants. These barriers give rise to reflection in relation to process and dialogue between the organisations and the Augustinus Foundation.

Building trust takes time

The Foundation demonstrates trust towards the recipients, but many are cautious because they are accustomed to openness potentially losing them support. Only when they experience that honesty is not sanctioned does the trust grow and the dialogue becomes more fruitful.

It's difficult to align expectations without a shared language

Inadequate clarification of concepts leads to lack of clarity as to how the capacity grants are to be used in concrete terms. Some applications are formulated with the focus on the service towards vulnerable individuals and others on development of the organisation. A shared language around their purpose and success criteria is decisive in being able to realise the intentions behind the grants.

Process management requires getting used to

Many organisations are used to reporting on metrics. When the Foundation instead attaches importance to process and learning, this can lead to uncertainty – particularly when the

results do not match the metric targets set but are nevertheless considered satisfactory by the Foundation based on the narrative status reports.

It is not clear to the organisations that the Foundation is also in a process

Several organisations have difficulty understanding that the Foundation's own parameters and expectations may develop along the way as the project develops and changes. If this is not clearly communicated, it may give rise to doubt as to what is actually expected.

It can be difficult to document the impact for the target group

The organisations find that the grants strengthen their initiatives, but they have difficulty showing a direct correlation between the organisation's development and the effect on the service for the vulnerable individuals. However, the organisations are in no doubt that the project benefits the target group in the longer term, as a result of the organisation being strengthened. The impact of the grants is clearest when they also cover operating activities.

Implementation and exit strategies depend on the size of the organisation

The large organisations work more systematically to ensure that the positive development continues, while smaller organisations often lack resources to develop actual exit strategies. For these organisations, implementation is more a question of ongoing adaptation and is a process where it is worth considering bringing in external consultants early in the process.

New perspectives

Capacity grants have proved to be a strong, long-term tool for fostering both stability and development in non-governmental organisations in civil society. The evaluation shows that the scheme not only safeguards operations and employee wellbeing but also enables the organisations to work more strategically and develop their initiatives in a way that enhances the quality of their work. To realise the full potential of this form of grant, it would be helpful for the Foundation to clarify the selection criteria, work to develop a shared language around capacity building and support the smaller organisations earlier in the process, e.g. by giving them the opportunity to draw on external consultancy support within social work and organisation development as part of the capacity grants. This will enable this form of grant to develop further and continue to be a strong driving force for a healthy civil society.

Method and data used

The evaluation is based on a mixed methods design, combining both qualitative and quantitative methods to ensure both depth and breadth in the study. The qualitative data has been collected using semi-structured personal (online) interviews with central key persons from the nine voluntary non-governmental civil society organisations in receipt of capacity grants.

The quantitative data has been collected by means of an online survey, which was sent to the same nine organisations with a response rate of 100%. It is important to note that the survey is based on a small population, i.e. the nine respondents. This means that each answer has a very high weighting in percentage terms, e.g. a single respondent is equivalent to around 11%. As such, the answer to a question does not have to change much before it appears as a large percentage change.

To supplement the data material from the interviews and survey, we have carried out both preliminary desk research of relevant documents and materials, and conducted follow-up interviews with two key researchers in civil society to put the evaluation results into perspective.

Supplier

The Danish Institute for Voluntary Effort (DIVE)

The full report is available on the Augustinus Foundation's website in Danish.