Maudsley Charity

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Funding VCSE support for people living with serious mental illness

Developing Maudsley Charity's Living Well with Psychosis Community Support Programme

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About this report

In Spring 2023 Maudsley Charity commissioned Ferns Livingstone to support us in the development of a funding scheme for community organisations in south London under our Living Well with Psychosis programme.

Joe Ferns of Ferns Livingstone conducted interviews and surveys with local community organisations and a literature review of best practice in grant making and produced recommendations for the funding programme. Once the funding was awarded, we commissioned Joe to create a summary of what we did, what we learned, and what we could do better next time.

In this report, Joe describes the fundamentals of the funding call approach, using interviews with assessors, comments from applicants, and data on who we did and didn't award funding.

Since this report was written, we have carried out a light touch continuation funding process, awarding a further 3 years of funding to all the organisations awarded under the original programme.

We'd like to thank Joe for his insight, expertise and support in creating a funding programme we are truly proud of.

About the Author

Joe Ferns, Ferns Livingstone

Joe Ferns is a strategist, evaluator and former frontline practitioner with over 25 years' experience in the community, mental health and funding sectors. He has held senior leadership roles at the UK's largest community funder–the National Lottery Community Fund–where he led a department which was responsible for a £50m portfolio and also led on strategy, insight, learning and policy. He helped set up the Baobab Foundation in 2019, the UK's first funder entirely led by and for grassroots organisations, which raised £15 million in its first year.

Joe now leads Ferns Livingston, a consultancy focused on learning, strategy and power-shifting practice. His work spans the UK and Aotearoa, New Zealand and centres on equity-led funding, culturally grounded approaches, and amplifying the voices of marginalised communities. Joe has advised Ministers, given evidence to Select Committees, and worked with diverse partners from grassroots groups to major foundations. His recent work includes strategy, evaluation and funding design for organisations tackling racial injustice, mental health inequality, and refugee rights.

Joe provided support in the community research, design phase and assessment of the Living Well with Psychosis Community Fund.

Thanks

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Background to the Living Well with Psychosis Fund

Living Well with Psychosis is an ambitious initiative to improve the lives of people living with psychosis across four south London boroughs – Southwark, Lambeth, Lewisham and Croydon. It aims to fund work that means people affected by psychosis have better outcomes from treatment and care, wherever and however that care is delivered. The programme has two funding streams – one for clinical services and research, and one to support community organisations.

This community focus came from growing awareness that mental health support isn't always best delivered in clinical settings. Many people—particularly Black and other racially minoritised groups—feel alienated or even harmed by traditional services. They don't trust the system, and that's not just perception; it's based on real experiences of racism, forced treatment, and not being listened to. Some people reject the diagnosis of "psychosis" altogether, feeling it's a label used to silence them. So they don't engage with services until crisis hits—when they're sectioned or hospitalised, often making things worse.

Maudsley Charity wanted to change that. They commissioned community research and spoke with organisations already doing this work - grassroots groups that focus on healing, creativity, connection and trust. These aren't always big names. Many are small, deeply rooted in their neighbourhoods, run by people who have lived through mental health struggles themselves. Their work is often non-medical, peer-led, and centred around relationships, not diagnosis.

What they found was clear: these organisations are trusted, but they're underfunded. Many are surviving on passion alone, with no long-term security, little admin support, and high risk of burnout. They also don't usually have the time or resources to chase complex grant applications. As a result, funders often overlook them—even though they're doing exactly the kind of work that makes the biggest difference.

In response, Maudsley Charity decided to design a fund that would work differently. The fund would offer core, flexible funding—money that organisations can use how they see fit, not just for fixed projects. The application process would be more conversational, using peer assessors with lived experience of mental health challenges.

The fund places a strong emphasis on culturally appropriate support. This means funding organisations that are led by and for the communities they serve, understand the role of culture and trauma in mental health, and build trust over time. It's not about ticking boxes—it's about relationships, dignity, and choice. The fund also supports long-term learning, not just measuring impact, but sharing stories and building a stronger network of support across South London.

The journey hasn't been perfect, but it's been a shift in the right direction–towards trust, equity, and support that actually fits people's lives.

A new approach to funding community mental health support

The fund was set up to back community organisations offering culturally appropriate support to people living with severe and enduring mental illness. The focus is simple: support the kind of help that people actually trust and use – particularly in Black and other racially minoritised communities where formal mental health services are often viewed with fear or suspicion.

Be clear about who to involve and why

The fund recognises that people from global majority backgrounds – particularly Black Caribbean and Black African communities – are disproportionately affected by psychosis in the UK. For example, Black Caribbean people are nearly seven times more likely than white British people to be diagnosed with a psychotic disorder, and Black African people nearly five times more likely (NHS England, 2023). Yet they are less likely to access early or culturally appropriate support, and more likely to enter care through crisis or compulsory detention (NHS Race and Health Observatory, 2022). There is substantial UK-based evidence indicating that elevated psychosis rates among Black communities stem from social and structural inequities including deprivation, racism, marginalization, and barriers to culturally appropriate care. These experiences create deep mistrust and highlight the need for different kinds of support – ones that start with listening, dignity, and choice.

This isn't to diminish the value of clinical services or research – both remain essential. But this fund aims to complement that work by investing in the kinds of support that are often undervalued, underfunded, and deeply rooted in lived experience and trust.

Find the already trusted organisations

This funding aimed to support the kinds of organisations that were already trusted in their communities – places where people can walk in, feel seen, and talk to someone who understands. These services often don't look or sound like traditional mental health support. They might be running art groups, gardening sessions, cultural celebrations, peer support, or just offering a welcoming space. But the impact can be huge – helping people reconnect, build confidence, and stay well.

Develop relationships to build deeper understanding

The fund was designed to work differently from traditional grants programmes; it focuses on trust. Many funding organisations ask for detailed project plans or make

people jump through lots of hoops. Instead, community organisations applied to the fund via a brief expression of interest, followed by a conversation, before a team of assessors, including people with lived experience of psychosis, visited the organisations to see the work firsthand. This helped ensure decisions were based on relationships and reality, not just paperwork.

Offer flexible core funding

Importantly, the fund offers flexible, core funding – money that can be used for whatever the organisation needs most. That might be staff wages, rent, equipment, or just keeping the lights on. The goal is to give groups stability so they can focus on helping people, not constantly scrambling for the next pot of money.

Build connections between organisations to strengthen networks

Another aim was to build connections between organisations doing this work. Maudsley Charity learned in the community research phase that many of them are small, grassroots groups that can feel isolated. The fund aims to create opportunities for grant holders to meet, share learning, and support one another - this will happen over the course of the funding. There's also support built into the funding programme as requested by funded organisations (for example, leadership, strategic development or partnership engagement). This will hopefully create opportunities for those organisations to grow a network of peer-led, culturally grounded support services.

Move decision making power closer to community delivery

Overall, the fund's purpose was to shift both resources and power closer to the communities most affected by psychosis – and to learn from what happens when you do. It wasn't about replacing NHS services but about recognising that healing can take many forms. By backing the people and places already doing this work – often without recognition – the fund hopes to create a more equal and more effective mental health system from the ground up.

Design funding through listening

The Community Fund was designed with a clear aim: to support community-led, culturally appropriate services for people living with psychosis – especially those from Black and other racially minoritised backgrounds. But just as important as what the fund was for, was how it was put together.

The design team started by listening. Between October 2023 and January 2024, they spoke to frontline workers, small community organisations, people with lived experience of psychosis, and others working in mental health. Conducting interviews with 7 key people at local community organisations providing mental health support. They also ran a survey, which received responses from 17 organisations, to understand what support was needed, what was missing, and how.

Learning from the consultation phase

The consultation phase of the Community Fund design surfaced a powerful and consistent message: community organisations working with people affected by psychosis are delivering essential, life-affirming support – but they are doing so with fragile infrastructure, limited recognition, and little long-term funding. These organisations are often filling the gaps left by overstretched or distrusted statutory services, especially for Black and racially minoritised communities.

Culturally appropriate services are vital but under-supported

Everyone interviewed agreed: identity, culture and lived experience shape how people understand and manage mental health. For racially minoritised communities, support is often most effective when it is person-centred, rooted in trust, and offered in spaces that feel safe, non-medical, and non-hierarchical. Many people described statutory services as harmful or alienating – often linked to racism, coercion, and loss of freedom – leading to a deep mistrust that keeps people away until crisis hits.

Organisations that succeed in engaging these communities often do so quietly, steadily, and relationally – through food, music, gardening, peer support, and cultural familiarity. This work is not fringe; it is frontline. Yet funders rarely back it in a longer term or more structural yway, especially when it doesn't come in traditional formats.

Organisations are under pressure and held back by structural disadvantage

The survey and interviews made clear that many of these community groups are small, stretched, and unsupported. They are often driven by a handful of passionate individuals who are relied on too heavily. They face intense funding pressures, with very few opportunities for long-term, flexible investment. Many have no formal fundraising function, limited back-office capacity, and little time to step back and plan.

Some described feeling left behind by the funding system – not because their work isn't effective, but because they don't fit the mould. This feeling of not fitting the mould related to a range of aspects, including having different organisational structures (such as Community Interest Companies), choosing to reflect impact through videos rather than wordy reports, or providing broad support that did not fit neatly into specific categories. One of the more sobering reflections was that specialist psychosis support – especially when culturally tailored – has long been underfunded and overlooked, placing these organisations at a double disadvantage.

The ecosystem needs care, not disruption

These organisations aren't usually chasing growth, systems change, or national influence. Their focus is on supporting the people in front of them, day to day. This doesn't mean they lack ambition – it means their priorities are different. Many are

quietly delivering trusted, effective support in ways that can't easily be measured using standard tools.

There's a risk that funders – even with the best intentions – disrupt this delicate ecosystem by asking organisations to change how they work, prove impact in clinical terms, or deliver new projects instead of continuing what already works.

What community organisations said they need

Consultation participants clearly described what would help them thrive:

- Stability – core, long-term funding to reduce uncertainty
- Breathing space – to reflect, rest, and plan, not just survive
- Visibility and connection – to find and learn from each other
- Trust – funding approaches that are flexible and relational
- Amplification – support to share learning, evidence, and influence
- Access to partnerships – especially with the NHS and local authorities
- Leadership development – especially for Black leaders with lived experience

This consultation provided a clear steer: fund differently. Offer trust, flexibility, and consistency. Prioritise care over control. Back the organisations that are already making a difference – not by changing them, but by recognising and supporting who they already are.

After the discussions with community organisations Maudsley Charity expanded the terminology for the programme to use the term "severe enduring mental illness". The conversations reinforced that a broader term would be more effective with the types of organisations Maudsley Charity wanted to reach. Often services that support people with severe mental illness including conditions such as schizophrenia and bipolar disorder, appropriately, do not ask for or need to know if the users of their services have a specific diagnosis. It's also important to recognise that some people reject what is inherently a medical term.

Application and Assessment Process: A Three-Stage Approach

The application process for the Community Fund was designed to be thorough but human, aiming to strike a balance between rigour and accessibility. It moved through three distinct stages: an Expression of Interest (EOI), a conversation via video call, and a site visit.

Designing this process meant walking a fine line. The team wanted to keep things simple and proportionate, especially given the modest initial grant size of £30,000, while still embedding the relational, equity-focused elements that made the fund distinct. With a small internal team (especially when compared to larger funders), every decision had to balance depth with deliverability. The three-stage approach aimed to be as light-touch as possible while still offering applicants a meaningful, respectful experience.

Stage 1: Expression of Interest (EOI)

Organisations were invited to submit a short EOI that outlined their work and explained how it aligned with the fund's goals.

Each EOI was assessed by two internal reviewers who:

- Checked basic eligibility (e.g. whether the organisation was a charity or community interest company working with people affected by severe and enduring mental illness).

- Scored four key areas:
    - How the organisation builds trust and relationships with people affected by psychosis.
    - Their track record in delivering culturally appropriate support.
    - The involvement of people with lived experience in leadership or decision-making.
    - How the funding would be used and why it matters.

Each reviewer also gave a personal Red/Amber/Green (RAG) rating – their overall judgement, not based on scores alone. If assessors had questions, they recorded them for follow-up at the next stage.

Stage 2: Video call and written follow-up

Shortlisted organisations were invited to a one-hour video call with an assessor. The conversation was lightly structured but covered key areas like ambition, learning, inclusion, and impact. It focused on listening and building understanding – not interrogating.

Assessors used transcripts from the call to complete a detailed write-up, which was then checked and agreed with the applicant. They scored the organisation across additional areas, including:

- Whether the organisation had plans for the future and how core funding might help.
- How the organisation learns and adapts.
- Whether their work reflects a strong understanding of the challenges of severe enduring mental illness.
- Their safeguarding practices and policies.
- Due diligence checks (charity registration, finances, data protection etc.)

Again, assessors gave a RAG rating and flagged any questions for follow-up at the next stage.

Stage 3: Site visit

The final stage was a site visit – a chance to experience the organisation's work in its own setting and to meet the people behind it. These visits were designed to deepen understanding beyond what could be captured in forms or video calls. Each visit included at least one assessor with lived experience of the mental health system. These Lived Experience Assessors (LEAs) were recruited and supported by Croydon BME Forum, and brought unique insight into how services felt to the people they were designed for. The LEAs were paid for their time and supported by a community embedded psychologist.

A key goal of the visit was to assess relational and cultural fit – how trust was built, how people were welcomed, and how support reflected the values and identities of the community.

Assessors:

- Asked follow-up questions from previous stages
- Observed how the organisation builds trust with the people it serves
- Where possible, spoke directly with service users or beneficiaries
- Discussed how core funding would change the organisation's capacity
- Reflected on the organisation's ethos, delivery style, and longer-term potential

All assessors (whether Maudsley Charity or Lived Experience assessors) scored the applicants against key funding criteria and then answered three key questions:

1. What did you love about this organisation?
2. What were you worried about with this organisation?
3. Would you recommend this organisation to someone you love?"

Assessment and timelines

An initial eligibility check was done by an internal panel and, following video calls with the applicants, a further panel (made of internal and external assessors) focussed on identifying organisations which would not be taken through to the site visit stage. The intent was to keep the site visits to a manageable number by removing applicants who did not meet the criteria from the process.

Following the site visits (by LEAs and internal assessors working in pairs), the assessors met to decide which organisations should be funded.

- Reviewed scoring and RAG ratings
- Discussed any borderline cases or discrepancies
- Made recommendations for who should move forward

The process ran from December 2024 through February 2025. At every stage, care was taken to ensure assessors understood the work in its own context, rather than judging it by mainstream standards (which may include an organisations ability to use the 'right words' to describe their work or present ready-made business plans).

The Community Fund received 49 expressions of interest, 41 of these progressed to the video call stage and 34 were selected for site visits. Ultimately, 21 organisations received funding.

What did we learn from the fund?

We wanted to know whether we had created a 'different experience from the norm'; what went well and what was challenging. A simple way to do this was through a survey. Lived Experience Assessors, Grant Holders and unsuccessful applicants were invited to give feedback via an anonymous survey. In addition, some people involved directly in the assessment process were interviewed. The number of people responding to the survey and being interviewed were relatively small but this provided some insight into the experience[1].

[1] 14 out of 49 applicants/grant holders responded. 2 out of 13 Lived Experience Assessors responded. Interviews were carried out with one Maudsley Charity assessor,

A Different Kind of Process: Relational, Not Transactional

From the outset, the fund aimed to move away from the usual grant-making norms. Instead of focusing on paperwork and polished narratives, it prioritised real-world insight and personal engagement. This was deeply appreciated by both assessors and applicants.

What worked well:

- The use of site visits allowed assessors to build trust and understand the nuance of an organisation's work far better than forms ever could.
- The role of lived experience assessors (LEAs), recruited and supported through Croydon BME Forum, was transformative.
- Joint visits involving both staff and LEAs allowed for different types of questions to emerge and helped build a richer picture of the work being done

What didn't work so well:

- Some LEAs reported that there was little opportunity to build rapport with Maudsley Charity staff in advance.
- Some assessors felt that the depth of their reflections wasn't always carried through into final decision-making. Although all scores and full comments were shared with assessors in advance – and the final panel was made up of a significant majority of lived experience assessors (LEAs) – discussions on the day sometimes leaned more on simplified prompts like "what did you love?", "what worried you?", and "would you recommend this organisation?". These summaries were useful for structure and had been proposed by the supporting organisation, but in effect, in a large panel (over 20 participants) working in small groups, they may have occasionally flattened nuance or missed the richness of site visit observations. Given that panel members hadn't all visited the same organisations some felt a more consistent use of the written assessments in guiding discussion could have supported more confident, transparent decisions.
- Relational approaches carry emotional weight – especially for unsuccessful applicants. While the site visits and video calls built genuine connection, they also made the eventual "no" feel more personal. In at least two cases, applicants who were not funded described feeling as though *they* had failed, not just their application – particularly because they believed their work aligned with the

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a consultant who carried out assessments on behalf of Maudsley Charity and one member of staff at Croydon BME Forum.

fund's criteria. This emotional fallout is a lesser-discussed consequence of more human, conversational funding. One reason funders often rely on impersonal systems is precisely to avoid these difficult interactions. If we're serious about trust-based relationships, we must also take seriously the responsibility that comes with saying no – and consider how we support applicants through that.

What Applicants and Grant Holders Said

Many organisations shared positive reflections on the relational process, especially the site visits and use of assessors with lived experience:

- "It was a very thorough process that felt like our work was being appraised by people who had a genuine interest and understanding of it!"
- "The whole process gave us such confidence in Maudsley Charity – that they understand and care about the people they're here to help."
- "I really enjoyed and appreciated the interactive elements. It made the experience feel more personable and meaningful… it felt more like a conversation than a 'show'."
- "The grants process was very accessible and easy for grassroots organisations to understand."
- "We really enjoyed the site visit, and knowing that our decision panel involved experts by experience made us feel our values were aligned with our funders."

At the same time, there was feedback that the process could be refined:

- "The application and decision-making process is too long and could be shortened to ensure voluntary organisations have sufficient lead time."

(Maudsley Charity Awareness and Experience Survey)

Lived Experience as a cornerstone – but not yet embedded

Including LEAs, especially in site visits, was widely recognised as the most important and impactful aspect of the fund. It disrupted dominant definitions of expertise, brought emotional intelligence into decision-making, and offered a powerful model for equity-led funding.

However, it also became clear that this inclusion needs to be structural, not symbolic. Though Lived Experience Assessors were invited to complete a survey for their thoughts, we had a very low response rate (2/13) so reflections below come from the staff member at Croydon BME Forum giving their perspective.

Reflections from assessors:

- LEAs were not involved in co-designing the assessment criteria, which meant they had to apply standards they hadn't helped shape. This was experienced as a missed opportunity for true power-sharing.
- While the fund positioned assessors – especially those with lived experience – as equal partners in the process, some felt this principle didn't fully translate into practice. Lived experience assessors (LEAs) were not involved in designing the assessment criteria they were later asked to apply, and in many cases, Maudsley Charity staff and LEAs met for the first time at the site visit itself, with little opportunity to build rapport or clarify roles in advance. This sometimes led to uncertainty about decision-making influence, uneven collaboration, and a sense that LEAs were contributing insight without always having power. Maudsley Charity tried hard to balance adequately preparing assessors with overburdening them. Perhaps the lesson for future funds is to consult assessors on what they would like from the preparation phase.
- Despite these gaps, the LEAs who responded to the survey said the experience had a strong personal impact. Feedback included:

- "To feel valued and make meaningful contribution."
- "Extremely interesting project. Clearly the way forward."
- "The culture of authenticity that was created and the feel of genuinely contributing to the decision instead of a tick box exercise."
- "Fantastically facilitated and grateful to be part of it."

The value of core funding and the importance of stability

One of the most repeated themes – both from organisations and assessors – was the vital importance of offering core, flexible funding rather than project-based grants.

Community organisations in the research phase often described the impact of core funding in simple but powerful terms:

- It allowed them to breathe – to stop firefighting and start thinking about sustainability.
- It gave them the freedom to focus on delivery, not just chasing the next pot of money.
- It created the psychological stability to focus on support that is rooted in long-term relationships and consistency – something especially important for people living with severe and enduring mental illness.

Process Insights: what to keep and what to improve

Things that worked:

- The three-stage process (EOI, video call, site visit) was generally well-received, and seen as enabling deeper insight than standard forms allow.
- The use of RAG ratings was useful for summarising assessor views at each stage.
- The assessment framework included important criteria around trust, lived experience, and cultural competence.

Things to improve:

- Some applicants to the fund said the workload felt disproportionate to the size of the grants. The number of stages was justified, but it was heavy on time and coordination.
- There were calls for better use of digital tools, such as automated transcription and smoother reporting templates, to reduce duplication.
- Some noted that the word "culture" was not clearly defined in the application materials – leading to confusion or superficial responses from some applicants.

Learning from applicants – what makes a strong organisation?

From the assessment process and reflection sessions, a number of characteristics emerged consistently among organisations that build high levels of trust and deliver effective support:

- Cultural relevance is built deliberately, not assumed. These organisations often run activities grounded in community traditions, food, language, or shared lived experience.
- Peer support is a core element – not just as an add-on but baked into service design and delivery.
- Non-clinical approaches help create safe spaces. These include gardening, creative expression, community meals, and flexible drop-in models.
- Trauma-informed care and long-term relationships are prioritised over diagnosis or compliance.
- Staff stability is key – people trust the work because they trust the people doing it.

By contrast, weaker applications often leaned on generic diversity statements, operated mostly within clinical settings, or treated lived experience as informal input rather than leadership.

Strategic Reflections: what this fund revealed about funding practice

At a more strategic level, the process highlighted broader lessons for how mental health funding – and equity-led funding more generally – can evolve:

- Inclusion isn't enough - real equity requires co-ownership. The responses from LEAs were incredibly positive, but the team were aware this wasn't true co-production. Similarly, research was carried out with community organisations before the programme was designed, so every aspect of the programme took that into account, but it wasn't co-designed with those organisations. To really help this approach feel owned by the communities it benefits more of that co-design and co-production could be built in.
- Assessment needs to reflect the kind of work being funded. Storytelling, dialogue, and observation should be valid forms of evidence – not just written reports or metrics.
- Funding should adapt to people, not make people adapt to funding. For many organisations, the most powerful support Maudsley Charity could offer was showing up, listening, and saying yes to what was already working.
- Investment in relationships is not a luxury – it's the work. Time spent building rapport, having open conversations, and nurturing trust paid off tenfold in the depth and quality of assessment.

Learning from the funding experience

This fund was never just about distributing money – it was about exploring a better way to fund, assess, and learn. By centering lived experience, building flexibility into the process, and approaching assessment as a relationship rather than a gatekeeping exercise, the fund set a new bar for trust-based philanthropy in mental health.

This was not a quick or easy process to run. With a small team and limited resources, Maudsley Charity had to constantly balance ambition with pragmatism – keeping things proportionate for applicants while still offering something different. The fact that the team managed to centre lived experience, build trust, and reach grassroots groups within those constraints is itself a lesson in what's possible with intention and care.

While the process had its limitations, the willingness to experiment, listen, and share power created a model that not only identified strong organisations, it had a positive impact on some. Organisations often said they felt genuinely seen – not judged. The conversational structure of the video calls and visits allowed them to explore and articulate their impact in ways that felt natural, not performative. One lived experience assessor reflected, "They weren't just assessors. They were partners and critical friends" – highlighting how trust-based dialogue became a catalyst for reflection and confidence, even before funding was awarded.

If this round is the start of something deeper – a shift in how culturally grounded mental health support is funded – then the investment has already begun to pay off.