Fundraising Guide

1. Before you apply

Writing funding applications is much easier, and you are more likely to be successful, if you have prepared well with your group.

Funders require very specific information about what you want their money for, how it will be spent, and what this will help you to achieve.

The person or people writing the application may not be the same people running the activities. By involving as many people as possible from your group in the planning stage, you can make sure you describe the activities accurately and have a clear idea about what you will need to ask for money for.

Different funders fund different things. Having a good idea about what you need funding for will help you apply to funders that are more likely to give you funding.

Below is a list of planning activities that will maximise your chances of a fundraising bid being successful.

Do you have all the documents you need?

Most funders will want to see evidence that your group has:

- A committee
- A bank account
- A statement of your accounts for the last financial year (unless you are a new group).
- A governing document (e.g. constitution, trust deed, memos and articles)

Some funders will also ask for evidence of:

- Insurance
- A health and safety policy and/or risk assessment
- An equal opportunities policy
- A child protection or safeguarding policy if you work with children or vulnerable adults

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Do you know exactly what you want money for?

Plan your work carefully so you know what you need money for. Before you start to write an application, you should be able to answer these key questions:

- What do you want to do?
- How much will it cost?
- Why is your work important?
- How will you know if you are doing a good job?

Each funder has their own priorities   Key things to think about are:

- Does the project meet the funder's criteria?
- Will the project meet an identified need or address a gap in service provision?
- Can you deliver the outcomes – do you have access to the right specialisms or expertise?
- Do you have robust financial and project management systems?
- Is the budget realistic, cost effective and good value for money
- How will the project benefits be sustained? Who will maintain the project?

Before you can apply for money for an event or activity, you need to know *exactly* what the activity is going to be.

- How often will it take place, what will it involve and how long will it last?
- Who is the activity for? Families? Children? Unemployed people? People who share a particular identity or experience?
- Who will organise and run the activity?
- Where will the activity take place and how will it be promoted?

How much do you need?

Funders will want to know exactly what you want to spend their money on. Make a budget for your project or activities. Include:

- A list of everything you will have to pay for, and how much each item will cost. This might include, for example, venue hire, equipment, transport, paying workers, volunteer expenses, publicity, and insurance.
- A list of any income you are already expecting (for example, from membership fees, donations, grants you've already received etc.).

Budget tips

- **Be accurate.** Get quotes for each item in your budget. Funders may come back and ask you what you have based your budget on, and you need to be able to show them that you have found out how much everything will really cost.
- **Don't underestimate**. Trying to make the budget look less than you really need could lead to financial problems that affect the other activities your group is involved in, and funders will be concerned if they think you are not being realistic.

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- **Prepare a budget for your whole organisation for a year.** It's useful to do this, even if you are only applying for funding for a few things or a specific project. It will help you work out whether there is anything you need that you haven't already thought of.

Why is your work important?

Funders want to know that the money they give to groups and projects will make a difference to people's lives. They want to know what change will happen as a result of your activities. Many funders refer to this as the outcomes of your project.

Ask people who are involved in your group what the group means to them, what they get out of it, and why it is important in their lives. This could help you show that you are meeting people's needs.

You could also use statistical information to show the needs of the communities you are supporting. Contact your local authority, police and health authority, or look on their websites, to try to find information about deprivation, crime and health problems in your community. They may have this from the national census survey, or from their own local surveys. You can also use the Index of Multiple Deprivation, which provides detailed information about a range of problems faced by different neighbourhoods.

Be sure to source information from reputable sources e.g. office of national statistics, council websites, Government reports etc.

There are a number of ways that you can evidence community need, which can be included in your funding application, such as:

- A community consultation report
- Letters of support from voluntary and community groups, local Councillors, Police, local schools, youth groups etc.
- Research on the geographical location, population, project theme
- Quotes from the community or intended beneficiaries of the project
- Links with local and regional government strategies and initiatives
- Statements from recognised professional institutions e.g. University research on the benefits your project will make to your target group.

How will a funder know you will do a good job?

Funders will want you to demonstrate you will be able to make your project a success. There are a number of ways that you can evidence your track record and organisational sustainability such as:

- A profile of the qualified and experienced people within your organisation and level of volunteer support

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- Case studies of similar projects delivered by your group and what they achieved
- Evidence of long-term support from local institutions such as the local authority.

2. Writing a good application – top tips

1. Have a clear outline of the project – know exactly what you want to do.
2. Assume the funder knows nothing about your organisation or the subject matter.
3. Do not use jargon, use plain, succinct and simple language.
4. Pick out key words in questions which the funder wants to see in each answer - use the funder's language.
5. Stick to the question, do not deviate.
6. Use positive statements, not weak / negative words ('We will try …' is weak, 'We will…' is strong).
7. Think of your audience - use headlines, bullet points etc to make it easy for the funder to read.
8. Use visual aids – photographs which will pull on the emotions and show a difference.
9. Don't waffle - remove any redundant words.
10. Draft a detailed budget based on real figures and do not apply for the maximum amount if you do not need to.
11. Read it aloud to someone else to see if they understand what you are asking for.
12. Allow time to proof read – attention to detail is important.

3. Why do applications fail?

Ten common reasons reported by funders are as follows.

1. The applicant is not eligible because of its legal form, lack of charity status, size or geographical remit.
2. Projects appear poorly planned.
3. Applicants do not present their project clearly and concisely on the application form.
4. The applicant fails to demonstrate that they meet the criteria.
5. Applications are made without monitoring and evaluation processes in place.
6. The budget is problematic and/or unconvincing
7. The applicant misses the deadline.
8. The form is incomplete.
9. The supporting documents are incomplete, inaccurate, out-of-date, contradict the application form or are simply not enclosed.
10. The applicant is asking for too much.

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4. Funding sources

Funding Central

This is a free resource for charities, voluntary organisations and social enterprises. It lists thousands of funding and finance opportunities, plus a wealth of tools and information to support and develop a sustainable income strategy.

www.fundingcentral.org.uk

The National Lottery Community Fund

Responsible for distributing money raised for good causes by the National Lottery. This totals around £6 billion since 2004.

https://www.tnlcommunityfund.org.uk/

The National Lottery Heritage Fund

Sustains and transforms a wide range of heritage through innovative investment in projects with a lasting impact on people and places. With around £375million a year to invest in new projects and a considerable body of knowledge, they are a leading advocate for the value of heritage to modern life.

https://www.heritagefund.org.uk/

The People's Postcode Lottery

Offers funding of between £500 and £250,000 for good causes in England, Scotland and Wales.

www.postcodetrust.org.uk

Comic Relief

Funds work that aims to achieve at least one of its five themes – better futures, healthier finances, safer lives, stronger communities, fairer society.

http://www.comicrelief.com/funding/funding-opportunities

UKCF

This is the umbrella organisation for all community foundations, providing philanthropic advice to clients and delivering UK-wide grant-making programmes.

ukcommunityfoundations.org/

The Landfill Communities Fund

This fund enables operators of landfill sites to contribute money to enrolled Environmental Bodies to carry out projects that meet environmental objectives contained in the Landfill Tax Regulations.

https://www.entrust.org.uk/landfill-community-fund/

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Housing associations

Many housing associations have charitable foundations that support projects that will benefit the people and places close properties they manage. Examples include: https://www.myclarionhousing.com/advice-and-support/clarion-futures-communities/grants/

https://www.sanctuary-housing.co.uk/about-the-grand-ideas-fund

The Community Shares Unit

Community shares are sold to finance enterprises serving a community purpose. They have been used to finance shops, pubs, community buildings, renewable energy initiatives, and local food schemes, along with other community-based ventures.

communityshares.org.uk/

Major banks

All have charitable foundations that fund local and national charities.
One example is the Lloyds TSB Foundation, which supports organisations that are working to tackle disadvantage across England and Wales.

https://www.lloydsbankfoundation.org.uk/

KnowHow NonProfit

This is the place for non-profit people to learn and share what they have learnt with others. Whether you work in a large charity, are setting up your own social enterprise or are helping out your local community group, this site is for you.

knowhownonprofit.org/funding

Crowdfunding

A system in which an organisation makes a pitch and, hopefully, people become interested and enthused enough to make a financial pledge but this is only redeemed if the total is achieved. It probably works best for fairly small (capital) projects eg up to £25,000.

www.spacehive.com

Natural Flood Management

This fund is available for community projects to help fund natural flood management schemes across England. Projects that aim to reduce flood risk, improve wildlife habitats and biodiversity and support the development of partnership working in communities are invited to apply. Funding can also be used as match funding alongside other grant programmes.

http://www.catchmentbasedapproach.org/resources/tools-and-casestudies/deliver/nfm

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5. Fundraiser's checklist

Be prepared
• Organisation's aims and objectives, annual accounts, bank details, constitution • Organisation track record, policies and procedures • Staff and volunteer profiles, how the organisation is managed
Be clear
• Create a project brief which should include: WHO, WHAT, WHERE, HOW, WHEN • Aims and objectives, activities, target audience, project duration • Delivery staff, key volunteers, project partners • The need the project addresses, the difference the project will make • Project milestones • Sustainability or maintenance plan • Total costs – revenue and capital
Evidence need
• Consultation reports, letters of support from tenants and community groups • Quotes from community questionnaires • Expert testimonial (eg advocates for play, wildlife etc) • Demographic/statistical data, ward information, Government reports about your neighbourhood
Know your funder
• Make sure the project fits the criteria, always read the guidelines and check your group is eligible • Find out who they funded before and to what level • Make sure you are asking for eligible expenditure • Is there a grants officer to contact for queries? • Do you need to identify match funding?
Leave enough time
• Review the application form and the application process, assess whether you need further information and check whether the funder will answer questions • Proof read and edit • Double check the budget • Make sure the right people have signed the form – including partners