

## **Fundraising Strategy**

### **Plan your fundraising**

If your organisation has a development or business plan covering the next two to three years then your fundraising strategy will have to adhere to the aims, timescales and resource requirements outlined in it.

If you don't have a business plan, start your fundraising strategy by considering how best to advance your cause:

- What is the purpose of your group
- What type of projects and activities will you undertake to achieve your purpose
- What do you need funds for and when will you need them

Work out your group's resource requirements under categories;

- Human, e.g. a project developer/ researcher, a person to write an application and contact funding agencies
- Material, e.g. business equipment , services or other 'help in kind'
- Financial, e.g. capital or revenue funding, one-off or ongoing, a large or small amount

Draw up a budget as your best estimate of your financial future, based on your resource requirements. Expenditure should include capital and running costs. When estimating income, consider some of the risk factors and avoid being too optimistic.

When applying for funding it is advisable for a community organisation to have three to four months' running costs in the bank as a contingency.

### **Design a fundable project**

Just because you need money for a project it doesn't automatically follow that a grant will be forthcoming. You will be in competition with other groups and will have to ensure that you have an attractive or 'fundable' project which is;

- Specific, i.e. a clearly identifiable aspect of your work or item of equipment
- Meeting an important need which describable and measurable
- Beneficial to your community
- Supported by your community

- Achievable
- Cost effective, i.e. demonstrate value for money by providing a detailed breakdown of costs
- Topical, reflecting current concerns and practices
- Relevant to the concerns of potential funders
- Appropriate in size to the potential funder; larger projects can be divide into smaller parts if necessary

### **Identify potential funding sources**

Now consider the possible of funding. These include;

Public funding, i.e. the Council, central government, health trusts, public agencies

Private funding, i.e. charitable trusts and foundations, businesses, sponsorship, donations

Service organisations, e.g. the Rotary Club, religious organisations

Special funds e.g. The National Lottery, BBC Children in Need, European funding

Your own efforts e.g. events, charity shops, appeals, raffles, 100 clubs and membership schemes, legacies, advertising and the internet, etc.

Know the differences between these funders: government and foundations have clear funding policies; individuals will donate on short term basis and usually inspired by emotions or sympathies; companies wish to gain business benefits; a service organisation may help if you have personal contacts.

Find out what the various organisations are likely to fund, e.g. statutory agencies are potential sources for salaries and running costs, trusts and companies for one-off items of equipment. Funding bodies publicise the types and of project they are interested in supporting, so do some research. Some of the major funding sources, such as Community Fund, change their priorities from time to time, so make sure you have up-to-date information. There are reference manuals and software programmes available locally; by consulting them you will be able to target your application effectively

Access the **Apply Yourself Programme** on the Funderfinder database at

[www.funderfinder.org.uk](http://www.funderfinder.org.uk)

For constant access to all the latest grant information from the Government, Lottery, major trusts, sponsorship, company funding and

Europe, and to receive emails with details of the last posting, register with [www.fundinginformation.org](http://www.fundinginformation.org) Click on the Try Us button for free trail access.

For free email bulletin and tips of the day on fundraising, register with [www.grantsnet.co.uk](http://www.grantsnet.co.uk)

For explanations of what is meant by monitoring your project outcomes see **Directory of Social Change** [www.dsc.org.uk](http://www.dsc.org.uk)

Download a joint Inland Revenue and HM Customs & Excise leaflet: **CWL4 Fundraising Events: for charities and other qualifying bodies** from [www.inlandrevenue.gov.uk](http://www.inlandrevenue.gov.uk)

The **Institute Of Fundraising Scotland** works on behalf of range of voluntary and community organisations, providing networking, training and representation on fundraising issues. It acts an interface with public, media and sector stakeholders, developing policy in the voluntary sector arena and reacting swiftly to issues affecting the fundraising environment in Scotland.

See [www.institute-of-fundraising.org.uk](http://www.institute-of-fundraising.org.uk)

The **Workforce Unit's** latest funding guide, **Navigating The Funding Streams 2**, is now available to download from: [www.ccpscotland.org/workforceunit/info/publications.php](http://www.ccpscotland.org/workforceunit/info/publications.php) Navigating The Funding Streams 2 contains:

Tips for completing application forms

Details of more than forty funding sources training course that will support prior learning requirements, registration and additional learning and development needs such as PRTL

Information on applying for loans learning and development

Update on major initiatives and drivers for workforce development, such as the Strategic Funding Review, Learning Networks, and Skills for Care and Development

## **Making an Application**

### **Approaching funders**

Having researched potential funders for your planned project and drawn up a list of organisations to approach, the next stage is to find out the procedures for making applications, which will vary according to the organisation concerned.

Many funders will encourage applicants to discuss proposals beforehand and will be only too happy to advise you on your approach. Some provide

guides to making a successful application. Read all documentation carefully. Some funders will expect you to complete standard application forms and will have decline dates to comply with. Others prefer to receive a letter from applicants.

Talk to other groups who have been successful about their fundraising experiences and learn from them.

Target the funders you think will respond best to your particular area of interest and personalise the approach as much as possible.

Compile some background information about your group, its work, especially some success stories, its history and plans for the future, and work this into your application. Depending on the project, an area profile to show geographical remoteness or rural disadvantage, or other relevant criteria could be included along with copies of reports, newsletters, minutes, newspapers cuttings and photos about your activities.

Discuss any documentation or application forms with committee. Decide who is best suited to write the application. Remember, whoever signs the application form takes on personal responsibility for the accuracy of its contents. They, or another nominated group member, should also be prepared to be the telephone contact for the group during the assessment stage of the application, and if a grant is awarded they will have to submit a report and possibly meet a representative from the funding body at a later stage.

Read all the literature i.e. the application form and guidelines twice. Write down which aspects of your work should be emphasised. Complete all sections of the form. Be concise and legible.

Ask someone to read your application with a critical eye before submitting it. Consider any potentially awkward questions a funder may ask.

Keep copies of your completed application forms and correspondence from the funding bodies.

Make yourself easily accessible to the funding body.

If successful, send a thank you letter and keep copies of publicity about your project as they will be useful for your feedback report.

### **Submitting an effective application**

It is important to make your application stand out and catch the attention of the person reading it. Spend time working on your application and if making several requests to different organisations concerned; don't simply copy the previous application.

Include evidence proving the specified need exists, e.g. the results of surveys you may have conducted, and the level of community support for

and commitment to your project. Convince the funder that there is a need, that you proposed project will address the need, and that it is what local people want. Stress the difference the grant will make to your community.

Devise a plan setting down what you will have to do in order to carry out your project and achieve your aims. Stipulate the required resources, timescales, place who will be responsible, how you will know when your aims have been reached. It is important to show quantifiable benefits, e.g. the number of people who will use your service.

Show accurate costs, e.g. quotes for items of equipment. Include copies of quotes if you have them. Be able to answer questions about your budget and the breakdown of costs, as the funder may ask these during the assessment stage.

Show you are well organised and capable of carrying out the planned project. Details of your management committee and their skills and experience, the procedures for elections and conducting meetings, as well as handling finances and accounting, will all help to show you have the capacity as group to deliver the project. Funders may ask for a copy of your constitution and a statement of your accounts.

Explain how you intend to monitor and evaluate the success of the project, as the funders will keen to see that the project has made a difference to the lives of people in the local community. Outline your evaluation the success of the project, as the funders will be keen to see that the project has made a difference to the lives of people in the local community. Outline your evaluation methods, e.g. collecting statistical data on the numbers of people using your service, and how as a group you will use information gained to adapt and improve your service.

### **Applying to Private Trusts**

Private Trusts encourage the building of a relationship with organisations they fund through letters of application and assessment visits. Use the funding criteria supplied by individual Trusts to help you decide which to approach. If a telephone number and contact name are published, call and talk over your project with a member of staff before applying.

Your letter should take the form of concise proposal accompanied by a specific letter of introduction. Explain why you are writing to that particular Trust. Write the letter to a 'real' person, i.e. a named member of staff. If a contact email address is published send a draft of your proposal for comments.

If applying for a small money, two sides of A4 will suffice; larger amounts will require more details. Split your proposal into paragraphs and use bold text to emphasise important points. Don't write in capitals; it is less readable.

Your proposal should include a clear explanation of what you want to do, evidence of need and local support, and how your project will work with others, and what makes it different. Enclose supporting information, e.g. photos, local statistics, case studies.

Include background information on the organisation, such as your charity number, annual accounts and review; don't send your constitution unless requested. Attach a business plan if your application is for significant amount. Outline your achievements to date.

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Included the timescale for your project and the key objectives and targets. Be open about the total amount of money needed and state that you would be happy to receive the whole amount or a contribution to this. State which other funders you have applied to (be advised that funding organisations co-ordinate their work and discuss projects). Explain any 'awkward' questions or situations (e.g. if you need extra funds due to the rise in cost of living, say so; don't allow the funder to make assumptions about why revenue may have been cut). Itemise the amounts you have raised locally.

Explain what benefits your clients will receive from your project and how you will monitor and evaluate it; this could be by questionnaires, independent evaluation, or simply regular feedback via word of mouth.

Be sure to include a legible signature and contact detail: the Trust will hesitate to call you if they can't read your name.

If hosting an assessment visit, time it so that the assessor will be able to meet the beneficiaries of your project and see the activities taking place. However, be sure to provide a quiet place where you can talk in relaxed, informal atmosphere. Be hospitable and provide refreshments; your assessor may travelled a long way to see you! Don't get a consultant to meet the assessor on your behalf; they don't have your personal involvement. A visit is your chance to sell your organisation and project and make lasting impression. If the Assessor has been won over by you personally they will act as advocate and promote your project to the Trustees; often the views of the assessor will influence the Trustees' decision on whether or not to offer you a grant.

The assessor will be looking for enthusiasm and commitment to the project, signs that your project has potential to make a difference, evidence of good planning and the capacity to run the proposed activity, evidence of local support, an honest appraisal of potential difficulties and evidence of sustainability (especially for capital grants). Build the assessor's confidence in all of the above and they will remember you and find it hard to say no!

If you are successful, tell the Trust what you done the grant via reports and newsletters. Remember, a trust may fund you a second time and is more likely to do so if you have built up a relationship and made them interested in your project. If unsuccessful, phone and ask why; they will be happy to give you feedback on your application, but may not have the resources to write individual letters.