

Planning a funding application

Planning your project, finding the right funders, preparing your budget

Preparing for fundraising

Writing funding applications is much easier, and you are more likely to be successful, if you have done some good planning with your group. This is because:

- ◆ Funders want 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.

What do you want to do?

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

For example:

A tenants' association is planning basketball sessions for local people.

- ◆ How often will sessions take place, and how long will each session be?
- ◆ Who are the sessions for? Children? Local people? Unemployed people? People who share a particular identity or experience?
- ◆ Who will organise and run the sessions?
- ◆ Where will the sessions take place?

How much will it cost?

Funders will also 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.
- ♦ **Don't overestimate.** This can lead to your application being rejected. If it is accepted, and you don't spend your whole grant, it will make you less likely to get more funding in future.
- ♦ **Remember to include 'hidden' costs.** For example: insurance, travel, volunteer expenses, stationery, phone credit.
- ♦ **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.

You may find it useful to look at our information sheet *Budgets for community groups*.

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.

What do people in your community need?

Think about the group of people your work is aimed at, and what their particular needs are. Are a lot of people in your area on low incomes, and in need of access to free community events? Do people of your nationality feel isolated and far from home, and need an opportunity to get together and spend time with each other? Are you providing an activity that people would not be able to take part in if your project didn't exist?

Why do your activities help meet these needs?

Why have you chosen to do certain activities? How will they benefit the people involved? Why are these activities particularly useful?

Can you provide some evidence?

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 Deprivation¹, which provides detailed information about a range of problems faced by different neighbourhoods.

In Brighton & Hove, local statistical information is available from Brighton & Hove Connected².

How will you know if you are doing a good job?

Funders often want to know how you will collect information to show your project is a success.

This might include:

- ♦ Counting the number of people who take part
- ♦ Asking people to complete a survey about how they have benefited from the activities
- ♦ Discussing the project at your committee meeting, and identifying ways it went well and things that could have been improved.

For more help with measuring how well you are doing, have a look at our information on *Reporting to Funders* and *Monitoring and Evaluation*.

Matching your idea to the right funder

There are different types of organisations that give grants to community and voluntary organisations. These include large charities, statutory organisations (such as local councils), private companies, and trusts.

It's really important to choose funders that support the kind of activity you are running. It's worth spending more time choosing the right funders, rather than wasting time writing applications to organisations that are unlikely to fund your group.

The Resource Centre maintains lists of funders that are useful for community groups in Brighton & Hove and Sussex. Many of these will also be useful for groups from elsewhere in the UK.

¹ <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>

² <http://www.bhconnected.org.uk/content/local-intelligence>

See the *Raising Money* section of our website for:

- ♦ Favourite Funders for capital and equipment costs
- ♦ Favourite funders for existing activities and running costs
- ♦ Favourite funders for specific projects and new activities

The Resource Centre also has a subscription to Trustfunding.org.uk, which you can use on one of our computers. Contact us to book a time to come in.

Read the funder's guidelines carefully

When looking for funders, read their eligibility criteria or application guidelines very carefully. This is generally where they say what kind of thing they do and do not fund, and what their priorities are. This might include:

- ♦ what kinds of activities they want to fund (e.g. sports, arts etc.);
- ♦ what kinds of people they want to fund things for (e.g. children, people living in a certain local area, people facing a particular challenge or problem); and
- ♦ what kinds of benefits they want the activities to have (e.g. improving people's health, or helping people learn new skills).

The more closely your project matches the priorities of a funder, the more likely you are to get funding from them. Before applying to a funder, make sure you check the following:

- ♦ Do they fund projects in your area?
- ♦ Are they looking for projects with particular aims, outcomes or benefits? Do these match **your group's** aims, outcomes or benefits?
- ♦ Do they fund projects for particular groups of people (beneficiaries)? Do their beneficiaries match the people you are working with?
- ♦ Do they fund the kind of activity you want to run?

Remember, no matter how good your project is, funders will only give you money if what you are doing fits in with their own aims.

Is the funder only interested in new activities?

Many funders will only fund new activities, and won't fund things you are already doing. If you need funding for something you are already doing, think about whether you would like to expand or change it in some way.

For example:

A community football club needs funding to pay for pitch hire.

They have been running for a year already and their original funding for pitch hire has now run out. They have seven people coming along regularly, but really want more people so that they can form a full team and play in a league. They have asked local people, and some have said they don't come because they don't think they are good enough at football.

The club decides to run a new "project", focused on gaining new members, increasing players' skills and confidence, and joining a league. They will need to pay for a professional coach, publicity, transport and league entry fees. They will also need to continue to pay for pitch hire. Because they are making some changes and expanding their work, they can include the ongoing cost of pitch hire in their new funding application.

When you are thinking about expanding and changing your activities, be realistic. It's no good getting funding for something you actually don't have time to run.

Is the funder only interested in "project funding"?

Many funders will only fund specific "projects" rather than general running costs. If possible, think about whether you can package your plans as a specific project. This means a particular set of activities with a particular focus (rather than day-to-day expenses of your whole organisation).

For example:

An after-school club has four members of staff, but has lost some income so can now only afford to pay for three. It wants to keep all four, so needs funding for wages. For some time it has been trying to appeal to older children, as most children who attend are under 8 and there is not much locally available for the older ones.

Rather than just thinking of the worker's wages as part of the general running costs, they could frame this as a new project. The name of the project could be: "Engaging with older children".

In order to run the project the after-school club need to:

- ♦ Employ a dedicated member of staff to plan activities for older children.
- ♦ Run training for all staff.
- ♦ Buy new equipment.
- ♦ Gain professional advice from other organisations.

They will need funding for one worker's wages and some additional funding to improve their activities for older children.

Do you need funding for basic running costs or existing activities?

If you don't think you can change your existing activities, or don't want to, you will need to make sure you find a funder that funds existing activities or running costs.

How much money will the funder give?

Different funders give different amounts of money, and some will only pay for certain things. It may make sense to apply to several different funders for different things you need to pay for. For each funder you are considering, find out:

- ♦ What size grants do they give? Try to find real examples of grants they have given in the past – these are often available on funders' websites, or ring them up and ask. This will give you a better idea of how much they really give than looking at the maximum amount they allow you to apply for.
- ♦ What kinds of things can you spend their money on? For example, if you need money to pay wages, do they provide this? If you want to buy equipment, do they pay for this?
- ♦ Some funders will only give you money if you can show you have also got money from elsewhere. This is called match funding.

Will the funder give grants in time for your project?

- ♦ When is the funder's next deadline?
- ♦ How long do they take to make decisions?

Before you apply

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)

See our information sheets on *Constitutions* and *Bank Accounts* and our website section on *Looking after your group's money*, if you need more help with these things.

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

We have information sheets on *Equal opportunities policy*, *Health and safety policy* and *Risk assessments*.

For groups in Brighton & Hove, Safety Net³ can give specialist advice on developing safeguarding policies and procedures.

Next steps

Now you can begin to write your application!

All the preparation you have done will make the actual writing much easier.

See our information sheet on *Writing a fundraising application* for some more tips.

³ <http://www.safety-net.org.uk/>