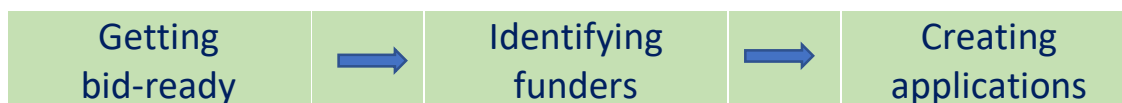


## Trust Fundraising

Charitable trusts expect high quality applications. What does high quality mean? How can appropriate funders be identified? What is involved in creating a compelling case? Our Community Enterprise has created this brief guide to help you understand what funders look for, and some steps to take to achieve their financial support.

Our Community Enterprise is a small CIC of 4 people, plus associates, and we've been fundraising for 7 years with a win rate of 60% (national average is 23%). We advise on project, partnership, business development and funding for third sector organisations. The general guidance below is an introduction to three main activities required to attract funds from trusts and foundations:



### Getting 'Bid-Ready'

#### 1. Ensure your organisation is ready to seek funds

- Know the needs you want to address, not just what you do and how it's done
- Gain team consensus on the method of meeting those needs
- Know the timeframe in which you'll be able to meet those needs
- Be sure you'll know when and how needs will have been met, and demonstrate this to beneficiaries, volunteers, partner organisations and funders
- Be able to prove that your organisation is worthy of funder 'investment'
- Ensure the correct structure governance is in place for your organisation
- Ensure the accounts are correct and have an explanation for any anomalies ready
- Have in place relevant and up-to-date policies such as safeguarding, equality etc
- Ensure stewardship has been tip-top – thanking your supporters and keeping them updated

#### 2. Ensure your project, revenue or core funding need is ready to be funded

- Have you researched the need you aim to address?
- Are you aware of best practice in your field and are you doing it too?
- Have you consulted individuals/community/partners to be sure your plan is right?
- Would a pilot project be beneficial, e.g. to try out best practice from elsewhere?

#### 3. Be sure funds are actually needed for the work you plan to do. e.g. is there a deficit which could be dealt with by efficiencies such as:

- creating a triage system to assess the urgency and severity of client needs
- addressing needs earlier so that you face lower costs down the line
- buddying with another organisation to share resource such as fundraising, payroll, volunteer co-ordinator or project manager
- sharing that new gazebo, regular hall hire, or bus...

#### **4. Gather funds from your 'community fundraising' effort first**

- Raising funds from your community of supporters can provide unrestricted funding that could be used as match – demonstrating that your cause is valued such that locals have made their own contributions.

#### **5. Presenting ongoing work as a distinct project**

Many funders will only fund a time-limited project, which can be a resource and accounting burden. Consult your team to identify ways to use resources as a time-limited project, with specific outcomes e.g:

- delivering your existing service to a specific new cohort
- expanding your reach or approach by partnering with another organisation
- supporting people to benefit from a new outcome
- intervening earlier in times of need
- trialling a new delivery method
- involving beneficiaries in a consultation or co-production phase

#### **7. Get to know other local organisations who may be responding to the same beneficiary needs. You may be competing with them for funds, so discuss joint working. This can present great potential for:**

- efficiency, skill sharing and cost saving
- better communication to beneficiaries
- better outcomes for individuals

#### **8. Planning a project**

- be sure of the needs you want to address
- identify the differences (outcomes) your activity will achieve.
- decide what your project actually needs to do to achieve those outcomes
- ask difficult questions to be sure that your project is the best way to address the need
- ensure you'll be able to reach your target market – consider advertising, referral processes, timing etc
- involve your target market – consult, provide opportunities for involvement
- plan the resources you'll need e.g. staff, equipment, premises
- consider timing – settling a new project in, admin and evaluation
- create a realistic budget that you can share with your potential funder if necessary

#### **9. Monitoring and evaluation**

Many will see evaluation as an 'add-on' at the project end, but it's important to evaluate well, from the start because:

- it will help you be clearer about what you want to achieve and when
- your team will be more productive
- you'll collect information that is easy to share, monitoring progress against targets at key milestones
- evaluation can bring clarity and consistency - likely to be of value to others
- the work may be more likely to stay on track
- you will discover any required changes, earlier on in the project lifespan
- gathering intelligence early on will help you to know if additional funding is needed during the project or towards the time when continuation funding is needed.

Cont...

Summary of terms used for monitoring and evaluation – and how they fit with your funding ambitions:

- Aims - the difference you want to make
- Indicators - the signs of success - how you will know you're making that difference
- Objectives - the practical things you will do to meet the aims and make a difference
- Targets - these are specific - how often, how many
- Evidence - information collected on the targets and indicators
- Monitoring - checking progress using collected information (usually numbers), so collecting the right info, and regularly

Funders often require applicants to describe outcomes, outputs and impact.

- Outputs - products, services or facilities that result from the activities
- Outcomes - the difference made: changes, benefits, learning etc that result from what the project or organisation provides
- Impact - broader or longer-term effects of a project's or organisation's outputs, outcomes and activities

The BBC Children in Need have produced a good guide to self-evaluation and writing a report

## Identifying Funders

### 1. Finding potential funders:

- Review past funders, check you thanked them properly and reported back on outcomes
- Reapply to those who turned you down, providing the timing and project fits. It may be that last time the project did fit criteria but competition was too great
- Sign up to search resources such as Funding Central
- Follow larger organisations which achieve similar outcomes to your organisation – they may publicise thanks to a funder you may like to approach, or list them on their annual accounts
- Get access to 'The Guide to Major Trusts' by the Directory of Social Change. Buy a copy, or if in London, drop in to their HQ and browse the database for free.
- Prioritise funders for which your organisation is the main sort of charity they support

### 2. Good research

- Review funder websites to see how well your cause fits them
- Grant making trusts and foundations will publicise their accounts on the Charity Commission website. Review their last two years – understand what sort of charities they support and the size of donations
- Review their list of trustees – check if any of them are local or have a special interest in the themes prioritised by your organisation
- Know how they prefer to receive bids – a short letter, online form, talking to them first etc
- Know which person they'd best like to receive the bid from – Chair of Trustees/manager etc.
- Consider the timing of when they prefer to receive bids and the closing date – early is best

## Creating Funding Bids

**Guidance** - read and re-read funder guidance

**Eligibility** - ensure both your organization and your approach will fit with funder preferences. One of the best ways to do this is to ring them and talk through the kind of approach you'd make.

**Standing out** - imagine you are the funder, receiving many more bids than can be funded – what will make your appeal stand out above others?

**Finding the best fit** - it can sometimes be beneficial to break your funding need down into separate 'packages' for different funders, according to their preferences.

**Concurrent bidding** – bid to several funders at a time and if a funder asks for details of other funders approached, tell them.

**Know the exact costs relating to the bid** - regardless of whether an application requires an accompanying budget, create a simple spreadsheet of how the costs break down for every individual application. Having this ready in case the funder calls with questions will provide a reference consistent with the bid.

**Avoid writing your application directly onto an application form** - read the application form through then copy each question onto a new Word document. This could enable you some clarity, prevent distraction, avoid the need to repeatedly log-on (if the form is online), make it easier to share drafts, and enable you to have control of the final text.

**Start from a blank sheet** - write bullet points in response to each question, which you come up with from scratch. This will help you to focus your answers – ensuring you are actually answering the questions properly, helping you to avoid going off-track or feeling overwhelmed. Expand them once sure they're the right points to make. Don't cut and paste– the questions are always different or asked with a different perspective.

**Consistent style** - one person should own the application and write it in their own voice – it's not easy write in somebody else's style.

**Be concise** - funders wade through many bids so it's important to be clear and concise – making your point early. If writing a letter, try to make the main part of it fit on the front and keep it within 2 pages. If permitted, attach compelling but brief information such as a half-page case study with photo and quotes by beneficiaries and professionals.

**Appearance matters** - messy layout, font, size and consistency can give any cause for irritation.

**Timing** – allow time to review your bid over several days and try to get your applications in early.

**Fresh eyes** - always let somebody else review the bid before it is sent off, particularly somebody who doesn't know your project

For further support, contact Our Community Enterprise