



## **Fund raising: public sector, foundations and trusts**

Fund raising generally falls in to four areas: grant funding from the public sector; funding from trusts and foundations; corporate sponsorship, and private donations. This fact sheet provides some hints and tips on making applications to the public sector and foundations and trusts.

Many public sector organisations and trusts and foundations only issue grants and funding to organisations or groups; they tend not fund individuals. The main exception is Arts Council England which can provide funding to individual artists through its Grants for the Arts scheme.

Carnival organisations seeking funding will need to demonstrate to funding bodies that they possess the capability to handle public money and possess appropriate experience and management structures to run their project.

Applicants will be required to demonstrate their ability to undertake the project that they seek funding for and that they will use the funds given for the purpose intended.

Organisations will need to have a constitution setting out their rules, aims and objectives, how it governs, how profits or surpluses are dealt with and what happens to assets should the organisation cease to exist. Normally, public sector funding bodies will only consider applications from not-for-profit organisations and carnival organisations applying to trusts will most likely need to have Charitable Status. Although it is worth noting that some trusts will accept applications from organisations that are not charities but do have 'charitable aims'.



## Types of funding

There are many sources of funding available. They can be grouped under the following headings:

- The National Lottery, such as The Big Lottery Fund and Awards for All
- Government departments, e.g. Department for Children, Schools and Families, Department for Communities and Local Government, Department for Culture Media and Sport, and, the Home Office
- Local Authorities, e.g. City, Borough and District councils
- Non-departmental public bodies (an independent body but reliant on government for funds), such as, Arts Council England, Learning and Skills Council
- Other government-funded initiatives, such as New Deal for Communities
- Foundations and Trusts

Most funding bodies have their own website which will provide useful information to potential applicants. In addition, there are a number of websites that catalogue funding schemes available via public sector organisations and trusts and foundations.

For example:

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

[www.fit4funding.org.uk/](http://www.fit4funding.org.uk/)

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

[www.fundraising.co.uk](http://www.fundraising.co.uk)

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

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

## Preparation and planning

It is important to have a clear idea of what you want and what you need funding for. It is useful to plan your project by using the 4W's and H methodology. Using the headings 'what', 'why', 'when', 'where' and 'how' will help you to sketch out your project plan and acts as a useful reference prior to filling out application forms.

You will need to draw up a budget forecasting your expenditure and income for your application. Draw up a budget for your project and set out as well as you can the actual costs of your project. Some costs can



be grouped together, for example lighting and heating can be added together as 'overheads'. If you have a large project you may want to draw up different budgets to highlight different elements of the project for different funders.

Once you have finalised your budget and have decided how much money you need to raise you should think about how feasible your targets are. Have you given yourself enough time to make applications for funding and for the money to be received to start the project? What sum of money are you looking for? How different is the cost of the project compared to previous activities you have undertaken? Are your income projections realistic? Does the budget add up correctly and balance? Further information on budgeting can be found in the separate budgeting fact sheet.

As part of your planning process you need to be realistic about what you can achieve. A funding body will make a judgement on your ability and capacity to deliver your project, often based on your existing 'track record'.

### **Do your research**

Nothing will be gained from mass producing funding applications and sending off standard letters to as many potential funders as possible. Fund raising requires a strategic approach. The first task will be to undertake research to determine appropriate funding bodies that you feel are most likely to be interested in your work. You should think laterally. Carnival in the UK is very effective in meeting broad social, culture and economic objectives of funders.

You should check how your work or project meets the funding body's aims, goals or objectives. Look at the achievements and successes of the funding body – the types of projects that the funding body celebrates and refers to on its website are likely to be those that are of most interest to it. A funding body is likely to publish a list of previous awards. This will give you a clue as to what size of grants and the types of activity the funding body is interested in supporting.

The final test you should carry out before you start writing your application is to check that your group is eligible for funding. Funding bodies will have written guidelines on the kind of projects and organisations they fund. For example, eligibility criteria can range from the legal status of the applying



organisation, the location of the planned activity, or the types people who will directly benefit from the project. Helpfully, many funding bodies state what you can and can not apply for. Match what you want to do with the aims of the funding bodies you are approaching.

Funding bodies tend to avoid offering grants for ongoing costs so make sure you know what the funding body is being asked to pay for. Funding bodies tend to only support projects and as such your activity will need to have a start and an end.

### **Writing the proposal**

More often than not you will have to complete an application form. Occasionally you will be required to submit a letter or a proposal. Whatever the formality for applying for funding you should read the application pack and guidelines first.

Double-check to make sure your project meets the aims, funding criteria and the purpose of the funding scheme you are applying to. When answering questions try to avoid passive words like “hope” where more dynamic words like “intend” or “will” can be used instead.

Consider the benefits your project will provide in meeting the funding body’s priorities. It may be helpful to use statistics, data and information from reports. Data and information that you have collated, such as audience surveys and customer research should be included in your application to demonstrate local need and local ownership, where appropriate.

Do not make assumptions. If you have queries or do not understand a question then contact the funding body to seek clarification. In addition, do not assume that the funding body knows anything about you or your work. Answer the question and where possible try to give full answers.

Put yourself in the shoes of the assessing officer when thinking about your answers. Try to think about what information the person assessing your application needs in order for them to make a good judgement about your application.

When you have completed your application get someone else to read and check it over for you.



Often funding bodies want to know what benefits and outcomes their money will achieve. As a result, you will need to develop a method for monitoring and evaluating your project. A system to record data perhaps from audiences and participants will enable you to convey useful information to funding bodies. Producing an evaluation report will be a credible way of assessing your project's outcomes.

A funding body may want to know the exit strategy for your project. This means what happens after the project finishes and the funding body's money has been used. Funding bodies are keen on sustainability. A question to ask yourself is how can you keep your work or project going once the funding runs out?

Finally, make sure you get your application in early enough. Think about the funding scheme's deadlines and the time it might take to receive a payment as this will affect your ability to do the project.

### **Why applications fail?**

Applications for funding tend to fail because they do not meet the eligibility criteria of the funding scheme to which the applicant has applied. In addition, applications fail because of perceived inadequacies or weaknesses in project planning and management or concerns over a project's budget.

You should also bear in mind that applying for funding is a competitive process. Most funding bodies have limited funds and therefore even good applications can be rejected.

### **Aftercare**

If your application is successful, you should send a letter of thanks to the funding body and keep them informed on progress of the project. Remember to invite representatives of the funding body to your events and acknowledge their support by mentioning them in press releases and incorporating their logo in your publicity.