



The Basis Project

Fundraising online toolkit

Foreword

The Basis Project

Across the UK there are many refugee community organisations (RCOs) providing vital services and support to refugees and asylum seekers from all over the world. In England alone there are over 650 RCOs and this figure is constantly changing. RCOs are run by refugees for refugees, and carry out an incredible scale and variety of work, much of which is done on a voluntary basis and with very little resources.

The Basis Project is a five-year Big Lottery (BIG) funded project, which aims to empower RCOs across England to achieve their goals. This might involve for example, managing funded projects more effectively, developing skills to secure sustained funding or improving overall organisational development skills and knowledge.

From January 2008 until November 2011, the project will deliver customised support and training for RCOs throughout nine regions in England. Refugee Council is leading delivery in London, West Midlands, East of England and North East regions. Refugee Action is leading delivery of the project in the North West, East Midlands, South East and South West regions. Project delivery in Yorkshire and Humberside is being shared between Refugee Action and Refugee Council.

Eleven Organisational Development Officers (ODOs) - just over one in each region - will provide one to one advisory support and group training in key organisational skills, including, financial management; governance; fundraising and project development.

The Basis Project will provide support to RCOs in different ways depending on the RCO's needs, for example, through the use of: information products and toolkits; one to one support, group training; networking; peer support; seminars and events. The Basis Project will also work with funders and second-tier service providers to improve their understanding of the issues facing RCOs, refugees and asylum seekers, and to improve RCOs' links to them.

Acknowledgements

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The Basis Project team

Thanks to colleagues from Refugee Council and Refugee Action who contributed to the development and production of this toolkit.

Much of the content in this toolkit has been taken from the invaluable Refugee Council publication, *Doing it for Ourselves (2003)* – a step by step guide to setting up and managing a refugee community organisation (RCO). Where appropriate, information and facts have been updated. We would also like to thank the following organisations for allowing us to reproduce their copyright materials:



The Directory of Social Change – for use of their publication: *The Complete Fundraising Handbook (2007)*. To purchase a copy go to: www.dsc.org.uk/Publications/@2613

The Directory of Social Change (DSC) campaigns for an independent voluntary sector at the heart of social change through its publishing, training and commentary.

Current campaigns include the need to promote transparency and accountability of the sector, the need to increase public confidence in charitable organisations and concern about the sector's independence from government. With an annual turnover of more than £3 million, DSC has contact with some 20,000 voluntary and community organisations (VCOs) every year through its programmes.

Charities Evaluation Services for reference to their invaluable publication: *Becoming more effective, an introduction to monitoring and evaluation for refugee community organisations*. Go to <http://www.ces-vol.org.uk> to download a free copy.

Barking and Dagenham CVS for reference to their *practical guide to fundraising for the voluntary and community sector*. See www.bdcvs.org.uk

Southwark Refugee Project for use of their budget template.

The Basis Project toolkits, while checked for accuracy, are for information and guidance only. The Basis Project cannot accept responsibility for loss to any organisation or individual as a result of action taken (or refrained from) based on the content of the Basis Project toolkits.

We hope this resource tool will enable refugee community organisations to develop and provide high standard services to their communities.

The Basis Project would like to thank the Big Lottery Fund for its generous support.

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Introduction

The aims of the Basis Project toolkits are to provide refugee community organisations (RCOs) with practical and accessible information and advice on four key areas of organisational development. For this reason the toolkits are divided into four user-friendly sections: financial management; governance; fundraising and project development. For those RCOs who are receiving support from the Basis Project, the toolkit will also complement any training materials received or learning sessions attended.

The Basis Project toolkits are targeted at small to medium RCOs who have a reasonable infrastructure in place. By this we mean a written constitution, a management committee (MC) with at least three members. We hope that RCOs will be able to adapt information from these toolkits to suit their particular needs and aspirations and to use the toolkits as a guide for their MC, staff and volunteers who are involved in the day to day running of the RCO.

Copies of the toolkits can be downloaded for free from the Basis Project website at: www.thebasisproject.org.uk. The website also provides further information about the Basis Project.

We hope that you find the Basis Project toolkits useful and look forward to your comments.

About this toolkit

There are many ways of raising money and lots of funding sources, which can be overwhelming for any RCO, whether just starting out or more experienced. The aim of the following sections is to make the fundraising process as straightforward as possible for your organisation. If this relates to you, then read on!

We would strongly encourage that every member of your MC reads this toolkit on 'fundraising' and lets the Basis Project team know if there is anything that is not easy to understand.

This toolkit is divided into ten sections, which offer practical information and guidance on how to successfully fundraise for projects and the running costs of your organisation.

Any experienced fundraiser will tell you that the key to successful fundraising is to have a strategy in place, so section one begins by looking at how to develop a fundraising strategy for your organisation. Section two goes on to look at the different ways that your organisation can raise funds.

In section three, the 'Getting ready to fundraise checklist' highlights some key questions that your organisation should consider before beginning the fundraising process.

Sections four to six focus on understanding the funding options available to your organisation and tips for preparing a good funding application.

When your organisation is successful in securing funding for any project, it will have to show accountability to the funder by managing the project effectively. This will include, for example, ensuring that you spend the money in the way that you proposed. Sections seven and eight give guidance on how to manage your project effectively and very importantly, how to monitor and evaluate any projects, when they have ended.

You will find a glossary of terms in section nine and a list of useful contacts in the final section.

Setting the scene: the challenges for fundraisers

As a refugee community organisation (RCO), you will be well aware of the uncertain and insecure funding environment that you have to operate within. Before you can begin to fundraise for your organisation effectively, it is advisable to carry out some basic research in order to understand the current trends in the voluntary and community sector funding environment. This will help to ensure that:

- you are being realistic about your organisation's funding opportunities
- you know how to access relevant funding opportunities
- you are approaching the most appropriate funders for your activities and services

There is an increasing emphasis on financial sustainability. According to the Directory of Social Change's *The Complete Fundraising Handbook* (www.dsc.org.uk/Publications/@2613), many trusts do not want organisations to become dependent on them and would prefer to be able to fund new ideas and projects. Of course, in reality, this is very challenging for RCOs, particularly when there seem to be less funding opportunities and more competition.

However, ongoing financial sustainability is not just about money or improving your fundraising skills. It involves your organisation taking a well-planned, comprehensive approach that looks at where your organisation is now, and where it wants to be in the future. It then needs to consider what skills and capacity it will need in order to fulfil its aspirations and to access appropriate funding opportunities. As part of this approach, it is useful for your organisation to have an overview of the bigger funding picture – this will help you to consider all available options.

The following current funding trends, for example, might influence your organisation's financial planning:

- Most sources of funding are becoming increasingly project focused.
- The growth of stricter and tighter reporting mechanisms and budgeting requirements.
- The Government is moving away from grant funding towards awarding contracts to charities for delivering public services.
- Local authorities have less money to offer due to cuts in central government spending.
- General fundraising is increasingly competitive

Keeping up to date with changing funding trends will assist your RCO in developing and achieving more realistic fundraising strategies.

Section one Developing a fundraising strategy

1.1 What is fundraising?

The term 'fundraising' is used to describe the process of raising resources (funds). These resources can be human, cash and/or any other material resource offered to your organisation as 'in-kind' support. Fundraising is a tool that will help your organisation to create the resources it needs in order to carry out its work and to meet the needs of your community. This means that:

- the fundraising process should start from a clear idea of what resources are needed and why
- what are the needs of the community and
- what plans do you have to address these needs?
- is your organisation planning to continue an existing service, develop an existing service or develop a new service?

Every refugee community organisation (RCO), whatever its size, needs to think about how it funds its activities. Even community groups that are completely run by volunteers will need some resources in order to cover volunteers' expenses, publicity material, rent, telephone calls, stationery, and so on.

There are many ways of raising funds, and the chosen method will depend on how much is needed and for what purpose. This is where a fundraising strategy will help you to plan effectively.

1.2 What is a fundraising strategy?

A fundraising strategy is a step by step plan of action that outlines where your organisation is now and where it wants to be in the next one, two or three years, and how it proposes to fund these plans. Your fundraising strategy should be based on your organisation's business plan..

1.2.1 Who is it for?

Your fundraising strategy should be written primarily to help your organisation and it is important that everyone in your organisation easily understands it. It is good practice to repeat what your organisation is there to do, why, when and how much it will cost. It should then show how you plan to raise the required funds, who is responsible for what, what funding you already have and for how long. Funders may also want to see the fundraising strategy to understand the future plans of your organisation but the strategy is not written just for them.

1.2.2 Who should do it?

Anybody in your organisation, with the right skills, can do your organisation's fundraising activities. For example, you might choose a member of staff, a volunteer or a committee of volunteers. Who you choose depends on your organisation's resources, timescales, the activity to be undertaken and the overall objectives of both your fundraising strategy and your organisation's overall plan.

As a general guide, your fundraising strategy should explain:

- √ what your organisation wants to do (aims and objectives)
- √ why your organisation wants to do it (the need)
- √ who will benefit
- √ what will happen if nothing is done (that is, the effect on the community)
- √ when your organisation wants to do it (timeframe)
- √ how much it will cost (budget)
- √ how your organisation plans to raise the money
- √ who is responsible for doing what (tasks)
- √ what funding is already secured

1.3 What does this mean in real life?

For example, if your organisation's fundraising strategy includes the development of an Information Technology (IT) learning centre, the strategy should include:

- how this project fits into the overall aims and objectives of your organisation
- some information about the project itself (for example, what section of the community you are targeting, how many and where?)
- how the idea of the project came about (did it develop out of an existing project?)
- how much money you need to raise and how you plan to raise it

Perhaps you could divide the project into different components to identify the type of funding that might be available. You might also think about organising a community event to raise money for cheap second-hand tables and chairs.

1.4 Can you adjust your fundraising strategy?

Yes, you can. Do not forget that a fundraising strategy is a working document and can be adjusted as you go along to include new ideas. You might also have to adjust it due to any changes that might affect your organisation or the timing of a particular project. Your organisation should aim to update its strategy every year (incorporating new developments and achievements) and produce a revised strategy every two or three years. The fundraising strategy should be informed by your overall business plan.

Before you can properly start developing your strategy, it is advisable to sit down with those involved in developing it to consider, as a group, any factors that might affect your organisation's fundraising opportunities. There are many ways that you can do this, but two very popular methods are the SWOT analysis and the PEST analysis (see below).

1.4.1 Looking at where your organisation is now

To help you assess your current fundraising position and to plan for possible future changes, you can do a SWOT analysis.

SWOT = Strengths, Weaknesses, Opportunities and Threats that affect a particular activity, or even the organisation as a whole. This is a useful tool for

thinking about how you might respond to weaknesses or threats, or work to build on strengths and opportunities. For example, a threat could be that the local authority withdraws its grant to you and an opportunity could be setting up a partnership with a local English language college.

1.4.2 SWOT analysis

An example of a SWOT analysis for a small organisation:

[taken from the 5th edition, *The Complete Fundraising Handbook*, Directory of Social Change. (www.dsc.org.uk/Publications/@2613)]

	Positive	Negative
Internal factors	Strengths <ul style="list-style-type: none"> • Established team • Experienced management • Good relations with local authority • Good reputation 	Weaknesses <ul style="list-style-type: none"> • Limited contact with funders • Existing grants running out • No evaluation undertaken
External factors	Opportunities <ul style="list-style-type: none"> • Public interest in your issue • New company in the area 	Threats <ul style="list-style-type: none"> • Change in the benefit regulations • Another local agency is expanding aggressively

1.4.3 PEST analysis

To help your organisation explore external factors in more detail, it is very useful to do a PEST analysis. **PEST = Political, Economic, Social, and Technological.**

This will help your organisation to look at changes in society that might affect its fundraising potential and also its more general work. Look at the following examples to help you understand further:

- Political: What would the impact be on your organisation if new legislation was introduced to ensure that all RCOs supported economic migrants as well as refugees and asylum seekers?
- Economic: How would increased spending on volunteering projects impact on your organisation?
- Social: How would a positive shift in public attitudes to asylum issues affect your organisation?
- Technological: How will your organisation keep up with the advances in computer software?

Your organisation may not be able to do much to influence any of these external factors however it is good practice to consider these possibilities.

An example of a PEST analysis is:

[taken from the 5th edition, *The Complete Fundraising Handbook*, Directory of Social Change (www.dsc.org.uk/Publications/@2613)]

Political	<ul style="list-style-type: none"> How will new government strategies or initiatives affect voluntary organisations? For example, Local Area Agreement (LAA), ChangeUp and so on.
Economic	<ul style="list-style-type: none"> What effect will the next budget have on fundraising? How will increased public spending impact on voluntary organisations?
Social	<ul style="list-style-type: none"> What will be the results of the continuing fragmentation of the family?
Technological	<ul style="list-style-type: none"> How will new technological innovations impact you and your service users?

An organisation will probably develop a fundraising strategy for each project that it runs, and this can be pulled together into a fundraising strategy for the whole organisation. This ensures that there are no gaps where activities are not funded, and also illustrates how each activity fits into the general direction of the organisation as a whole.

Consider the following tips when putting together a fundraising strategy:

Tips	Why and how to:
Involve Everybody	<ul style="list-style-type: none"> Developing a fundraising strategy should involve your management committee, staff, volunteers and members/clients so that they all understand how their individual work contributes to the overall aim of your organisation. Also, knowing who pays their salary or expenses can make people feel more accountable for the work they do and helps in understanding the importance of evaluating and monitoring their work. You should also involve all staff in planning for continuation funding for their post, as they will have useful insight about what changes or additions need to be made to their duties. You could send out a draft you are comfortable with and hold a meeting to get feedback on it. Alternatively, you could create a system which allows people to feedback anonymously.
Define the need	<ul style="list-style-type: none"> Your fundraising strategy is based on your assessment of the needs of your client group and this determines the future plans for your organisation. Are your clients' needs the same as before or have they changed? How much money does your organisation have at

	<p>present and how much more is required to meet the needs of your clients?</p> <ul style="list-style-type: none">• Try using questionnaires for your users, staff and volunteers. Conduct structured interviews to get comprehensive feedback and try to use community statistics.• Look at who else provides similar services in your area and if there are other similar organisations, think about how your organisation could work with them or how your service meets a particular need that theirs does not.• Always demonstrate what is unique about what you are providing. This may be specific to your cultural heritage/religion/language/location/the financial constraints users have that may prevent them from using other services.• Research your user group and demonstrate the need for your specific services. See Section 5 for more information.
Identify funding sources	<ul style="list-style-type: none">• Make a list of all your past and present sources of funding, including funding organisations and individual donors, so that you can identify potential sources of funding for the future.• It may be possible to raise money from an existing funder – you could explore this option with a funder.• If you are reapplying for the same funding, take inflation into account.• You should check the funder’s criteria prior to making requests as some funders will not fund ‘core costs’ (or will only fund a small percentage of these costs). For example, staff who are not connected directly to a project, and/or building or governance costs.• Diversify your funding – it is better to receive funding from several funding sources rather than just one or two. Otherwise you will become too heavily reliant on one funder, and you may suffer if this funding comes to an end.• In your fundraising strategy outline which funders you are going to target for which projects. Consider targeting your efforts on one to three funders over the next one to three years. Of course, the number of funders that voluntary and community organisations (VCOs) may consider approaching will vary from one to another depending on the size of the organisation and its capacity to handle the workload.• Also look at other fundraising activities that you have done in the past – were they successful and; did the activities raise enough money considering the cash you had to spend to set them up?• You could carry out a stakeholder analysis – this means listing all the groups and people who are interested in your work. This may include local authorities, second generation refugees who have done well and wish to give back to their community, and members of your organisation who have a real interest in supporting your work. This may help you to identify new sources of funding for the future. Consider all potential sources of funding!

Be cost-conscious	<ul style="list-style-type: none">• Always think about how much the actual process of raising money will cost – staff time, refreshments, stationery, material, venues and so on. Costs will depend on the nature of the fundraising activity. A mail out? A fundraising day? Whatever it is, there is always a cost involved.• Costs should be proportionate to what is raised through the activity, so balance the time and money that you spend against the amount you hope to raise. Do not spend £100 hiring a venue for a fundraising concert, and £75 on refreshments if you only expect ticket sales to raise £220.
Learn from your experiences	<ul style="list-style-type: none">• Look back at your organisation's past experiences of fundraising and those of other organisations so that you can minimise the risk involved in fundraising by adapting methods that have worked in the past.• Of course it is good to try out new techniques - as long as you do not invest all of your time, resources and hopes into something that you are trying out for the first time.

Section two Different ways of raising funds for your organisation

There are many ways of raising funds and the approach you choose will largely depend on what and how much is needed, and for what purpose. For example, small amounts of cash may be raised by holding a cultural event or a car boot sale or by seeking donations from individuals and small businesses. For larger amounts you may need to make an application to a funding organisation or seek sponsorship. Another common way to receive income is from membership subscriptions.

Figure one (next page) illustrates possible resources to consider when fundraising.

2.1 The main funders of voluntary and community organisations (VCOs)

VCOs receive funds and grants from two main types of funding organisations: statutory and charitable trusts and foundations.

Statutory funding comes from government sources. The London Councils, Local Authorities, Department for Communities and Local Government – Connecting Communities Plus, and Department for Children, Schools and Families – Children, Young People and Families Grant Programme, are some examples of the funding that are available from statutory bodies. [See www.governmentfunding.org.uk for more details of statutory funding sources].

Funding from charitable trusts and foundations come from non-governmental sources. Some of the major funders of the voluntary sector who fund VCOs are: City Parochial Foundation, Bridge House Trust, Comic Relief, Housing Association Charitable Trust, and Princess Diana Memorial Fund. These are often referred to as 'charitable trusts'. Funders' priorities and guidelines change, therefore it is important to always do some research.

Before deciding which funding source(s) to pursue, you should explore the advantages and disadvantages of the options available to you. **Figure two (page 15)** provides a clear overview of the advantages and disadvantages of a range of **funding sources**, including statutory and charitable trusts and foundations.

Figure one: Identifying and researching resources

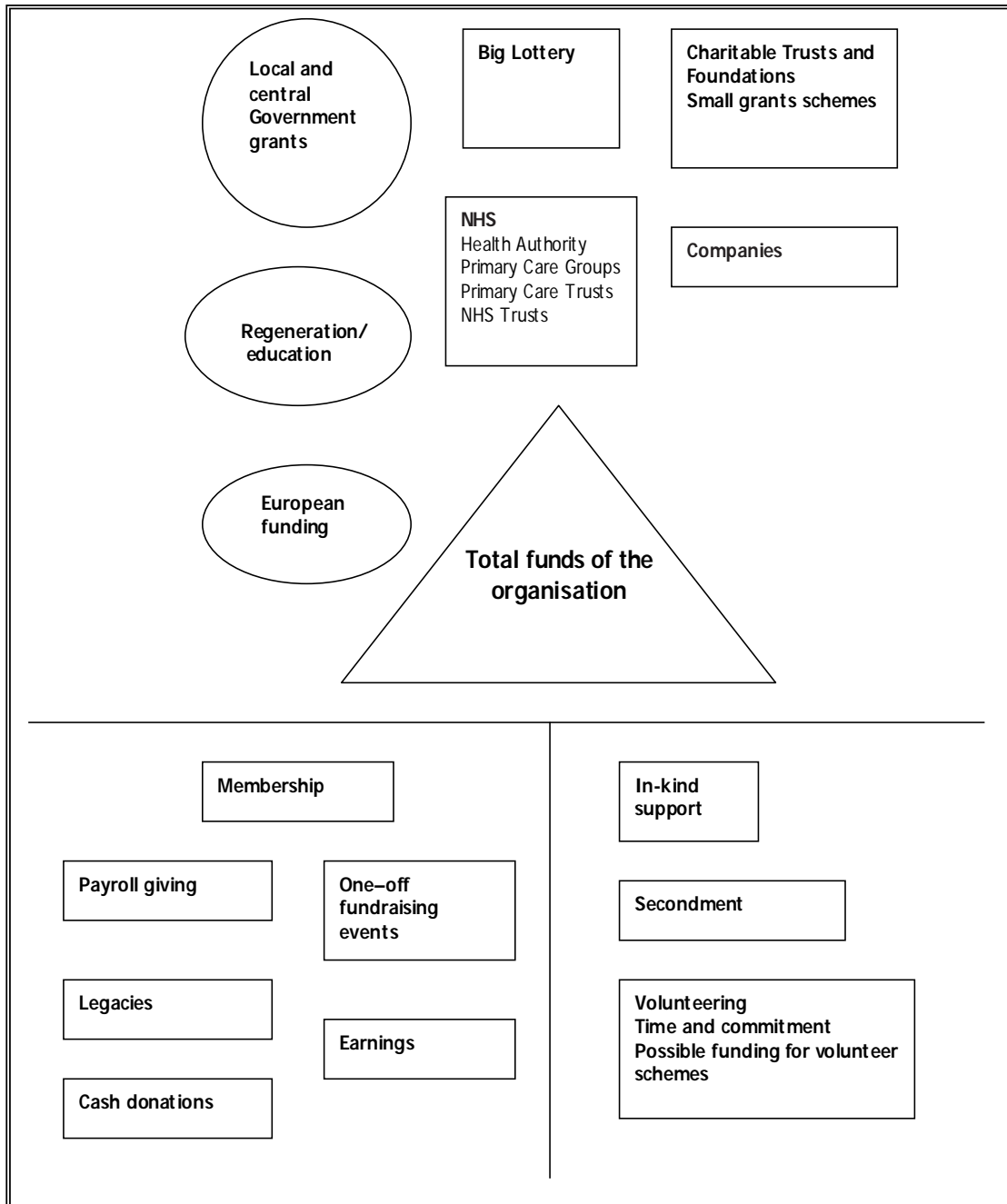


Figure two: Funding sources – advantages and disadvantages (adapted from the Finance Hub)

GOVERNMENT FUNDING

This is funding that comes from local authorities, government departments, primary care trusts, Europe and a range of government agencies. Payments and contracts do not have to be directly from the government themselves.

Advantages:

- √ large amounts of money may be available
- √ ongoing running costs may be funded such as rent, salaries, electricity
- √ lobbying (repeatedly asking for changes) can be productive – over some time!

Disadvantages:

- × applications can take a long time and ask for a lot of information
- × you may be restricted in what you can do or be asked to do extra for the money
- × grants can be in danger because of sudden and unexplained cuts (due to policy changes)
- × high levels of accounting and monitoring are required
- × long time to wait for a decision

CHARITABLE TRUSTS AND FOUNDATIONS

These are bodies set up to fund activities that meet a particular aim. This could be social policy research and development, as is the case with the Joseph Rowntree Foundation, or helping disadvantaged children, which is the case with Children in Need. Trusts and foundations can be local, regional or national.

Advantages:

- √ tend not to be very bureaucratic – applications may take less time/be less difficult
- √ some take risks and fund unpopular causes
- √ community organisations can build up long term relationships with particular trusts

Disadvantages:

- × most only give small sums of money
- × it can take a long time to get a decision
- × highly competitive – lots of people apply for the money
- × there can be strings attached to what they will give you

COMPANIES

Companies give in various ways such as donating materials or equipment, offering services for free and getting their staff to offer advice or training. Some companies also give donations or sponsorship but while donations are like any cash gift, sponsorship means the company expects to get something back such as advertising or positive publicity. Donations come from a department with responsibility for corporate giving.

Advantages:

- √ possibility to develop long-term relationships
- √ cash gifts can be spent on anything to do with the charitable organisation

Disadvantages:

- × they very rarely give cash gifts
- × difficult to get – very competitive
- × it can take a long time and a lot of effort for small returns (a small amount of money)
- × accepting donations from companies can carry ethical concerns (for example, the company is connect to a large pharmaceutical company with a poor reputation in developing countries)
- × there are trading and VAT implications around sponsorship (for example, use of logos)

INDIVIDUAL GIVING

This is money given by members of the public to your organisation or group through a variety of ways, including payroll giving (where donations are taken out of wages), gift aid or legacy payments.

Advantages:

- √ can provide a regular income

Disadvantages:

- × can take a lot of work to get it started
- × very expensive to implement – for example may need to spend £10,000 to attract members of the public to your cause
- × needs a long term approach
- × local groups may struggle against big national household names, such as Shelter or the World Wide Fund (WWF), who dominate this market
- × individual giving needs to have a decent IT support system and database

'DO IT YOURSELF' FUNDRAISING

This is a more informal way of sourcing money from individuals and can be done in many different ways – like jumble sales, summer fetes, raffles, sponsored walks and social evenings.

Advantages:

- √ can be a fairly quick way of raising small amounts of money and can be fun
- √ a good way of involving lots of people
- √ can cost very little to set up
- √ good way to use volunteers
- √ can gain your voluntary and community organisation valuable publicity.

Disadvantages:

- × can be unpredictable
- × can be hard work and time consuming
- × there are legal considerations to take into account, such as licences for street collections and rules on gambling and health and safety if using public spaces
- × events may lose money
- × return on investment is very low
- × possibility of reliance on volunteers

TRADING OR EARNED INCOME

This is money your organisation earns directly from selling goods or services, e.g. providing advice for local authorities, interpretation services or making and selling ethnic jewellery

Advantages:

- √ trading income has no strings attached – you can use it for anything for your charitable purpose. Income earned under contract would have restrictions on it
- √ developing new areas of work provides employment and development opportunities

Disadvantages:

- × some voluntary and community organisations are not in a position to charge for services
- × may need additional skills and expertise
- × trading may have complex financial and legal reporting requirements, for example, to sell books or Christmas cards you may have to set up an incorporated charity

RESOURCES AND REFERENCES

Some additional resources are provided on this page, most of which are available **free** of charge. Resources you have to pay for are marked with a £ sign.

[South Yorkshire Funding Advice Bureau information sheets](#)

The South Yorkshire Funding Advice Bureau provides a wide range of information sheets in plain text and PDF format.

[Lottery Funding](#)

A joint website run by all Lottery funders in the UK. The site allows you to search for information on current funding programmes across all Lottery grant makers.

[The Directory of Social Change](#)

The Directory of Social Change provides web based services, CD Roms and publications of use to voluntary and community organisations seeking funds. Books are charged for.

[Funderfinder](#)

Funderfinder produce a range of information sheets on funding and fundraising.

[The National Council for Voluntary Organisations](#)

The National Council for Voluntary Organisations provides a list of the main sources of funding.

[Details and criteria for different Big Lottery Fund](#)

The Big Lottery Fund provides details and criteria for different initiatives and their application processes.

[Charities and Fundraising CC 20 PDF](#)

A downloadable pdf (100kb) of the Charity Commissions guidance on Charities and Fundraising.

[Association of Chief Executives of Voluntary Organisations \(acevo\) publications list](#)

You can find the full list of ACEVO publications on this page. You have to pay for some of them.

[Charities and Fundraising CC 20 PDF](#)

A downloadable pdf (100kb) of the Charity Commissions guidance on Charities and Fundraising.

[Charity Trends 2006](#) 

Charity Trends 2006, from CAF, provides up-to-date statistics and analysis on: current trends in fundraising, charity income and expenditure, details of the top 500 fundraising charities, and company donations.

[Essential Guide to Preparing Successful Funding Applications](#) 

This guide aims to help you identify what should be included in your application, and what you can do to make your application more successful.

[Fundraising National Occupational Standards](#)

The National Occupational Standards (NOS) in Fundraising are aimed at people - either paid or unpaid - who raise funds and resources.

[Summary CC 20A](#)

For a quick read see summary of the Charity Commission's guidance on charities and fundraising.

[Tools for Fundraising](#) (491kb, .pdf)

Downloadable 33 page .pdf (491kb) produced for the Finance Hub by NCVO Sustainable Funding Project. It includes advice, checklists and a series of exercises that groups and advisers can use to work through the various methods of fundraising including fundraising from the public.

[Guide to Fundraising](#) (721kb, .pdf)

Downloadable 38 page .pdf (721kb) produced for the Finance Hub by NCVO Sustainable Funding Project. The document introduces fundraising, and covers fundraising from the public, from businesses and from local communities.

Section three Are you ready to fundraise?

Any fundraising process should start from a clear idea of what resources are needed and why; that is, what the needs of the beneficiaries are and what plans there are to address them. Is your organisation planning to continue an existing service or develop a new service?

Fundraising must be linked to the development of your organisation. It must also reflect and support your organisation's aims and objectives. If not, your organisation might find itself chasing whatever money is available and will quickly lose its purpose. Although this can be tempting, especially if your organisation is experiencing financial difficulties or is just starting up, you must remember that fundraising is not about raising money just for the sake of it. It is about raising money in order to be able to put your organisation's plans into practice. At this early stage, it is important to consider the questions below:

Getting ready: 'Health check' questionnaire

1. What is the purpose of your project/organisation?
2. What makes your project/organisation different from others?
3. How do we know there is a need for the project/organisation to exist?
4. How do you plan to meet the needs?
5. How do you know other projects/organisations are not already doing this?
6. What do you need to carry out the plan?
7. What is the total budget or resources needed (approximately)?
8. How will you measure the effectiveness of the project?
9. If you have answered all of these questions, then are you ready for fundraising?

Good luck!

Section four Understanding how funders work

Once your organisation is ready to fundraise, the next step is to undertake some research to help identify potential funders for your work. If you understand how funding organisations work, you will be able to target only those funders that support the kind of work you do. This means that you will not waste time applying to funders who are unlikely to support you.

4.1 Choosing the right funder

Often funders give money to projects and organisations that promote certain issues or causes. These include social issues, such as the welfare of refugees and asylum seekers, and also issues like the promotion of artistic activity, sport and education. Therefore, it is important to recognise that different funders will have different aims and objectives of their own, and to carefully study the funders' criteria, such as the priority area of work and beneficiary group before starting to complete the application.

4.2 Getting to know funders

You can find out about different funders and their criteria by contacting them directly [see **Section ten, Useful contacts**]. When you contact the funders, request an application pack for their different funding programmes and any guidelines that they produce about how they fund their work.

Another way of getting to know funders and their criteria is by consulting funding guidebooks, such as *The Complete Fundraising Handbook* published by Directory for Social Change, (www.dsc.org.uk/Publications/@2613) which will have information about all the major funding organisations. You should be able to find copies of these books at your local Council for Voluntary Service (CVS), or at some local libraries and other voluntary and community organisations (VCOs). There are a number of useful websites that you could also visit to find out about funders and their criteria. [See **Section ten, Useful contacts** for some of the most popular ones.]

4.3 Issues to consider when choosing a funder

In order to choose the right funder, there are a number of issues you need to keep in mind. Make sure you have considered the following:

The broad areas that the funder will fund	<ul style="list-style-type: none">• Areas of funding could be by geographical area, age group or particular disadvantaged group, such as refugees. Other categories may include social welfare, education, research, arts, women, health, elderly, youth, racial justice, and so on. It may be that the activity for which you are seeking funds covers more than one of the areas mentioned in their guidelines.
More specific priority areas	<ul style="list-style-type: none">• Within these broad areas, mental health, for example, may be a priority within the general health category of giving, or refugees could be a priority within the general category of 'socially excluded'

	groups.
Examples of past projects, items, and organisations that the funder has funded in the past	<ul style="list-style-type: none"> This will give you a good idea of the range of activities and the kind of organisations that have been funded before.
The minimum and maximum amount that a funder will give, and sometimes an idea of the average size of the grant	<ul style="list-style-type: none"> This information, as well as the annual amount that a funder gives out, provides some indication of how much to apply for. Do not ask for £20,000 from a funder who has a £50,000 annual turnover; do not request £30,000 from a funder whose grant-giving limit to any organisation is £25,000.
Deadlines for applications	<ul style="list-style-type: none"> Many funders have a deadline date for applications, although some do not. Some funders base their deadlines on the meetings of their management committee (MC), although it will not be the same as decisions that are made and announced. Decisions may not be announced until two months later or longer in some cases. Therefore, it is important that you plan well ahead. For example, if your organisation wanted to host a cultural festival in January 2009, it is no use sending an application to an MC's meeting scheduled for December 2008.
What the funder will or will not fund	<ul style="list-style-type: none"> It is essential to carry out research into what the funder will or will not fund when you are choosing a funder. Some funders will have a list of work and type of organisations they will or will not fund. For example, many funders will not give money to organisations that are not registered with the Charity Commission or to those that do not have a governing document.
Types of grant that a funder will consider giving	<ul style="list-style-type: none"> For example some funders will not give out funds for capital costs but will consider running costs. An explanation of these terms is outlined in the financial management toolkit.
Core costs or running costs	<ul style="list-style-type: none"> One of the most common areas of need expressed by VCOs is to secure core-funding. These are the basic costs needed to run your organisation. For example, it may include rent, stationery, salary for a co-ordinator and electricity bills. Unfortunately, only a handful of funders offer grants to cover the full core cost of an organisation. However, a majority of the funders would be happy to offer part/reasonable amount of the core cost that may arise as a result of running a project related to the funding application in question. Therefore, when

	you are developing a project, it is important that you carefully consider all the options on how best to cover the core cost of your organisations that may arise as a result of running a particular project.
Project costs	<ul style="list-style-type: none"> This separates the cost of a particular piece of work or project from the main work of your organisation. Most funders prefer to fund project costs as opposed to core costs because the results are clearer to see and it is time limited.

4.4 Preparing the information funders need

All funders require certain information about the projects and organisations that they fund. This is to ensure that the money is going to a credible organisation and that the money will be spent on issues that meet the funders' own criteria for giving. A funder will want to have the following information from any organisation:

Background information about your organisation	<ul style="list-style-type: none"> What are your aims and objectives? Why were you set up?
Proof that your organisation is capable of managing the amount of money	<ul style="list-style-type: none"> Do you have any past experience of managing a budget, or will you be able to receive help from other organisations to do this?
An explanation of why you want to run this particular project	<ul style="list-style-type: none"> What community need will it address and how do you know this need exists? What will the project do to meet this need?
Details of the project work	<ul style="list-style-type: none"> What will the project do to meet this need? What changes are you expecting as a result of your project?
Details of how much it is going to cost	<ul style="list-style-type: none"> What are you going to spend the money on? Is the amount realistic? Is it cost effective? How much are you requesting?
Details of other funders involved	<ul style="list-style-type: none"> How much have you raised from other sources?
Details of how you will manage the project	<ul style="list-style-type: none"> How will you ensure you achieve your goals (monitoring and evaluation)

Details of what you plan to do after the grant is finished	<ul style="list-style-type: none">• Think about sustainability issues. Do you think you will want to look for other funding to continue the project?
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Different funders will ask for this information to be presented in different formats. For example, some funders will send their own application form, others will ask you to submit a two page summary briefly describing the proposed project and some will require a more in depth project proposal explaining in detail what you want the money for and how you will use it. It is important to check the requirements of each funder before applying.

4.5 Understanding funders' questions

When you are presented with a funding application, it can sometimes be an overwhelming and daunting experience, particularly if English is not your first language. As you will have started to realise, there is specific 'funding language' that is used, for example, outcomes and outputs. There is a glossary at the end of this toolkit which will also help you to familiarise yourself with common funding terms. You cannot escape from them!

4.5.1 How do you explain your project's outcomes and outputs?

Funders will be interested in the difference your project will make to your community. Differences are often called 'outcomes'. Funders want to know many other things! These include what activities or services you are delivering and how many (outputs) and how you will record these activities/services and how you will measure their success (monitoring and evaluation).

There are different ways of expressing this. To make it easier to understand what the funder is asking about, below is a selection of funder's questions with some notes to explain what the funder might want to know.

Questions relating to the outcomes of a project:

1. How will you record what you do, how will you know it is working?

This question is asking about monitoring and evaluation – but to evaluate something so that you know it is working, you have to know what changes or 'outcomes' you were aiming to achieve at the beginning.

2. What do you plan to do, who will benefit, what will be the timetable?

The first part of this question is asking about activities and planning (outputs). The second is about beneficiaries and timing (this is an opportunity to talk about outcomes as well by briefly adding in **how** people will benefit from what you are planning to do).

(Question from Northern Rock January 2008)

3. How will you judge the success of your project?

This question asks about monitoring and evaluation. Like question 1, you will need to show how you will monitor the outcomes you were aiming to achieve at first as well as how you are judging this.

(Question from Birmingham Foundation January 2008)

4. What are you going to do? What difference will the work make?

This question asks about activities (outputs) first then about the difference your activities and services will make (outcomes).

5. How will you know you have achieved what you have set out to do? What will you do with the findings? If relevant, how will you share your learning?

This asks about monitoring and evaluation relating to the project outcomes. How will you know you have achieved the outcomes you expected from the project and how will you a) improve your services as a result of the evaluation and b) let others know about successes you have had.

(Questions from City Parochial, Funding bid letter January 2008)

6. Who are the beneficiaries of your service?

This question is about the people your services have been designed for. They want a brief description of the cultural background, age, and gender of the groups you intend to serve.

7. What do you want to achieve as a result of the funding? We will ask a 10% sample of successful applicants who get a grant over £5,000 to complete an evaluation form within a year of the grant being awarded. The Foundation will compare the information provided here with the information provided in the evaluation form.

Here the funder tells you how they will measure what you intend to do (and the related outcomes) against what you actually did. This question involves both outputs and outcomes. Clearly the Foundation wants realistic answers!

(Question from Lloyds TSB Foundation for England and Wales January 2008)

8. What projects or activities will take place if you receive this grant?

This question is asking about activities and this relates to outputs – try to estimate how many activities/services will be implemented within a specific time.

9. Impact? How will the work be documented and evaluated? How will you ensure that the lessons learnt from your work will become known by others? What difference will the work make?

This question is three questions in one. The first is asking about monitoring and

evaluation (when a question asks about documentation it is asking about the recording of work which relates to monitoring). The second is about reporting outcomes to other people. The last question asks what difference something will make so it is asking about outcomes.

(Question from Awards for all, January 2005 version 7)

10. We are interested in the positive changes which your work will bring about.

This is another way of asking about positive 'outcomes' (changes).

11. How will you gather the information you need to help you assess whether you have made these changes? (for example, the use of focus groups, questionnaires, and so on)

This question is asking about monitoring and evaluation. Gathering information is monitoring, analysing and getting feedback. Arranging meetings with people who use your services (focus groups) is part of the evaluation.

(Question from Comic Relief)

12. What difference will this project make to these children/young people's lives? (please be specific)

This question is about outcomes: how your project will improve the lives of the beneficiaries, in this case children/young people. To be specific talk about how many children you will provide services to.

13. How will your project achieve this difference?

This question is about outputs – what you are going to actually do and how do those activities/services link to the outcome.

14. How will you measure that your project is making a difference? (What signs will you look for in the children/young people's lives? What evidence will you collect?)

This question is asking about monitoring, evaluation and outcomes. Collecting evidence and then analysing it and measuring the difference the project makes basically means evaluating the outcomes of the project. For example, they may be interested in signs such as a rise of attendance at school or higher attendance at the local community social club.

(Question from BBC Children in Need)

Section five Identifying and demonstrating need

Showing funders that there is a need for your work is very important. There is so much competition for funds that you must be able to:

- prove that your community needs your service (and not have made assumptions)
- show that your project will make a real difference and that you have a true understanding of your community

These, and demonstrating to the funder that your project is the best solution to the problems that you have highlighted, is key to getting the funds you need.

5.1 Identifying needs – consulting with your community

If you do not consult with your beneficiaries at the planning stage of your project, you may well encounter difficulties at later stages of project planning and delivery. Consultation also allows different groups of people and other local organisations to get involved with the project and offer support.

Consultation can be conducted in a variety of ways. You could invite comments through a monthly newsletter, workshops, one to one discussions or a consultation day. The methods of consultation and who you consult will vary depending on the type of the project proposed and the potential service users. For example, if you are planning to run an after-school club for children in secondary education, then local mainstream schools should be consulted as they can advise on the academic needs of the children. Or, if you are fundraising for an additional advice worker to cope with increasing demand, you should consult with the users of the advice service to see if they also think an additional worker is needed.

5.2 More ideas on how to consult

[Adapted from Barking and Dagenham CVS' fundraising toolkit]

The following ideas will help you to decide the most appropriate way to collect information about what your supporters/users/community really think:

1. Questionnaires

Keep the questions clear and focused.

2. Strategies that exist in the area you are working from

Look at other local organisations' funding strategies.

3. Statistics

Using research that details the number of people affected by a problem will have more impact than just quantitative information [see **further information** at the end of this list].

4. Research

Check to see if any reports and surveys have already been conducted that would relate to your proposed project and community.

5. Focus groups

A focus group works by bringing a number of people together for a timed discussion led by an experienced facilitator, who can help to guide the discussion and record the results (you could get someone to take notes).

6. Outreach work

This can be done by selecting random addresses and doing door to door interviews. Or you could visit community centres and youth clubs.

7. Mapping

Using a map of an area you want to research, ask people to place coloured stickers on to the map to indicate their views about areas where they feel safe or unsafe (places where a community centre should be?). You can adapt this participatory method to suit your particular needs.

8. Stalls

You could set up a stall in your local shopping centre, at an event or at a youth club – this would be an opportunity to informally chat to people.

To help you, here are some useful contacts that have been used to provide back up statistics and facts for successful funding applications in the past:

Census Customer Services
Office for National Statistics
Segensworth Road
Titchfield
Fareham
Hampshire
PO15 5RR
Tel: 01329 813800
www.statistics.gov.uk

<http://neighbourhood.statistics.gov.uk>

This provides statistics for an area or a neighbourhood summary.

Note: The Office for National Statistics holds information on where you can find data about your region. For example, you may be able to find detailed information for an ethnic group and an economic activity. The census is carried out every ten years, so the next census will take place in 2011.

[http://neighbourhood.statistics.gov.uk/dissemination/datasetList.do?Expand11=1&\\$p_h=60&updateRequired=true&step=1&CurrentTreeIndex=-1#11](http://neighbourhood.statistics.gov.uk/dissemination/datasetList.do?Expand11=1&$p_h=60&updateRequired=true&step=1&CurrentTreeIndex=-1#11)

You can use this web link to find the topics with statistical data attached to them – topics include age, gender, country of birth, economic activity and information related to health.

<http://www.communities.gov.uk/archived/generalcontent/communities/indicesofdeprivation/>

This web link provides statistics on deprivation. These cover a range of issues like unemployment, health, income, barriers to housing and services, and crime in local areas.

5.3 Be clear about your project

It is very important to show any funder that you are clear about why your organisation wants the money and what it will do with it. Below is a list of questions that most funders will ask you. If your organisation is uncertain about any of these areas, then you are unlikely to be able to convince a funder to fund your project.

Checklist of typical funders' questions:

Questions	Responses
How do you know that there is a need for your project?	You should make use of any research, monitoring forms or user feedback forms to show that the need is a real one.
How does the project meet the aims of your organisation?	You need to show how the project links to your overall aims and objectives.
Who will benefit from the project?	Your project may benefit a particular category, that is, the young, elderly, mentally ill, or people in a specific borough.
How many people will your project benefit?	Numbers will also give you an indication as to the size of a project. This can be worked out per week, per month or per year. This is important when working out the budget, so that costs can be worked out according to the number of people you are targeting.
How is your project different to similar existing services?	In other words how is your project different to similar projects in your area? Maybe your methods or your client group are different.
How will you make your project accessible?	You need to explain how your project is easy to access by your users. Funders want to know that potential users will hear about your service and can make use of it.
How will the project benefit those that use it?	Here you will need to be specific and list all the benefits you think the client will receive. It is important to be realistic and

	not to exaggerate the benefits, as you will need to report back to the funder later on.
How will you monitor and evaluate the activities of your project?	How will you measure the progress of your project and assess this progress? Also, a funder may want to know how you intend to make use of this information.

5.4 How will your project make a difference?

As we touched on in **section four**, some funders will ask you to demonstrate the differences your project will make by explaining the outputs and outcomes. These are briefly defined below:

Outputs: the quantitative results of your project that should relate to the objectives of the project/activity.

Outcomes: the qualitative changes/results that the project will have for the users and should reflect the aims of your project/activity.

5.5 Gathering evidence to support your application

Some funders will ask for evidence to support your application in addition to your completed application form or letter. This could include your organisation's latest annual report, audited financial accounts, budget breakdown or latest bank statement and job descriptions.

Funders may also ask for the results of surveys carried out that show the need for your project, or research that supports the statistics you have used in your application. However, do not enclose every piece of information connected to your application, as funders will not have time to read everything. For example, send a one-page summary of your research findings instead of the whole report.

Section six What makes a good application?

6.1 Writing the application

When you are completing an application form, it is best to photocopy the form and to fill in the details in draft first as it is likely that changes will be made when other people check it. If, like most people, you find it difficult to put things in writing, a good tip is to first explain your ideas to a friend. If your friend understands you, write down what you have said in a similar way on the application form or letter. If you cannot be clear and enthusiastic about the work you are planning to do, a potential funder will not be either!

Funders that do not use application forms will specify how they want you to approach them. Some may prefer an initial telephone call giving details of your organisation and your funding request. If a funder asks for a letter they will usually state clearly how long they want it to be.

You may be offered the chance to apply by email or to download the application form from a website and send it electronically. Some funders prefer you to complete and submit an application form online, so you may need to consider your organisation's IT capacity. See an **example Awards for All application form** at: www.awardsforall.org.uk/docs/awardsforall_england_application.pdf

6.2 Working out the cost

6.2.1 Do not undercost your project

You need to work out how much money to request from the funder. You will show this in the funding application as the project budget. This will show a clear breakdown of your estimated expenditure. In many cases, organisations tend to under cost their projects because they feel that they are asking for too much. However, if you apply for too little, you will run into serious financial problems when you do not have enough money to finish the work. See the [Financial Management toolkit](#) for guidance on how to write a budget.

6.2.2 How to cover core costs

Some funders prefer not to give 'core funding' (running costs, rent and salaries). One way to cover these essential costs is to divide them between different areas of work, or 'projects'. For example if you are applying for funding to produce a community newsletter, do not just include the cost of printing. Also, include the staff time and therefore, salary costs to research, interview and write articles. To cover the cost of rent, you can divide the number of services you deliver by the amount of rent you pay. Of course this should be worked out in proportion to the room size that the service takes up and how many hours per week the service is provided.

6.2.3 Keep all your funding application notes

Do not throw away any of the notes you make when working out different costs. They contain essential information that a funder may require. Also, your notes will help you remember how you worked out the costs and what you based your

estimates on – because by the time you actually hear from the funder, these details may not be clear in your mind!

6.3 Presenting the information to funders

6.3.1 Keep it simple

The golden rule is to **keep it simple**. Funders receive many applications that are overly complicated and difficult to understand. One way to avoid this is to use bullet points, for example, to list how the project benefits the community. This will also make it easier for the person writing the funding application if English is not her/his first language. Get a friend or family member who is not involved with the project to read it and make sure s/he understands it.

6.3.2 How to make your application stand out

Do not forget that you are one of many applicants looking for funding so think carefully about how you can make your application stand out from the others. Accuracy is crucial – have you checked your application for good grammar? Have you spelt the contact person's name correctly? Look at **Figure three: The 'devil is in the detail' (next page)** and see if you can spot the mistakes!.

Do not go over the top on presentation by using expensive paper or flashy graphic designs, as this will only show that your organisation is misusing limited money.

However, you can make an effort to ensure that the layout and format is well presented and easy to read. For example, try highlighting the main headings of your application in bold or underlining them. If you are typing your application, make sure the font is not smaller than 12 pt so that it is not hard to read. If you are hand writing your application, write clearly in black ink so that it is easy to photocopy.

Figure three: The devil is in the detail

This is a common English saying meaning that detail is an important and difficult matter. Look at the following short extracts from these supporting letters and spot the mistake. There is one mistake in each letter.

Mrs Hope Dolittle
Senior Grants Manager
Faith Communities Capacity Building Fund
Office of the Third Sector
35 Great Smith Street
London
SW1P 3BQ

Dear Sir

Mr Nollisen
Clerk to the Trustees
Trust for London
6 Middle Street
London
EC1A 7PH

Dear Mr Lissen

Mr Nollisen
Clerk to the Trustees
Trust for London
6 Middle Street
London
EC1A 7PH

Dear Mr Nollisen

The London Livelihood Fund has always been a supporter of our organisation. We are grateful for the support we have had in the past and hope that you can consider this application for further funding.

Answers:

Mistake number one is: Dear sir (addressed to Mrs)

Mistake number two is: Dear Mr Lissen (addressed to Mr T U Nollisen)

Mistake number three is: The funder in the address is not the same as the funder in the main letter. This is a serious mistake!

6.3.3 Meet the deadline!

Before you post your application, take a photocopy in case the funder misplaces it or it gets lost in the post. Make sure you address it to the right person – this is usually stated in the funder's guidelines. Most importantly, make sure it arrives on time. Some funding programmes have just one deadline for each year and others may have more than one. Some funding organisations decide on all applications at the date of their next management committee (MC) meeting. Details about the timing of applications will be included in the information that the funder sends you.

Tips for submitting a good application:

- √ Check that your application matches the funder's criteria
- √ Do not make generalised statements – try to illustrate your proposed project by using facts and figures
- √ Fill out the application form accurately, remembering to include any required documentation, for example annual reports
- √ Allow time for the approval and sign off process, for example, from the chair or another trustee from your organisation
- √ If your application is successful, remember to thank the funder and to follow any reporting criteria that they require
- √ Communicate with your funder, keep them up to date with developments, and perhaps you may have the chance to apply to them again!

Section seven Managing your project

7.1 Good financial management

Before funders will give your organisation any money, they need to be confident that you have sufficient financial systems and procedures in place to be able to deliver the project. They will need to be sure that you will be able to account for the money you are given.

Good financial management = accountable and professionally run

Funders will expect that:

- Your management committee (MC) has close contact with your users or community and has the required skills to deliver the project
- You know what skills and experience your MC can bring to this project
- Your organisation has established procedures for the election of the MC and for holding regular meetings
- Your organisation has transparent financial systems and procedures. For example, regular reports are sent to the MC and your accounts are prepared appropriately [see the [Financial Management toolkit](#) for guidance on good financial management.]
- You support your staff and volunteers well and carry out regular supervisions
- You understand and adhere to the funders' terms and conditions

Even if you have not got all of the above procedures in place, you must communicate to the funder that you are aware of these and that you are in the process of developing them.

7.2 Developing a budget and managing the money

When you have developed your project, the next stage is to work out how much it will cost. [see writing a budget in the [Financial Management toolkit](#)]

7.2.1 Tips for developing a good project budget

- √ Be realistic about how much things cost – do not under cost
- √ Budget for planning, monitoring and evaluation
- √ Make sure you have systems in place for monitoring and reporting on spending
- √ Remember to include running costs (such as premises, stationery, management – every project uses office space, heating, lighting, administration costs and so on) in your bid. You should remember to include a reasonable portion of them as a percentage in your budget for each project
- √ Always show in-kind support and match funding
- √ Always check the terms and conditions of the grant before accepting funding – you must spend the money in the way that you proposed
- √ Be realistic about what you can deliver – have you got enough staff capacity?
- √ Keep in regular contact with your funder – and always alert them to any problem as soon as possible. Funders are more likely to be flexible if they know what is happening

7.3 Plan ahead – continuation funding

The most important thing to remember about the fundraising process is that it takes time. It may take many months for an organisation to plan a project, research funding options and apply, and funders can take up to six months to make a decision. There may also be delays if there are any mistakes or insufficient information in the application. It is therefore important to plan ahead. If your organisation has secured three-year funding for a project, you should start searching for continuation funding during the second year.

You may want to set up a fundraising sub-committee to take responsibility for developing a project and fundraising for it. This could be made up of the management committee, staff, volunteers, members and service users. In its regular meetings, the fundraising sub-committee can discuss issues, plan work and allocate tasks. For example, a volunteer could research the different funders and a management committee member could consult with service users.

7.3.1 Keep a fundraising file

It is essential to keep a fundraising file, where you store any information that you will need when you make a funding application. This should include background information about your organisation, descriptions of your past and present activities, details of projects, information about the community you serve, information on how you ensure equal opportunities are implemented and what monitoring procedures you use. Having information kept in one file can save you looking through different files when you are in a hurry to hand in an application. Always ensure that you maintain copies of key documents and all funding applications – do not send your only copy to a potential funder.

7.4 Communicating with your funder

Like everybody, funders want to feel that the work they do is valued and appreciated, and they also need to know that the money they give makes a difference. The first step to keeping good relations with any funder is to say 'thank you', whether or not your application has been successful, for the time taken to consider your application.

If your application has been successful, then you should make an effort to maintain good relations with your funder. Without their funding your work would not be possible, so let them know that you recognise this. Keep them informed of what you do by sending them any newsletters or publications you produce, and ask them if they would like you to mention their name in your next annual report and on your website if you have one. Also, why not invite the funder to any events or exhibitions that you organise? It is always good for a funder to see how you have put their money to good use, and any contact a funder has with your organisation can only better inform them about the area of your work, which could improve your chances of gaining more funding in the future.

If your application is unsuccessful, you may want to ask the funder for feedback.

Section eight Monitoring and evaluation

It is important to monitor and evaluate the successes and failures of any project – while it is running and after it has ended. This will enable your organisation to understand and learn from any successes and failures on the project and apply them to any future funding proposals. You will also need to report to your funder about the targets you met and/or did not meet.

Monitoring and evaluation is such a crucial part of any organisation's success – the data can be used for a variety of purposes, for example, to show what has been achieved and to improve existing services.

If you would like to look at monitoring and evaluation in more depth and learn how to set up simple monitoring and evaluation procedures, you can contact Charities Evaluation Services (www.ces-vol.org.uk) who specialise in providing information and advice on quality and evaluation systems for the voluntary sector. They also deliver very comprehensive monitoring and evaluation training for the voluntary sector.

Finally, once you have evaluated your project, the fundraising cycle then begins again, building on successes, learning from failures, developing relationships with donors and identifying lots of new fundraising opportunities to embark on the next exciting project!

Section nine Glossary of fundraising terms

Aims	One of the words used to describe what an organisation intends to do. Often used with 'objectives' in the phrase 'aims and objectives' – where aims describe 'what' a group intends to achieve, and the objectives describe 'how' the group will achieve them.
Beneficiaries	The group, individual, activity or object that benefits from the work of an organisation.
Business plan	A written plan outlining what an organisation intends to do over a period of time, usually one to three years, and what money and other resources it will need in order to do it.
Capital grant	Money given specifically to buy fixed assets, such as office furniture or computers.
Core costs/ running costs	The basic costs needed to run your organisation, for example, it may include rent, telephones, stationery, salary for a co-ordinator and electricity bills.
Donor	An individual, group or organisation that gives a gift (usually money but can be goods or services) to a charity.
Eligibility criteria	A set of requirements used to find out whether or not you are suitable for something (often money/help).
Evaluation	This involves using monitoring and other information to make judgements on how an organisation, project, or programme is progressing.
Full cost recovery	The principle of ensuring that all of the costs of an activity, including applicable overheads and staff costs, are included in contracts and funding applications.
Fundraising strategy	A written document outlining how an organisation intends to raise a given amount of money over a specific timescale, for an identified project. It is usually based on the organisation's business plan. The strategy brings together individual fundraising plans.
In-kind (gifts, help) support	Something other than money. A company that gives you some second hand computers is giving support in-kind rather than in cash. Volunteers that give their time to an organisation are also giving support in-kind.

Legacy	A gift in a will to a person or organisation. For example, someone might leave money to a cancer charity.
Match funding	Some funders, for example European programmes, will only provide a contribution towards the total cost of your project. The rest of the money must come from other sources. The initial promise of money will only be released once the match funding has been guaranteed.
Milestones	These are particular planned achievements or key events marking a clear stage in completing a project. You usually have a number of milestones within one project which mark stages. For example, three people gaining paid employment within six months of starting an employment project would be a milestone.
Mission statement	Defines what your organisation does, why it exists and how you plan to achieve your vision.
Objectives	<p>The steps on the way to achieving your aims. Some people say that objectives should be SMART:</p> <ul style="list-style-type: none">• Specific - avoid a vague wish-list• Measurable - how can you tell if you have achieved them?• Agreed - within the organisation, with funders• Realistic - can they be achieved?• Time limited - by when?
Outcomes	The changes, benefits or other effects that happen because of the activities/services that your organisation provides. Outcomes tend to be less tangible and therefore less countable than outputs. Outcomes are usually planned and are therefore set out in an organisation's objectives.
Outputs	All the activities, products and services provided by your organisation, usually measured in terms of how many in how much time. For example, 42 advice sessions in eight weeks. They could be the number of ESOL classes taught, or the number of people attending workshops. They are not the objectives of the organisation.
Payroll giving	A tax free way for people to give to charity. Employees can have their donations taken straight from their gross pay before tax. Payroll giving offers charities a unique way to combine fundraising with building relationships with their donors as well as with the corporate community. See: www.hmrc.gov.uk/payrollgiving/

Restricted funds	Funds received by the organisation for a specific purpose, stated by the funder, which cannot be used for any other purpose.
Stakeholder	Anyone who is affected by the work you do. It may be the police, schools, local authorities, your clients or members.
Stakeholder analysis	Listing and learning (analysing) all the groups and people who are affected by your work.
Unrestricted funds	Funds held for the general purposes of the organisation, to be spent within the stated objectives.
Vision statement	Defines where an organisation wants to be in the future. It reflects the optimistic, ideal view of an organisation's future.

Section ten Useful contacts

Allen Lane Foundation

The Allen Lane Foundation is a grant making trust which funds small voluntary not-for-profit organisations whose work 'encourages or enables unpopular groups to share in the life of the whole community'.

90 The Mount
York
YO24 1AR
Tel: 01904 613223
Email: info@allenlane.org.uk
www.allenlane.org.uk

Awards for All

A lottery small grants programme suitable for small organisations. There are no deadlines for applications.

Tel: 0845 600 2040
Email: general.enquiries@awardsforall.org.uk
www.awardsforall.org.uk

Barrow Cadbury Trust

Currently makes grants to individuals and organisations working within its three programme areas: [Young Adults in the Criminal Justice System](#), [Inclusive Communities](#) and [Global Exchange](#).

Kean House
6 Kean Street
London
WC2B 4AS
Tel: 020 7632 9060
Email: general@barrowcadbury.org.uk
www.bctrust.org.uk

The Baring Foundation

They offer a variety of grant programmes to strengthen the voluntary sector, the arts and international development. See their website for more details.

60 London Wall
London
EC2M 5TQ
Tel: 020 7767 1348
Email: baring.foundation@uk.ing.com
www.baringfoundation.org.uk

The Basis Project online toolkit
www.thebasisproject.org.uk

BBC Children in Need

For organisations working with disadvantaged children and young people under the age of 18 years.

P.O.Box 1000
London
W12 7WJ
Tel: 020 8576 7788
www.bbc.co.uk/pudsey

The Big Lottery Fund

The distributor of National Lottery funds. They offer a number of national funding programmes with different deadlines. Check their website for more details.

For funding information or general enquiries call the BIG advice line:

Tel: 0845 4 10 20 30
Email general.enquiries@biglotteryfund.org.uk.

Central contact details:
1 Plough Place
London
EC4A 1DE
Tel: 020 7211 1800
www.biglotteryfund.org.uk

Charities Aid Foundation

Provides financial services to charities and their supporters. For charities this includes low-cost banking, investment and fundraising services.

25 Kings Hill Avenue
West Malling
Kent
ME19 4TA
Tel: 01732 520 000
Email: enquiries@cafonline.org
www.cafonline.org

Charities Evaluation Services

Provides information, training, consultancy and advice on quality and evaluation systems for the voluntary sector.

4 Coldbath Square
London
EC1R 5HL
Tel: 020 7713 5722
Email: enquiries@ces-vol.org.uk
www.ces-vol.org.uk

The Basis Project online toolkit
www.thebasisproject.org.uk

City Bridge Trust

The City Bridge Trust provides small and main (large) grants in the Greater London area.

Bridge House Trust
Corporation of London, P.O.Box 270
Guildhall
London
EC2P 2EJ
Small grants enquiries telephone: 020 7332 3705
Main grants enquiries telephone: 020 7332 3710
Email: citybridgetrust@cityoflondon.gov.uk
www.bridgehousetrust.org.uk

City Parochial Foundation and Trust for London

The City Parochial Foundation Grant and Trust for London Grant both support organisations in London.

6, Middle Street
London
EC1A 7PH
Tel: 020 7606 6145
Email: info@cityparochial.org.uk
www.cityparochial.org.uk

Comic Relief

Aims to tackle poverty and promote social justice. The current programmes are: supporting young people, fighting for justice, domestic abuse, refugees and asylum seekers and local communities.

5th Floor
89 Albert Embankment
London
SE1 7TP
Tel: 020 7820 5555
Email: red@comicrelief.org.uk
www.comicrelief.com

Council for Assisting Refugee Academics (CARA)

Through its grant and advice programme CARA aims to help refugee academics who are looking to take academic or professional qualifications to improve their employment prospects in the UK.

London South Bank University
Technopark
90 London Road
London
SE1 6LN
Tel: 020 7 021 0880
Email: info.cara@lsbu.ac.uk
www.academic-refugees.org

The Basis Project online toolkit
www.thebasisproject.org.uk

The Diana, Princess of Wales Memorial Fund

Under the Refugees and Asylum Seekers Initiative, the Fund is committed to spending up to £10 million before 2012 to raise awareness and highlight the needs and issues of young refugees and asylum seekers.

The Diana, Princess of Wales Memorial Fund
The County Hall
Westminster Bridge Road
London
SE1 7PB
Tel: 020 7902 5500
Email: memorial.fund@memfund.org.uk
www.theworkcontinues.org

Directory of Social Change

The largest provider of information and training to the UK voluntary and community sector.

24 Stephenson Way
London
NW1 2DP
Tel: 020 7391 4800
Email: enquiries@dsc.org.uk
www.dsc.org.uk

Esmée Fairbairn Foundation

Current priorities are the UK's cultural life, education, the natural environment and enabling people who are disadvantaged to participate more fully in society.

11 Park Place
London
SW1A 1LP
Tel: 020 7297 4700
Email: info@esmeefairbairn.org.uk
www.esmeefairbairn.org.uk

European Refugee Fund (ERF)

The ERF is administered by the Border and Immigration Agency on behalf of the European Commission. ERF is mainly aimed at organisations involved in setting up projects that assist in the integration of refugees or people who have been granted Humanitarian Protection (HP) or Discretionary Leave to Remain in the UK (DL).

European Commission
DG Justice, Freedom and Security
DG JLS / B4 – ERF
LX 46 2/122
B-1049 Brussels
E-mail: JAI-EUROPEAN-REFUGEE-FUND@cec.eu.int
http://ec.europa.eu/justice_home/funding/refugee/funding_refugee_en.htm

Housing Associations Charitable Trust (HACT)

As part of their Refugee Housing Integration Fund, the Refugee Housing Development Fund provides grants to support housing initiatives that are either led by refugees or have a significant level of refugee involvement, and are addressing the needs of children, young people and vulnerable adults.

Octavia House
50 Banner Street
London
EC1Y 8ST
Tel: 020 7247 7800
Email: hact@hact.org.uk
www.hact.org.uk

Joseph Rowntree Charitable Trust

Generally funds under one of six programme headings, one of which is racial justice. The racial justice programme funds work addressing issues and policies that affect refugees and asylum seekers.

The Garden House
Water End
York
YO30 6WQ
Tel: 01904 627810
www.jrct.org.uk

The Lankelly Chase Foundation

Concentrates upon smaller charities, many of whom will have only a local or regional remit. They will consider applications from large national charities but support will be rare and limited. They recognise that the black voluntary sector and minority ethnic groups have particular needs and welcome applications from such organisations working in their priority areas (see their website for more detail).

1 The Court
High Street
Harwell
Didcot
Oxfordshire
OX11 0EY
Tel: 01235 820 044
www.lankellychase.org.uk

The Basis Project online toolkit
www.thebasisproject.org.uk

Lloyds TSB Foundation for England and Wales

Supports under-funded charities working with disadvantaged people.

PO Box 46156
3rd Floor
4 St. Dunstan's Hill
London EC3R 8WQ
Tel: 0870 411 1223
Email: guidelines@lloydstsbfoundtions.org.uk
www.lloydstsbfoundtions.org.uk

London Councils

London Councils is commissioning the voluntary sector to provide services to meet key areas of need in London. See the website for details of their service specifications.

London Councils
59½ Southwark Street
London SE1 0AL
Tel: 020 7934 9999
Email: info@londoncouncils.gov.uk
www.londoncouncils.gov.uk

London Development Agency (LDA)

The LDA is the Mayor's agency responsible for London's sustainable economic growth. See the 'tenders and funding' section of the website for information about the range of available funding.

Public Liaison Unit
London Development Agency
Palestra
197 Blackfriars Road
London
SE1 8AA
Tel: 020 7593 9000
Email: info@lda.gov.uk
www.lda.gov.uk

Loyds TSB Foundation for England and Wales

Focuses on supporting small and medium underfunded charities that help empower people on the margins of society to be fully involved in the communities of their choice.

PO Box 46156
3rd Floor
4 St. Dunstan's Hill
London
EC3R 8WQ
Tel: 0870 411 1223
Email: enquiries@lloydstsbfoundtions.org.uk
www.lloydstsbfoundtions.org.uk

The Basis Project online toolkit
www.thebasisproject.org.uk

UnLtd

UnLtd is a charity which supports social entrepreneurs. They do this by providing a complete package of funding and support, to help individuals make their ideas a reality.

Head Office/London Office:
123 Whitecross Street
Islington
London
EC1Y 8JJ
Tel:020 7566 1100
Email: info@unltd.org.uk
www.unltd.org.uk

10.1 Help with fundraising

If your refugee community organisation needs support in applying for funding, you can contact the **Basis Project team** (www.thebasisproject.org.uk) for advice and guidance. You might also want to contact your nearest support organisation, such as your local Council for Voluntary Services (CVS). They can also help you to find other sources of funding for your project.

The following organisations might also be useful when you are thinking about your project and how to apply for funding.

Finance Hub

C/o Charities Aid Foundation
St Andrew's House
18-20 St Andrew Street
London
EC4A 3AY
Email: financehub@cafonline.org
Tel: 020 7832 3016
www.financehub.org.uk

London Voluntary Service Council

356 Holloway Road
London N7 6PA
Tel: 020 7700 8107
www.lvsc.org.uk/

London Voluntary Service Training Consortium

The Print House
18, Ashwin Street
London
E8 3DL
Tel: 020 7249 4441
www.lvsct.org.uk

The Basis Project online toolkit
www.thebasisproject.org.uk

National Council for Voluntary Organisations (NCVO)

NCVO, The National Council for Voluntary Organisations
Regent's Wharf
8 All Saints Street
London
N1 9RL
Tel: 020 7713 6161
Free Helpdesk
Tel: 0800 2 798 798
Email: ncvo@ncvo-vol.org.uk
www.ncvo-vol.org.uk

The Refugee Council

Development Team
240-250 Ferndale Road
Brixton
London
SW9 8BB
Tel: 020 7346 1163
www.refugeecouncil.org.uk

10.2 Useful websites

www.access-funds.co.uk

Provides a comprehensive updated list of current funding information for the voluntary sector (including central government, EU and National Lottery).

www.ces-vol.org.uk

Provides information, training, consultancy and advice on quality and evaluation systems for the voluntary sector.

www.dsc.org.uk

The Directory of Social Change is the largest provider of information and training to the UK voluntary and community sector.

www.funderfinder.org.uk

This website specialises in information and advice about charitable trusts and foundations that fund in the UK.

www.funderfinder.org.uk/jargon.php

Useful glossary of funding definitions.

www.fundraising.co.uk

Provides the latest funding news, publications, events, ideas for fundraising and links to funding sources.

www.governmentfunding.org.uk

Access to government grants for the voluntary and community sector.

www.grantsnet.co.uk

UK grants and funding information.

The Basis Project online toolkit
www.thebasisproject.org.uk

www.grantsonline.org.uk

Provides information on grants from the European Union, UK government, the Lottery and grant making trusts.

www.institute-of-fundraising.org.uk

The Institute of Fundraising is the professional body that represents fundraisers in the UK. They provide support to fundraisers, and the website includes useful fundraising information.

www.lotteryfunding.org.uk

A joint website run by all lottery funders in the UK. The website allow you to search for information on current funding programmes across all lottery grant makers.

www.neighbourhood.gov.uk/page.asp?id=611

Information on the Neighbourhood Renewal Fund, designed to channel support to the most deprived areas in the UK.

www.neighbourhood.gov.uk/page.asp?id=617

Information on New Deal for Communities, a government initiative to tackle multiple-deprivation in the very poorest areas.

www.open4funding.info/Page.aspx?SP=2141

Open4Community is a user-friendly online search tool that empowers charities and community groups to quickly find relevant funding sources through their local council website.

www.payrollgiving.co.uk/

www.hmrc.gov.uk/payrollgiving/

Two websites which give information about a tax free way for people to give to charity.

www.refugeeaccess.info

Click on 'resources' and you can find the 'Access to Funding' bulletin for refugee and asylum related projects. Some of the funding streams mentioned are specific to refugee and asylum projects, but most are general.

www.syfab.org.uk/index.php

South Yorkshire Funding Advice Bureau is a voluntary organisation and registered charity set up to help voluntary and community organisations (VCOs) get the resources they need.

www.unltd.org.uk/index.php

UnLtd is a charity which supports social entrepreneurs. They do this by providing a complete package of funding and support, to help individuals make their ideas a reality.

10.3 Useful websites for European Union (EU) funding

www.lvstc.org.uk

The above site provides useful information on and links to EU funding available in London.

The Basis Project online toolkit
www.thebasisproject.org.uk

www.cefet.org.uk

For information on EU funding in the East Midlands.

www.esfvon.org.uk

For information on EU funding in the North East of England.

www.nwnetwork.org.uk

For information on EU funding in the North West of England.

www.savage-europe.org.uk

For information on EU funding in the South West and South East of England.

www.yhregforum.org.uk

For information on EU funding in Yorkshire and Humberside.

Please note that this 'useful contacts' list is not comprehensive. Information was accurate at the time of publication but details may change. Please always check.

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Refugee Action, The Old Fire Station, 150 Waterloo Road, London SE1 8SB, UK
Refugee Action is a registered charity
Charity no. 283660

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