



HOW TO
WRITE A
**FUNDRAISING
STRATEGY**
AND A
**GRANT
APPLICATION**



This "How to..." booklet was researched and compiled by Muppett, our dearly loved and sadly missed colleague who passed away suddenly in August 2024.

This booklet, as well as the others in the series, are part of the legacy he left behind. They are a tribute to his love, commitment, wisdom, and compassion for the communities he worked with, and everyone he met through his hobbies and walking adventures.



HOW TO WRITE A FUNDRAISING STRATEGY

WHAT IS A FUNDRAISING STRATEGY?

A document which sets out where a group is now, where it wants to be in the future and a strategy for getting there. It usually contains:

- A statement of the group's aims and objectives.
- A list of current projects and delivery timescales.
- A short account of its history (including funding history).
- A budget, showing expenditure and any projected income, and the target still to be raised.
- Potential sources of funding and timescales for approaching those sources.
- A breakdown of tasks involved and dates by which each task should be completed.

WRITING THE STRATEGY

The strategy should aim to generate income in the short, medium and long term. When you start to draft a fundraising strategy you need to look at:

1. Aims of the organisation or group: a short statement about the purpose of your project, organisation, or group and what you want to achieve.
2. Current objectives: how you plan to meet your aims and develop the organisation.
3. Type of funding required: capital funding (physical items), revenue funding (running costs), one-off or ongoing.
4. Think about possible funding sources: statutory bodies (council or central government); charitable trusts; special funds e.g. The National Lottery, BBC Children in Need; businesses; or raise it yourselves.

There are tools that can be used to review where your group or organisation is at the moment. It is a good idea to consult with your users on what they would like to see you doing. One useful tool for self-assessment is a SWOT Analysis, which can help you to analyse what your group / organisation does best right now, and to devise a successful strategy for the future. The analysis looks at Strengths, Weaknesses, Opportunities, and Threats. More information on writing a SWOT analysis can be found here:

www.charityexcellence.co.uk/Home/BlogDetail?Link=UK_Charity_COVID19_Crisis_Survive_And_Thrive_Strategy_Toolkit

Organise a fundraising team so that everyone may contribute in some way e.g. phoning funders, getting quotes, writing applications, proof reading copies, etc.

PROJECT COSTS

If you have existing money that you can put into the project it is an important sign of commitment and is very attractive to funders. Make sure you allow for contingencies and overspend.

There are two kinds of costs:

- Capital costs - the costs of physical items, e.g. buildings, equipment, vehicles.
- Revenue costs - the costs of running your activity, e.g. salaries, rent, rates.

When thinking of capital costs think about other costs, such as maintenance and future increases in insurance costs.

Explain how you came up with the figures, for example:

(a) One-off capital costs

This will include all the costs associated with the building or renovation work e.g.:

Building work	£50,000
Furniture	£10,000
Equipment	£25,000
Architects fees	£5,000
Quantity surveyor	£2,500
Legal fees	£2,500
Non-reclaimable VAT	£2,500
Fundraising expenses	£2,500
TOTAL	£100,000

(b) Ongoing revenue costs

These apply once the capital work is finished. So, the organisation undertaking the above building work may find itself with increased costs, e.g.:

	2022 (before the building work)	2023 (after the building work)
Rent/rates	£1,000	£3,000
Building repair	£5,000	£1,000
Heat/light	£1,000	£3,000
Salaries	£25,000	£35,000
Insurance	£500	£1,500
Maintenance of equipment	£1,000	£3,000
Computer costs	Nil	£1,000
Events/competitions	£100	£2,000
Publicity	Nil	£500
Audit costs	£1,000	£4,000
Bank charges	£200	£750
Other		



FUNDING SOURCES

You need to know where you expect the money to come from before you start fundraising. Obviously this can only be an educated guess, for example: Donations £3,500, Fundraising £10,000, National Lottery £45,000, Grant giving trust £25,000, Company support £5,000. Be clear and specific with potential funders about what you are asking for and the purpose of the funding you are requesting. Show why what you are asking for is important, backed up with evidence of need. More information on proving need can be found on page 6 of this booklet.

THE STRATEGY DOCUMENT

Once you have reviewed where your group or organisation is at the moment, worked out where you would like to be in future, worked out your budget and researched sources of funding, you should have what you need to write your fundraising strategy. This should include timescales and a breakdown of which members of the team are doing which jobs. This will be 'live' document that is updated over time.

EVALUATION AND REVIEW

Ensure you go back to the strategy on a regular basis to check that you are on track and to review any parts of it that might need updating. Evaluate the work you are doing, keeping track of how certain methods of fundraising might work better for certain items, and keeping notes of which funders you have applied to and whether or not you were successful. An overview of the whole process can be found on the next page.

BUILDING A FUNDING STRATEGY (AN OVERVIEW)

ORGANISATION /GROUP REVIEW

01

LOOK AT ORGANISATION /
GROUP'S CURRENT
SITUATION (INC. SWOT), USER
CONSULTATION

WORK OUT YOUR BUDGET
AND COSTS FOR EACH
PROJECT.

02

PROJECT
COSTS

RESEARCH FUNDING SOURCES

03

STATUTORY BODIES,
CHARITABLE TRUSTS,
NATIONAL LOTTERY, ETC.

INCLUDE ALL
INFORMATION GATHERED
IN THE PREVIOUS STEPS

04

WRITE
THE
STRATEGY

EVALUATE AND REVIEW

05

PLAN TO REVIEW THE
STRATEGY WITH THE TEAM AT
REGULAR INTERVALS TO KEEP
YOURSELVES ON TRACK

HOW TO WRITE A GRANT APPLICATION

The application process will be different depending on the funder, but there are some general rules that apply in most situations. It can be helpful to talk to the funder before making an application, outlining your project and asking for advice on whether your project fits their criteria and how best to present your application. Familiarise yourself with the funder via their website.

MAKING A GOOD FUNDING APPLICATION

The grants panel will favour applications that are clear and concise. They will want to know:

- How long your group has been going
- Achievements to date
- Legal structures in place
- Number of staff, if any
- The area in which you operate and evidence that the group works with people locally and with the local authority or local trusts.

Funders like their money to benefit the local community. They also want to know that you are able manage the money, so they will want to see a budget. More detailed information on writing a budget can be found here: www.knowhow.ncvo.org.uk/organisation/financial-management/planning-and-budgeting/budgeting

The funder will also want to know about the sustainability of the project after their funding has been spent.

SELLING POINTS

Draw up a list of things that are in your organisation's favour, for example:

- Locally based
- Value for money
- Local knowledge
- Experience/track record
- Meeting gaps in community needs



PROVING THE NEED

Proving the need for the service you are looking to fund is essential to ensure that a project is wanted and likely to be well supported. If you are unable to prove need, there is a risk that funding could be wasted as the results are not being utilised.

You can prove need through surveying local residents, researching recent existing statistics showing the needs within the target community (high unemployment, low education, elderly population, a high proportion of lone parents, etc.), and researching what is already available, or where there are gaps, and why the new project is needed.

The following websites can help with this:

www.ons.gov.uk/peoplepopulationandcommunity/crimerate.co.uk/west-yorkshire

www.citypopulation.de/en/uk/westyorkshire

Bradford's latest Community Plan is a useful document to refer to.

Standard and easy read versions can be found by clicking the links below:

www.bradford.gov.uk/media/6508/bradfordcouncilplan.pdf

www.bradford.gov.uk/media/6507/bradfordcouncilplaneasyread.pdf





THE SORT OF QUESTIONS YOU MIGHT BE ASKED

1. Purpose of project

- Who and how many people would benefit from the grant and how?
- What are their needs?
- Will they be consulted / involved?
- How do you know there is a need for the project? What evidence do you have?

2. Your Organisation

- What are the aims of your group? Is your cause a priority for the funder?
- Are you experienced in the work for which you require funding?
- Do you have charitable aims / limited company status?
- What area is your group based in? What area do you serve?

3. Evaluation

You will need to show:

- That you know what it is that you are setting out to achieve.
- That you are able to measure the outcomes.
- That you have demonstrated your commitment to evaluation by building the cost for it into your budget.

4. Equality Issues / User Input

- How will you make sure that those who could benefit from the project the most will know about it and be able to get involved? How will you address any difficulties people may have in finding out about and using / accessing the project?
- How are service users involved in the management and decision making processes of your organisation?
- What have you already done to involve potential users?



5. Financial Management Issues

- How are your organisation's finances controlled?
- How often do your trustees get a financial report?
- Who audits your accounts and how often?

6. Budget

- What finances will you need to achieve the aims of your project?
- Work out what your budget headings will be.
- Get quotes from a few different suppliers or use catalogues and websites to get prices.
- Divide your budget up between capital and revenue.
- If you're planning expenditure for next year, you need to take into account price rises so don't forget to add on inflation at the current rate.
- More detailed information on writing a budget can be found here: www.knowhow.ncvo.org.uk/organisation/financial-management/planning-and-budgeting/budgeting

7. Job Descriptions

- Don't forget to include job descriptions if you are applying for salary costs.

8. A Business Plan

- A business plan is often requested by funders, especially when you are asking for a large amount of money. The funder may have a guide to how they want the business plan set out, and they vary. However, business plans are usually looking for the key points you would expect in a funding application.

More information on writing a business plan can be found here:

www.mycommunity.org.uk/how-to-create-a-business-strategy

OTHER POINTERS TO REMEMBER

- Make sure you have read the funder's guidance notes around what they will and won't fund.
- Check when the deadline is.
- Make sure you include any extra information they ask you for. This could include your group's constitution, audited accounts, specific policies.
- Make sure to spell and grammar check your application.
- If possible, get someone else to have a look at the application before you send it, as they may spot any mistakes you've missed or suggest some important amendments.

FOLLOW UP

If you are unsuccessful, ask why. If you really think you did everything right and wish to appeal a decision, some funders allow for this, although try to be open minded, committees want to give away their money but they have to follow their criteria and original purpose. If you are successful, send thank you letters, reports of your project when it is finished, even photos; this helps to build a relationship with funders.

THE SPECULATIVE PROPOSAL

If you have an idea for a project you feel would fit with the aims of a funder or trust, you can send a speculative proposal outlining what you would do if they were to fund you.

Follow the guidance above for information on what to include in your proposal. Keep a record of what you have sent and where; this will help you keep track of applications and proposals.

MORE RESOURCES

You can find lots more information on the Institute of Fundraising Website: www.institute-of-fundraising.org.uk/, especially under their code of practice section.

Community Support North Yorkshire has a variety of resources on its website:

www.communitysupportny.org.uk/training-resources/money/#resources

The Charity Commission Website is also a very useful resource detailing much of the legal information needed for fundraising: **The Charity Commission** www.gov.uk/topic/running-charity/fundraising

WHERE TO LOOK FOR FUNDING

Community Action Bradford & District (CABAD) publish a sector newsletter, including funding opportunities, which can be accessed here:

www.cabad.org.uk/briefing-bradford

The Grants Online database provides regular funding updates (at a cost):

www.grantsonline.org.uk



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