

## Funding: sources

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This factsheet is part of a series of three. The other factsheets are **Factsheet 6: Funding Overview** and **Factsheet 8: Funding Applications**.

The aim of this factsheet is to describe the types of funding available to voluntary and community groups, and how to go about finding the right funders for you.

#### 1 | Researching funders

Firstly, think about going back to any past or existing funders. Did you spend the grant properly? Was the money used well? Did you get positive feedback from the funder about your achievements? If so, **they may be happy to fund you again**.

Next, **use contacts**. Ask management committee members, staff, volunteers or members if they have had any contact with funders, or know of similar groups or projects that have been funded.

There are also **funding searches** that are available online and at a number of resource centres. (See **Further Help** for a list of funding searches and where to find them).

Individual and private giving is a separate area from that which this factsheet addresses. For information on maximising individual giving (tax-effective donations, etc.) visit [www.institute-of-fundraising.org.uk](http://www.institute-of-fundraising.org.uk)

#### 2 | Targeting Funders

Your funding search will give you a list of funders that **might** be suitable. Carefully read all the information you have about each funder, to see that you are eligible, and meet the funding criteria. Some funders will match your organisation or project quite closely others won't. Target those whose criteria you most closely meet first. List

potential funders in order of priority. Think how much time and effort you can put into applications, and limit your list to the number of funders you can deal with.

A golden rule: **quality not quantity**. It is better to work hard on a small number of bids, to find the right funders and to show each funder how well you meet their aims.

#### 3 | Types of funder

There are basically 5 different types of funding available to voluntary organisations:

- Charitable trusts;
- The National Lottery;
- Company giving;
- Statutory Funding (local authority, central government and government agencies – such as the Learning & Skills Council and Primary Care Trusts);
- European funding.

Which of these sources you go for depends on your organisation and what you want the money for. The following descriptions outline each type of funding, and will help you decide which kind is right for you.

##### Charitable trusts

Trusts (sometimes called foundations) are set up by companies or individuals as a way of giving money to certain causes. Some target very specific causes, others give more generally, to all kinds of groups that deal with community or disadvantage. There are local trusts, preferring to give in Greater Manchester or the north west. Many more are national, giving around the country. Amounts can range from a couple of hundred pounds to tens of thousands, or more if you match their aims closely and can show a big impact. Applications to Trusts are often as simple as a two page letter or basic application form. More details might be required for larger requests.

## The National Lottery

The list of distributors for lottery funding can be found at [www.lotterygoodcauses.org.uk](http://www.lotterygoodcauses.org.uk). The largest distributor of lottery funding to community projects is the Big Lottery Fund. Go to [www.biglotteryfund.org.uk](http://www.biglotteryfund.org.uk) or call 0845 4 10 20 30.

There is also Awards for All which offers small grants (£300-£10,000) to projects covering one or several Lottery funding criteria. Go to [www.awardsforall.org.uk/england](http://www.awardsforall.org.uk/england) or call 0845 600 2040.

## Company giving

An alternative to grants is approaching a local company to ask for money or resources. The advantage of this approach is that you may get a very quick answer, as there may be no official application process. Additionally, you could develop a long-term relationship with the company.

Businesses may be willing to enter into a **sponsorship** deal. This involves you offering a service, usually publicity for the company in your publications or at events, in return for money. It is more of a business deal than a donation, so you have to be able to deliver your side of the bargain. To find out more: Contact companies directly and ask for the Community Affairs or Marketing department, or a person who can deal with donations.

## Statutory funding

Statutory means the funding comes from the Government or a local body such as the Council, Health Authority or Education Authority.

Local authority funding, in particular, is changing as Birmingham City Council moves to a 'commissioning' process for services provided by voluntary and community organisations. The City Council publishes funding prospectuses for different types of services. Applications for funding have to show how their proposed activities will meet the desired outcomes in the prospectus.

## European funding

European funds are generally for projects involving regeneration, training and employment. Groups usually access them through a local office.

European grants can be large, but require time and effort due to the large amount of paperwork involved in applying for, monitoring and reporting on your project. The money can take a long time to arrive, and you often need to find match

funding (grants will only cover part of your project costs, perhaps 45% and you need to find funding to match that which you get from Europe). Full details of current European funding schemes can be found at [www.go-wm.gov.uk/gowm/EuroFund](http://www.go-wm.gov.uk/gowm/EuroFund).

The West Midlands European Network offers support to organisations considering or taking on a European Grant – [www.wmeuronet.co.uk](http://www.wmeuronet.co.uk) or tel. 0121 683 8880.

## Further help

### Ask BVSC Helpline

0121 678 8888

[askbvsc@bvsc.org](mailto:askbvsc@bvsc.org)

### Development Agencies website

Links and information for developing voluntary and community organisations.

[www.birmingham-da.org](http://www.birmingham-da.org)

### Government funding website

a free online search of current Government funding schemes.

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

### GrantNet

A free online search of current government funding schemes, which you can search on the BVSC website:

[www.bvsc.org/development/grantnet.html](http://www.bvsc.org/development/grantnet.html)