



Writing Successful Funding Proposals

Introduction

This guidance focuses on writing successful funding proposals for charitable trusts and foundations. Although many of the points covered will be relevant, this guidance is not focusing on government funders as they are now mainly using a commissioning process for funding the voluntary and community sector (apart from small grants).

Based on feedback from funders about the main weaknesses in applications, the guidance will concentrate on two areas in particular: how to develop a good realistic project and describe it clearly and how to provide good evidence of need.

Who are charitable trusts and foundations?

There are 8,800 charitable trusts and foundations in the UK.¹ They range from very large funders giving out millions of pounds each year to tiny trusts giving out a thousand pounds each year. There is no such thing as a 'typical grant funder', so it is always important to find out as much information as possible about the specific funder you want to apply to.

Examples of different types of charitable trusts and foundations:

- Those with a long history of benefiting the 'poor' e.g. City Parochial Foundation and Trust for London, City Bridge Trust
- Those set up by rich people to benefit causes that they are particularly interested in e.g. Laura Ashley Foundation, Elton John AIDS Foundation
- Those set up to benefit people in a particular region or local area e.g. John Moores Foundation, Jack Petchey Foundation
- Those set up by banks e.g. Northern Rock Foundation, Lloyds TSB Foundation
- Those which fundraise from the public e.g. Comic Relief, BBC Children in Need
- Large trusts and foundations set up by rich people and/or their families e.g. Tudor Trust, Esmée Fairbairn Foundation, LankellyChase Foundation
- Faith based charitable trusts and foundations e.g. Church Urban Fund, The Muslim Community Fund

¹Grantmaking by UK Trusts and Charities, Association of Charitable Foundations, 2007

- Small family trusts e.g. The Kathleen Trust, The Park Hill Trust (there are hundreds of these trusts, usually giving out small amounts of money for very specific purposes)
- The Big Lottery gives out money raised through the National Lottery
- Community Foundations raise money from local donors to benefit local communities and often distribute small grants on behalf of government (e.g. Grassroots Grants) or other charitable funders.

Common features of charitable trusts and foundations:

- Funders want to create change, improve the quality of life for disadvantaged people (usually), find solutions to problems, and respond to new (often local) need
- As Michael Norton says, "People give to people to help people"² i.e. the funder is interested in giving you money in order for you to help people who are in need in some way. Also, although funders can seem like faceless bureaucrats, it is people who make the decisions about giving grants. It is possible to appeal to the humanity of these people. For example, personal stories or case studies and shocking statistics can have a powerful impact.
- It's about the people you are trying to help, NOT the needs of the organisation
- Funders get many more applications than they can fund
- They usually fund charities (and other not for profit organisations), and sometimes only registered charities
- They usually fund projects, i.e. a specific piece of work, a programme or a new initiative
- They often want to fund something new. Sometimes a development of existing work will be new enough or a new way of dealing with an ongoing problem could be considered new.
- Many funders have a two stage process: they will ask you to send in a brief summary of your project first and then, if they are interested, they will ask you to complete a full application.
- Many funders use application forms, particularly for second stage applications. Others will ask you to write a letter, and will usually ask you to cover specific points in your letter. This guidance will be relevant whether you are filling in an application form or writing a letter to apply for funding.

How do you find out about sources of grant funding?

A good place to start is to contact your local Council for Voluntary Service (CVS) or Voluntary Action Centre who should be able to help you find sources of funding (see National Association of Voluntary Action Centres website to find your local CVS www.navca.org.uk)

They are likely to have resources such as:

² Fundraising, by Michael Norton, 2007

- A Guide to the Major Trusts – Vols. 1 and 2. Annual directories which include the largest 2000 grant-making trusts published by the Directory of Social Change: www.dsc.org.uk
- The Directory of Grant Making Trusts. Directory (updated every 2 years) giving details of approximately 2500 grant-making trusts published by the Directory of Social Change: www.dsc.org.uk (Also available on CD)
- FunderFinder.org.uk computer software that helps voluntary organisations and individuals look for money from charitable trusts. FunderFinder also provides general information on different aspects of funding and fundraising: www.funderfinder.org.uk

Useful websites are:

Association of Charitable Funders (ACF)

ACF's website – www.acf.org.uk – includes downloadable copies of their advice leaflets, facts and figures about trusts and foundations, links to trust and foundation websites, UK and international umbrella bodies, and other useful resources for grant-seekers

Charities Information Bureau website provides help and advice for community groups and voluntary organisations who are seeking funding. CiB also publishes a subscription-based monthly e-bulletin on funding: www.cibfunding.org.uk

Funding Central: a new (free) online resource detailing over 4,000 grants, contracts and loans for the voluntary, community and social enterprise sectors. www.fundingcentral.org.uk

Grants on Line is a subscription-based online directory of trust, lottery, UK and European Government funding: www.grantsonline.org.uk

Trustfunding.org.uk is a subscription-based online directory of over 4400 grant-making trusts produced by Directory of Social Change: www.trustfunding.org.uk

Women's Resource Centre website provides a funding directory www.wrc.org.uk

Understanding funders' criteria and guidelines

Most funders will provide grants to benefit specific groups of people or address specific issues and problems. Their priorities will usually be explained on their website or in the funding directories listed above. Larger trusts and foundations will usually have a lot of information on their websites about their funding criteria and will provide guidelines on how to apply for their grants.

- It is very important to read the funding criteria and guidelines carefully, including any information about the types of projects they prioritise and the type of work they will not fund. Note: a common complaint by funders is that they receive many applications for work they clearly do not fund (according to their criteria).
- It is a good idea to look at the list of recent grants (if they one) to see what type of project they are interested in, the average size of grant and to check no similar projects have been funded recently

- Although it is important to emphasise the aspects of your work that meet a funder's criteria, there is no point in trying to squeeze your project into a funder's criteria if it doesn't really fit

Simple, practical points:

- Make sure that the guidelines and criteria you have are up to date – funders change their criteria frequently, so you must check you have the most recent information.
- You must follow their instructions and meet their deadlines e.g. if the deadline is 5pm on a specific date, 5.10pm is too late.
- Don't forget signatures if they are required
- If they ask for accounts or job descriptions, don't forget to enclose these; if they don't want anything else enclosed, don't add anything else – it will just go in the bin!
- Applications typically take 5 to 6 months to process, so you must allow yourself enough time to apply. Check the funder's guidelines.
- If the funder's guidelines are not clear to you, ring them and ask. This is also a good way to begin developing a relationship with them. Take every opportunity to develop this relationship – a Rape Crisis Centre that did this was contacted later when the funder had an underspend and they got a grant!
- If a funder says they will only fund 'new' projects, find out what they mean by 'new'. A new project for your organisation? A new project for the local area? A project that is similar to one that you are currently running but you want to develop a new aspect of it? If possible, call the funder to check.
- Always get feedback from funders on unsuccessful applications, if possible. Not all funders will provide feedback, but if they offer it, make sure to contact them. Feedback can be very useful for improving your next application. Sometimes good applications are rejected simply because there were too many applications and therefore resubmitting at a later date may result in success. It is important to check how soon you can apply again.
- Most organisations have many more rejections than successes. Although rejections feel bad, don't give up! Persevere.

Think before you apply!

In the end, you need to make a judgment about whether it is worth applying to a funder. Ask yourself some questions:

- Does your work fit their criteria well?
- Is the grant large enough to meet your needs?
- Is the grant for a long enough time period to meet your needs?
- Have you got enough time to fill in a longer, more detailed funding application?
- Are you more likely to be successful applying for smaller grants?

If your work meets a funder's criteria well and you could potentially get a substantial amount of money for your work (for at least 3 years), it is worth putting in the time and effort needed to do a good application. Applications that are done at the last minute are rarely successful.

Putting in lots of applications for small short-term grants can be very time-consuming and it can be difficult to keep your services going this way. However, for small scale projects or particular items of spending, a small grant might be suitable.

If you are a new organisation, you will usually have to start by applying for small grants, as most funders are unlikely to take the risk of giving large amounts of money to organizations that have not yet proved their ability to do good work. Once you have a track record of providing good services for your beneficiaries, you will be in a stronger position to apply for larger grants.

Key features of a good funding proposal

Most major funders get hundreds or even thousands of applications each year; to be successful, your application needs to stand out from the pile as something that is worth funding.

Ingredients of a good application or funding proposal:

1. A clearly defined problem or need – backed up by solid evidence
2. A clearly defined project proposal – providing a realistic and practical solution to the problem or way to meet the need, including achievable outcomes
3. Evidence of your organisation's effectiveness and cost-effectiveness, includes credibility, track record etc.
4. 'Added value', including user and volunteer involvement etc.

It is also important to begin a proposal with a strong project summary. You need to grab the funder's attention right away by describing the importance of your work in a few sentences. Often a powerful quote or fact can help you do this. If you are completing an application form, there may be a specific question asking for a project summary; if not, try to get them interested as soon as possible.