

## A simple guide to making a grant funding application

*This guide is for groups not yet receiving funding or those with very little experience of completing grant funding applications. It provides an outline of the key things you will need to consider or show in a grant funding application. The text in grey boxes offers examples to help illustrate the guidance.*

### Getting started

Before you start your application your group will have to decide what it needs money for.

Often a group's first application is to get the project started. For instance you might need funding to buy important equipment like a computer or you may need money to pay for volunteers travel costs.



If you have not had money before it is usually best not to ask for a very large amount as you will not have a track record of managing large pots of money. So if you want more than £5,000 think about splitting your work into separate parcels or 'projects'.

You want to get money to get your group started and employ a part-time worker.

Your group could apply to one funder for the costs of the equipment and to another funder for the costs of employing a part-time worker.

Then you will need to find out which funders to approach. There are different tools you could use to search for funding. Community Southwark has a monthly [Income Generation Bulletin](#) that collates information about grants relevant to Southwark Groups – if you would like to sign up for the funding bulletin e-mail us: [development@communitysouthwark.org.uk](mailto:development@communitysouthwark.org.uk)

Other useful websites to search for grant funding are:

- <http://www.fundingcentral.org.uk/> - a comprehensive, searchable database run by NCVO of grants available nationally and locally
- <http://www.fit4funding.org.uk/> - has a good newsletter listing grant opportunities – now produced by Community Matters (Yorkshire).
- Also sign up directly to bulletins from funders such as Power to Change; The People's Health Trust; London Community Foundation etc.

## The Application

This is where you really start to plan your project and the work of your group. By pulling together information necessary for the grant application you will have done a lot of work which can be used in future applications.

### *Taking time to fundraise*

If your group is up and running and already delivering a service it can be very hard to find the time needed to make a good funding application.

An unfunded group set up to improve the lives of families in Bermondsey who have a family member with a life-threatening illness. The group plans to provide support and advice to families. All 7 members of the group are volunteers, and have had close family members with a life-threatening illness. The idea for the group emerged from the support they were able to offer each other, and from their contact with other families in similar situations. There was nothing similar being provided by any other groups in the area.

**After 6 months:** They don't have an office but meet in the home of one of the volunteers – her partner is beginning to get fed-up with this arrangement.

**After 8 months:** The group has more families needing their support than they can work with and need to increase the number of volunteers. They have decided that they need to employ a part-time volunteer coordinator to find and support some more volunteers. They also want to rent an office space to work from.

**After 10 months:** Two of the members agree to do some fundraising applications. They work with Community Southwark to find some funders who would fund the kind of work they do. They then begin a draft of an application form.

**After 1 year:** By now three members have had to leave the group (two left because they felt that the work was too stressful). As a result the 4 remaining members have to support more families each. None of them feel they have the time needed to start working on the applications.

**After 18 months:** The group has closed down! And none of the people that the group set out to help are getting any support.

It doesn't have to be like this. It could be that it would be better to stop, or at least cut down, the work that is being done, even if this means that some of the people you are working with will lose out in the short term. If you are able to spend the extra time putting in the work that is needed to write good funding applications, far more people will benefit from the work of your group in the longer term.

Also, taking the time to work through an application will help your group to really plan the project. A well thought-out application will mean you will have a well thought-out project that will make more improvements to the lives of the people you work with.

Some funders will have an application form for you to fill in, others will want you to write a letter. Whether it is a form or a letter, Funders want to know that the money they are giving you will improve people's lives.

All applications need to show how you are going to use their money to **CHANGE** the lives of the people you work with or for. You will need to say:

- Who the people are whose lives will be changed by the work of your group
- How many people there are
- Why their lives need changing
- How you know this
- What change your work will make
- How it will do this
- How you will know whether doing this has worked
- How much money will be needed to do the work
- That your group has the skills/experience to carry out the work & manage the money
- How you will involve the people who will benefit from your work in running it
- How you make sure everyone who can benefit from your work knows about it and can take part in it
- What is special about your group
- How does your work fit in with the kind of work the funder wants to fund.

### **Who are the people whose lives will be changed by the work of your group?**

Don't be vague. It is often better to work with a very specific group of people. Usually they will be described in your Governing Document:

'Your group wants to help young West African men get jobs by providing employment training. Don't feel that you should describe the group of people you are working with as 'young Black people' describe them as 'Young West African Men' – that will be what is special about your group.'

If you are already working with people describe one or two of them – give the Funder a 'picture':

'A project working with children at risk of exclusion might say 'X, an eleven year old boy who has been fostered since the age of nine is just one of the children we work with. Recently a possible move back to his family has fallen through. He is anxious about the move to secondary school. He has started bullying other children, being disruptive in class, violent and aggressive towards teachers and brought a lethal weapon into school.' This gives the Funder a much better picture than just saying 'we work with children at risk of exclusion'

### **How many people are there?**

Don't just say that there are a 'lot of older Turkish people in Southwark' or that 'there is an incredibly high number of teenage pregnancies in Peckham'. Whenever possible give actual numbers.

You may be able to get these figures yourselves. If your group has started running a service, keep a record of the number of people already using it, also keep a record of the number of people waiting to use the service – you can use these figures in your application.

You can also get numbers or statistics from places like Southwark Council, the Refugee Council, Health Providers, the Internet, other groups already working with the group of people you want to work with. Community Southwark can also help you with this.

You could use Census information as well: <http://www.neighbourhood.statistics.gov.uk/dissemination/>

### **Why their lives need changing**

This provides the reason for why your group has decided to do the work it is doing. A common mistake is to assume that the funder understands the need for your work as well as you do. Make sure that it is very clear to funders what the problem is that you are addressing through your work.

Your group is going to provide counselling and health promotion for Irish people in Southwark.

You would want the Funder to know that:

- Irish people in Southwark have a lower life expectancy than other groups
- Second generation Irish people in Southwark have higher rates of lung cancer and more respiratory and accident problems than other minority ethnic groups
- Irish people in Southwark suffer more from depression.

How will you know this?

- Show you have talked with other people – especially the people who are going to use your group, and/or their parents, carers, Social Workers, Health Visitors, GP's, Teachers, etc.
- Show you have talked with other groups, if there are any, who work with the people you are going to work with, and that they support the work you want to do.
- Use information from reports and statistics – Community Southwark can help you with this.

### **What change will your work make?**

Avoid vague statements e.g. 'Improving their lives' doesn't tell a Funder very much.

If you say 'Improving unemployed peoples' lives by increasing their employability' or 'Improving teenage mothers' lives by increasing their self-confidence' you show the changes you are going to make. These (**the difference or change you will make to people's lives**) are often called **OUTCOMES** by funders.

In the application form funders may ask for the outcomes of your project in different ways:

Identify your outcomes

How will people benefit from your project?

What difference will your project make to people's lives?

### **How will your work make this change?**

You need to show exactly how you are going to do the work. This is often called the **OUTPUTS** by funders. Outputs are the work / project you will deliver to make changes to people's lives, the number of people you will work with, the number of session you will deliver etc.

My organisation is going to improve unemployed peoples' confidence, employability and skills (GENERAL OUTCOMES) by helping them get jobs. It will do this by finding suitable training courses, helping people fill in application forms and produce CV's, and practice interview techniques.

To deliver these outcomes, it will need to:

- Employ an advice worker who, as well as providing advice and support, will develop links with training providers
- Rent office space and a room for group sessions
- Produce publicity materials
- Buy a video for interview technique sessions; buy office equipment and 2 computers for people to use when writing CV's.'

All this should appear in some way or another in the application for funding.

- Is the work tried and tested, or are you trying something new and if so why?
- If you are doing something another group has successfully done in another part of the country, or the Borough, then you have proof that it will work. If you are doing something completely new, because other things haven't worked or because you are dealing with a new problem, then your work is 'innovative'.
- Remember to be clear about when the work is going to start and how long it is going to go on for. Lots of funder's will not fund work that has already started, so ensure that your timeline for delivery aligns with when you expect to receive the funding if successful.
- Allow for time between sending off your application and expecting to get the money. Sometimes you may need to leave at least 6 months – it will depend upon how often the Funders make decisions about what to fund.
- If you are already doing the work you are applying for funding for give a picture of a successful piece of work you have done

### **How will you know whether doing this has worked?**

As well as showing how you will measure the number of people you work with you will need to show how you will measure the changes you have made.

Your group wants to improve the lives of poorer people in the Liddle Ward by helping them be more financially secure (OUTCOME). The group will do this is by employing a worker to give Benefits Advice sessions (OUTPUTS).

90 people a month come and get advice but only 1 person a month increases their financial security (more income) as a result of the advice they are given.

If only the number of people using the service was measured it would seem that the work of the group was very successful. But if the group also measured the numbers getting new or increased benefits then it would find it was not making the difference to beneficiaries (OUTCOMES) that it set out to make.

A lot of changes that groups will want to make to people's lives won't be as easy to measure as simply getting more money. Many groups want to improve the health, increase the self-confidence, or reduce the isolation of the people they are working with – Community Southwark will be able to help you come up with ideas of how to measure those types of changes.

### **How much money will be needed to do the work?**

This point is not at the beginning of the list because it is not the most important as far as the Funder is concerned. However, working out how much money you need before you start an application can help you to work out exactly how you are going to carry out the work. It is worth spending plenty of time on this section. If you need help, contact Community Southwark.

If you are asking for money to fund an entire project you will need to send in a budget which gives a list of how you have arrived at the total amount of money you are asking for.

Your group applies for funding to run a weekly group for young carers for one year.

The budget might include:

Hire of hall	750
Refreshments	200
Trips out	150
Hire of minibus	250
Part-time youth worker	1,500
<b>TOTAL APPLIED FOR</b>	<b>2,850</b>

- You might be asked to split your budget into **Capital costs** which are made up of things you will only need to ask for once such as a computer and equipment, and **Revenue costs** which is made up of running costs that you will need to get money for each year- such as wages, rent, stationery
- Don't guess the amounts you are putting in your application. Use research or past experience to create a realistic budget that reflects the total amount you will need to successfully run the project.

Your group is looking for somewhere to work from and is applying for rent, heat & light. Find a similar sized group using the type of rooms you would like to move into. Ask them how much their rent, gas and electricity bills are each year and use those figures as a basis for your application.

If you are applying for money for a worker, check what other groups are paying for that type of work – you can ask around or look at ads in the Newspapers. You can link salaries in to Southwark's Pay Scale – contact Community Southwark for details. You will also need to include the cost of Employers National Insurance (in 2012/13 this is 20% on all earnings over the Earnings Threshold, which is £182 a week or £9,440 a year. Visit [HMRC website](#) for more information). It is also good practice to pay an employer's contribution to workers pension, at around 5%.

- You need to be able to show your budget is as cheap as it can be to get the best results. But, if it is too low you may not be able to run the project when you get funding, which would make getting any other funding at a later date very difficult.
- Keep a note of how you have worked out your figures, so you can explain them if you are asked to.
- If your group isn't asking the funder for all the money where you will get the rest from? For instance if you needed £9,000 to run a youth club for 3 nights a week, you might ask Funder A for £5,000, Funder B for £3,000 and expect to get £1,000 from the 50p nightly entrance fee. Make this clear in the applications.

You will usually need to let the Funder have a budget for your group as well as for the thing you are applying for. The budget for the group is a forecast of money that will come in and money that will be spent for a set period of time (usually a year).

- There is guidance on [www.communityaccounting.org](http://www.communityaccounting.org) on how to develop a cash-flow forecast. ([http://www.communityaccounting.org/files/cann/cash%20flow\\_0.pdf](http://www.communityaccounting.org/files/cann/cash%20flow_0.pdf))
- Include in your Budget any 'in kind income'. You may not yet have any funding but if you have a volunteer doing some work, or someone is letting you use a room free of charge, or borrow their minibus free let the funders know. You can work out how much it is worth to you in terms of money and include these amounts in the budget – Community Southwark can help you do this.
- If the application is for work that is going to carry on after the time you are asking for money for, say how you are planning to get the money to continue the work. Don't be vague here.

Your group wants volunteers' expenses for one year, so that volunteers can visit isolated older Bangladeshi people in their homes, what will happen at the end of the year? If the project is only for one year you need to make that clear. If it is going to carry on after the year you need to say what other Funders you are thinking of approaching. Mention some Trusts which might be likely to fund this work (Community Southwark can help you find these trusts)

The Funder will need to know that your group has the skills/experience to carry out the work and manage the money. Some ways you can show this are by:

- Confirming that you have a group of at least three people who will be your management committee and are responsible for running the group.
- Describing the experience the people who make up your management committee have got.

-If your group is set up to support parents of excluded children, and all of the management committee are parents of excluded children, then you can say that they all have personal experience of the effects of school exclusion on family members.

- If any of the management committee members have run their own business they have had experience of financial management.
- If they have ever had to supervise anyone else they have experience of personnel management.
- If they have been a volunteer they have experience of the voluntary sector.

The Funder will also need to know that your group has a written document which says what your group is set up to do and how it will run. This written document is usually called a Constitution, or if you are a company limited by guarantee the Articles and Memorandum of Association.

Many funders will also want to know:

- Your group has a Bank Account and that at least 2 management committee members are needed to sign cheques.
- Your group has the policies it needs, for example: Health & Safety, Equal Opportunities, Complaints and Grievance Procedure, Safeguarding Children, Vulnerable Adults. Community Southwark can help you develop these.
- Who is going to be responsible for managing the work. When groups don't have any workers this is usually the Management Committee. The Management Committee will need to be kept up-to-date with how the work is going. This is often done through written or spoken reports which are discussed at the Management Committee meetings.
- Most funders, but not all, will want to know your group is a registered charity – Community Southwark can help you with this. See the Charity Commission website (<http://www.charitycommission.gov.uk/>) about how to register. You cannot currently register if your organisations' annual income is below £5000 each year.
- That the work you are applying for money for fits in with what your group was set up to do.

Please note: It is very important to choose the right legal structure for your organisation and there are many things to consider when registering as a Charity. Before you decide to register speak to the development team at Community Southwark to make sure that this is the right thing for your group. [development@communitysouthwark.org.uk](mailto:development@communitysouthwark.org.uk)

### ***How you will involve the people who will benefit from the group in running it***

You need to show here:

- How the users will be involved in running and shaping the work of the group. For instance, are there users on your management committee? Where this would not be suitable is there a way in which their views can be passed on to the Management Committee?

A homelessness project does not have users on the management committee because they usually move on from the project after 2 or 3 months.

The Project could set up a monthly meeting for users, with one of the management committee members, or with the Manager of the Project. At this meeting the users would talk about things that they like or don't like about the Project and any changes that would make the service better for them. This feedback would then be passed on to the next Management Committee for discussion. Let the Funder know about this monthly meeting.

- How you will make sure everyone who can benefit from your work knows about it and can take part in it. Think about how your group will make people aware of what you plan to do – especially the people whose lives you want to change; but also people who might be in contact with them – e.g. social workers, teachers, other voluntary groups.

If a tenants group was starting up it would be important that the group let all the tenants know what it wants to do and the date, time and place of its first meeting (perhaps by leafleting), not just relying on word of mouth.

- How you are going to make it possible for everyone to be able to use your service.

It would be important that the hall where the tenants group was going to hold its meeting had full disability access. The meeting might need to be held in the evening so tenants who were working in the day could also come. Some form of childcare/crèche could be provided so that parents/carers could attend. All these steps the group has taken to make sure it is possible for everyone to come to the meeting can be mentioned in an application.

### ***What is special about your group?***

All groups have something special about them, but this is something that needs to be evidenced and communicated clearly to the funder.

If your group is the only Young Mothers group on the Aylesbury Estate, say so. There may already be another young mothers group on the Estate, but your group may have been set up by young mothers and going to be run by young mothers – say so.

If your group is exactly the same as another group and is working in exactly the same area, in exactly the same way, it could be that it is needed because there is just too much work for existing groups to do, but you would need to have evidence of this to show to the funder in order to demonstrate that your work is needed and is not supplanting the work of other groups in the local area.

Your group is going to provide counselling in the Elephant and Castle area, but there is already a group doing exactly the same type of counselling, to the same group of people.

Your application would need to make clear:

- How many people in the area need counselling?
- How many people the existing group can work with
- How long people have to wait for counselling from this group
- Why it isn't possible for your group to join with the existing group.

### ***How the work fits in with the kind of work the funders give money for***

You need to make it clear in your application that your work fits in with the priorities of the funder.

Your group is applying to a Funder who gives money for work with older people – which is exactly what your group does.

But many of the people who want to use your group have to look after their grandchildren during the day. It would be possible for your group to apply for a crèche.

The application would have to make it very clear how the crèche would help you to offer your service to older people, and how their lives would be improved by the work you were able to do with them.

Remember all the work your group does to make a successful funding application will:

- Make any other applications you decide to do much easier
- Create a really good project
- Make sure your work can change people's lives in the way you want it to
- Your group will have a good track record
- Make it easier for it to get funding in the future

## Resources

- **Funding Central** (<http://www.fundingcentral.org.uk/page.aspx?SP=Advice>): as well as being a searchable database of funding opportunities, funding central has useful advice and guidance on different sources of funding
- **KnowHow NonProfit** (<http://knowhownonprofit.org/funding>): Has useful advice on different types of fundraising.
- **The Community Accounting Network** (<http://www.communityaccounting.org/?q=node/3>): has useful resources and templates to help community groups manage finances.
- **The BIG Lottery Fund** (<http://www.biglotteryfund.org.uk/funding/funding-guidance/applying-for-funding>) has useful advice on applying for funding including developing outcomes.
- **The Charity Commission** (<http://www.charitycommission.gov.uk/start-up-a-charity/as-your-charity-grows/funding-your-charitys-work/>) even if your group is not a registered charity, the guidance here might be useful for you as a community groups with charitable objectives.

## Support

If you would like further support with searching for funding, thinking about income generation or completing grant applications, contact the Development Team at Community Southwark: [development@communitysouthwark.org.uk](mailto:development@communitysouthwark.org.uk) / 020 7358 7020