

Funding Advice Bureau

SYFAB guide to...

Fundraising - getting started

This sheet is a short guide to the basics of fundraising. It's aimed at groups who are just getting started. You might find it useful if you are:

- A brand new group that has just set up
- A group of people who plan to set up an organisation that will need funding
- An established group that needs to raise money for the first time
- A new worker with fundraising responsibilities in an established organisation.

Most groups need some money to carry out their services or activities. So, although you would probably rather get on with the activities you were set up for, you also need to spend some time making plans and raising funds.

What you need to have in place before you start fundraising

Before they give you any money, funders will want to see that you are set up as a legitimate group. You will need to have the following in place:

- A management committee made up of at least three unrelated people. There should be a chairperson, a treasurer and a secretary. The management committee need to meet regularly so they can run the group and take overall responsibility for it
- A written constitution (or set of rules) to show what your group does and how it will be run. It should include a 'dissolution' clause that says if the group is wound up, any assets are given to another group with similar aims
- A bank account in your group's name with two or more unrelated signatories for withdrawals.

In addition, you may also be asked to provide some or all of the following:

- Last year's accounts, or recent bank statements if your group has been running for less than 12 months
- If you work with children or vulnerable adults, a safeguarding policy, including Disclosure and Barring Service (DBS) checks
- Insurances, appropriate for your activities, such as public liability insurance.

If you haven't already got any or all of these, one of the organisations listed at the end of this sheet might be able to help you.

Where to start

It can be very confusing at first to know where to begin. How much do you ask for? What can I get funded? Do you find a funder and see what they will fund? How do you find out about funders?

The stages to go through are as follows:

- Decide what you want to do – this is your 'project'.
- Work out how much it will cost
- Select the funders who are likely to be interested in it
- Make the applications.

We will go through these in more detail later on.

Be organised

Fundraising is a time consuming process and can be

overwhelming if it is left to just one person in your group. It should be allocated to a 'fundraising sub-committee' – a smaller group (at least two) of your committee members who take on the task. But make sure that they report back regularly to the rest of the group on what they are doing and the progress they make.

Be realistic

You need to be realistic when you approach funders. Any potential funders will want to be sure that your group is able to manage any money that they give you. They will also want to know that your group will have the capacity to carry out the planned activities. The usual way to do this is to gradually build up a track record of raising money and delivering the activities you say you will. If you are a new (or small) group, you are unlikely to be able to secure large amounts of funding until you can show how you have successfully managed smaller amounts of funding and smaller projects in the past.

Plan ahead

Raising money can take quite a long time. Most funders work to strict timetables and lots of funders only consider applications every few months. So, as a general guide, you should apply for money at least six to nine months before you actually need it. Once you get going you should get into the habit of planning your fundraising needs two years ahead. This is especially important if you employ staff.

Keep records

Keep a record of all the funders you approach, with the dates that you approached them and the outcome. This is useful information for the future – giving you an idea of who you can go back to and when.

Keep up to date

Whilst you do not want to be 'money-led', where you chase funds for things that aren't a priority for you, it's important to keep up to date about funding and issues that are relevant to your group. One way of doing this is by getting into networks with groups doing similar work. Another advantage of networking is that you will be able to share ideas and find out about the creative approaches other groups have found to deal with the same issues that you face.

You can also subscribe to relevant websites and journals to find out about funding and funding related events and training. SYFAB provides up to

date information on funding, see below for more details.

Fundraising skills

The prospect of having to raise money for your group can seem daunting if you have never done it before. Funders often ask for a lot of details about your project and this can seem complicated and overwhelming. Even if you are a complete beginner, you can learn how to fundraise for your group and you can build up your experience. You've already started by reading this information sheet. You could also read some of the others in this series.

SYFAB can give you advice, and may be able to help with applications. We also run training and workshops about fundraising, though we do charge for these. Contact us for more information or look at our website www.syfab.org.uk.

A step-by-step approach to fundraising

Step 1 – decide what you need and why

Before you approach people for money you need to carefully think through your ideas. You need to decide what the issues or needs are that your group wants to tackle and why it is important that you tackle them. Then you can decide what you need money for. It could be room rent for elderly isolated people to meet up, or a playscheme for local children

You need to think about the following:

- What is the need or issue you want to tackle?
- Do you have evidence in the form of facts and figures or any research to back up your case
- What your group wants to do in order to meet this need
- Who will benefit, and how. This is becoming increasingly important – funders are very interested in how people are being helped
- How it will be delivered – volunteers, paid staff, sessional workers?
- How you will manage and keep account of the money.

Step 2 – work out how much money you need

Once you've decided what you want to do, you can work

out exactly how much it will cost. This is your budget.

Funders expect you to ask them for a specific amount, and to see what that would provide. “We would be grateful for anything” is not helpful.

- List all the things to do with your project that will cost money
- Put an amount to each one
- Make sure that your figures are as accurate as possible, don't guess costs or use old figures. Get reliable quotes and estimates, use catalogues, talk to other groups running similar schemes, check out pay rates
- Ensure you budget enough money to actually do the work; otherwise you will get into financial problems. But, just as importantly, don't budget too much or your funder work will look like poor value for money and funders will reject your application.
- Check you haven't missed any 'hidden' costs like insurance, VAT and delivery costs, maintenance, repairs, travel, training, heating, lighting, rent and so on

When you have thought through all these things you need to decide whether you really want to take it on. If the answer is still 'yes', then think about how you will raise the money.

You may need to fundraise all the costs or just part of them if you have other income that can be used as a contribution to the project. Some funders will not fund the whole of a project so it is helpful to show them how you will make up the difference between their funding and the total cost.

Step 3 – draw up a fundraising plan

Once you have your written proposal and a budget, you need to plan how you will actually raise the money – this is your fundraising plan or strategy.

There are lots of different funding sources and many ways of raising money. It might be for small amounts that one community event would bring you what you need, but for larger amounts, use the funders that are out there who want to support community groups.

You need to think about:

- Which funders are most likely to be interested in your work and what their guidelines and criteria are.

You need to target funders that have an interest in the type of work your group is doing

- Use the Funding Search on the SYFAB website to help you identify the likely funders
- Look at which funders have deadlines, and when they are
- Have you got people in your group with the skills and time to do the work? Do they need to prioritise this work over their other tasks? If so, the group need to allow for this and allocate the other tasks
- Do you know other groups who have done similar work? If so, talk to them and find out how they raised their money
- Could you raise all or some of the money yourselves? Some funders will require you to find some funding from other sources.
- Don't just send the same letter to lots of funders, you won't be successful and it's a waste of your time

See our other information sheet 'Making a good application' for more detailed advice on what to put in a bid.

Help for groups in South Yorkshire

Voluntary Action Barnsley

The Core
County Way
Barnsley S70
2JW
Tel: 01226 320 100
Website: www.vabarnsley.org.uk

Voluntary Action Rotherham

The Spectrum
Coke Hill
Rotherham S60
2HX
Tel: 01709 829 821
Website: www.varotherham.org.uk

Voluntary Action Sheffield

The Circle
33 Rockingham Lane
Sheffield S1 4FW
Tel: 0114 253 6600
Website: www.vas.org.uk

Doncaster groups: there is no Voluntary Action equivalent. There is a network of Development Trusts that may be able to offer local support.

For advice on DBS and safeguarding policies and practice:

NSPCC
Weston House
42 Curtain Road
London
EC2A 3NH
Tel: 0808 800 5000
Email: help@nspcc.org.uk
Website:
<https://learning.nspcc.org.uk/safeguarding-child-protection/safer-recruitment/>

Further reading

Voluntary but not Amateur

Ruth Hayes and Jacki Reason (Chapters 1 and 2).

Available from Directory of Social Change (DSC) and other book sellers and possibly your local library too.

Directory of Social Change
Tel: 0207 697 4200
Website: www.dsc.org.uk

South Yorkshire Funding Advice Bureau
The Campus
Pack Horse Lane
Sheffield S35 3HY
Telephone: 0114 261 5141
Email: enquiries@syfab.org.uk
Website: www.syfab.org.uk

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