



Fundraising from charitable trusts and foundations

Some suggestions from Talwrn

These suggestions have been tested with funders – and include comments from funding officers working in six different trusts and foundations.

Before you apply

1. Develop a clear picture of what you want to do and why. If you have an 'action plan' or business plan for your work over the next few years and can show how the project/work fits into this it really helps.
2. Get as clear and full a picture as possible of what difference this work could make to the people you want to work with/ are working with. If relevant, ensure that these people are involved in thinking about the work.
3. Think about what happens afterwards. Most charitable trusts and foundations will only fund for a maximum of three years. What will have been achieved by the end of the grant, if you are successful? What do you envisage could happen after that? No one will expect detailed planning – a lot can change in three years – but you need to give it some thought and have, at least, hopes for what will come out of the work.
4. Think about the kind of funding you want. Go to charitable trusts and foundations to help you test out a new way of working; develop work you are already doing to a new level; tackle a new problem that you have not before addressed; progress your organisation or your work.
5. Increasingly, some trusts and foundations will consider funding core costs but this is usually intended to help an organisation move on.
we won't fund holes that have appeared when big grants have disappeared unless there is a really good plan for how that big grant will be replaced.
6. Look at the websites a charitable trust or foundation has and read carefully through the information provided to see what kinds of things they are interested in funding, the kinds of organisations and activities that they have funded in the past, and assess its relevance to the work you want to do. If it is not relevant, look elsewhere – there are over 8000 trusts and

foundations. Make sure you read through what they will not fund (many will only fund registered charities, for instance).

Genuinely don't try to stick a square peg in to a round hole when it comes to a foundation's priorities – it's likely not a good use of time.

Increasingly trusts and foundations are publishing grant data – use it! Look at the applications they've funded previously – it will give you an idea not just of the type of work they're looking for but also potential size/scale of a request.

the pitch needs to be specific to that funder. The larger ones will generally be more strategic in their grant-making whilst the smaller and/or family ones may simply take a more `pulling at the heart-strings` approach and just want a letter.

7. Are you ready to receive funding? Charitable trusts and foundations (Lloyds Bank Foundation have prepared a useful checklist)¹ will want to look at your governance, how you manage finances and risks as an organisation.

'organisations need to convince the intelligent funder that they also are on the ball when it comes to financial management, control and reporting: they understand the finances (trustees and staff), they submit annual returns on time, they have cashflows, they all discuss financial management at board meetings, they are aware of projections v actuals, reserves, the balance sheet, etc (not just the treasurer).'

8. Remember that a trust or foundation may look at whatever other information they can gather about you:

we may view other sources of information over and above the application to get a `feel` of the organisation – via their annual report (how informative is it, does it convey/capture the impact the charity has, does it tell a story) and also increasingly important their website.

If you know an organisation who has had funding from them before, it is worth asking them how they found the process (and, if it's a very small trust, an introduction from someone they already know might go a long way)

9. The competition for trust and foundation funding is strong – but do not let that put you off. If the work is important it is worth the work.

Look for information on likelihood of success when making an application – can help to be realistic about the chances of success when planning out fundraising applications. Don't put all your eggs in the basket of a funder who supports 1 in 10 applications

¹ <http://smallcharityfinance.org.uk/ten-point-checklist-for-ensuring-that-your-charity-is-fit-for-the-future/>

General points

10. Be as clear and simple as you can be – basically you are ‘marketing’ your work, so make sure the reader will a) understand who you are and what you do; and b) understand what you want them to fund and why (what difference it will make). The key is effective communication and accessibility.

Make the work relatable and about people – put a face to the beneficiaries and highlight the changes groups want to experience

11. Trusts and Foundations will want to know that you know your community or area, how you link into work with others, who influences you and who you influence:

who organisations work alongside, in partnership or in terms of influence, networks etc. We always seek to understand what place an organisation/group has in the local/regional/national landscape. Are they connected to other similar groups, do they share their work and learn from others? Do they take referrals from/refer to other services/organisations etc

12. Get someone who does not know you and the organisation well, or really understand the work you do, to ‘test-read’ the application and feedback what he or she thinks you do and what you are asking for. Encourage them to be as critical as you can, it is better to have critical feedback now, when you still have the chance to improve the bid.

13. Be honest and share problems. If you are facing a real challenge or a crisis, discuss this and how you are aiming to address it.

14. Trustees of charitable trusts and foundations are volunteers and often very busy in their own field of work. Most trusts and foundations have a tiny workforce, and these few people will cover, often, the whole of the UK. So, do not make things hard for them. Do not assume that they know anything about Wales, let alone the communities you work with. Do not assume that they know about Welsh policy areas, such as Communities First. Explain what the needs are that you are trying to tackle and how you know about them.

Avoid jargon – this can’t be emphasised enough, particularly in Wales which tends to write applications that local authorities and governments like to read

use plain English – and don’t assume that people will understand Welsh policy

15. See if it is possible to talk to someone at the trust or foundation before developing the application – or if you can ask some questions.

The back story

16. Charitable trusts and foundations do not micro-manage their grants, they place a lot of trust in those they fund to spend the money well. So, they need to have faith in your organisation to deliver and your application needs to reassure them on this. Set out the work that you have done before and its impact; if possible, mention who else has funded you; explain what work you have done to prepare for this proposal (such as any support you have had from others; how you have involved local people/ the people you will work with).
17. Set out how you are governed and who is involved. How often does the Board or steering committee meet? Who is on the group and what background/experience do they have. What role do they have in monitoring your work? How are they involved in overseeing the finances? If you have weaknesses in this area – say so, and explain what is being done to address them.

The project/work

18. Make sure that the way that you describe your work links to the funder's interests. This **does not** mean shaping work to capture funding, but rather ensuring you describe it in ways that are appropriate, and that does not make them have to work to make the connections. Trusts and foundations will want to know what difference you are going to make to the people you are working with directly. You may be focused on *how* you are going to create that impact (e.g. employing someone to run courses or provide childcare) but you must also ensure that you clearly set out on what difference this will make and how (e.g. people getting jobs). You could use a basic theory of change approach² which does not have to be complicated.
19. Tell them about the impacts that you have already achieved – this will enable them to see how you work. These should include any other provision or organisation that you have influenced.
in applications from Wales, in particular, there is a lot of focus on outputs but we want to know what difference this has made beyond the funded bit. So, you may have had 50 young people go through a training course, but what happened to them – that is what we are looking for
20. The proposal needs to be interesting and communicate excitement, passion and/or commitment (if you do not seem to be enthusiastic about it, why should the reader be). With hundreds of applications to read through, yours has to catch the attention of the reader. Stories, pen pictures, photographs and quotes can help an application stand out but do not rely on them – increasingly applications need to be done on-line and there may be limited opportunities to add these.
we get a lot of applications for the same sort of stuff, so we need to think 'why this one over all the others' – so you have to make your pitch – show why this is distinctive and important; it has to stand out

If you're only allowed to send a short outline paper, don't waste space – make sure that by the end of the limited allowance you've made a case as to why you're the right organisation to deliver the outcomes you say you will.

² https://www.nesta.org.uk/sites/default/files/theory_of_change_guidance_for_applicants_.pdf

only send what is requested, some people send a Big Lottery application or a HLF application rather than picking out the points we need. This is frustrating as it's hard for us to assess and get the overview we need

21. The more you can show how you have thought through the need and how it could be tackled, alongside the difference you will make, the more confidence you will inspire.
- Draw on local statistics and information that is easily accessed (such as the Wales Index of Multiple deprivation; local area Census information).
 - In particular, trusts and foundations will be interested in your own explorations with local people/the people you work with. They will be interested in how you use feedback or information from people you work with to learn about needs and to develop and improve your work.

Many funders are now wanting to know much more about pre/post community engagement (by the community, for the community) and so being able to demonstrate that local people not only want the project but also want to contribute to its development and success is becoming much more important.

- *Groups should know their area – they are the experts in the community and should be able to explain the specific issues of the area. Tied to this is groups should know what else is going on and what is being delivered to who and by whom*
22. Draw up a realistic budget, that covers what you will need to do the work, shows what (if any) contributions towards this you can bring in from elsewhere and is appropriate to the level of funding you could expect from that trust or foundation. Include an element of core costs if you can, to cover how much it will cost the organisation to run the project. Check the budget:
Budgets – make sure they add up! (And put a total in any columns). I worry when I have to get out a calculator ... !
23. Make sure that you show how you will measure the difference you are making, even if you are not asked this specific question. Show how you normally do it, or if you have a weakness in this area, how this project will strengthen your approach.
24. Demonstrate how effective you are in your dealings with the trust or foundation.
sometimes we have to ask an applicant for more information, this is often related to budgets or fundraising plans that are not clear. If we ask you for more information provide it quickly and efficiently, (otherwise we begin to wonder about your organisation and its ability to deliver if it can't respond to requests for information). We also don't chase endlessly as there is plenty of competition from good applications for the funds

If you are successful

25. Think about how you will keep the charitable trust or foundation in touch with what you are doing. Most will give you a clear picture of how they want you to report on the work but it is worth thinking about this.

If you do get a grant, or even earlier during the assessment stage, have a conversation about what you can expect in terms of grant management. Some trusts and foundations will just completely leave you to it, others want to be much more involved, and trustee involvement when a grant is made is also variable

It's worth having the conversation so that you know both what to expect but also what is available – there are plenty of 'grants plus' type offers out there, or support in kind, mentoring offers etc so good to know so you can make the most of it!

26. Use the structure they require (annual reports/ six month reports) to help shape your evaluation. Reflecting on the work and sharing those reflections will help you, and build trust with funders. Charitable trusts and foundations really read the reports of the projects they fund, they look to learn from them to inform their thinking about what works and what struggles people face. You can add to their learning, not just about your work, but about Wales and its needs and strengths.

Many organisations let themselves down as a result of poor ongoing monitoring and reporting, possibly thinking that the grant is now `in the bag`. Funders keep records and remark on the quality or otherwise of ongoing monitoring and reporting. This becomes important if the organisation wants a longer term relationship and seeks further funding in the future