

Making a Successful Funding Application

Funding Information Sheet No. 3

September 2006

The purpose of this information sheet is to provide small voluntary organisations and community groups with simple and practical approaches to making successful funding applications for their organisation.

Funding Information Sheets

The Funding Advice Service has produced a series of Funding Information Sheets on:

- the different types of grants available
- identifying funding
- sustainable fundraising

These can be downloaded from our website or obtained from our office.



Key Ingredients for Success

Applying for funding is something that almost all voluntary organisations and community groups need to do at some point in time. Writing a successful funding application involves putting different pieces of the same puzzle together. Finding the right funder, filling out the application properly and providing all the relevant information are the key ingredients to a successful bid.

Many applications are unsuccessful, not because the funding body does not like the idea, but because the application is incorrectly completed, requested documents are missing, or simply because it does not meet the funder's priority. Research and preparation will ensure this does not happen, that time is not wasted and that your chances of grant success are increased.

This information sheet will cover what you will need to do to research, collect and prepare information about your project in order to communicate clearly with your potential funder. It will also show you how to complete an application form and write a letter of application. The information sheet does not provide one "best"

answer for filling in funding applications or reduce the time taken to plan ahead, but it strives to provide tips and suggestions to help groups to be more planned and organised, thereby increasing the chances of fundraising success! Best of Luck!!

Your Project - What Funders Need to Know

A good way of working out what to say about your project is to think about it from the funder's point of view. If you are reading a lot of applications in a short space of time, what would you want to know? You would want the application to be clear and concise, want to know who was applying, how much they wanted and for what. A brief description about the group - how long it has been operating, achievements so far, and the number of management committee members and staff (if any) they have. If the grant panel is in a different location to the project then you need to add something about the area the work is in, what kind of problems it has and evidence of support from local stakeholders.

Some funders do not fund ongoing running costs, preferring to fund specific 'projects', (i.e. an activity within a specific time frame, with a





OUTCOMES ARE ALL THE CHANGES AND EFFECTS THAT ACTUALLY HAPPEN AS A RESULT OF YOUR WORK, EXPECTED OR UNEXPECTED, WELCOME OR UNWELCOME. THE OUTCOMES YOU HOPE TO SEE ARE ALL THE SPECIFIC CHANGES THAT WILL HELP YOU TO ACHIEVE YOUR AIMS.

OUTPUTS CAN BE DEFINED AS QUANTITATIVE (USUALLY TANGIBLE OR MEASURABLE) RESULTS OF A PROJECT OR A PIECE OF WORK, FOR EXAMPLE, NUMBER OF PEOPLE TRAINED IN A FIRST AID COURSE TO CERTIFICATE STANDARD.

set purpose that can demonstrate one or more outcomes). Choosing a title for your project that is clear and self-explanatory (e.g. Leighton Buzzard Girls Youth Club) helps the funder and stakeholders instantly know what the project is about.

Many other groups up and down the country will be trying to raise funds also, so you might be competing with hundreds of other projects. From the onset, you need to be clear about:

- the need for the project
- the purpose, goals and methods
- the outcomes and outputs from the project
- the beneficiaries or service users who will benefit from the project
- your 'unique selling point'
- how much money you need and what you need it for.

The important things funders look for are that your aims and objectives are clear and that you are addressing an identified need. Funders will want to know that there is a need for the project, what the problem is and what the money can help solve. They are keen to know that there is a problem - not that the group would like a laptop computer or digital camera but that the computer or digital camera would be used by the group to help solve a real problem. Funders want to see that the problem is the result of a demand identified by the people from the community and that they have been consulted in the design of the project, not that it is invented by the project worker because there is money available. Funders want you to demonstrate that the project is directly related to people's needs, not just due to a lack of something (so what if there is no computer or digital camera?),

that it is urgent and that the problem can be solved. Funders also need to be convinced that there is a problem that should concern or interest them, i.e. the identified problem meets the funder's criteria or priorities.

Be SMART

The best projects would clearly demonstrate to the funders how your project is solving a problem, that you are the best group to do this and that you care enough about the problem to spend their money to the best effect. One way of doing this is to design a SMART project.

SMART

Specific
Measurable
Achievable
Realistic
Timed

This means that the project and its activities should be:

- **specific** to the needs of the beneficiaries - clear and realistic
- the benefits to the service users are clearly identifiable and **measurable** (e.g. how the lives of people in the community will be impacted due to the project)
- demonstrate that the project is **achievable** within the time frame mentioned, i.e. who will do what, with whom and by when
- that the project is **realistic**, useful, focused and demonstrates to the funders that it has all been well-planned, organised and your management committee is capable of managing the project and the money

- **Timed** in that forward planning of the project has been done so that funders are clear on the time frame of the project and the 'milestones', and that enough time has to be allocated for preparation of the project's implementation.

Funders will also want to be convinced that the group granted the funds is the best organisation to tackle this particular problem.

Overall, the group which can demonstrate to the funder that their project has a direct, measurable impact on the service users and solves an identified need/problem is likely to be successful.

Project Costs

Producing a breakdown of the costs of the project is essential to discover how much is needed for the project. The projection of these costs needs to be realistic; people often think that by asking for less money they have a better chance of being successful.

But, if the budget does not take into account all the necessary expenses, then it just looks as if it has not been costed properly and the project has not been thought through sufficiently.

At the same time, asking for more by inflating the budget, will also be frowned upon. Experienced grant assessors/panel members can always spot over or under budgeting.

Figures must:

- be realistic
- be accurate
- provide a clear breakdown of the costs (e.g. volunteer expenses – state what are: travelling costs, training, lunch - how much and for what?

Provide a breakdown of the figure).

A budget should also take into account all the associated costs related to the delivery of the project. These may include a proportion of your stationary, postage, telephone, premises and ICT costs. Many funders now allow for full cost recovery of the project .

You may also be able to include "in kind" costs such as the cost of "free" use of premises, volunteer time or the cost of a project worker paid for from other sources.

If your group does not have a dedicated finance officer or treasurer to help you work out these costs, seek help from someone who has costed other projects or from us at Voluntary and Community Action South Bedfordshire.

Monitoring & Evaluation

Monitoring and evaluation is a very important aspect of any project and funding application. The funder needs to feel confident that your group has the ability to competently manage the project and the funds. They need to feel that the group has credibility with service users, with other funders and perhaps with other agencies in the area. You will have to prove this in your application or letter; if you/your management committee have experience of managing similar kinds of projects/funding make sure to tell the funder. Make it clear how you will set up a monitoring and evaluation system that will clearly measure the benefits of the project. Describe in detail the end date and how the project will be evaluated during its life. Some projects might be easier



"SPEAK TO OTHER ORGANISATIONS THAT HAVE BEEN SUCCESSFUL IN THEIR FUNDING BID OR SPEAK TO OUR FUNDING ADVISER FOR TIPS ON EFFECTIVE BID WRITING."

"THE PROJECTION OF THE COSTS NEEDS TO BE REALISTIC; PEOPLE OFTEN THINK THAT BY ASKING FOR LESS MONEY THEY HAVE A BETTER CHANCE OF BEING SUCCESSFUL."



“MANY APPLICATIONS ARE UNSUCCESSFUL NOT BECAUSE THE FUNDING BODY DOES NOT LIKE THE IDEA, BUT BECAUSE THE APPLICATION IS INCORRECTLY COMPLETED, REQUESTED DOCUMENTS ARE MISSING, OR SIMPLY BECAUSE IT DOES NOT MEET THE FUNDER’S PRIORITY.”



to evaluate than others, for example the number of young people attending a youth club can be counted but how do you measure the benefits of a trip to a theme park?

Tell the funder how you will demonstrate what you have accomplished? For example, you might want to demonstrate the soft outcomes through case studies (e.g. young peoples involvement in planning the trip, the skills they gain, teamwork, communication skills and the opportunity for disadvantaged young people to go to places and do things they would otherwise not be able to do).

Exit Strategy

What happens when the money runs out and the funding comes to an end? Most funders will want to see a clear exit strategy. They do not want to fund projects indefinitely and need to know that, upon completion of funding, the project can survive. State clearly what you will do once the initial project and funding comes to an end (e.g. look for funding elsewhere?).

Identifying the Right Funders

Identifying the most appropriate funders for your organisation and project is the most important stage in the application process.

Thorough research at this point will avoid wasted time applying to funders who may not even have an interest in your project or area or whose priorities you do not match. Please refer to our information sheet on *Identifying Funding* or speak to our Funding Adviser for help in identifying the right funder for your project.

Read the Guidelines

Once you have identified the funder you think you might apply to, read the guidelines more than once to ensure you are eligible to apply to the fund, that you meet all requirements and the funder's priorities matches yours - what your project is trying to do. For example, is your group organised in the way this funder prefers - do you have to be a registered charity? Can the funds be used for your project? Have you checked the list of what the funder does not fund? It can be helpful to discuss the guidance notes with colleagues and to make notes on what you think the key elements are and then compare these with your project.

This will not only ensure that your organisation is eligible, but also keep the funder's objectives at the forefront of your mind. Do not be afraid to contact funders to discuss their requirements or ask questions if you need to ensure your project meets their criteria and avoid wasting time on the application process.

Plan Ahead!

Allow plenty of time for writing a funding application. Make a note of the deadline for submissions and the 'turnaround time' as these can vary greatly between funders (e.g. monthly, twice yearly, etc.)

If you are planning a big project and are applying for a larger sum of money, allow for six to nine months turnaround.

Make sure that what you want the funding for can start after the turnaround time.

Your Application

Once you are certain you can apply, turn your attention to the funder's application form or letter of application. Things to remember are:

- most applications are read by people who might not have any idea about your organisation or the work you do so explain your project simply and clearly. Use plain language and keep your answers concise and to the point. Do not use acronyms, abbreviations or jargon
- remember to follow the instructions and give them all the information they are asking for. If the form states that you should only type within the boxes then do so, if you are enclosing additional information please mark it clearly so as to link to the relevant question; supply all the relevant documents they ask for e.g. copy of your constitution, bank statement, child protection policy etc.
- assume that the funder has no prior knowledge of your group, organisation or local area. Things that might be obvious to you about your project or area may not be obvious to the person assessing your application
- get someone who is not associated with the project to read the application or letter when it's finished. This will give you a good idea of how it reads and if the application explains clearly everything about your project that might increase the chances of a favourable decision
- type or compose you application on a computer whenever possible rather than hand write;

typed information is easier to read and looks professional and organised

- focus on your aims and objectives and describe your project clearly, concisely and convincingly.

Hints and Tips

Most funders get more applications than they can fund. If a group can demonstrate that a small grant will pave the path for a big grant from somewhere else, or the lessons drawn from their project can set examples to many other agencies, funders may be more likely to support their project.

Funders like to see added value or 'multiplier' effect: that the impact of the grant is greater than the actual sum of money.

Make sure your project plan links in to your original aims, as this will increase your chances of success. Be clear about your goals, especially why the project is important? And how the money will be used to achieve your aims? Funders are more interested in who will benefit from your project than the needs of your group or organisation. Demonstrating these benefits is vital, and can be achieved by:

- using statistics, surveys, census or other data about you area to help prove the need for the project. Statistics greatly help funding claims when presented properly with a good application.
- avoid vague statements and be as specific as possible about why your project is needed at this time, mention if anyone in the area is doing similar activities (if yes, push your project's 'unique selling point'),



"MAKE SURE THAT YOU ARE READING UP-TO-DATE INFORMATION, AS FUNDERS CAN CHANGE AND AMEND GUIDELINES AND OBJECTIVES UP TO THREE TIMES A YEAR."

"DO NOT SQUEEZE YOUR PROJECT INTO A SET OF FUNDING CRITERIA THAT ARE NOT REALLY APPROPRIATE. A GOOD RULE IS TO MATCH YOUR ASPIRATIONS TO THE FUNDERS NEEDS AND PRIORITIES."



“ORGANISATIONS ALSO NEED TO BE AWARE OF REQUIREMENTS TO HAVE A CONSTITUTION OR OTHER GOVERNING DOCUMENT WITH AIMS OBJECTIVES AND POWERS THAT ALLOW THEM TO APPLY FOR THE FUNDING THEY ARE LOOKING FOR.”

what your project is planning to do (the activities) to help the beneficiaries.

Finally, remember to tell the whole truth and nothing but the truth—the funder will use a network of contacts to assess your application and will soon find out if you have exaggerated your claims!

Writing a Letter of Application

If the funder does not have a standard application form and requests a letter of application, they will usually have guidelines that you need to follow while writing the letter. General things to remember are:

- do not send a standard letter, take the time to find out who the correct contact is and address the letter accordingly—write a personal letter to each funder
- if your group has its own stationery then make sure you use this giving details of the charity registration or company number (if applicable)
- keep your letter short and simple. It should not exceed two sides of A4
- use facts and remember to back this up with statistics if possible.

If the funder does not give provide guidelines as to what to include in your letter, this list could help you:

- have a project title that is clear and explains what the project is all about
- give a brief history and introduction of your group or organisation
- provide a summary of the project proposal including direct and indirect costs associated with the project and any ‘in kind’ contribution by the group

- give a project description. Include - why your project is important and how it directly benefits users, if any other similar project exists in the area then how is your project different from the rest - any added value. How the project will be run, monitored and evaluated and the results you expect to achieve
- list any other funders who have already funded the project and how much; if there is a shortfall then where is the funding coming from, any other funders you have applied, or are applying, to
- be sure to finish the letter with contact information of the person who has detailed knowledge about the project so that if the funder contacts them they can talk about the project.

Some funders welcome additional information, like examples of past work (project reports, pictures, publications, etc.) This demonstrates your achievements, the good work you have done and proves your group can manage projects.

Remember to attach the following documents to your letter:

- budget – a breakdown of all the costs associated with the project
- governing document (e.g. your constitution) and any other supporting documents or relevant policies e.g. health and safety/equal opportunities
- the most recent annual accounts (or projected accounts if you are a newly formed organisation).

Sample Letter



Leighton Buzzard Growers

C/O 25C West Street
Leighton Buzzard
Bedfordshire
LU7 1DA
Tel: 01525 850559

Ms T Brody
Brody Charitable Trust
34 Silbury Boulevard
Milton Keynes
MK3 1SE
14 August 2006

Dear Ms Brody

On behalf of **Leighton Buzzard Growers** I would like to ask for the support of the Brody Charitable Trust for our work.

The Growers Club has been operating for five years. We are run by a voluntary management committee and are a registered charity no. 654788.

We aim to involve a wide range of local people in projects to encourage participation in growing plants, flowers and trees. Our next project will involve working closely with a local junior school to encourage children, at this early age, to become more aware about and participate in, the growing and care of fruits and vegetables in their school's garden. This will foster a positive relationship with nature, encouraging not only good health (promoting good nutrition, learning where food comes from, the importance of eating fruits and vegetables etc.) but also care for the environment.

Our most recent project has been with a local allotment to create a local youth centre site involving 20 young people.

We have received funding in the past from a local authority for basic equipment and to pay for volunteers' expenses, but these are only one off grants and, though the council is very supportive of the project, they are unable provide further funding.

We have now got to the point where we need to replace our stock of tools as well as purchase some smaller hand tools for use by children. It is important to provide the tools as many of our volunteers are unemployed and couldn't provide their own, let alone supply enough for the children to use. I am attaching a breakdown of the costs involved. The total amount we require is £350.00.

I hope you will support the work of Leighton Buzzard Growers Club and look forward to hearing from you. Please let me now if you require and further information.

Yours sincerely

Sally Tinton

Sally Tinton, Chair, Leighton Buzzard Growers



"IF YOU DON'T UNDERSTAND ANY PART OF A QUESTION ON AN APPLICATION DO NOT HESITATE TO ASK THE FUNDER OR CONTACT US FOR HELP."

"YOU MIGHT NOT BE SUCCESSFUL WHEN YOU APPLY TO A FUNDER, SO IT'S IMPORTANT TO HAVE OTHER POTENTIAL FUNDERS TO WHOM YOU ARE ELIGIBLE TO APPLY. PLEASE SPEAK TO OUR FUNDING ADVISER TO ACCESS OUR SPECIALIST FUNDING DIRECTORIES OR TO USE THE FUNDING RESOURCES AVAILABLE."

Last but not Least...

Successful funding applications take time, effort and research. Don't rush them. If some of your answers look weak, or you need more statistical information, take the time to get it right as this will maximise your chance of success and save time in the long run.

Ensure you send all supporting documentation required. Funding applications can be rejected if supporting documents are missing or incomplete. While sending a copy of your annual accounts or your constitution make sure they are signed and dated.

Most funders will ask for your most recent bank statement which **must** be the original.

If you don't understand any part of a question or are not sure what to include do not hesitate to ask the funder or obtain help from Voluntary and Community Action South Bedfordshire.

Never ever leave a blank question on the form. If a question does not apply to your organisation, write 'N/A' to demonstrate you have seen and read the question rather than having missed it.

Use 'buzzwords' from the guidelines in the application, to maximize your chances. This also demonstrate to the funder in no uncertain term how perfectly your project meets the guidelines.

Keep a copy of the final application form or letter for all funding applications. Not all funders send acknowledgements of receipt, so you might not hear from all of them.

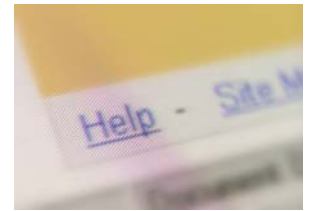
If successful, you can use that application as a reference when making future funding applications to similar funders.

Remember to thank the funder and try to build a relationship. Keep them informed of changes to the project as early as possible and ask for permission if money needs to be spent on things not mentioned in the application. Keep funders informed on all progress, reporting on time.

If you are Unsuccessful

Unsuccessful funding bids can be hard to accept and disappointing, especially after all the time and hard work put into writing them. Following the advice above, along with careful research and planning, will greatly increase your chances of success.

However, sometimes, despite your best efforts, there may just be too many applications for too little money and another bid may match the funders criteria more closely. If this happens to you, don't give up. You might find it useful to contact the funder to try to gain feedback. This could prove invaluable for future applications.



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How can our Funding Advice Service help?

We can help you discover which grant making trusts, foundations or funders are the most appropriate for your organisation to approach for funding, help you to fill out the application form or provide help and support with any funding related issues.

Please give us a call on 01525 850559 to arrange a meeting to our offices so we can guide you through the maze of funding opportunities available.