

The information below is an overview of requirements and for further more detailed information, support and guidance etc please contact the BVA Group Development team via telephone 01256 423816 or email admin@bvaction.org.uk (please quote "BVA Group Assistance" on title).

www.bvaction.org.uk

Applying for funding can easily become a never-ending process of filling in forms and developing proposals. By developing a funding strategy it will help your organisation or club to prioritise your funding work and make best use of your time by planning ahead and targeting particular funders.

A documented funding strategy will help your organisation or club identify and schedule your funding priorities and opportunities so that you can avoid either ad-hoc or last minute rushed applications. Funding deadlines are often tight so you really need to be prepared.

What is the point of a Funding Strategy?

- To bring in more money from existing funders and other sources of income
- To identify new funders and new sources of income
- To secure continued funding for your existing work as well as bringing in funds for new projects and developments
- To increase the security of your organisation or club by attracting funding from a number of sources – increasing and developing your funding mix
- To make best use of your limited resources

A fundraising strategy is a plan that sets out:

- What your organisation was set up to do and its main areas of work.
- What your funding needs and priorities are over the coming period of time, say over one to three, or one to five years.
- Costings for the above.
- How you intend to raise that money.
- What you will do at the end of the three or five years.

Organisational planning

Your strategy needs a number of planning stages:

- Long-term - strategic planning - your overall purpose and aims.
- Medium-term - business planning - resources needed to achieve aims.
- Short-term - operational planning - detailed breakdown of specific pieces of work to fundraise for.

Strategic planning

This means thinking through and spelling out what your organisation's broad purpose and overall aims and values are; that is, why you exist and what you want to achieve. You can express this in a short 'mission statement'.

Your statement can be followed by a list of 'strategic' aims, that is, a list of key work priorities for the future. These will be both short and long-term ones.

The reason to think about your fundraising strategy at this level is two-fold. Firstly, it helps to remind you what your reasons for being are. Secondly, it is a useful and concise way of explaining who you are and what you do to prospective funders. Everything your organisation does should relate to your strategic aims.

Business planning

Business plans usually cover the coming two or three years, although they may need to be adjusted each year.

Operational planning

This is the level at which you set out in even more detail the specific objectives, targets and tasks that you will carry out in order to meet your aims. It is more immediate and short-term.

You need to think

- how each objective or target can be achieved
- what activities will be needed to achieve them
- what resources will be required
- how the progress of each will be measured.

You will need to decide on priorities and timescales.

Think about each objective separately and work out what resources you need to find and then draw up your budget.

Work out what sort of money you need - is it capital or revenue? One-off or ongoing? A large or small amount?

And, remember, money isn't the only way to get something - you may be able to get help in kind like donations of equipment and stationery, or even recruiting volunteers.

It is often easier to think in terms of projects. Many funders prefer to give money for specific, time limited pieces of work. So, go through your agreed list of prioritised objectives and see if you can package them up into one whole or a number of distinct projects.

Funding is not an isolated activity

A funding strategy does not work on its own. It should be part of your overall plan that shows where your organisation or club is heading. The funding strategy is the engine to make this development happen and should incorporate other income into your organisation or club e.g. membership fees, fundraising and sponsorship.

Each area of your work will need to be budgeted for and therefore you will need to identify funders or sources for each aspect. New developments in your work may open up new funding opportunities.

After you've worked out the costs of what you want funding for, you will need to ensure Full Cost Recovery is adhered to make sure you have included all the running costs, marketing, administration, hire of premises etc.

You will need to build into your plan enough time to develop good relationships and contacts with existing funders and other sources of income, and ensure that you continue to contribute to your on-going work.

Funding options

As part of your funding priorities you will need to create a good mix of funding sources. These will include:

- Central government and local authority funding streams
- Charitable trusts and foundations
- European funding
- Lottery funds
- The corporate sector
- Events
- Fundraising
- Sponsorship
- Club Fees

It is important options include how you generate income yourselves within your organisation or club by our own efforts as funders like to see this but also funding alone will not cover everything you wish to achieve. It will also avoid you becoming too dependent on one or two specific income areas and provide you with security in case one of or more of them is no longer able to fund you.

Exit strategies

If you are applying for money for a fixed term, say one to three years, then you need to show what will happen at the end of that time. This is called your exit strategy, and funders might ask you for one as they are usually very keen to ensure the groups and projects they have provided grants to will be sustainable in some other way once their funding comes to an end.

You could opt for one of the following strategies:

- Another organisation or possibly a statutory authority will take over the work.
- Having proved the need and success of the project you will find new funding for it.
- It is a one-off piece of work and will end when the funding ends.
- A gradual wind-down.

Whatever strategy you go for, it will need to be planned early on in the life of the project, especially if you want to find ongoing funding for it.

The next step of your Funding Strategy is to look at particular **direct sources of funding** and pull together a list of all the relevant funding options that you are aware of and evaluate each in terms of the following:

- What is the purpose of the grant (does it fund your requirements)?
- Have they funded you in the past?
- Do you have a contact within the funding organisation?
- What is their maximum (and minimum) level of grant or award?
- How complicated is the application process?
- What is their success rate for applications? What percentage of applications submitted are successful?
- Do they fund similar work in your area (demographically)?
- Are you high on their priority list of fundable organisations?

The above exercise will help you arrive at a priority list of funders to approach or sources to work on.

Action Plan

When you know which sources of income you will consider you then need to put this into an action plan that makes clear the following:

- Which funder(s) or source(s) of funding are you going to tackle
- What project/item are you requesting support towards e.g. a 'shopping list' approach
- What do you need to do,
- How many days the work will take
- Who will be doing it
- Your targets for each source of funding

Raising money

Now that you have worked out what you want money for, how much and for how long, the next step is to find likely funders.

How will you fundraise?

Think about the skills of individual members of your organisation and give people jobs to do.

You need people who can:

- write well;
- prepare budgets;
- speak to funders;
- persuade people of the value of your organisation and its work;
- keep files and records; and
- organise events.

The best way to proceed is to form a fundraising group where members can support and learn from each other and make sure that things get done on time. If you do not have people with the skills or experience in your organisation then contact BVA for advice and support.

However you decide to go about it remember that you need to co-ordinate things. Keep everyone in your group or organisation up to date with progress and any results.

Building relationships with funders

Developing a relationship with your funders is important, as you may want to go back to them for more money in the future. Always acknowledge any communication from them swiftly. Have one or (at most) two named contact people in your group who funders can deal with so that they get to know people and names. This is particularly important if you have received funding or sponsorship with a private business/corporation where staff moves/turnover is relatively high

Keep them regularly updated about progress in the piece of work they have supported. Send them annual reports, audited accounts, press releases, photos, whatever. If it is part of the funding contract, make sure you promote their logo in your public activities.

If it seems appropriate invite them to visit your project, or to special events like your Annual General Meeting or open days.

Remember to acknowledge their support on documents relating to the project. By doing this you are making them feel involved and giving them a sense of ownership of your project.

Keep yourselves informed of any changes in their funding policies or staff and trustees.

It is very easy to spend large amounts of time and energy raising money and then forget to say 'thank you' and keep in touch with those people who have given you funding or support.

Review your plans

You should review your fundraising strategy from time to time. From your records you will be able to monitor progress and assess how successful you have been. This assessment will inform your future fundraising strategies.

Ask yourselves:

- Were we over-ambitious?
- Do we need to revise our plans?
- Do we need to do more research into possible funders?
- Do we need help or training in devising better budgets or writing better applications?

Be imaginative, stay informed and stick to your agreed strategy and you will find that fundraising isn't just a matter of good luck.