



# T3SC Factsheet 7

## funding sources

This factsheet is part of a series of three. The other factsheets are Factsheet 6: Funding Overview and Factsheet 8: Making Applications. The aim of this factsheet is to describe the types of funding available to voluntary and community groups, and how to go about finding the right funders for you.

### Researching Funders

T3SC can help you find your perfect funding match. We can do this through one to one advice sessions or you can use Funderfinder database which has details of over 1000 different funding opportunities on it. We also organise regular Meet the Funder events and training courses.

It is also a good idea to think about going back to any past or existing funders. Did you spend the grant properly? Was the money used well? Did you get positive feedback from the funder about your achievements? If so, they may be happy to fund you again.

Also, use your contacts. Ask management committee members, staff, volunteers or members if they have had any contact with funders, or know of similar groups or projects that have been funded.

### Targeting Funders

Your funding search will give you a list of funders that might be suitable. Carefully read all the information you have about each funder, to see that you are eligible, and meet the funding criteria. Some funders will match your organisation or project quite closely others won't. Target those whose criteria you most closely meet first. List potential funders in order of priority. Think how much time and effort you can put into applications, and limit your list to the number of funders you can deal with.

A golden rule: Quality not Quantity. It is better to work hard on a small number of bids, to find the right funders and to show each funder how well you meet their aims.

### Types of Funders

There are 5 different sources of funding available to voluntary organisations:

- 1: Charitable Trusts
- 2: The National Lottery
- 3: Company Giving
- 4: Statutory Grants
- 5: European Funding

Which of these sources you go for depends on your organisation, and what you want the money for. The following descriptions outline each type of funding, and will help you decide which kind is right for you.

You may also want to consider DIY fundraising such as holding an events (see factsheet 10) You can also generate income through selling your groups services or expertise. This is sometimes called Social Enterprise. It can help make your group become more self sufficient and less dependant on grants. T3SC can give you information and ideas about how this may be useful to your group. If you do start trading then you may need to consider issues such as VAT (see factsheet 28) and becoming incorporated (factsheet 2.)

## **Charitable Trusts**

Trusts (sometimes called Foundations) are set up by companies or individuals as a way of giving money to certain causes. Some target very specific causes, others give more generally, to all kinds of groups that deal with community or disadvantage.

There are local trusts, preferring to give in Greater Manchester or the North West. Many more are national, giving around the country. Amounts can range from a couple of hundred pounds to tens of thousands, or more if you match their aims closely and can show a big impact. Applications to Trusts are often as simple as a 2 page letter or basic application form. More details might be requested for larger bids.

## **The National Lottery**

The National Lottery gives money to a very wide range of good causes, through four distributors. These are The Big Lottery, Sport England, Arts Council England and The Heritage Lottery Fund. Each of these distributors have various programmes and application procedure. Full details can be found at [www.biglottery.org.uk](http://www.biglottery.org.uk) There is also the Awards for All board, which offers small grants (£500-£5000 at the moment, £10,000 from April) to projects in one or several of the above areas. You do not need to be a registered charity to apply, as long as your group has charitable aims. To find out more or for guidance and application forms, contact T3SC.

## **Company Donations**

An alternative to grants is approaching a local company to ask for money or resources. The advantage of this approach is that you may get a very quick answer, as there may be no official application process. Additionally, you could develop a long-term relationship with the company

Businesses may be willing to enter into a sponsorship deal. This involves you offering a service, usually publicity for the company in your publications or at events, in return for money. It is more of a business deal than a donation, so you have to be able to deliver your side of the bargain. To find out more: Contact companies directly and ask for the Community Affairs or Marketing department, or a person who can deal with donations.

## **Statutory Grants**

Statutory means that the grant comes from the Government or a local body such as the Council, Health Authority or Education Authority. Money is given to voluntary groups for work that the Government or local agencies have identified as necessary. They sometimes offer Small Grants, this can vary according to funds available. They may also offer contracts which means you are paid for specific work which you undertake on behalf of the statutory body.

## **European Funding**

European funds are generally for projects involving regeneration, training and employment. Groups usually access them through a local office. European grants can be large, but require time and effort due to the large amount of paperwork involved in applying for, monitoring and reporting on your project. The money can take a long time to arrive, and you often need to find match funding (grants will only cover part of your project costs). To find out more: Phone North West Network on 0161 952 4268.

**for more info please contact T3SC**  
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