

11

IDENTIFYING THE RIGHT EXTERNAL FUNDERS

TEAM PRAYER

Generous and loving God, you call us to be disciples of your Son Jesus and good stewards of all your many gifts. Open our minds and hearts to a greater awareness and deeper appreciation of your countless blessings. Transform us through the power of your Spirit to nurture a Stewardship way of life marked by faith-filled prayer, service to our neighbour and generous sharing. We pray through Jesus Christ, our Lord. Amen

It is a good policy to apply to as many funding organisations as possible and within as short a time-scale as possible. One grant can then act as ‘match-funding for the others’. If you wait for each one it could take a long time to build up all the funding you need. Most funders will want you (or another grant giver) to contribute something to the pot so having other funds in the bank is always a good idea.

Remember you don't just have to apply to church or faith-based funding organisations. If you are fundraising to repair a heritage building or community-based project, you should be looking wider.

Make a list of potential external funders to approach aka ‘Suspects’

Make good use of **Funding Directories** – see at the end of this Chapter. There are lots of lists out there specifically tailored to churches, as well as more general search tools where you enter unique information about your church, project and location and it will generate a specially tailored list. Work your way through these lists identifying your **‘suspects’**. These are funders who might be worth approaching, but you need to research further before determining whether these ‘Suspects’ will become ‘Prospects’.

Ask your diocese/or equivalent funding adviser if they have any knowledge on the success rate for a particular funder and also size of grant normally offered.

Researching your Suspects and Identifying your Prospects

It is a good idea to undertake detailed research in advance so you can identify all potential external funding sources. Most funders have websites, which provide all the information you will need including Guidance Notes for Applicants, Case Studies and their Charitable Accounts. It's a good idea to look through a funders accounts, as they will list every organisation they have funded that year, the type of project and amount of grant awarded, which can be a good guide as to whether they regularly support churches. You can also see how much they give away annually. This information is vital in determining what your individual church approach will be.

Once you have completed your research, you should be able to tell whether this funder is now a ‘Prospect’ i.e. a funder you think is worth applying to.

For each Prospective Funder record what element of your project they might be willing to fund, their contact details, application deadlines, the likely size of their grant and their time frame for responding. This will mean that when you are ready to make applications, you can apply in a logical order e.g. applying first to those who may offer the largest grants and taking into account those who have the longest decision-making processes.

The Fundraising Plan spreadsheet (Fig 6, see below) is a suggested way of recording key information on funders identified and also tracking progress and the results of your applications.

Taken from the Ambassadors' Training Notes supported and delivered by Historic England and the Diocese of Norwich.

Fig 6 Fundraising Plan spreadsheet

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Funder	Website	Funding priorities/points of note	Application rounds	Funding potential: published grant ranges	Target £ (Your planned request figure)	Application deadline	Target £ (your actual grant request figure)	Application made	Decision due	Grant awarded £	Approved purposes	Grant rejected	Date of decision
1														
2	Repairs only													
3	National Churches Trust - Rep	http://www.nationalchurchestrust.org	Urgent structural repairs. Project cost must exceed £100k incl fees/VAT. Must have raised £50k and have at least £10k still to raise.	3 per year - takes 4-5mths	£5k to £40k									
4	ChurchCare/Wolfson Foundation	http://www.churchcare.co.uk/churches/funding-and-grants/our-grants/fabric-repairs	G I/II* only. Urgent repairs cat. A or B. Prof fees excluded. 50% of funding in place when apply. Complete in 12 months,	Spring for June decision. Autumn for Dec decision.	£5k to £10k								<i>note reason</i>	
5	Geoffrey Watling Charity	http://www.geoffreywatling.org.uk/	Norfolk charity. Does not specify repairs or improvements, but regular supporter of church repair projects.	No deadlines. Takes decisions quarterly	Up to £30k									
6	The Norfolk Churches Trust	http://norfolkchurchestrust.org.uk/	Grants limited to around 10% of costs, but is willing to put funds in at early stage of funding. Valuable to help lever other contributions.	Deadlines & decisions 3 times per year - one month minimum	£1k to £10k									
7	Improvements/facilities													
8	Veolia Environmental Trust	http://www.veoliatrust.org/	Community spaces within churches. Max. Project cost £250k incl fees/VAT. 10% contribution required for grants over £40k. Pref. community consultation, use of volunteers, deprived areas. Must be able to complete in 12 mths	Two stage process - S2 decisions twice per year. C. 6 mths	£5k to £50k									
9	Allchurches Trust	http://www.allchurches.co.uk/index.aspx	Does not exclude repairs but pref projects that "benefit mission and help local communities esp. deprived. Likes vision, enthusiastic support, financial stability.	None. Takes 3-6 months to decide	Up to £5k									
10	National Churches Trust - Community Grants	http://www.nationalchurchestrust.org	Improvements to benefit community. Min. project cost £25k incl fees/VAT. Must have raised 50% and still need at least £10k.	3 per year - takes 4-5mths	£5k to £25k									



FUNDING CRITERIA

All funders have funding criteria. So, and yes it is obvious, but worth stating, the starting point for targeting the right funders is to ensure that their criteria matches what you are trying to achieve. Don't waste time applying to funders who are not interested in financially supporting your type of project! Grant funders have their own priorities (and usually too many applications) based on their own aims and objectives.

Read the guidelines. Check out their aims and objectives and see whether they overlap with yours. Many charities/trusts will state general charitable purposes; others may be more specific i.e. concerned with heritage, conservation or by specifying the target groups they want to support e.g. homeless, older people, young people.

The more similarities, the better. Then scrutinise the rest of the criteria. Can you meet all of their demands? It is usually possible to telephone funders to chat through your ideas. This may save a lot of time in the future.

COMMON CRITERIA CLAUSES TO CONSIDER

Some criteria are common to a wide range of funders, which could impact upon who and how many funders you approach.

- 100% funding is rare. Most funders like a project applicant to put in some of their own money. They may offer you 90% of the money you need, but stipulate that 10% needs to come from your own resources which can include local fundraising. You can also include – in-kind support which is covered in Chapter 8.
- Some grant bodies are only willing to fund a small proportion of the total cost of your project – anything between 10% and 75%. They may insist that another funder also supports your project, otherwise known as match-funding. A grant of 20% from your local authority may make you eligible for a grant from another funding source, for example. Some grant funders do this because it means their money goes further and they can help more projects, although it does mean that there's more work for the project, because it has to find the shortfall.
- Some funders may only contribute to specific elements of your project. A funder may be willing to give you a grant towards the cost of installing solar panels and a grey-water recycling system, but won't be interested in helping you install a kitchen or computer equipment.

Read as much information about the funder as you can, especially with regards to how they operate. There are funders, for example, who release their grant money in stages. Some funders will only release a grant payment upon receipt of a paid invoice. This means that you'll need to monitor your expenditure and manage grant payments carefully to ensure you'll have sufficient cash to pay invoices as they arrive. (See Chapter 13).

This is why already having some funding in your own reserves can be useful. In **some circumstances**, your denomination may be able to offer a **bridging loan**, but they will usually only consider this if you have a firm offer of a grant, in writing, from a funder.

Some churches have used interest-free loans from their church members to cover such gaps. If you are taking out a loan/s, you must show how you will be paying it back.

Funders have to manage their funds strictly and ensure they don't put their money at risk. This is especially true of public money such as that from the National Lottery. Private trust funds may have a large sum of money invested and it is the interest generated each year that is offered as grants. They may receive their 'interest' payments quarterly, so they need to stagger when they actually release their grant payments. Remember, you are being offered someone else's money, so you have to adhere to the conditions that they lay down. The simple choice is, if you don't like the criteria then don't apply.

CASE STUDY

ST DEINST, LLANGARRON, DIOCESE OF HEREFORDSHIRE, COFE

www.llangarron.info

Population: 1,053 (2011 Census)

Consultation with residents confirmed the need for and a high level of interest in the provision of a new centrally located community venue in Llangarron.

It has also indicated majority support for the underutilised Victorian north aisle in this Grade 1 medieval church to be developed for community purposes. The North Aisle Project was to develop the north aisle into a self-contained community facility to be used by the residents of Llangarron and the adjacent parishes for a range of community activities and services while retaining the option of recombining the north aisle and nave for larger concerts and services. Llangarron already has a Village Hall which dates back to the 1920s. This is situated on the outskirts of the village. Although upgraded over the years, it was only suitable for a limited range of activities and it was thought that it would only remain for another 5-10 years.

The project was awarded a development grant early in 2012 and in December 2012, it was awarded a BIG Lottery grant to finance the project. Work started in Spring 2013. This project is being managed by the Llangarron Community Association (LCA) Management Team. The joint working between church and village is illustrated by

Llangarron Life, a community website which offers a comprehensive insight into all of community life in the Parish of Llangarron including the church and this project. Since completion the village has had a fabulous center with the latest audio visual, broadband and heating technology. The venue is extremely versatile with a large airy main hall and a more intimate mezzanine area for smaller meetings, gatherings or displays.

Toilets provide full disabled access and support and are fitted with baby-changing facilities. A hearing loop is also available. Underfloor heating, excellent levels of insulation and acoustic measures ensure visitors are warm and comfortable.

Although primarily run as an independent venue by the Community Association, the Garron Centre has internal bi-fold doors opening into the adjacent St Deinst church, which enables it to be used for concerts, weddings, christenings and funerals.

GUIDANCE NOTES

Look for any help a funder offers. Many have guidance notes that explain how their processes work and what kind of and how much information they will expect to see from you. If there's anything you don't understand, ring and talk to the funder. Grant funding is a two way process. The funder may be giving you the money, but you have to deliver a project. Funders are keen for you to understand exactly what your responsibilities are.

A warning: when discussing your project with funders, don't be tempted to change it drastically, just because a funder offers you more money to do so. Remember, your community has identified the solution it wants your project to supply and if you start changing your project in order to be awarded more grant money, you increase the possibility of changing the project so much that it doesn't actually meet your community's need. Be strong. A funder may offer you several thousand pounds to install a water feature, but do you actually need one?

KEEP GOOD RECORDS

It is very likely that you are going to have to obtain grants from more than one funder so ensure you keep track of who you applied to and when and their time frame for responding. Some funders now receive so many applications that they make it clear if you haven't heard from them within 3 months, then it is a NO. Keep a record of any phone calls made or emails sent or received and any additional information sent.

Keep a record of any replies received and if it is a rejection, keep a record of the reason given. And of course, keep a record of any grants offered including the amounts, any timescales, and specific conditions. Some will insist that the money is spent on a particular part of the project and within a specific period of time. (Use the Fundraising Plan Spreadsheet on page 201)

VAT (VALUE ADDED TAX)

Since, April 2001, the **Listed Places of Worship Grant Scheme** has offered grants towards the VAT incurred in making repairs to listed buildings mainly used for public worship.

From 1st October 2012, the Scheme was extended and will now offer grants towards the VAT incurred in making repairs **and** approved alterations to listed buildings mainly used for public worship. VAT on professional fees directly connected with your project may also be reclaimed through the Scheme which is currently funded up until 2020.

You need to check which parts of the project are eligible and arrange your budget accordingly. It can be a positive start to your fundraising campaign as you can calculate the amount you will be able to recover once the works have been completed. Many funders including the **National Lottery Heritage Fund Grant** will allow you to use this as part of your match-funding.

Make sure you recover your VAT regularly during the project especially if it is of any size or duration as it will help you with maintaining good cash flow. Invoices older than 12 months will not be accepted and currently VAT cannot be reclaimed on materials that were built into the building by volunteers or contractors who are not VAT registered.

For more information go to www.lpwscheme.org.uk

TOP TIPS



- Don't reinvent the wheel! There are plenty of funding lists out there, you just need to make use of them.
- Liaise with your Local Authority or Local Strategic Partnership about grants in your local area. Go to your local authority website and search for 'Community Grants'.
- Keep any letters of support you may receive from community groups who would like to use your project when it is completed. It helps demonstrate demand for your project. Include photographs and supporting quotes in the fundraising folder.
- If local businesses offer in-kind support, ask for it in writing so you can include copies with your project application.
- Ask other community groups whose projects are based within churches where they received their funding from.

CHAPTER 11 CHECKLIST 

Have you thoroughly researched all funders?

Have you completed the Fundraising Spreadsheet?

Have you read the funder's guidance notes? Do you understand them and what your responsibilities are?

Along with your own resources, have you applied for sufficient funding from various grant bodies to cover your project costs?

Do you have a good record keeping process established?

FURTHER RESOURCES

Guidance on Funding Sources

There are thousands of funding organisations and we can only scratch the surface here. Liaise with your local authority, local strategic partnership, voluntary action, council for voluntary services, or rural community council. Some can offer you free access to funding databases, while others produce directories of national and local sources of funding.

Most denominations will have a section on their websites providing information on funding sources. Some will also have funds of their own to offer their churches for building or mission initiatives. Most **Church of England** diocesan websites have a section on fundraising.

The **ChurchCare** website has a section on funding and funding sources. The Church of England runs grant programmes for its own parish churches, but it also lists potential funders for all denominations. www.churchofengland.org/more/church-resources/churchcare/our-conservation-grants

Grants are available from the **Methodist Church** to resource mission and ministry in the UK and overseas for its own churches.

www.methodist.org.uk/our-work/our-work-in-britain/grants

The Meeting House Funds provide financial assistance to **Quaker** meeting houses for:

- carrying out improvements to their meeting houses, including warden's accommodation;
- acquiring and developing new premises;
- supporting substantial repairs to historic meeting houses.

www.quaker.org.uk/our-organisation/support-for-meetings/property-advice-1

Funding Directories

There are a few places where you can search for funding based on relevant criteria:

The National Charitable Grants List for Churches is a Church of England nationally produced booklet from the Parish Resources Team. It has 6 funding categories relevant to your church, as well as useful websites and organisations to contact.

www.pariahresources.org.uk/wp-content/uploads/Charitable-Grants-for-Churches-2017.pdf

The Heritage Funding Directory is managed by the Heritage Alliance and the Architectural Heritage Fund and is a free, easy-to-use guide to potential sources of support, financial and otherwise, for anyone seeking to undertake projects related to the heritage of the UK.

www.heritagefundingdirectoryuk.org

There is a registration fee for some of the following directories. Some of local authorities, voluntary sector support organisations or even Dioceses subscribe to this resource, so it's always worth checking to see if you can access it for free.

The **Christian Funders' Forum** is a group of executives of grant making trusts and foundations which between them grant more than £30 million a year to Christian work.

<http://christianfund.wpengine.com/the-christian-funders-forum>

The **Church Grants** website contains a searchable database of information about trusts and foundations that specifically fund church projects, both capital projects and social programmes.

www.churchgrants.co.uk

Funding Central is published by the National Council for Voluntary Organisations and provides up to date information on local and national sources of funding for charities and projects as well as funding training opportunities. They send out weekly news bulletins listing new funding programmes that match your criteria. You do have to subscribe, but it is free for any organization with an annual income of under £100,000.

www.fundingcentral.org.uk

The **Directory of Social Change** is probably the most comprehensive directory available and provides links to the main funding websites:

www.dsc.org.uk/funding-websites

Grants Online provides a comprehensive list of grant funding opportunities from the European Union, UK Government Agencies, the Lottery as well as Grant Making Trusts and Foundations. There is an option of a free 14 day trial before you have to subscribe.

www.grantsonline.org.uk

GRANTfinder offers a searchable database as well as guidance to a wide range of organisations in the UK's public, private and voluntary sectors.

www.idoxgrantfinder.co.uk

The Church in Wales subscribes to the GRANTfinder database with each diocese having their own log in website:

www.churchinwales.org.uk/resources/grants-funding-search-facility

Your **ACRE Network** member (formerly known as Rural Community Councils) will also have access to a database of local grant giving bodies.

www.acre.org.uk/in-your-area/network-members

Major Funders for places of worship

In January 2019, the Heritage Lottery Fund was relaunched as the **National Lottery Heritage Fund**. There is now a single open programme broken down into three streams: £3,000 to £10,000; £10,000 to £250,000 and applications over £250,000. Applications over £5m will be considered once in 2020 and another round in 2021. Decisions for grants up to £250,000 will be made locally. Those over £250,000 will go to one of three regional panels in England (Scotland, Wales and Northern Ireland will also have grants panels).

www.heritagefund.org.uk/hub/application-guidance

They have identified 13 priority areas and these will be subject to change.

There is a helpful initial enquiry stage for grants of £10,000 - £250,000 and an Expression of Interest form for grants over £250,000. The purpose of this is to guide applicants at an early stage over the suitability of their proposal for Heritage Fund funding and to provide guidance if a proposal could be fundable if it was changed in some way. NLHF can fund a wide range of projects which might include major repairs, the introduction of new facilities to encourage greater community use; activities to bring more people into the building; opportunities for revenue generation; and capacity building within the congregation and strengthening the resilience of the organisation.

The NLHF continues to assess projects against a set of Outcomes which are a way of describing the 'lasting difference your project will make' ie: change, impact or benefit your heritage, people and community. These will be looked at in proportion to level of funding requested.

All projects will be expected to achieve one or more of nine outcomes:

- **A wider range of people will be involved in heritage (mandatory outcome)**
- Heritage will be in better condition
- Heritage will be identified and better explained
- People will have developed skills
- People will have learnt about heritage, leading to change in ideas and actions
- People will have greater wellbeing
- The funded organisation will be more resilient
- The local area will be a better place to live, work or visit
- The local economy will be boosted

www.heritagefund.org.uk/publications/outcomes-detail

There is going to be a greater emphasis on landscape and nature heritage. They are also keen to help organisations build their capacity and resilience.

There is plenty of guidance on their website about all aspects of making an application.

www.heritagefund.org.uk/hub/good-practice-guidance

It is always worth getting in touch with your Regional Development Team and having a chat with them. When developing community engagement, it is worth seeing them as ways that you can improve the sustainability of your church building and benefit your community ie: make them work for your particular situation and help you implement measures that will offer long-term benefits.

The **National Churches Trust** offers a range of grant programmes that include support for repairs and new facilities as well as project development grants and maintenance grants.

www.nationalchurchestrust.org/our-grants

The County Churches Trusts are voluntary organisations that raise money for the restoration and maintenance of historic churches and chapels. They offer grants to all places of worship within their County. They also provide information on other local funding sources.

www.nationalchurchestrust.org/building-advice/support-organisations-advice-support-funding

Allchurches Trust gives grants to churches, schools and other charities working at the heart of local community life so that they can directly help those most in need. Their grants can help repair the building's fabric, restore and facilitate wider community use of churches and cathedrals of all denominations and fund projects run by churches and charities addressing poverty, isolation, homelessness, youth unemployment and prisoner rehabilitation.

www.allchurches.co.uk

The Architectural Heritage Fund gives grants and loans

www.ahfund.org.uk

The Pilgrim Trust's priorities are helping to conserve architecturally and historically important buildings and Social Welfare, specifically around improving the life chances of vulnerable women and girls. If you are seeking a grant for a place of worship please note that the Trust makes annual block grants to the Church Buildings Council, the National Churches Trust and the Scottish Churches Architectural Heritage Trust.

www.thepilgrimtrust.org.uk

The **National Lottery Community Fund** (formerly the Big Lottery) offers several funding programmes that cover activities taking place within your building as well as other programmes that support improvements to existing community buildings. This can include churches which are being used for community use. These programmes are usually open for a specific period of time.

www.tnlcommunityfund.org.uk

Landfill Communities Fund (LCF)

Landfill Operators (LOs) based in England, Northern Ireland and Wales pay Landfill Tax to HM Revenue & Customs on every tonne of waste that they dispose of in a landfill site.

Under the LCF, LOs based in England, Northern Ireland and Wales are able to voluntarily contribute a proportion of their Landfill tax liability to not-for-profit organisations that manage grant programmes.

Only projects close to an active landfill site – usually between three and ten miles - are eligible for funding. The funding bodies usually provide a postcode checker on their website. Most will support improvements that benefit the wider community rather than fabric repairs, so check specific eligibility requirements. They will generally expect to see good community consultation and support, good public access and environment sustainability measures. They also usually require a Contributing Third Party payment of 10% of the value of the grant.

The regulator of the scheme ENTRUST has a website that explains how the Fund works and also gives a full list of organisations that provide funding across the UK.

www.entrust.org.uk/landfill-community-fund

For Scotland, you need to approach the **Scottish Landfill Communities Fund**

www.sepa.org.uk/environment/waste/scottish-landfill-communities-fund

and for Wales, the Scheme is managed by the **Landfill Disposals Tax Communities Scheme**

www.wcva.org.uk/funding/landfill-disposals-tax-communities-scheme

The **Garfield Weston Foundation** has awarded many grants for reordering to churches around the country in order to give greater flexibility of use, including assistance with disabled access and creating kitchen and toilet facilities. www.garfieldweston.org

The **Headley Trust**, part of the Sainsbury Family Charitable Trusts, will fund the fabric repairs to cathedrals, large churches of exceptional architectural merit and listed medieval parish churches in sparsely populated and less prosperous rural areas in England and Wales. They will also fund the provision of toilet facilities and disabled access within these churches. www.sfct.org.uk/Headley.html

Other funding sources for community projects

The **Trusthouse Charitable Foundation** gives grants to small, well-established organisations in the UK that address local issues in areas of extreme urban deprivation, or in remote and fragile rural communities.

www.trusthousecharitablefoundation.org.uk

The **Dulverton Trust** provides money to UK registered charities and to organisations with charitable status. It supports a wide range of activities in the following categories: youth opportunities, general welfare; conservation and preservation.

www.dulverton.org

The **Esmee Fairbairn Foundation** will support work that focuses on the Arts, Children and Young People, the Environment, Food and Social Change.

www.esmeefairbairn.org.uk

UK Community Foundations is a network of 46 such organisations covering all of Scotland, Wales, Northern Ireland and most of England. Each raises money from donors in their area, and invites local charities or community groups to apply for small grants towards various projects.

www.ukcommunityfoundations.org/our-network

Awards for All offers grants between £300 and £10,000 for projects across the UK that improve communities. They can fund equipment, one-off events, small capital projects, staff costs, training costs, transport, utilities/running costs and volunteer expenses.

www.tnlcommunityfund.org.uk/funding/under10k

Increasingly the major **supermarket chains** have charity schemes in operation in many of their local stores. They tend to involve customers voting for their favourite project and so are quite competitive. You will need a good project that has broad general appeal to be in with a chance of getting this funding! Further details on how to apply can be found on each company's website.