

Community Food Forum – 24th April 2018

Handout on Fundraising

This handout covers only traditional forms of fundraising, not debt or equity financing.

Grants

Applying for grants is a time consuming, laborious process but one that can yield fantastic relationships with funders for up to 5 years. A more usual period of funding for a grant is 1-3 years but 5 years of funding is occasionally available.

PROs of grant funding

- SECURITY-Secured funding for a set period of time to deliver your project
- PLANNING-The grant application process generally ensures you do meticulous planning and really think about your project in advance
- YOU DON'T PAY IT BACK- Versus social capital or a loan you of course do not pay grants back – you just need to deliver your proposed grant outcomes
- RELATIONSHIP-Opportunity to work alongside grant officers to fine tune your project
- PARTNERSHIPS-Opportunity to partner with other organisations on delivery and bids

CONs of grant funding

- THE APPLICATION PROCESS-We can't lie, generally completing grant applications forms is a dry as chips process. Some funders have become more progressive and are moving to a system of meetings and open end blank application forms (e.g. no form – just a blank document) – others will still have you completing 42 page documents with 1 zillion questions.
- TIME-It also generally takes a long time to secure funding over £10K via grants. A common length of period for a £10K plus grant being 6months to 1 year. Some funders will ask you to complete a stage 1 and stage 2 application form. There are a few funders out there that give you an answer within 4 months. These are quite rare though.
- ADMIN-Some grants require quite laborious evaluation and reporting methods. Again some funders are moving away from this so currently you'll find a total mix of requirements.
- FITTING INTO A FUNDERS CRITERIA-All funders have their own criteria of areas they fund and don't fund. This can cause something called 'mission drift' where in order to secure funding an organisation bends their usual approach to meet the funding criteria.

Fantastic grant funding resources include:

Beehivegiving.org – They offer a FREE and a paid for subscription to match your funding requirements to suitable grant makers and trusts. MIH has just invested in this (about £80 a year) and we recommend it.

Directory Of Social Change <https://www.dsc.org.uk/>

Another fantastic resource that connects charities and projects to potential funders. Again this is paid for but you can use it for free by visiting their offices and using the computers they have set up in their reception. We have never done this – but have always intended to.

Crowdfunding

Made In Hackney ran two successful crowdfunding campaigns. One in 2014 to raise £12K (we raised £13.5K) and one in 2017 where we aimed to raise £45K but actually raised £76K (although our stretch target was £85K). Platforms charge a variety of fees and offer a range of support – from completely hands off to having a regular coach to assist you throughout your campaign. We use Crowdfunder.co.uk and are extremely happy with their services but it's really worth also checking out Spacehive, Indigogo and Kickstarter – new platforms are launching all the time.

Reality Check: Crowdfunder campaigns require a huge amount of pre-planning, staff/volunteer capacity during the duration of the campaign and also energy post the campaign to deliver supporter rewards – if you're offering them. You can speak to the platforms in advance before starting a campaign to get advice and to gauge with your capacity and supporter base what is a realistic target.

Get in touch with us or Phil Geraghty phil@crowdfunder.co.uk if you want to learn more about how we ran our crowdfunder campaigns and the lessons learned.

Matchfunding

This is something that crops up in grants and also with crowdfunding. It's where a grant maker or platform agrees to 'match' an agreed amount raised by you via other means. This may relate to other grants or your own fundraising activities (sponsored runs, stalls etc). We have received matchfunding from Crowdfunder during our last crowdfunding campaign.

Your Own Activities

A great way to fundraise is to do your own activities, events and have your own sports teams doing half marathons etc. We currently run fundraising events where all the experts volunteer their time to support and we also have a team in the annual Hackney Half Marathon. You may be able to get supporters to run supper club events for you, have colleagues fundraise for you through fancy dress or a cake stall. This area is vast and bigger charities have huge teams dedicated to this.

Individual Fundraising

This is where you receive donations from individuals as opposed to via grants or organisations. This could take the form of a membership scheme or an online donor feature on your website with accompanying outreach campaign. There are a lot of resources dedicated to this type of fundraising. This is an interesting case study about how one organisations moved from grants to individual donors.

<http://www.thefundraisingauthority.com/individual-fundraising/case-study-from-grants-to-individual-giving/>

There's so much more to say about fundraising but hopefully this gives you a brief overview of what's out there.