

Factsheet

15: Funding and other income sources

The aim of this factsheet is to give an overview of the sources and types of funding available to voluntary and community groups. It is also about targeting appropriate funders for your group and project.

Finding, researching and targeting funders

If you are not already a Macc member, think about joining us and receiving free access to our [online Funding Portal](#) – this is a searchable database of funders.

If you have had previous success with funding, think about going back to any past or existing funders. Did you spend the grant in accordance with the funder's guidelines? 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.

Next, use contacts: ask committee members/trustees/directors, staff, volunteers or members if they have had any contact with funders, or know of similar groups or projects that have been funded. You could ask other local groups, Neighbourhood workers and local Councillors too. Of course, you can ask Macc's Capacity building team for help too!

When you get direct information on a funder, or through a generated list from a funding search of potential funders, always carefully read all the information you have about each funder, to check that you are eligible, and meet the funding criteria. Some funders target very specific causes and types of organisation, others give more generally to all kinds of groups that deal with community or disadvantage. Target first those funders whose criteria you most closely meet. List potential funders in order of priority. Think about 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.

1. Trusts, Grants and Funding:

Subject to your organisation's constitution, and what you want the money for, the main types of funding available to voluntary organisations are:

- Charitable Trusts
- Lottery Funding
- Company Giving/Corporate Fundraising/Sponsorship
- Statutory Grants

Charitable Trusts

Trusts (sometimes called Foundations) are set up by companies or individuals as a way of giving money to certain causes. There are local trusts, preferring to give in Greater Manchester or the North West but many more are national, giving to groups 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 two-page letter or a basic application form. More details might be requested for larger funding amounts requested.

Lottery Funding

The Lottery has various streams of funding, each of which has its own pot of money and application criteria and process. For more information, please visit the website on www.tnlcommunityfund.org.uk

2. Company Donations or Corporate Fundraising

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.

More often companies will give 'in-kind' contributions. This may involve contributions like staff time, rather than cash donations.

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, take a look at [Charities and RS2 Commercial Partners](#), as well as [how to avoid problems with corporate sponsorships](#)

You can also contact companies directly and ask for the person or department that deals with donations.

Statutory Grants

Statutory means that the grant comes from a local, regional or national Government body such as the Council, Health Authority or Education Authority. Strategic grants are given to voluntary groups for work that the Government or local agencies have identified as a priority. For example, provides grants to not-for-profit voluntary and community groups. Funding programmes and availability can vary so it's best to check. You can search for information on the [Manchester City Council website](#) and talk to the Our Manchester Voluntary and Community Sector Team or your local Councillors about any funding opportunities.

To find out more, or for guidance and application forms, visit: www.manchester.gov.uk/nif

Contracts:

Contracts are another source of income. Organisations (health, local authorities, etc.) contract other organisations to deliver services on their behalf; this is also called 'commissioning'. Contracts are different to grants and come with their own rules and regulations. If seeking to be commissioned to deliver services, your organisation should be incorporated and it's best to seek advice to ensure your organisation is contract-ready. If you are a new organisation, you are unlikely to be ready for commissioning. You can find out more about commissioning [here](#)

3. Fundraising from individuals

It is also possible to raise money yourself through digital fundraising platforms, or through donations from individuals which can be a quicker and cheaper method of generating income. There are a lot of benefits, including widening your reach of donors.

There are many online fundraising platforms to help organisations raise money for their cause; these have different models, various advantages and disadvantages, and may or may not charge or take a percentage of money raised. This Factsheet gives some examples of online fundraising platforms, but

it is important to research other examples to find a platform that suits your organisation and its causes.

EasyFundraising

When your supporters use Easyfundraising for online shopping, the chosen retailer will send funds to your voluntary organisation, non-profit, charity, or CIC at no additional cost. For more information, visit:

www.easyfundraising.org.uk/manchester/

Crowdfunding

Crowdfunding platforms are a simple tool to use, and can be linked with your social media accounts making it easier to share. It's a convenient way to raise funds and keep your donors engaged as they can view updates and posts, as well as share information on how the funds are being used. Examples of Crowdfunding sites include: CrowdFunderUK and GoFundMe

Donations and Legacies

The following are some examples of fundraising through legacies and digital donations:

Legacies

It's possible that people may choose to leave a donation to your organisation in their will, although this more often happens when there is a long-term relationship between the donor and organisation. You can make it easier for individuals to leave legacies through your own fundraising activities – although be cautious as to how this is done, as it is a delicate subject for some. More information [here](#)

Text-to-Give

Text-to-Give allows supporters to donate small sums via text message to your organisation or campaign. Text-to-give campaigns can be quick and easy to set up, although there are often charges/costs deducted from the total donations. More information here: <https://donorbox.org/nonprofit-blog/text-to-give-fundraising-guide/> and www.nationalfundingscheme.org/

QR codes

Scanning a Quick Response (QR) code is very quick and easy way for donors to directly access the relevant link and donate funds. It can be quick and cheap to

set up a QR code, and can be displayed and shared across multiple sources for example, on flyers, objects, and online.

Consider how your donors will access the QR code – for example, if you are emailing a QR for them to access on their mobile device, they will need a second device to scan the code which is not ideal. More information [here](#)

Donate button

Setting up a ‘donate button’ to your page or social media platform allows online users to donate funds directly to your organisation. Having a donate button on display is an easy way for donors to be directed to your chosen secure payment site where donors can quickly and easily donate their chosen amount. Social media platforms, like [Facebook](#) and [Instagram](#) also offer this tool for users with business accounts, which is placed in the same location for every account making it easy and familiar for donors to find. For more information, see [CAF’s guide](#) and [PayPal](#)

For more information on online fundraising, see [Charity Digital’s guide to the best online fundraising platforms for charities](#)

4. Trading

Trading is another source of income; it is when your organisation sells goods or services for a fee, to bring income to the organisation and contribute towards your organisation’s social or charitable aims. Some types of organisations don’t have limits on the amount of trading that they can undertake, however, there are special rules on trading that apply to charities and it’s best to seek advice.

Further help

Contact us 0333 321 3021 or email: info@mcrcommunitycentral.org

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