Successfully Securing Grant Funding: A Beginner's Guide

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Introduction

Even in times of economic austerity, funding bodies continue to award millions of pounds in financial support to organisations in the UK every year. These come in an increasingly varied number of forms: grants, loans, venture philanthropy, award schemes and more.

Despite the Government and many other funding bodies increasingly exploring alternative, more sustainable forms of support, grants remain the most sought-after source of funding available to organisations. This is largely because grants have historically been interest-free and non-returnable. As a result, grant funding is sometimes incorrectly regarded as 'free money', but is in fact usually awarded under strict terms and conditions. Failure to meet these may result in the withdrawal of future funding or funding already awarded being made returnable.

Grants are awarded by many different sources, including central, regional and local government, the European Commission, or other national and local bodies such as charitable trusts and community foundations. However, with many funding bodies scaling back their activities in the wake of the recession, the competition for a share of the UK's grant funding pot has never been more fierce. As a result, it is vital to research the available funding options and choose the right funding body and grant scheme before making an application. Making both your organisation and your project stand out from the crowd is essential to get the funding you need.

This feature will look at the key elements that make up a successful application for grant funding.

How can you apply for grant funding?

Most funders will request formal communication of some kind to enable them to consider a particular project, whether it be an application form, an expression of interest, an online application, a report with a set of defined questions, or a free-form letter of proposal where groups simply apply in writing and have to make their own assumptions as to what the funder is looking for.

Although many organisations still require applicants to submit a traditional application form or written expression of interest, a growing number of funding bodies are moving towards accepting online applications only. While this often makes for a more efficient and paperless application process, it also means that applicants are no longer able to easily 'state their case' for funding and must explain why their project deserves support in the form of answers to a set of predetermined questions on the funder's website. There is often a limited amount of space, or set number of characters in which to complete the answers to these questions, so it is vital to be able to summarise the key points of your application as concisely as possible.

The funding body then uses the answers to these questions to decide whether to award funding, or in the case of an expression of interest, which applicants will move on to a second stage, when applicants may be invited to submit a more detailed explanation of why they are applying for a grant.

While application procedures vary, there are a number of common points regarding the information funders require.

What are funders looking for?

In most cases, qualification for grant assistance is dependent on four criteria: location; type of organisation; size; and project purpose.

Location

Eligibility for funding schemes, no matter what the type of organisation, is usually dependent in part on the location of the activity for which funding is being sought. For example, a council may wish to encourage business start-up projects within its boundary as benefits may be derived in terms of job creation and improvements to the local economy.

Some areas of the UK are looked upon more

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favourably than others as they are classified as Assisted Areas or Neighbourhood Renewal Areas. Also, a particular project may be eligible for a special grant if it is creating a business in an economically disadvantaged area with high unemployment, such as areas suffering industrial decline or where traditional industries have collapsed (prime examples being the coal, steel and fishing industries), and also some urban and rural areas.

Type of organisation

Although many grants are available across all sectors, some activities such as education, health and social welfare, poverty, agriculture and other specialist interests may be targeted for additional funding.

Size

Grants may be aimed at businesses or groups of a certain size, employing a minimum or maximum number of people, targeting growing businesses as opposed to self-employed individuals or large, well-established organisations.

Project Purpose

Finally, one of the most significant factors for the qualification of grant assistance is the focus of the proposed project or activity. This may be on research and development, exporting, environmental improvements, community development, rural diversification, or training and skills development. It is, therefore, important to explain what it is you want the money for, being clear about the intended outcomes of your project. Simply put, outcomes are what you expect your project to achieve in the end. This may be easier to explain if you have a short term project with only one goal, for example, the restoration of a building or purchase of an item. Groups seeking support for ongoing work should highlight what they have already achieved and explain what they could accomplish with additional support. Many schemes will not fund day-to-day running expenses, but are happy to help fund identified costs.

Match Funding

To reach your specified funding target, it may be necessary to match fund costs by applying to more than one funding source, or to supplement grants by utilising your own budget or income. Whilst some funds offer financial aid of up to 100% of the costs, many others may require you to demonstrate proof of assistance from other sources. Match funding is increasingly common when searching for support, so do not make the assumption that you will need only one source to meet your total funding requirements.

Match funding can cause significant problems when attempting to synchronise the funding to fit the timescale of your project. Some funders may not operate within the April to March financial year, and your project may end up working to two or more timescales. This issue can, however, be solved quite easily by planning your project in stages (eg September-March and April-July).

Some funding bodies may accept in-kind contributions as part of match funding. This is particularly useful for small-scale community-based projects that may not attract the necessary matching investment in cash, but are able to receive assistance in non-financial support. In-kind contributions may take the form of equipment or materials, research or professional support, an interest in land or buildings, or unpaid voluntary work. Where an in-kind contribution takes the form of unpaid voluntary work, you may need to assess the nature and scale of the work (this could include valuations, timesheets etc) provided by the volunteer, in order to calculate an appropriate value of their work and convince the funding body that such assistance can be accepted as match funding.

Meeting the objectives of the funder

It is important to be absolutely clear about why you are seeking funding and, if your application is going to stand a chance, you must make sure that it meets the objectives of the funder. When you read the guidelines from the sponsoring body, read them very carefully. If you are still unsure, it is always better to contact them to discuss your project - in fact, some funders prefer this approach. This can save you a lot of time and effort, as it doesn't matter how good you think your project is, if you fail to meet the criteria and requirements of the funder, there is no point in applying in the first place.

When writing an application, try to see it from the funder's perspective. Make sure you answer every question, write as concisely and as accurately as possible, and do not make assumptions about what the funding body may or may not know about your project or organisation. Paint a simple and understandable picture of your project and, most importantly, try to keep it free from technical terms and jargon, or any phrases that a layperson will not understand. If you do have to use such terms, ensure that you define them first.

Are you ready to make an application?

Before you make an application, look at the set-up of your organisation. Is it well run? Some organisations are more successful at securing grants due to their commitment, hard work and, above all, the reputation they have built for delivering results. It is essential that you demonstrate that your organisation:

- is reputable and efficiently run;

- has a clear and specific vision of what it wishes to do, how it aims to achieve its goals, and the benefits/

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differences that will be derived from the project for its target group;

- has a strong management committee that is dedicated and democratic;

- has finances that are regulated and in order;

- has a long-term business plan if it is a company;

- has a good, clear and precise understanding of the project and its purpose;

- is aware of, and complies with, any legislation in relation to the project, such as and Health and Safety, Child Protection Act, Equal Opportunities, and even necessary planning consents etc.

When completing an application form, make sure that you give a few details and background information about your organisation. As discussed above, funders often decide on whether to award grant aid not just on the proposed project, but also on how credible an organisation is. A project may be approved, but funders often decline applications if there appears to be a risk where the organisation is concerned.

To prevent this from happening, try to give a brief account of how and why your group/organisation was started, how it is run, what area it covers, what ethos it is based on, what additional support it has in place etc. Basically, give the funder an insight into the type and breadth of work that you are currently capable of. It is essential to emphasise the fact that your organisation is well run. Do you have a management committee/Board with the skills to govern your project responsibly, and do they share the same interests? Do you have a constitution setting out your aims and objectives? If you are applying for public or charitable money, funders will require evidence that there are sufficient systems in place to prevent grants from being used for private gain.

Making a successful application

It is possible to increase your chances of successfully securing a grant by taking the following aspects into account:

1. Demonstrate a need for your project.
2. Show that your project is well planned.
3. Accurately cost your project.
4. Provide evidence of good management.
5. Illustrate how the project will make a difference.

Demonstrate a need for your project

In a lot of cases, applications are rejected because funders do not believe that there is a need for the project, or because they are not persuaded that your idea will solve a particular problem

or is what people want. Ask yourself the following questions:

- What needs do your target group have?

- How do you know that they have such needs?

- Why is it important that these needs are met?

- How will your proposed project fulfil those needs?

'Need' can cover a number of aspects such as unemployment levels, a lack of educational achievement, crime levels etc. To demonstrate the extent of your target group's 'need', you must have facts and figures to support your case. You could use statistics from a recognised source or conduct your own survey/ questionnaire asking people about their views - this can be particularly useful if you are seeking funding for a smaller project. If you are looking for finance for a large project, you may need to carry out a fully costed appraisal and show that you have researched the various ways you can meet the need, indicating which option you have chosen and why.

It is important, however, not to rely solely on statistics to paint a picture of your project. Bring in the human aspect wherever possible to communicate to the awarding body what the situation is like for your target group, such as including quotes from clients. Overall, make sure it is clear to the funder that you have done your homework and researched your project.

Show that your project is well planned

Funders will always want to see evidence that your project is well planned. To do this, you must specify the main aspects that will help to achieve your aims and make your project possible. You must tell the sponsor:

- what it is you are going to do;

- what difference your project will make in terms of benefits to your target group;

- when and where your project is going to happen;

- how you are going to carry out your project and what you need to do it (equipment, premises, staff, etc);

- who will be responsible for conducting the project; and

- how you are going to measure whether your project has achieved its aims and made a difference.

From the funder's point of view, it is essential that applicants show that they are serious and will be able to successfully deliver projects, no matter how good a proposal it appears to be on paper. Most sponsoring bodies will not give out grants simply for a good cause. They will want evidence of relevant research and forward planning in accordance with the amount of money being requested and the type of work. For example, a group looking for money to buy a few pieces of equipment may only need to supply a couple of quotes, while an organisation wanting new premises or additional staff may

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need to provide cash-flow projections, a business plan, job descriptions, planning consents etc. Essentially, the more money you want and the more risky your activity, the more work, planning and evidence you will need.

Accurately cost your project

Once you have devised your project plan you will need to calculate how much money you require to enable you to carry it out, justifying the amount you have requested. It may be that you draw up a budget for your organisation's work as a whole, a separate budget for a particular activity, or a single figure for a one-off item of equipment. Whatever you require funding for, when drawing up a budget you should include all aspects of your project - even the hidden costs like salaries/cost of the staff involved in the administration of your project, premises and related expenditure (rates/rent/fuel), communications (telephone/postage), and any travel or training. Make sure that you do not guess what the costs may be, but get estimates or quotes to illustrate how you have worked the costs out. You could even review what you have spent in previous years or look at the accounts of other organisations that have carried out similar activities in the past to give you an idea of the value.

Always remember - don't over or underestimate your project costs. Be as realistic as possible. And, at the same time as telling the funder how much you need and what the funding will be used for, make sure that you tell them over what period of time the project is likely to run.

Provide evidence of good management

Funding bodies will always want to see evidence of good management and that your organisation is capable of delivering the project. It is extremely important that you have efficient procedures for the handling of finances within your organisation (ie a good bookkeeping system and properly prepared accounts) and that you can provide evidence that you will be able to account for the money that is given to you.

In addition, funders will also look at the policies that an organisation has in place, including Health and Safety, employment, child protection and equal opportunities.

Show how the project will make a difference

With any grant application, funders will always want to know that the grant they have provided is making a long-term difference to the lives of the people benefiting from the activity. They need to be sure that the money they are giving is being spent wisely. As such, the awarding body is interested in the positive outcomes derived from the assistance they are offering, and its significance to the beneficiaries rather than to the applying organisation. The grant schemes prevalent in today's funding world strongly highlight this point. For example, funding for a new sports centre will not be offered simply to provide better facilities for its members; it must lead to further benefits for the community as a whole, such as

opening up facilities to the general public and integrating the disadvantaged into the community. It is essential that you emphasise you are working 'with' the community and that their views and needs are taken into account within your project plans.

When approaching the subject of how your project will make a difference within your application, think laterally. Take a step back from what your project is actually doing and look at what impact it might have on the community, environment and/or local economy as a whole. This way you are more likely to meet the aims and objectives of the funder, and thus increase your chances of securing the funding you desire.

Once you have been awarded a grant, the funding body will often want to see information illustrating how you are achieving your aims and how your project is progressing. Most funders will expect to see project monitoring and a number of measurable outputs to enable them to assess how successful their investment has been, and to judge whether a group/project is really making a difference. Again, monitoring is very time-consuming but very important. It may require a worker to keep a record of what has been achieved against what was planned, such as a record of how many people attended an event, how many phone calls were received, how many jobs were created etc. Monitoring can even include methods such as interviews, questionnaires or surveys to determine how people or their views have changed since the implementation of your project.

You must think about monitoring at the planning stages of your project and try not to leave it until you get your grant. Set specific targets that you want to measure or milestones that you want to reach, and make a decision about how you are going to measure whether you have achieved them. This will also show funders that you really do care about your project and the difference it will make.

Presentation

As well as the content of your application, the layout and presentation is vital. If completing a traditional application form or letter of proposal, make the structure stand out by using clearly defined titles and subtitles, with consistent use of capital letters, bold and underlined text etc, and select a font that is easy to read and makes the best use of space. This way the reader can follow where they are in an application immediately from the appearance on the page. Also, always be aware that information can often be presented in a more helpful and easy-to-understand manner in tables, charts or figures rather than in text.

If an application form specifies how you must complete it, make sure you double check that you have followed all rules and instructions with regard to format, headings, enclosures, signatures etc, as you will get a lot of credit for simply following instructions. In addition, try to pay attention to detail. Get the name of the individual and the funding body right (including the

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spelling) by contacting them to enquire who you should address your application to. By avoiding statements like 'To whom it may concern' or 'Dear Sir/Madam', you are letting the funder know that you have made the effort to find out about them.

Why do applications fail?

One of the main reasons proposals are unsuccessful is because they have been submitted to the wrong funding scheme in the first place. It is common for people to spend too much time on writing the proposal and not enough time on analysing the key features of a programme. Rather than attempting to make your proposal fit into the format and eligibility criteria required, identify the most appropriate scheme and spend time producing a well structured proposal with key aims that are aligned with the programme's funding objectives.

As discussed earlier, it is often the case that many funding providers do not have sufficient budgets to meet all requests for funding due to the increasing number of applicants who approach them for support. It is, therefore, a good idea to be familiar with the common reasons why funding bodies reject applications, in order to prevent such issues from arising.

The most common factors include the following:

- Applicants fail to illustrate why their project is needed, and do not make their plans explicit and concise on their application form.
- The project is poorly planned and there is no indication of what the money will be spent on.
- The funder's guidelines have not been examined accurately and applications fail to demonstrate that they fulfil the criteria.
- Applicants budget inaccurately and do not display good financial management.
- It is not shown that the organisation is well managed and is capable of successfully running the project, including effective monitoring and evaluation of the activity.

Where to go for help

There are a number of resources available to help you find the right grant scheme to suit your project needs and for assistance with completing an application.

If you are looking to find the most appropriate source of financial assistance for your project, then the best place to start is GRANTfinder. As the UK's leading grants and funding information provider, our continuously updated database offers easily searchable information on grant availability and support for a wide range of projects, and provides all relevant

details on eligibility and application requirements. GRANTfinder's friendly team of researchers are always on hand, via the Research Help Desk, to provide further support and assistance to help you find the ideal source of assistance.

Once you have found the funding scheme you are looking for, there is no better place to go for help than to the awarding body itself. Many funders will be happy to discuss your project and funding requirements ahead of a formal application. Making initial contact with a funding body to find out what kind of project and/or organisation they are looking to support can take much of the guesswork out of making an application and help you stay one step ahead of the competition.

Alternatively, you may look for support at a more local level like your nearest local development agency, for example Rural Community Councils and Councils for Voluntary Service (CVS). Local development agencies offer a wide range of support services and practical assistance. Business Links are also excellent organisations to approach for help (the contact details for Business Links throughout England are reported on GRANTfinder under reference number UC9000), as are local councils.

If your project is relating to a specific theme such as art or sport, there are specialist agencies throughout the UK who can offer you expert guidance, such as the Arts Councils, Sport England, Sportscotland, Sport Wales and Sports Council NI.

Conclusion

Although there is no 'right' or 'wrong' way to complete an application for grant funding, taking into account the issues discussed in this feature may increase your chances of securing the funding you need.

Approach your application as if it is your only chance to secure a grant from the funder. Take as much time as possible to ensure that your application demonstrates why both your organisation and your project are deserving of support. Don't fall into the trap of thinking that submitting your application as early as possible will give you an advantage over the competition – a rushed proposal will be just as quickly dismissed by the funder. Unless you are faced with an imminent deadline, try to take as much time as possible to make sure that you have met all the criteria and that your aims and goal align with those of the funder. Ask a colleague or someone unconnected with your project to read the application. Does it make sense to them? Will someone outside your organisation understand it straight away?

You might even try putting yourself in the position of the funder – imagine it is your money. Would you be convinced to choose your proposal ahead of hundreds of other applications?

The road to successfully securing a grant can be a long and difficult one, but organisations that approach their funding search with the same hard work and dedication as the project itself can attract the funding that allows them to make their goals a reality.

Good luck with your applications!

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