



A guide to
researching
grant-giving
Trusts and
Foundations

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Introduction

A charity's sustainability depends on its ability to successfully fundraise. There are a number of ways in which charities can raise fund and the strongest organisations tend to have a diverse income 'base'.

This paper focuses on just one of those funding streams; grant income from Trusts and Foundations. If well executed, Trust and Foundation fundraising can be relatively low-risk, with high return on investment rates (10:1) and not unduly-long timescales (generally 6-8 months from application to decision) and as such, is often a good option for charities of all sizes and maturity.

This paper is intended as a practical guide, to support charity professionals to effectively raise funds from Trusts and Foundations. It describes:

- ✓ How to find prospective funders.
- ✓ Parameters to help 'short-list' funders.
- ✓ Common 'pitfalls' and useful tips for success.

It is part of our wider Ripple series which includes insights into 'Challenges facing Family Charitable Trusts' written by Rupert Cadbury, our philanthropy Advisor, and 'Charity-Corporate Partnerships' written by Hannah Newcomb, a CSR Advisor.

How to find prospective funders (in order of priority)

1. Research funders you know personally, have worked with previously or that colleagues within your network recommend. 'Tune-in' and instigate fundraising conversations whenever you're networking with other charities or influencers.
2. Research charities which do similar work to you/ you respect/ wish to emulate and see who funds them. Look in the 'about us' or 'our supporters' or 'support us' tabs on their website or in their annual report.
3. Free fundraising search on-line resources, for example <https://www.charityexcellence.co.uk/Home/FundingFindersResources>.
4. Subscription fundraising search engines.
5. Fundraising Facebook groups or networks such as The Institute of Fundraising.
6. Invest in a directory, for example, Directory of Grant Making Trusts (DSC).

Parameters for short-listing funders

Once you have a (probably over-whelming!) 'long-list' of potential funders, you can filter their relevance by checking your basic eligibility and more nuanced suitability.

Basic eligibility:

1. Check the funder's website to establish basic funding criteria and priorities- you must fit all of their basic criteria (for example your charity's annual turnover and status, geographic focus, beneficiary restrictions e.g. age range, disability and so on.)
2. Check the funder's exemptions – websites usually include a 'what we do not fund' section. There are often exemptions which are not spelled out anywhere else on the funder's webpages.

Suitability:

Once you've established basic eligibility, you can sift funders by researching in more depth, some of the subtleties. Including:

1. Giving patterns – search [the Charity Commission website](#) or the funder's own website to establish their funding patterns by looking through their annual reports & accounts. You can easily establish their average giving levels and their preferences (for example, do they tend to fund large, 'household-name' charities only, do they give to the same causes each year, are they very focused in their giving or flexible.)
2. Ethos/culture of the funder – is their language and 'feel' similar to that of your charity. For example, a funder might state "we are a learning organisation and are keen to work with charities looking for solutions that can be replicated beyond just the community with which they work." The charity needs to be honest with itself, as to whether it is developing tools with wide-scale application and if they can evidence that they too are a learning organisation.
3. Recent or example funded work – funders often give some examples of organisations they have recently funded (either on their website or annual report.) Consider these examples as 'showcases' of suitability and check how similar their work/ethos is to that of your own charity. For example, a funder may say they fund "the environment" but all of their example projects are quite traditional habitat restoration projects, this makes it unlikely they'll fund a radical environmental charity, which focuses on provocative campaigns and activism.
4. About us – understand your audience; is the funder and its trustees fairly traditional or more radical, risk averse or impressed by innovation? Take a look at the funder's decision makers, their backgrounds and the language they use.

Top Tips for Success

- ✓ Give yourself time to research properly – rushing research will cost you wasted time in unsuccessful applications.
- ✓ Be honest with yourself – do not try to ‘shoe-horn’ or convince yourself that you are eligible or suitable if there’s a good chance you’re not what the funder is looking for. Funders are often heavily over-subscribed and will reject any applications which do not meet basic criteria and funding priorities.
- ✓ Track your research, making a note of basic and advanced criteria/suitability. Include all the funders you have researched (even those with a poor fit) so you don’t duplicate effort in the future (see annex 1 for example tracking tool.)
- ✓ Three key information points to aid research – The Charity Commission website, a funder’s annual reports, a funder’s website.
- ✓ If you think a funder looks promising always give them a call to discuss your work and see if they are enthusiastic about receiving further information. You can save so much time and pick up lots of information by talking to them. If there is any flicker of interest, offer to send them more information or a basic project outline. Always ask for and record the name of the person you have spoken to.

Looking Ahead

Longer-term, as you begin to have success with your funding applications and build relationships with funders, your research approach is likely to vary. You will begin to rely more on your networks and established reputation to make repeat requests to existing funding partners. It is fairly common that funders will be prepared to give larger, more flexible (unrestricted) types of grants over a longer period, once you have proven to them that you are a reliable partner delivering impactful work.

It is also worth remembering that funders do not operate in isolation; they network too and will spread the word about your good work if you take the trouble to keep them informed and nurture the relationship. Take every opportunity to get your work noticed, often it is a referral from other funders or organisations, which attracts the attention of major grant-givers who do not accept unsolicited applications.

Best of luck!

Annex 1- Example research tracker

Grantmaker Name	URL	Funding for	Grant size	Average Grant Range	Grant history	Relevant type of approach	Action	Restrictions/eligibility	Good match?	Deadlines	Notes
Example Trust	www.exampletrust.org	Support humanitarian causes operating locally, nationally and internationally	small	£2,000-£3,000	Devon & Cornwall Food Association £3,000, Bees for Development Trust £2,500, React £2,000	online application	apply	Priority to SW UK charities. Income less than £500,000.	possible -to-good	May and Nov	Small family trust, fund the same charities most years, risk-averse.

Caplor Horizons – Background

Established in 2014, Caplor Horizons is an independent charity. We work with other charities and responsible businesses and now have over 50 Advisors. These are outstanding people that bring specialist knowledge and experience. They contribute their time on a voluntary basis, or at reduced rates, so that Caplor Horizons can provide high quality and distinctive services at an accessible cost.

Working locally, nationally and internationally, we help other organisations think differently about themselves and the new horizons that they face. We support them in strengthening their leadership, renewing their strategy and improving their influence.

We want to encourage and assist a new generation of organisations that are committed to making a positive and lasting impact. We believe that if we are to achieve real, sustainable change, we need to inspire and enable people to learn differently, think differently and act differently.

Our vision is: *A world where leaders deliver a sustainable future for all*

Our purpose is: *To be courageous, compassionate and creative in facilitating transformational change*

Our values are:

- **Courage** – We are courageous change makers committed to challenging assumptions, taking risks and having difficult conversations
- **Compassion** – We are open, understanding and heartfelt, encouraging the nourishment of our whole selves and others
- **Creativity** – We learn, think and act differently, and are innovative and resilient in an ever-changing world

Our beliefs are:

- Through diversity we ignite dynamic innovation
- Collaboration helps achieve greater impact
- Everyone matters
- We are all leaders in our individual and collective ways – we are all change makers!
- Learning is more effective if it is fun, engaging and creative
- Building on people's strengths creates greater resilience

Our strategic goals:

- Goal 1: Transforming Leadership
- Goal 2: Strengthening Resilience
- Goal 3: Increasing Collaboration

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