

Environment

FUNDING GUIDE



DSC

Denise Lillya

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Introduction

The fourth edition

‘We’ve got to pause and ask ourselves: How much clean air do we need?’

Lee Iacocca, CEO/Chairman, Chrysler Corporation, 1979–1992.

This statement, breathtaking in its arrogance, hopefully would not be made today. Even the CEOs of leading companies realise that our environment is important to the public (their customers) and its resources are finite. We have come a long way in a short time and it is the work of environmental groups – large and small – their funders and supporters, and public opinion that has forced change.

The scope of this book and why it’s been written

Environmental issues cover a wide range of topics, from the air we breathe, deforestation and the threat to the African mountain gorilla, the pollution caused through importing food and the counteraction of sustainable local communities, to the preservation of historic buildings, wildlife sanctuaries and all things in between. This guide, however, is focused on topics relevant to the UK. Our aim is to inform fundraisers in their search for money and support for the environmental work their groups carry out.

Throughout the guide there are case studies showing the part that environmental groups, with their funders’ support, play in the wider scheme of things, especially in helping bring new heart to disadvantaged communities and providing fresh ideas to improve our natural and built environment.

During the research for this book on grant-making charities and other funders, it has been encouraging to see the abundance and diversity of those funders and the environmental organisations they support. These groups, run by people who are passionate about our planet, from preserving the local badger sett to making their own small contribution to combat global warming, make a real difference and it is inspiring that funders recognise their innovation and their practical contribution to improving our lives by awarding them grants and support.

The guide deals with the range of fundraising possibilities and how best to exploit them. It is primarily aimed at grassroots and medium-sized organisations that are working towards a clean, healthy, sustainable, diverse and cared-for environment.

New edition

In this, the 4th edition, our aim has been to help fundraisers in all aspects of making applications to the various funding sources. The guide includes new chapters on getting started, developing a strategy, recruiting a fundraiser, preparing a budget, project fundraising, writing a good application, campaigning issues, environmental organisations and charitable status and tax requirements and benefits.

A separate chapter has been included on obtaining money from the Landfill Communities Fund which, since it started in 1996, has helped 2,528 organisations that in turn have spent over £804 million on environmental projects, improving the lives of communities living near landfill sites.

As with the 3rd edition, there is detailed information on some of the largest grant-making charities and companies that support environmental issues. and guidelines on how to apply to them.

Funding sources

One of the challenges in accessing funding for environmental work is that often it is not clearly categorised as such. For example, *The Funders' Almanac 2008* (DSC) records that just over 10% of grant-making charities gave to 'environment and animals' whilst 44% gave to 'general charitable purposes'. Despite not being classified by funders as being for environmental work, this huge proportion of general funding is certainly worth exploring when looking for support.

However, with a vast range of possible definitions of 'environmental causes', researching prospective funders is critical. One funder might support wildlife, heritage, preservation, conservation, architecture, farming, biodiversity and the effects of global warming. Another might support wildlife, conservation and climate change but exclude heritage, architecture and farming. The permutations are endless.

Different funders also take different approaches to what they will support. Some will support those projects concerned with changing our day-to-day behaviour,

for example, the ‘sustainable living awareness campaign’ aimed at local schools; others will fund grand projects such as The Eden Project.

Further information on the grants made by trust funders can be found in the *Where The Green Grants Went* series of reports available on the Environmental Funders Network website (www.greenfunders.org).

A new way of living

We are increasingly taking personal responsibility for our own space on the planet and recognise that individual action is at the heart of social change.

A comprehensive survey by leading think tank The Future Laboratory highlights that Britons now realise they can have a greater impact than government, with 49% stating it is down to the individual to take the lead. Thirty-two per cent of young people aged 18–24 think being environmentally aware is a matter of personal politics, 41% believing individual action is the only way forward to combat climate change.

According to the research, 68% of those surveyed said that the notion of ‘green’ would soon become obsolete – not through any lack of interest but rather that the majority viewed behaviours such as recycling (91%), switching lights off (66%) and driving hybrid cars (51%) as becoming standard practice within the next 20 years.

This is encouraging for the groups that have been struggling for years trying to convince the public and funders to engage with the idea that the damage done to our environment, and the responsibility to redress it, must start with the individual playing a part. Because of this, and despite the current recession (which has seen funders losing millions from their portfolios and a consequent reduction of income to award grants with), you can at least be assured that you have public support.

Thanks and acknowledgements

In addition to the contributors credited on the title page, we would like to thank Jon Cracknell of the Environment Funders Network for his encouragement and for writing the Foreword to this book.

Thanks also go to the Charity Commission, ENTRUST, the Environment Agency and all those organisations that allowed us to reprint case studies in order to illustrate funding potential.

Good luck with your applications and appeals and to all of you working in environmental groups – thank you for your work, which benefits us all.

The research was done as fully and carefully as possible, but there may be funding sources that have been missed and some information may be incomplete or will become out of date. If any reader comes across omissions or mistakes in the book, please let us know so that they can be rectified in future editions – email the Research Department of the Directory of Social Change at research@dsc.org.uk or ring 0151 708 0136.

Foreword

As we rush towards a full world of more than 9 billion people, pressure on the Earth's resources and life systems continues to intensify. For everyone on Earth to live a North American lifestyle we would somehow need to find another four planets worth of resources. Since we only have one planet to work with, there is an urgent need for social and political change.

Martin Luther King Jr once observed that: 'Human progress is neither automatic nor inevitable. We are now faced with the fact that tomorrow is today. We are confronted with the fierce urgency of now. In this unfolding conundrum of life and history, there is such a thing as being too late . . . We may cry out desperately for time to pause in her passage, but time is deaf to every plea and rushes on. Over the bleached bones and jumbled residues of numerous civilizations are written the pathetic words: Too late.'

This guide is designed to help those concerned by the 'fierce urgency of now'. It outlines the principal UK sources of funding for environmental projects, and will help fundraisers to navigate the grants market. The better this market functions, the greater the chance we have of addressing our environmental challenges. With this in mind I greatly welcome the publication of this new guide by the Directory of Social Change.

Jon Cracknell

Coordinator

Environmental Funders Network

How to use this guide

The first six chapters of this guide give you the basic tools to start fundraising and to increase your chances of success. Chapters 7 to 15 outline funding sources with details of some of those that support environmental work and including a chapter on raising money for campaigning issues. Chapter 16 gives information on charitable status, the legal implications of becoming a registered charity and how to register your group with the Charity Commission. Chapter 17 deals with tax and tax benefits.

The main sources of funding and support are:

Grant-making charities

These charities exist to give money to other charities. Some are particularly interested in environmental concerns, others in certain geographical areas. Most support salaries and project costs for up to three years; others give small one-off grants for equipment or individuals.

For further information, see Chapter 8 *Raising money from grant-making charities*.

The National Lottery

This supports good causes through its distribution boards. Some of these give mainly capital grants (building, equipment, etc.); others give revenue grants as well (i.e. salaries and running costs).

For further information, see Chapter 9, *Raising Money from The National Lottery*.

Landfill Communities Fund

The Landfill Communities Fund (LCF) is a government scheme which provides funding for community or environmental projects in the vicinity of landfill sites. The LCF encourages landfill operators and environmental bodies to work in partnership, create environmental benefits and jobs, promote sustainable waste

management and undertake projects that improve the lives of communities living near landfill sites.

For further information see Chapter 10 *The Landfill Communities Fund*.

Members, friends, the local community and the public

The public is still one of the largest funders of charitable work through sponsored events, buying raffle tickets and contributing to collections and subscriptions. This funding tends to come with fewer strings attached. There is a list of useful addresses and sources of information at the end of the guide.

For further information, see Chapter 7 *Raising support from the public*.

Local authorities

Support for project costs, programme development, equipment, salaries and so on can still be raised from your local authority. Each will be different and there are guidelines for making your approach. Contractual arrangements are increasingly entered into with local authorities for the provision of services, and the nature of this funding has both increased and become more dependent on conditions.

For further information, see Chapter 12 *Raising money from local authorities*.

Central and regional government

Support is available through various government departments which can help with project costs that meet their clearly defined priorities (for example, regeneration, rural development, social inclusion).

For further information, see Chapter 13 *Raising money from government*.

European money

There is a variety of schemes available from Europe. Programmes usually require matching funding from other sources, and many are tied to geographical areas, economic outcomes or capital projects.

For further information, see Chapter 14 *Raising money from Europe*.

Companies

Company support is extensive and varied and is not just about cash. Links with a company can secure donations, gifts in kind, professional advice and expertise, profile-raising and sponsorship.

For further information, see Chapter 11 *Winning company support*.

1 Getting started in fundraising

Background

This chapter looks at how to begin to develop a sustainable organisation and the different approaches that can be employed when fundraising.

Fundraising today

Every organisation needs money to meet its running and project costs – to pay staff salaries and office overheads, to maintain any buildings or vehicles and, importantly, to develop programmes for the future.

Given the short-term nature of most current grant regimes, many organisations find themselves continually involved in fundraising, whether by holding fundraising events or making formal applications to other organisations.

Part of the challenge of being involved with a charity, whether as a member, volunteer, member of staff or trustee, can be the fundraising aspect, with charity workers involving the public in their enthusiasm and commitment by holding events designed to publicise the charity's aims, vision and work and to involve the public in its goals. These events can be productive in ways other than financial gain and can show the general public the charity's successes, imagination and creativity.

Fundraising by application to grant-making bodies, companies or other organisations is much less fun and requires a more formal and structured approach.

Fundraising in general has become more difficult in the competition between charities for donations and grants. New statutory regulations following the Charities Act 2006 impose further requirements on charity trustees to ensure the integrity of their fundraising methods and the protection of charity funds.

It is important for charity trustees in their fundraising to be aware of, and sensitive to, public opinion and to manage and control their fundraising by adopting the highest standards to protect the monies raised, the integrity of their charity and the sector as a whole.

It is also important for fundraisers to be accurate and truthful when applying for funds, whether by way of appeal, collection box or application to grant-making bodies. They also need to decide on, and make known, the contingency provisions if the money raised is insufficient for the purpose or if there is a surplus.

A planned budget with regular forecasting is a necessary management tool to show the amount of money you plan to spend, the amount already raised or promised and the extra you will need to meet your outgoings for the year.

Fundraisers should monitor your progress in fundraising by keeping records of all money received or promised, and by preparing and discussing management accounts with your trustees at regular management meetings. If your income isn't coming in as planned, then you will need to take some sort of action – step up your fundraising programme, find and develop new sources of funds, cut costs, defer planned projects or agree to subsidise the deficit out of your reserves.

Creating a viable and sustainable organisation

Fundraising is about helping to create and maintain a viable and strong organisation which is able to sustain itself in the future.

There are many ways of doing this. One is to build a substantial and active donor base – getting people to support you who sympathise with your aims and who will continue to give their support over a long period. Other ways include:

- organising fundraising events (which can create a regular and continuing source of income)
- creating capital within your organisation, such as a capital fund for buildings or equipment (especially when this reduces your need for running costs or can help you generate an income)
- developing income generating schemes for the organisation itself.

Many organisations are addressing long-term needs – for example, through community development, which will not yield immediate results, or in campaigning over environmental health issues which would be a long-term goal.

You need to create an organisation that is financially strong in the long as well as the short term, rather than one that is unstable and running in crisis mode from