

Youth

FUNDING GUIDE



DSC

Denise Lillya

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Foreword

If we are going to change the world we need to start with the young people. Young people, in my experience, rarely let you down. I have spent a lifetime involved with them in many different guises but so often I come across a ‘they’ll never do that’ attitude amongst many folk who should know better.

I recently ran a project involving ballet and ‘disadvantaged’ teenagers – I now do talks called ‘It Can’t Be Done’. Not only did they ‘do it’ but it has transformed lives, spawned new projects and, in its own way, changed the world.

Inevitably this requires funding but, if we truly believe in the cause, funding can be found. It is never easy but putting the individual young person at the centre of any appeal or bid will create a focus for success. This guide will steer you through the minefield of possibilities so that they, the young people, can change the world.

Good luck!

Keith Horsfall

Chief Executive

Leaps & Bounds Trust

Introduction

The third edition

‘No one is born a good citizen; no nation is born a democracy. Rather, both are processes that continue to evolve over a lifetime. Young people must be included from birth. A society that cuts off from its youth severs its lifeline.’

Kofi Annan – Ghanaian diplomat, seventh secretary-general of the United Nations, recipient of the 2001 Nobel Peace Prize.

It’s fair to say that most of us want the best for young people and are gratified when they learn, gain confidence, achieve, flourish and contribute in a positive way to society. However, some young people don’t have the best of starts, have perhaps received little encouragement so far in their lives and have to work especially hard to have confidence, self-respect and respect for others. This book hopes to help these young people, their youth leaders and mentors, to access funding through various means and hopefully to gain a better understanding of funding for the voluntary sector in general.

Young people aspire, even if sometimes they are not confident enough to voice their aspirations and, given encouragement and help, have the potential to work to fulfil them. We should empower them to achieve their full potential – they can do great things.

Fundraising can be a long, slow process and is often frustrating, but patience, determination and keeping in mind the rewards at the end for the people you are working for is what good fundraisers are all about. Remember, it’s important not to leave your fundraising until you desperately need the money – make it a regular agenda item and plan ahead.

Why publish a youth funding guide?

There is now more funding than ever available for organisations working with children and young people and in producing this guide we want to enable charities working with them to access sustainable and broad based sources of revenue and become more effective agents for social change.

Recent research on giving by grant-making trusts, companies and central government to the voluntary and community sector, published by DSC in *The Funders' Almanac 2008*, found that children and young people is the most popular beneficiary group to be specified by grant-making charities – this is a positive indicator of the help available for youth groups (see page 133 for more details on grant-making charities).

There have recently been major changes in statutory funding, with central government focusing more on national projects and organisations, often under contract. Local authorities and other local public bodies are beginning to exercise increased authority over their budgets, with local strategic partnerships aiming to influence funding allocations. Also, grantmaking has commonly been replaced by procurement, with service providers being selected through competitive tendering processes. More information on this can be found in chapters 11 and 12.

In recent years the voluntary or 'third' sector has been high on the political agenda and government is now a major funder for voluntary organisations. According to *The Funders' Almanac 2008* the voluntary sector is currently funded by central government grant programmes totalling £1.4 billion, although the overall amount of statutory income into the sector is estimated at around £10.5 billion (*The UK Civil Society Almanac 2008*, NCVO), highlighting the significance of locally administered funds.

Children and young people are a priority and an example of this in practice is the government programme, Every Child Matters: Change for Children, a new approach to the wellbeing of children and young people from birth to age 19.

The government's aim is for every child, whatever their background or circumstances, to have the support they need to:

- be healthy
- stay safe
- enjoy and achieve
- make a positive contribution
- achieve economic wellbeing.

This guide brings together information available on funding from various sources including central and local government, grant-making charities, the public, companies and the National Lottery, together with help and advice on how to access it.

The reach of the book

This third edition, as with the second, generally covers England only, as funding arrangements are very different in Northern Ireland, Scotland and Wales, (although some grantmakers listed will give throughout the UK and overseas). It aims to highlight a wide range of funding sources for young people and focuses on the work of organisations, not individuals.

We have listed the main grantmakers, funding programmes and partnerships and have also provided examples of success stories in the hope that youth leaders and fundraisers can see what can be achieved.

For anyone to keep absolutely up to date with funding developments, web access is essential and those groups that are not fortunate enough to have their own computers will be able to access, free of charge, those at a local library or perhaps make arrangements with another group to use theirs.

The research for the guide has been carried out 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. Please call the Research Department of the Directory of Social Change (0151 708 0136) or email: research@dsc.org.uk.

Acknowledgements and thanks

Many people have been generous in giving their time, expertise, insight and encouragement and I am very grateful to all those who have contributed to this guide. To name everyone would be impossible but special thanks to Keith Horsfall, Chief Executive of Leaps & Bounds for the inspirational work of that organisation and for writing the foreword for this guide, May de Silva, Chief Executive of Women into Politics in Northern Ireland for her expertise in European funding and her contribution to that chapter and to Kate Welham of Bradford University for her knowledge of funding for young people and her helpful contributions.

I hope this book is useful to you in your search for funding and the development of your organisation.

Working with young people has its own rewards, so enjoy what you do and you'll never work another day in your life – pass it on.

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 13 outline the funding sources with details of those that support work with young people. Chapter 14 gives information on charitable status, the legal implications of becoming a registered charity and how to register your group with the Charity Commission. Chapter 15 deals with tax and VAT.

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 children and young people; others in general welfare or education; 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 *The Big Lottery Fund*.

Members, friends, the local community and the public

Many youth organisations survive on membership subscriptions and fundraising from the general public. The public is still one of the largest funders of youth 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 11 *Raising money from local authorities*.

Central and regional government

Support for youth organisations 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 12 *Raising money from government*.

European money

There is a variety of schemes available from Europe, and young people are often a focus area of the programmes. Programmes usually require matching funding from other sources, and many are tied to geographical areas, economic outcomes or capital projects. Some are aimed specifically at young people (for example, Youth in Action).

For further information, see Chapter 13 *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 10 *Winning company support*.

1 Getting started in fundraising

Background

This chapter explains the main challenges facing organisations that are looking for funding and provides suggestions on how to meet them.

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 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 and 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.

You should monitor your progress in fundraising by keeping records of all money received or promised, and by preparing and discussing management accounts 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 or 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 looking after young people with disabilities where there is a continuing commitment to provide care well into the future.