



Catalyst heritage: Building fundraising capacity

Small grants from £3,000 to £10,000

Application guidance

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MIKE ROSIER
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LESLEY & GEOFF
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STAN PRIGMORE
OLD SAILOR
1922 - 2006

MARK JO LUCY
JONATHAN
HAPPY HOLIDAY

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Cover image:

Personalised plaques on Swanage Pier, the result of an ongoing 'sponsor a plank' fundraising scheme © Andrew Johns Photography

Part one: Introduction

Welcome

This grants initiative is open to heritage organisations, or partnerships of heritage organisations across the UK, and is intended to build fundraising capacity and encourage more private giving to heritage.

You can apply for a grant of £3,000 to £10,000.

The initiative is intended to:

- increase the capacity of heritage organisations to access funding from private sources;
- bring additional private money into the heritage sector; and
- improve the financial sustainability of heritage organisations.

There are two opportunities to apply for a Catalyst small grant, with closing dates of **19 April 2013** and **16 August 2013**.

Please note that you cannot submit simultaneous applications for Catalyst funding, so if you are currently applying for either a Catalyst: Endowments grant, or a Catalyst umbrella grant, you should not submit an application for a Catalyst small grant.

Who we fund

Under this programme, we fund applications from:

- not for profit organisations; and
- partnerships led by not for profit organisations.

You will need to demonstrate that a significant proportion of your organisation's work aims to look after or engage people with heritage, and that you have a clear need to build your fundraising capacity, as well as the potential to increase the diversity of funding sources your organisation has access to.

Through Catalyst small grants, we aim to create a step-change in the way in which organisations approach fundraising. If you already have significant capacity to fundraise, we would not expect the Catalyst small grants programme to help you to make this step-change, and we would be unlikely to fund your project.

If you are applying as a partnership, you will need to decide which organisation will fill in our application form and receive the grant.

Whoever is involved in an application, it is important that benefits to the public outweigh private gain.

Here are some examples of who we fund:

- charities or trusts;
- community or voluntary groups;
- community/parish councils;
- Community Interest Companies;
- local authorities;
- other public sector organisations, such as nationally funded museums;
- social enterprises.

What we fund

Heritage includes many different things from the past that we value and want to pass on to future generations, for example:

- archaeological sites;
- collections of objects, books or documents in museums, libraries or archives;
- cultural traditions such as stories, festivals, crafts, music, dance and costumes;
- historic buildings;
- histories of places and events;
- natural and designed landscapes and gardens;
- natural heritage including habitats, species and geology;
- people's memories and experiences (often recorded as 'oral history');
- places and objects linked to our industrial, maritime and transport history; and
- the heritage of language and dialects.

Through Catalyst initiatives we want to support organisations that look after or engage people with heritage to access funding from private sources, such as individual and corporate donors, and trusts and foundations, and to diversify their income sources (this may also include in-kind donations, or income from trading).

Under this initiative, we fund projects that:

- make a difference to heritage, people and communities;
- have not yet started; and
- will last no more than one year.

We want heritage organisations to make a step-change in their fundraising behaviour, leading to improved financial sustainability. As such, Catalyst small grants should enable implementation of **new and creative** fundraising methods within your organisation. We recognise that this may involve taking some well-considered risks, and that successful implementation of these methods may take some time. Therefore, we do not necessarily expect to see funding being generated through these new methods within the lifetime of the project. As well as the amount of funding raised, we will look at alternative indicators of success when evaluating your project (for further information, see **Evaluating your project**).

The assessment process is competitive and we cannot fund all of the good quality applications that we receive. As a guide, the following are unlikely to win support:

- projects outside the UK;
- projects where the main focus is meeting your legal and /or statutory responsibilities, such as the requirements of the Equality Act 2010;
- promoting the cause or beliefs of political and faith organisations.

If your project is designed to benefit people in Wales, we expect you to make appropriate use of the Welsh language when you deliver your project.

Here are some examples of activities we might fund:

- Building Friends schemes, where the outcome may involve increased income through legacy funding or individual donations.
 - Initiatives to build and expand your relationships with users and your membership database, where the outcome will be increased membership fees or donations.
 - The provision of a secondment within your organisation for a Corporate Social Responsibility Manager from a private business, where their responsibilities might involve building your relationships with other CSR Managers and improving your skills in talking to businesses about in-kind or financial donations.
 - Provision of short-term staff cover to release senior personnel to spend time cultivating potential donors.
 - Paying someone to help you integrate the responsibility for fundraising across the organisation as a whole, resulting in tangible changes, such as a reference to this responsibility in all job descriptions, and visible changes in fundraising behaviour in all staff members.
 - Paying someone to help you strategically analyse the world around you, and your place within it, resulting in a stronger strategic plan, improved knowledge of funding or partnership opportunities available to you, and increased capacity to take advantage of these opportunities.
 - Mentoring over a period of several months, where deep-seated issues such as difficulty in making 'the ask' for funding are tackled.
 - Paying someone to help you raise your profile, or to gain a better understanding of the characteristics and needs of your audiences, so that you are better placed to market your services in order to increase donations made to you, or other income.
- Projects which increase and improve the networks you have and relationships with potential donors, such as philanthropists or private businesses. This may involve Board development work (such as a review of relationships and recruitment of new trustees) or development of friends or volunteer schemes, where the outcome may lead to improved funding opportunities.
 - Paying someone to help you to develop digital giving, such as creating a strategy for the use of digital media for fundraising or implementing new technology for digital giving and embedding the required skills.

We are unlikely to fund:

- The salary costs of fundraising employees, where their responsibilities will be primarily concerned with raising funds, rather than building the capacity of the organisation. We want to support changes in fundraising behaviour which will be sustained and embedded across the organisation as a whole.
- Business as usual. We want to see project ideas that involve real changes in the fundraising behaviour across your organisation, such as accessing a completely new funding stream, or using a new fundraising method to increase donations. In short, we will not award funding to projects that do not lead to real changes in how and/or where you access funding.
- Projects which do not result in the application of theory to practice. For example, we would prefer to see a project which supported your organisation in performing strategic analysis and planning, and implementing the subsequent recommendations, rather than a project that involved a consultant simply delivering a training course on this topic without any follow-up.

The difference we want to make

We describe the difference we want to make through a set of outcomes. When you apply, we will ask you to tell us how your project will contribute towards the three outcomes listed here.

Outcomes for heritage:

With our support, heritage will be:

- better managed

Outcomes for people:

With our support, people will have:

- developed skills

Outcomes for communities:

With our support:

- your organisation will be more resilient

Costs we can cover

Direct project costs

Your application should include all costs that are directly incurred as a result of the project.

Direct project costs include:

- staff costs, such as salary, pension and national insurance on posts working directly to this project;
- extra hours for existing staff;
- the cost of filling a post left empty by moving an existing member of staff into a post created for the project;
- equipment and materials for training;
- venue hire;
- professional fees;
- evaluation.

Indirect project costs – Full Cost Recovery

For voluntary organisations, we can also accept part of an organisation's overheads (sometimes called 'core costs') as a part of the costs of the project. We expect our contribution to be calculated using Full Cost Recovery. We cannot accept applications for Full Cost Recovery from public-sector organisations, such as Government-funded museums, local authorities, or universities.

Your organisation's overheads might include overall management, administration and support, or premises costs that relate to the whole organisation. We can cover a proportion of the cost of an existing member of staff, as long as they are not working exclusively on the HLF funded project.

Recognised guidance on calculating the Full Cost Recovery amount that applies to your project is available from organisations such as the Association of Chief Executives of Voluntary Organisations (ACEVO) (www.acevo.org.uk) and Big Lottery Fund (www.biglotteryfund.org.uk). You will need to show us how you have calculated your costs, based on recent published accounts. You will then need to tell us on what basis you have allocated a share of the costs to the project you are asking us to fund, and we will assess whether this is fair and reasonable.

Making an application

If you are thinking of applying under this programme, then you can express your interest online. We will let you know if your application is suitable for this programme and you can then decide whether to go ahead.

There are two opportunities to apply for a Catalyst small grant, with closing dates of **19 April 2013** and **16 August 2013**.

When we receive your completed application, we will give you a decision in 10 weeks.

When assessing your application we will take account of:

- whether the project is relevant to heritage in the UK;
- the level of need you have to build your fundraising capacity;
- the potential you have to make a step-change in your fundraising behaviour and to diversify your income sources;
- the extent to which your project will achieve the outcomes for this programme;
- whether your organisation is capable of carrying out the project; and
- overall value for money.

Receiving a grant

If your application is successful, we will normally pay your full grant in one instalment, once we have given you written permission to start.

If you are successful in receiving a grant from us, your organisation will need a bank account and you will need to meet some requirements relating to buying goods, works and services, acknowledging your grant and reporting to us on your achievements. These are described in *Catalyst small grants Receiving a Grant*.

When you have finished your project, we will ask you to send us an end of grant form telling us how you have spent the grant and what you have achieved.

Evaluating your project

We will encourage you to post information about how your project is progressing online on a regular basis. This will enable you to share your learning with other heritage organisations, as well as to regularly highlight challenges and successes throughout your project. Indicators of success might include, for example, donations made to your organisation, or a significant increase in the number of people involved in your Friends schemes and willing to pledge legacy funding to you. We will send you more details about this if you are successful in your application to us.

Other information about your application

Freedom of information and data protection

We are committed to being open about the way we will use any information you give us as part of your application. We work within the Freedom of Information Act 2000 and the Data Protection Act 1998. When you submit your declaration with your application form you are confirming that you understand our obligations under these Acts.

Complaints

If you want to make a complaint about HLF, we have a procedure for you to use. This is explained in *Making a complaint*, a document available on our website. Making a complaint will not affect, in any way, the level of service you receive from us. For example, if your complaint is about an application for funding, this will not affect your chances of getting a grant from us in the future.

Part two: Application form help notes

You should answer all of the questions in the application form. The following help notes give you some additional information on what we are looking for in your responses.

Section one: Your organisation

1c. Details of main contact person.

This person must have official permission from your organisation to be our main contact. We will send all correspondence about this application to this person, at the given email address.

1d. The legal status of your organisation.

Here we also ask you to describe your organisation's main purpose and regular activities.

If you are just starting up as an organisation and have not yet started to deliver regular activities, state this here, telling us when your organisation was set up and what your plans are for the future.

1e. Approximately what proportion of your organisation's regular activities involves looking after or engaging people with heritage?

Thinking of the work your organisation has delivered over the last year, tell us roughly how much of this work accounts for engaging people with, or looking after heritage. See **What we fund** for more information on what we mean by 'heritage'.

1f. Will your project be delivered by a partnership?

If you are applying as a partnership, there must be a lead applicant.

Section two: The heritage

2a. What is the heritage your organisation focuses on?

Provide a description of the heritage as it is today. If different types of heritage are involved, describe each of these. Provide a link to your website if there is one.

Section three: Your project

3a. Describe what your project will do.

Tell us how you will meet the expectations outlined under **What we fund**.

3b. Explain what need and opportunity your project will address.

Provide outline information about the evidence you have to support the need for your project.

- Tell us about your current funding sources. As a percentage, give an estimation for how much funding you receive from each source (sources can include individual donations, corporate donations, public sector delivery contracts, trading and/or grants from trusts and foundations).
- Tell us about any threats to the financial sustainability of your organisation.
- Tell us about your current capacity to fundraise – who in your organisation is normally responsible for this?
- Tell us about any opportunities you have identified to strengthen the financial sustainability of your organisation.
- Tell us about any other research data which supports the case for your project. For example, if you have involved any private funders (such as individuals, corporate donors or trusts and foundations) in your research, and considered what their needs are, are there any particular opportunities you have identified as a result?

3c. Why is it essential for the project to go ahead now?

Tell us why now is the right time for your organisation to build its fundraising capacity. In particular, you might want to refer to:

- any opportunities you know of to access private funding which might not be available to you in the future;
- any circumstances which relate to your capacity to deliver this project which might not be in place at a later date.

3d. Why do you need Lottery funding?

Tell us why you particularly need Lottery funding to achieve a step-change in your organisation's fundraising behaviour.

3e. What work and/or consultation have you undertaken to prepare for this project and why?

- Tell us about the fundraising options you have considered, and what led you to choose a particular source of funding and/or method of fundraising as the focus of your project.
- Tell us about any consultation you have done and how this has shaped your project proposals (this might be with trust funders, individual donors or private-sector businesses, for example).

Section four: Project outcomes

In question 3a, you told us what your project will do. Use this section to tell us what your project will achieve – what change will be brought about by our investment?

We have provided descriptions of our outcomes for heritage, people and communities, to help you understand the difference that we want to make with our funding. To receive a Catalyst small grant, your project will need to achieve all three of these outcomes.

As a result of HLF investment:

Heritage will be better managed

There will be clear improvements in the way that you manage heritage. This could include securing additional staff, Trustees or other resources that you need, or the more effective use of existing resources. As a result of these improvements, you will be able to show that the heritage you manage is in a stronger position for the long-term including, if appropriate, a stronger financial position. These improvements to managing the heritage are likely to mean that you can meet national or sector quality standards.

People will have developed skills

Individuals will have gained skills relevant to ensuring heritage is better looked after, managed, understood or shared (including, among others, fundraising, strategic analysis and business planning skills). As a result of taking part in a structured training activity - people involved in your project, including staff and volunteers, will be able to demonstrate competence in new, specific skills, and where appropriate, will have gained a formal qualification.

Your organisation will be more resilient

Your organisation will have greater capacity to withstand threats and to adapt to changing circumstances to give you a secure future. You will achieve this greater resilience through stronger governance and greater local involvement in your organisation; increased management and staff skills; fresh sources of expertise and advice; and working in partnership to share services, staff and resources. You might have new volunteers who increase your capacity and skills; or new sources of income through commercial activity, endowments or new fundraising programmes. You will be able to show that your organisation is stronger and in a better position for the future as a result of the changes you made as part of your project.

4a. What difference will your project make for heritage (if applicable)?

Tell us how your project will contribute to achieving the following outcome:

- Your heritage will be better managed

4b. What difference will your project make for people (if applicable)?

Tell us how your project will contribute to achieving the following outcome:

- People will have developed skills

4c. What difference will your project make for communities (if applicable)?

Tell us how your project will contribute to achieving the following outcome:

- Your organisation will be more resilient

Section five: After the project ends

5a. Tell us how you will sustain the outcomes after your project ends?

In particular, tell us how the step-change in fundraising behaviour you have achieved will be maintained, and how you will continue to access increased funding from private sources.

Section seven: Project costs

7a. In this section, tell us how much it will cost to deliver your project.

The costs listed in the **How much** column should not include VAT.

List any VAT that you will be unable to claim back in the **Non-recoverable VAT** column. You should ask HM Revenue & Customs (www.hmrc.gov.uk) to check how much VAT you will be able to claim back. If you underestimate costs for VAT, you will have to pay the extra costs.

7b. Project income.

Tell us how much funding you expect to receive for this project, splitting the costs between the HLF grant you are applying for from us, and any other sources of funding.

7d. Are there any non-cash contributions or volunteer time to help carry out your project?

If you will receive any non-cash contributions that will help you to deliver your project, such as the donation of a venue or in-kind donations, state them here.