

Fundraising ideas

Ideas about how to raise money for your community group.

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Why raise money?

Fundraising is always more successful if you know what you are raising the money for and have a clear idea of how much you need. Before you start trying to raise money, it is a good idea to make a list of your likely costs. This will be your budget.

Keeping accurate accounts can help you work out how much you have spent on similar activities in the past. If you need the money to start something new, do some research to find out how much each aspect of the project will cost.

Using your budget, you can arrive at an overall fundraising target. You can then think about how to raise the money you need.

For more help with account keeping and making a budget, see our sheets *Your group's money*, *The Treasurer's Role*, and *Budgets*.

Collections and donations

There are many ways of collecting money from supporters. Here are a few ideas. You will need permission to do some of these, but this is generally easy to get.

Fundraising appeals (crowdfunding)

A fundraising appeal is a specific publicity drive in which you ask for donations for something in particular. A good appeal will give clear information about why you need the money, what you will use it for, and how people can make donations. For example:

- ♦ Our monthly running costs for room hire, refreshments and transport are £160. We are asking 32 people to make a monthly donation of £5 by standing order to cover these costs. We can then concentrate on providing fun, interesting and stimulating activities for the children.
- ♦ Each meal provided by our Meals on Wheels service costs £6.50 (for the ingredients, kitchen facilities and transport costs). A donation of £52 would provide an elderly person with a hot meal twice a week for a month.
- ♦ The cost of redecorating our community room is £1,500. We plan to do the work in November so the room is ready for the children's Christmas party and pensioners' Christmas lunch in December. We have already raised £900 during the year at our fetes, jumble sales and bingo nights, and are asking for donations to make up the difference. We really appreciate all donations – please give whatever you can.

You could set up your fundraising appeal online using an online fundraising tool, and publicise it on social media or by email. This is generally referred to as crowdfunding (see below for more information on this).

You could also send your appeal to members and supporters by post, ask local businesses to donate, distribute flyers at events, or send a news release to the local media.

Groups in Sussex can print flyers in the Resource Centre print room. You may also find it useful to look at our information sheets *Facebook for community groups*, *Fundraising from local businesses* and *Writing a news release*. Our website contains information about online fundraising tools¹ and local media contacts¹.

Crowdfunding tips

Crowdfunding can be a very effective way to raise money, but works best for specific projects or short-term fundraising appeals, and is most effective if you have good and wide-reaching social media networks.

There are many different crowdfunding websites¹. You will need to find the one that is best suited to you. They generally work in the following way:

- ♦ Your group registers on a site
- ♦ You write a short funding appeal
- ♦ You state how much you want to raise

¹ www.resourcecentre.org.uk/information/local-media-contacts/

- ♦ You then have a 'page' on the crowdfunding site
- ♦ You circulate a link to your appeal by Facebook, Twitter, email, or any other networks you have
- ♦ Your supporters can log on and make a donation
- ♦ Your page shows your 'target' and the total amount that has been donated or pledged so far.

Here are some of the things to bear in mind when choosing the type of crowdfunding site to use:

- ♦ Crowdfunding sites may charge you a fee. This is usually between 3% and 6% of the total amount of money you raise. Our list of online fundraising tools¹ includes some sites who don't charge fees or whose fees are lower than usual.
- ♦ If you use Paypal, you will pay Paypal fees on top of this. Paypal fees are lower for charities, so it's worth registering for a charity account with them.
- ♦ On some sites you only get the money if you reach your target (see the section on Pledge fundraising on page 5).
- ♦ Look for a site that has other campaigns similar to yours (people use crowdfunding for all sorts of things, e.g. a community project, starting a small business, making a film, supporting an ill child, or funding a campaign).
- ♦ Crowdfunding is used all over the world, so find a site that has lots of other appeals in your country.

Collections

If you are having a small stall at an event it is always useful to have a collection tin for members of the public to make small donations to your group.

If you are having a collection at your own event, you could:

- ♦ Have large labelled buckets
- ♦ Use a paddling pool or water feature to make a 'wishing well'
- ♦ Create a 'Coin Painting'. As people donate coins a group of 'artists' could create pictures on the ground or on a large board, using the coins.
- ♦ Register with an online service that allows people to donate by text.
- ♦ Hire or buy contactless donation boxes², so that people can donate by debit or credit card. This is quite expensive though, and the companies that make and loan the boxes will take a percentage of each donation (up to 5%).

You can also organise a street collection. You will need a permit from the local council for this. See our information sheet *Licensing and regulations for events and fundraising activities* for more details. You can make your collection more appealing by dressing up, having musicians or performers with you, having information about your group available, or having stickers to give to those who donate. You can print stickers in the Resource Centre print room.

² www.goodbox.com; www.nationalfundingscheme.org/tap-donate

Raffles

You could hold a raffle at an event, or even on the coach if you are going on an outing. For this kind of raffle you can buy books of cloakroom tickets from a stationery shop. This is called an incidental non-commercial lottery, and it does not need to be registered.

Some online services, such as Donate, enable you to organise raffles that people can enter by text³, as well as (or instead of) buying a ticket with cash.

Alternatively you could hold a draw over a longer period, and print draw tickets. You can ask local businesses to donate prizes, for example, a box of chocolates, a meal for two, a food hamper, or a haircut. (See our sheet *Fundraising from local businesses* for more help with this). This type of raffle is called a Society Lottery and it does need to be registered, but this is quite easy to do. See our sheet *Licensing and regulations for events and fundraising activities* for more information.

Regular donations

You can ask supporters to make a regular donation directly to your bank account. Even just £1 a month can make a big difference if enough people do it. There are a few ways to set this up:

Direct debit

A direct debit is an arrangement in which someone gives an organisation permission to transfer money from their bank account on a particular day each month. It is how lots of bills are paid. You can set up direct debits using an online service like GoCardless⁴ or Golden Giving⁵. If your group has a website, you can provide a link for people to set up the direct debit online.

Standing orders

A standing order is when someone asks their own bank to make a regular payment. You just need to give supporters your group's bank details (account name, number and sort code) so that they can ask their bank to set it up. Ask them to tell you that they have done this, so you know where the money has come from.

Payroll Giving

Payroll Giving⁶ enables employees to give to any UK charity straight from their gross salary (before tax is deducted), giving immediate tax relief on those donations. This means that £1 donated each month costs only 80p for employees paying standard rate tax (60p for higher rate taxpayers).

Regular text donations

Some online fundraising sites, such as Donate, allow people to make regular donations to your charity or cause by text⁷.

³ <https://www.nationalfundingscheme.org/text-raffle/>

⁴ gocardless.com

⁵ <https://www.goldengiving.com>

⁶ payrollgiving.co.uk

⁷ <https://www.nationalfundingscheme.org/sms-text-giving/>

Fundraising from online shopping

You can ask supporters to register with a service such as EasyFundraising⁸. When they make purchases online, your group will receive a percentage of what they spend.

Pledge fundraising

Pledge fundraising is when you ask people to make a promise of a donation, which they give once you have enough promises to meet your target.

This kind of fundraising is for a specific appeal or project, with a set target amount you want to raise. So, if you need £2,000 to buy a new minibus, there's no point in anyone making a donation until you have commitment from enough people to know that you will be able to buy the minibus. Only then do you actually collect money.

Be careful when collecting and storing people's contact details. See our information sheet *Data protection for community groups* for more help with this.

Fundraising from local businesses

Businesses may like to sponsor your group, especially if they are based in your local neighbourhood. They might give money, or they might donate goods you can use. For example, if you are running a gardening project, a local garden centre might donate tools or plants. You could also ask businesses to donate raffle prizes.

For more help with approaching businesses, see our sheet *Fundraising from local businesses*.

Income from members

There are a number of ways you could raise income from members of your group.

Membership fees

You can ask members of your group to pay a regular membership fee. This can give your organisation a small regular income, and lead to members identifying more closely with you. You could print membership cards, where you record members' payments, and the date their membership expires.

Bear in mind that asking people to pay for membership might prevent some people from getting involved, so discuss this carefully before you go ahead with it.

Membership fees are generally more suited to sports, arts or social clubs where there is a clear benefit to being a member.

Club lottery

You could invite your members to pay £1 or £2 per month into the club. Each member is allocated a number, and each month one or two numbers are drawn to find the winner. 50% of the cash collected would go to your organisation, and the rest would be used for prizes. You could have a small regular prize, then larger prizes once or twice a year. This is called a private society lottery, and does not need to be registered with anyone so long as it is only open to your group's members.

⁸ easyfundraising.org.uk

Community shares

If your community wants to raise a large amount of money for a large project, (for example to save your local pub or community building and run it yourselves), a way of doing this is through community shares. This is a model of investment in which people buy shares in the project to help get it off the ground. It takes quite a lot of organising, but can be useful for large, long-term community projects. For more information see Community Shares website⁹.

Selling badges, cards, t-shirts or other merchandise

You could design and make your own badges, stickers or cards (e.g. Christmas cards) at quite a low cost and sell them to supporters to raise money. The Resource Centre has badge making and sticker-printing facilities. You could also use our print room to print your cards.

Some groups print t-shirts, record CDs or DVDs, or make jewellery and other items to sell. You can also have items made, such as baseball caps, mugs, pens, or key-rings¹⁰.

Before doing this it is worth thinking about where you are going to be able to sell your products, and who you are going to sell them to. Are you going to have a stall at an event? Are you going to rely on personal contacts? Some supportive shops may take some to sell – but they may ask for a percentage of any money you take in for doing this.

You can also use online marketplace sites, such as Etsy or Ebay, but they usually take a percentage fee, and there may be additional fees charged to take online payments through Paypal or other services, so you need to factor that in when you are setting your prices.

Remember that, whatever you are selling, you are likely to end up with some left over, so allow for this when you decide on a price.

⁹ communityshares.org.uk

¹⁰ <https://www.resourcecentre.org.uk/service/promotional-goods/>

Organising fundraising events

It is possible to raise significant amounts of money through sponsored events, fêtes, fairs, or social activities such as quiz nights or musical performances. Some groups have raised thousands of pounds by organising a series of well-planned events. However, it is also possible to lose money if an event is badly organised or not publicised well. Look at our *Event planning checklist* to get you started.

There are so many different types of events that you could organise, it is worth considering whether you want to use a tried and tested idea, or try something more imaginative to catch people's attention.

Here are some ideas to get you started:

- ♦ Sponsored activities such as a walk, fun-run, litter pick, abseil, etc. Most of the online fundraising sites¹ allow individuals to set up a fundraising page to collect their sponsorship money and channel it directly to the group or cause they are raising funds for.
- ♦ Doing something people will pay for, such as car washing or bag-packing at supermarkets
- ♦ An event you will charge entry for, such as a musical performance or karaoke night
- ♦ An activity people pay to take part in, with prizes, such as a quiz, race night or bingo
- ♦ A fair or fête with fun activities, a raffle, plus food and/or drink sales to make money
- ♦ A jumble sale
- ♦ An unusual activity, such as a mystery tour or treasure hunt

Gift Aid

Charities and Community Amateur Sports Clubs (CASCs) can claim the tax back when people make donations to them using Gift Aid. Therefore, if somebody makes a donation of £1 to your charity, you will receive £1.25.

To use Gift Aid you need to register with HMRC¹¹.

¹¹ gov.uk/claim-gift-aid

Applying for grants

This involves writing applications to grant making trusts, your local council, businesses, or the lottery. You will need to:

- ♦ do some initial research to find suitable organisations to apply to
- ♦ prepare a budget
- ♦ plan ahead as many funders consider applications on a 3 monthly or 6 monthly cycle.

For more help with applying for grants, see our information sheets *Budgets*, *Planning a funding application* and *Writing a funding application*.

Useful contacts

ⁱ www.resourcecentre.org.uk/service/online-fundraising-tools/ – our list of online services that enable you to raise funds through one-off appeals, text donation, and sponsored events