



*Fundraising strategy guidance
for your church project*

DIOCESE
OF EXETER



THE CHURCH
OF ENGLAND
IN DEVON



pray



grow



serve
with joy

Introduction

We love the words from H.Nouwen in the spirituality of fundraising, where he says the following;

From the perspective of the gospel, fund-raising is not a response to a crisis. Fund-raising is, first and foremost, a form of ministry. It is a way of announcing our vision and inviting other people into our mission. Vision and mission are so central to the life of God's people that without vision we perish and without mission we lose our way (Prov. 29:18; 2 Kings 21:1-9). Vision brings together needs and resources to meet those needs (Acts 9:1-19). Vision also shows us new directions and opportunities for our mission (Acts 16:9-10). Vision gives us courage to speak when we might want to remain silent (Acts 18:9). Fund-raising is proclaiming what we believe in such a way that we offer other people an opportunity to participate with us in our vision and mission. Fund-raising is precisely the opposite of begging. When we seek to raise funds we are not saying, "Please, could you help us out because lately it's been hard." Rather, we are declaring, "We have a vision that is amazing and exciting. We are inviting you to invest yourself through the resources that God has given you— your energy, your prayers, and your money—in this work to which God has called us."

This document can be your guide as you start raising funds for a large capital project, your outreach program, or others. It provides you with the opportunity to flesh out the detail of your project. You can use the Excel workbook for your budget template, time line templates, gift charts and more, which are all essentials tools in this fundraising skeleton. We highly recommend the use of [this guidance](#), which will guide you in your appeal wording and record keeping.

The Church Grants team, who has supported this initiative, collectively have over 35 years of church fundraising experience. To read how the team can support you with fundraising decision making please visit [this page](#).

Lastly; may we thank you for the incredible work you are doing and may God bless you in all your efforts to raise funds for your church.

The Mission Resources Team at the Diocese of Exeter,

Alison, Brigit & Phil
June 2024/V1

Reflection...

Before launching into any major fundraising appeal you should take the opportunity to reflect on 'why' and 'if' you should embark on this journey.

Who should be involved?

The major decision-makers in your organisation, these typically are

- Your Rector
- Members of your PCC
- Members of any fundraising sub-group
- Lay members of the congregation
- Potential stakeholders beyond your church family for example local schools, Parish Council etc.

Most church fundraising projects emerge from immediate need, perhaps from a recent Quinquennial Inspection or fabric structural report. It might be an easy case of 'the roof is leaking.... we need to fix the roof'. But, even with fairly straightforward projects, it is good practice to stop and reflect on 'why are we doing this?'

Some useful questions to reflect on individually and as a group

- What are the needs and issues your church faces?
- What are the needs and issues your community faces?
- How does our project respond to these needs?
- What kind of church do we want to become in 2 years, 5 years time?
- What does our community think and feel about us?

Discussing these types of questions and reaching a consensus builds unity and clarity with everyone involved on why you want and need to do this project. Ultimately, we need to reach a place where everyone involved can confidently communicate to others the impact this is going to achieve for both church and community.

Case for Support

Your Case for Support is your opportunity to tell others about your amazing project and often the time to seek support, so you need to be interesting and compelling within your writing to get people on board.

A lot of this evidence can be brought from the first reflection stage but also from reports such as your Quinquennial and any local community consultation you have completed.

You are just one of the thousands of beautiful, historic churches in the country doing great works and you are entering into a crowded fundraising marketplace, so you need to stand out.

Describing your project and expanding on the 'why' this needed.

You should aim initially to create a document that is roughly 6-8 pages. It is always easier to slim down a document rather than to expand on it if you need to.

You should talk about the history of the church, the amazing work you do in the community, what kind of church you want to become in the future (your reflection), and what is stopping you achieving this? Take every opportunity to include photos, quotes and stories to strengthen your case. A typical structure of the Case for Support should look like this

1. Covering letter (1 page)
2. Executive summary (half-page)
3. History of the church (half to 1 page)
4. Your work and impact in the community (1 page)
5. 'Your problem' For example: leaking roof, new community room, new Youth Worker, improved heating/ lighting etc.. (1 page)
6. What will this achieve for church & community (half to 1 page)
7. Expenditure budget/ fundraising plan (1 page)

For top tips on how to write your case for support watch [this webinar](#). You can include a summary of your feasibility study and community audit here too.

Fundraising Feasibility Studies

Church fundraising projects, particularly capital projects, can range into the hundreds of thousands, even into the millions. You want to avoid these typical scenarios:

- You start fundraising, you raise a bit, you have no overview strategy, you lose traction and you do not reach your target.
- You form an internal committee, you start fundraising, you raise a bit, the years go by and you raise a bit more, everyone has asking fatigue, the project fizzles out and you do not reach your target.
- You simply do not know where to start

Completing a Fundraising Feasibility Study, will give you the confidence to know where and how much can be raised from different income sources. The Fundraising Feasibility Study thus creates the strategy, the road map to complete your fundraising.

If your project has been costed at over £250,000 it would be our strong recommendation to complete a Fundraising Feasibility Study before completing any practical fundraising. This will give you the confidence to know either:

- Is it feasible to raise all the money needed for the whole project?
- Or is it feasible to raise all the money for a distinct phase of the project?

What is a Fundraising Feasibility Study (FFS)?

FFSs are the research and analysis of all the potential available funding for your 'project'. They explore and analyse two key areas of income opportunity 'internal' and 'external'.

Internal

As described above a FFS will look at

- **Assets:** Does the church have any assets they could liquidate or sell to raise capital? These might typically include property, land or financial investments.
- **Legacies:** Some churches are blessed by receiving legacies gifted in Wills from parishioners or even sometimes from individuals not connected with the church.
- **Reserves:** Annual Accounts can be complicated and there is always a story behind the numbers! What reserves free, designated or restricted can be used for your project?
- **The church family and community:** Exploring, based on previous campaigns or giving history, the likely amounts that could be raised from the church family and community.

Fundraising Feasibility Studies

External

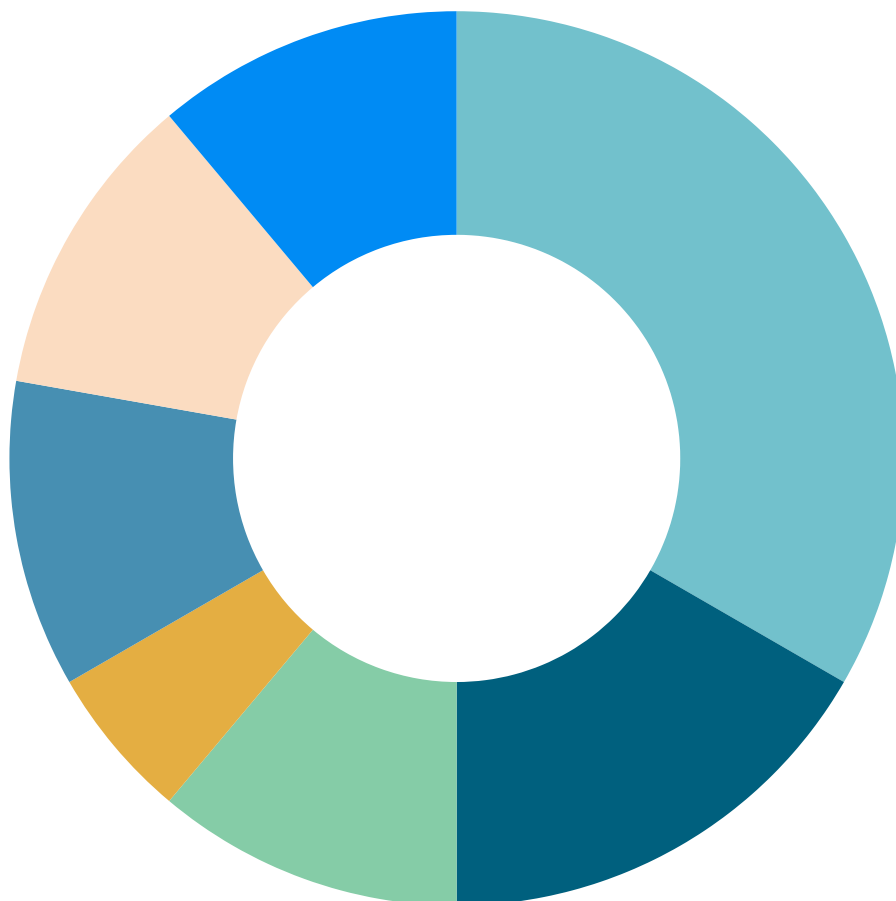
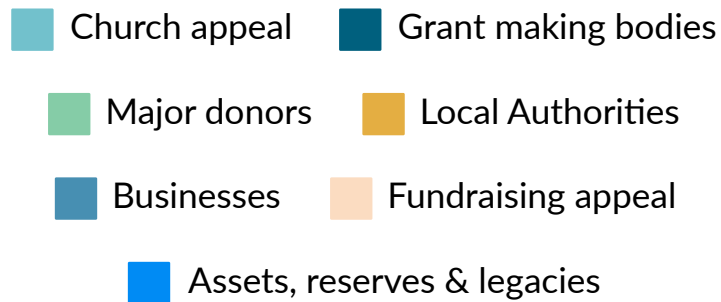
All external income streams will want to see a significant percentage of the project appeal target raised before you approach them. Major donors, Trusts, Corporates are more likely to give you funding or gifts-in-kind if you can demonstrate that you have raised a good chunk from internal sources first. Through the FFS you should explore:

- Trust & Foundations: Research all the aligned Trust & Foundations you can, either by geography or thematic area.
- Major Donors: Trusts & Foundations remain a good source of income for church projects but we are seeing this market grow increasingly more competitive so churches need to diversify away from this sole income stream. Identifying and approaching people of influence or affluence might be a way of achieving this.
- Corporate businesses: Identify potential local businesses you could approach for donations or gifts-in-kind.
- Research into local statutory funding position. Research what funding is available from either Section 106 or Community Infrastructure Levy funding schemes in your area.

Please read on to read a detailed description and guidance on all the above potential income streams and for further information on feasibility studies, please click [here](#).

Budget

Costs drive everything. Until you have your budget you can not create an appropriate fundraising strategy. Use the Excel workbook to prepare your budget and list the potential income per stream, below is an **example** of possible income streams.



Assets, legacies & reserves

1

Your PCC may already hold significant assets or reserves and wish to use some of them for a particular project, some of these might have come from legacies. Some grants may have a match funding requirement - assets and reserves may be used to achieve the required level of funds.

Before selling any asset the PCC must consider whether it is allowed to use these resources for this purpose. There may be restrictions on selling an asset such as land or an endowment trust, so the first step is to assess whether this is an option. The Diocese will be able to help you to do this.

The PCC also need to confirm whether the assets or reserves are unrestricted funds or whether there are any restrictions on them which limit how the funds can be used. If the asset had a restriction on it, then the same restriction applies to the funds raised when it was sold, so these can only be used to fund projects meeting the criteria of that restriction.

Even if the funds are unrestricted, or are aligned with the restriction, PCC members have a responsibility to ensure that the funds are used wisely and in the best interests of the parish.

Finally, the PCC should consider any other implications of using these reserves/assets - would it be in line with the PCC's reserves policy, and would the PCC still have an appropriate level of reserves so that it would not affect financial sustainability of the parish.

2

Over the years bequests have been made to PCCs stipulating that a sum of money should be invested and only the income used for a specific purpose (a permanent endowment). In these circumstances the Diocesan Board of Finance (the Custodian Trustee) is legally obliged to hold the capital on behalf of the PCC (the Managing Trustee).

Under current legislation, it is possible for PCC's to consider winding up certain trust funds held as permanent endowments and spending the capital to help fulfill the purpose of the trust, without having to seek the permission of the Charity Commission. Please click [here](#) or email: trusts@exeter.anglican.org for more information

Church appeal

1

Commitment

The congregation is at the heart of your fundraising campaign. They are deeply connected to the church's vision and mission and their involvement in the project will create a sense of ownership and (spiritual) investment. Their passion, enthusiasm and indeed financial offering will be an inspiration for others to join.

2

Grounds of ask

If generosity has been nurtured in your church this ask will follow on from a culture that has already been set. Generosity is important in our discipleship journey and we must engage with this to be able to respond to God's call on our lives. The case for support will add another layer of motivation to a core value central to the Christian faith. To work together towards a common goal promotes a sense of unity, support and shared responsibility.

3

Ways to give

Prior to launching the campaign, make sure that you have established the way in which the money can be donated and/or prepare pledge forms if you are making use of these. Those who already give regularly through the Parish Giving Scheme, can also give a one-off gift, or alternatively you can use platforms like Give A Little or a contactless machine to be able to raise funds for specific causes. Campaigns on the Give A Little platform are adaptable and can be easily tailored to the needs of your campaign.

4

Thank you

Once the ask is launched, people have given, and you have followed up with those who made a pledge, it is time to say thank you. Something that is often forgotten, and yet such an important aspect of fundraising. Your gratitude to the donor, expressed through a letter, a small gift, a word in the service, will continue to strengthen the relationship and possibly encourage future support too.

A church in Plymouth raised funds of £480k from their congregation (approx. 100 people) for their project to make their church building an asset for the community.

Fundraising appeal

1

Digital giving

Use the various online giving platforms to raise funds. Give A Little has competitive rates and you can easily set-up an account by following the steps in the 'online giving' section on: parishbuying.co.uk. On the same webpage you will find information about contactless machines, which will reduce the friction that is often present when people want to donate (e.g. no cash available, or complicated set up procedures etc.) Consider location and signage when you put the device in position and ensure that a number of volunteers are familiar with the use of the device. Use this opportunity too for people to commit to regular giving. The Parish Giving Scheme is a fantastic tool for this, go to parishgiving.org.uk for more information. Crowdfunding platforms are a fantastic way to engage the wider community in fundraising. Just Giving, CrowdFunder, Go FundMe are examples.

2

Fundraising event

Choose a series of events to raise funds with a team of volunteers. E.g. annual carol concert, high profile gala dinner, auction, cream teas, raffles etc. Choose your date and venue wisely and work through your checklist; e.g. is the room accessible for wheel chair users, do you have insurance in place, what equipment do you need, do your risk assessment, make sure First Aid provision is in place, suitable parking for attendees etc..

3

Publicity

Connect with your various audiences in all its different ways (social media, posters, letters etc.). Marketing theory suggests that people need five opportunities to hear about something before it sticks in their mind. To appeal to the right donors you must have your communication right. Consider using targeted and timed appeals.

4

Gift Aid

Gift Aid can be claimed on donations (not payments) that you receive from a taxpayer. You can also use the Gift Aid Small Donations Scheme to claim gift aid on any donation (cash or contactless) under £30.

Trusts & foundations

1

Background

There are over 8,000 trusts & foundations in the UK that offer financial support, ranging from grants to loans or pro-bono services like advice. These funds can be used for specific purposes, varying from small-scale purchases to major projects. More widely, grant-making organisations accumulate funds from various sources such as investments, rental income, fundraising events, lottery and donations.

2

Grant Restrictions:

Restrictions on grants can come from either the applicant or the grant-making organisation, often dictated by the organisation's charitable objectives. These restrictions may include specific spending purposes or time frames. Grant-making organisations, mostly registered charities, adhere to Charity Commission regulations. Use the [Charity Commissions page](#) to look at the various annual reports and get a clearer picture of where the funders spend their money. You will also find the funders objectives and details of trustees so you can personalise your letters.

3

Grant Categories and size

Trusts broadly fall into two categories: general grant-making with no formal criteria and specific areas like health or poverty relief. Some trusts may limit grants by geographic area. Grants vary greatly in size, ranging from small amounts to multi-million-pound awards. While most grants are one-off, some trusts offer multi-year funding, particularly for revenue projects. You can adapt your grant application to your unique circumstances, so it aligns with your vision and mission, and aims & objectives of the project. Both revenue and capital projects are typical focuses, with opportunities available from religious and secular grant making bodies. The latter may be hesitant to support projects that are overtly religious, but might have an interest instead in a project which focuses on community outreach, education and more.

4

Grant applications

Grants are typically obtained through formal requests, either through written letters, paper or online applications. Some organisations prefer not to be approached directly. Some funders will request that you have already raised a sum of your budget, this equally shows your commitment to the project (often referred to as match funding). Your case for support is central to your application. This market is incredibly competitive (1 in 7 is successful), your application must stand out and one way of doing this is using stories and create a warm approach with the organisation.

Trusts & foundations

5

Opportunities

The National Church has provided a list of grants for churches. You can find more information [here](#). This will include information about the Heritage Fund, the Listed Places of Worship Grant Scheme (LPW), and many others.

In the Diocese of Exeter you will have access to the [ChurchGrants database](#). This database contains hundreds of trusts and foundations that specifically fund churches. Please contact mission.resources@exeter.anglican.org if you do not know your parish reference number.

Major donors

1

Identify prospect

Sit down with your team and list the names of those you have a connection with. In the Excel workbook you will find a chart that will help you to identify prospective donors. You will need to consider their capacity; what is their wealth (monetary, assets etc.), their inclination; what is their giving history to the church, their interest; in which way is the project relevant to the donor and the local community and accessibility; what relationship do you have with the major donor. Consider a wealth screening report via the [Church Grants](#) team, which will result in a list of people within an area who through public records are identified as wealthy prospects.

2

Cultivate and ask

Invite your major donors to an event, e.g. a vision evening/gala dinner, where you will 'wow' them with your project. Share with them your vision & mission and the prospect of the project. This can then be followed by another meeting where you will **ask** for financial support. Relationships are key in this and donors need to understand how the project will benefit them, and/or the wider community. It is said that the the 'right' ask... is when the right asker asks the right person for the right thing for the right amount at the right time in the right place in the right way. Be sure to answer the following question affirmatively; have you donated to the project yourself?

3

Consider using a giving chart (see Excel workbook for example)

Ask questions like; have you got a gift size in mind? Consider the various objections a major donor can give you in this conversation and make sure to thank them for their gift, for their time, for their consideration.

4

Offer something in return

Like with businesses, consider how you can offer your major donor a benefit. E.g. recognition at an event, a name plaque in a certain area. Be clear on the terms of the investment.

Corporate businesses

Local businesses

1 Approach local businesses that have a particular interest in the work you have set out to do. Financial gifts, as well as donated items can be incredibly beneficial. Consider how you can organise an activity particularly relevant to the local businesses so involvement is easy.

2 Use your connections

Word of mouth remains one of the most powerful marketing tools and it is likely that somebody on your PCC or congregation will have a connection with the business you approach. Use the connections to spread the word and pass on the invitation. It is more likely that a business responds when there is, preferably, a personal invitation. This personal connection will enhance your chances of the business taking an interest in your fundraising campaign.

3 Communications

Once you have made your connections make sure you communicate your need, and give further information about your project, in writing. Again, a personal approach, i.e. address the letter to a person, will be beneficial. In your letter, you can share your case for support. Make sure to follow up afterwards.

4 Offer something in return

There is a particular interest for a business to get involved if they believe this will increase their customer base. You can offer publicity in return for their investment, perhaps on your social media channels, parish magazine, or flyers. An auction of donated items can equally lift the profile of the business.

5 Follow up

Make sure to thank the business and confirm how their investment was spent/used. Your continued relationship with the business opens up opportunities for the future too. For your records make a note of the contact person for this purpose.

Local authorities

1

Background

Often local District, Parish or Town Councils have pots of money that they can distribute back into the community. These are often called Section 106 or Community Infrastructure Levy funding.

Councils also access external funding from e.g. the Lottery Heritage Fund. It is worthwhile investigating how the church can partner with other local organisations to deliver the aims & objectives of the project, this can certainly enhance the interest from the council.

In every scenario, getting the support and buy-in from your local Ward Councillor will be vital. Find out who they are and broker a meeting to tell them more about your project.

2

Useful links

Devon County Council releases information on grants on their [website](http://www.devon.gov.uk): [devon.gov.uk](http://www.devon.gov.uk), where you can also subscribe to their funding bulletin and receive these updates straight to your email inbox.

District Councils use their own funds, alongside government funding to support and offer grants to local groups too, including churches. An example of this is the Town And Parish Fund (TAP Fund). Please head to their respective websites to find more information:

1. [North Devon](http://www.northdevon.gov.uk): [northdevon.gov.uk](http://www.northdevon.gov.uk)
2. [Torridge](http://www.torridge.gov.uk): [torridge.gov.uk](http://www.torridge.gov.uk)
3. [West Devon](http://www.westdevon.gov.uk): [westdevon.gov.uk](http://www.westdevon.gov.uk)
4. [Mid Devon](http://www.middevon.gov.uk): [middevon.gov.uk](http://www.middevon.gov.uk)
5. [South Hams](http://www.southhams.gov.uk): [southhams.gov.uk](http://www.southhams.gov.uk)
6. [Teignbridge](http://www.teignbridge.gov.uk): [teignbridge.gov.uk](http://www.teignbridge.gov.uk)
7. [East Devon](http://www.eastdevon.gov.uk): [eastdevon.gov.uk](http://www.eastdevon.gov.uk)
8. [Exeter](http://www.exeter.gov.uk): [exeter.gov.uk](http://www.exeter.gov.uk)

For the unitary authorities of Plymouth and Torbay Council.

1. [Plymouth](http://www.plymouth.gov.uk): [plymouth.gov.uk](http://www.plymouth.gov.uk)
2. [Torbay](http://www.torbay.gov.uk): [torbay.gov.uk](http://www.torbay.gov.uk)