



Top Tips



Increasing unrestricted income

Mission and Values



This guide will be useful for: organisations wishing to look at viable ways of increasing their unrestricted income, which can be used for building reserves, running costs or developing new projects

What you want to achieve:

A more financially secure organisation which has diversified its income streams.

What you'll need:

- Patience
- Imagination
- Willingness to try new fundraising activities

How you'll do it:

- Unrestricted funding is money that is raised or given to an organisation without any predetermined purpose and is therefore free to be used however the organisation needs. However, **although unrestricted funding is important, it is not a guarantee for financial sustainability.**
- It is important to **diversify** an organisation's funding streams as well as securing multi-year grants. Each organisation and the context in which it works is unique, so it is important **for everyone within the organisation to work together to determine what will be the most effective and sustainable fundraising path to take.**

- There is no magic formula for fundraising, and one fundraising activity might prove very successful for your organisation but less so for another. **When preparing a fundraising plan, try to have a diverse range of activities**, some of which will bring in money in the short-term, such as an event, and others that are more long-term. Please note that building unrestricted income can take time depending on the time and resources you are able to commit to it, so build this into your fundraising plan.
- **Establish your case for support and find the story.** You need to be able to justify why your beneficiaries need you and why your services are important. If your organisation can't justify it internally, then external donors / funders will not believe it. Identify the types of funders you want to target and find the story and message of your work that will connect with them.
- **Start asking.** Start with the small changes to things that you already do, for example, if you send a regular newsletter or e-bulletin to your beneficiaries and wider supporters, how about making it an appeal letter instead?
- **Invest.** Be disciplined and invest your early unrestricted income into more fundraising in order to establish regular unrestricted programmes.
- Keep records of whom you communicate with. Until you establish unrestricted funding programmes, all your stakeholders are prospects, and you must be able to **thank those who donate as well as keep in touch with those who may in the future.**
- Do you have a plan and a budget in place for fundraising activities? The detail and depth of a plan will depend on the specific activity. For instance, a 3-year fundraising plan will look different from a timetable of actions to ensure a fundraising event runs smoothly. **Fundraising plans should always fit with your organisation's overall objectives.**
- **Crowd-funding involves sourcing money from a large group of people to fund a cause or project.** With the widespread use of social media, platforms like GoFundMe, Kickstarter, JustGiving, and GlobalGiving there is access to an ever evolving group of internet users, and crowdfunding can be an effective tool both for raising awareness and unrestricted funds.
- **Charitable trusts may offer another source of unrestricted funding** – need to check their criteria, but trusts such as the Garfield Weston Foundation is one example.
- **Membership or subscription fees** are often sources of relatively small pools of unrestricted funds that are outside of grants. It can be useful to run an occasional appeal to your existing membership.
- Businesses in your area: check out the business pages in your local press to spot companies that are doing well and may be open to an unsolicited appeal, or **look out for companies that seem to have a history of supporting community causes**, then make a direct approach.

- **Selling merchandise:** serving as income generation, selling merchandise can also help build an organisation's brand and reach new audiences. You will need to check what income you can generate before having to consider setting up a separate trading arm of your organisation.
 - Consider whether **hosting fundraising events** could generate income: such as open days, concerts and auctions.
 - **Social enterprise models:** the ultimate goal of social enterprise models is to achieve sustainability by enabling organisations to support themselves without relying solely on grants and donations. Is this something your organisation may wish to explore?
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Connecting Communities in Wales

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Find out more at ctauk.org/cciw