



Canal &
River Trust



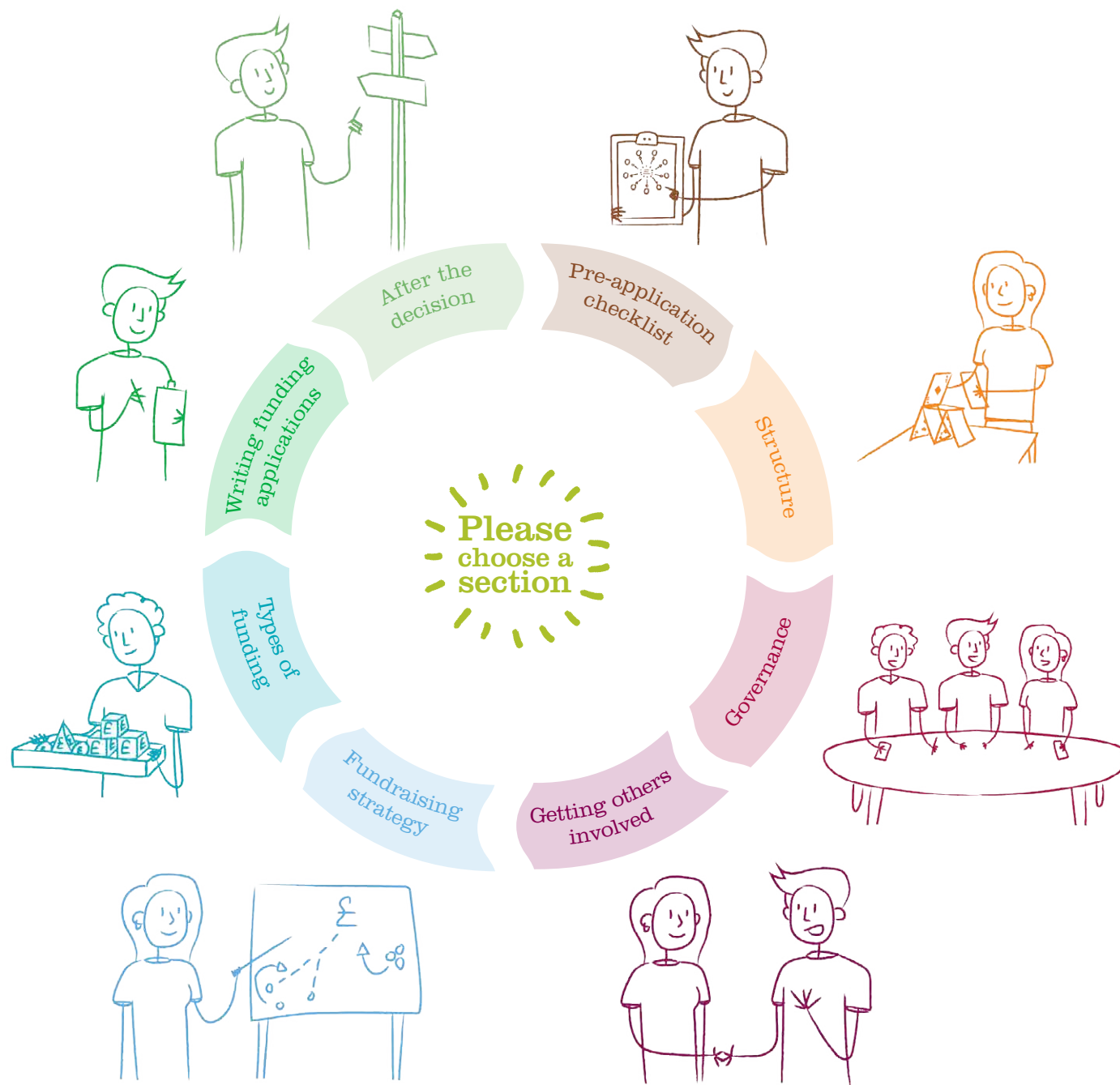
The Inland
Waterways
Association

Keeping our waterways alive

Funding Toolkit

Welcome to the Funding Toolkit!
Applying for funding is a complex journey and starts long before putting pen to paper on the application form itself.

We have put this toolkit together to help you through this process. You will find sections on governance, types of funding, writing applications and how to move forward once the decision has been made. There is a wealth of information on the internet about funding, so we have used this toolkit to signpost you to useful information elsewhere. We recommend that you work through this toolkit in order, starting with the pre-application checklist.

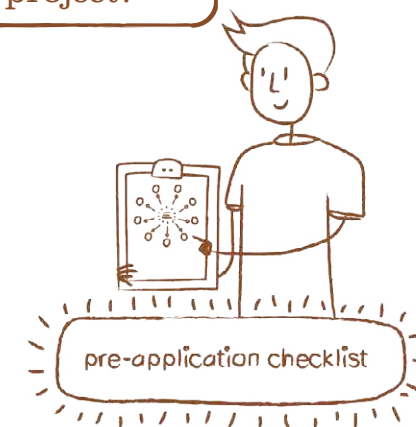
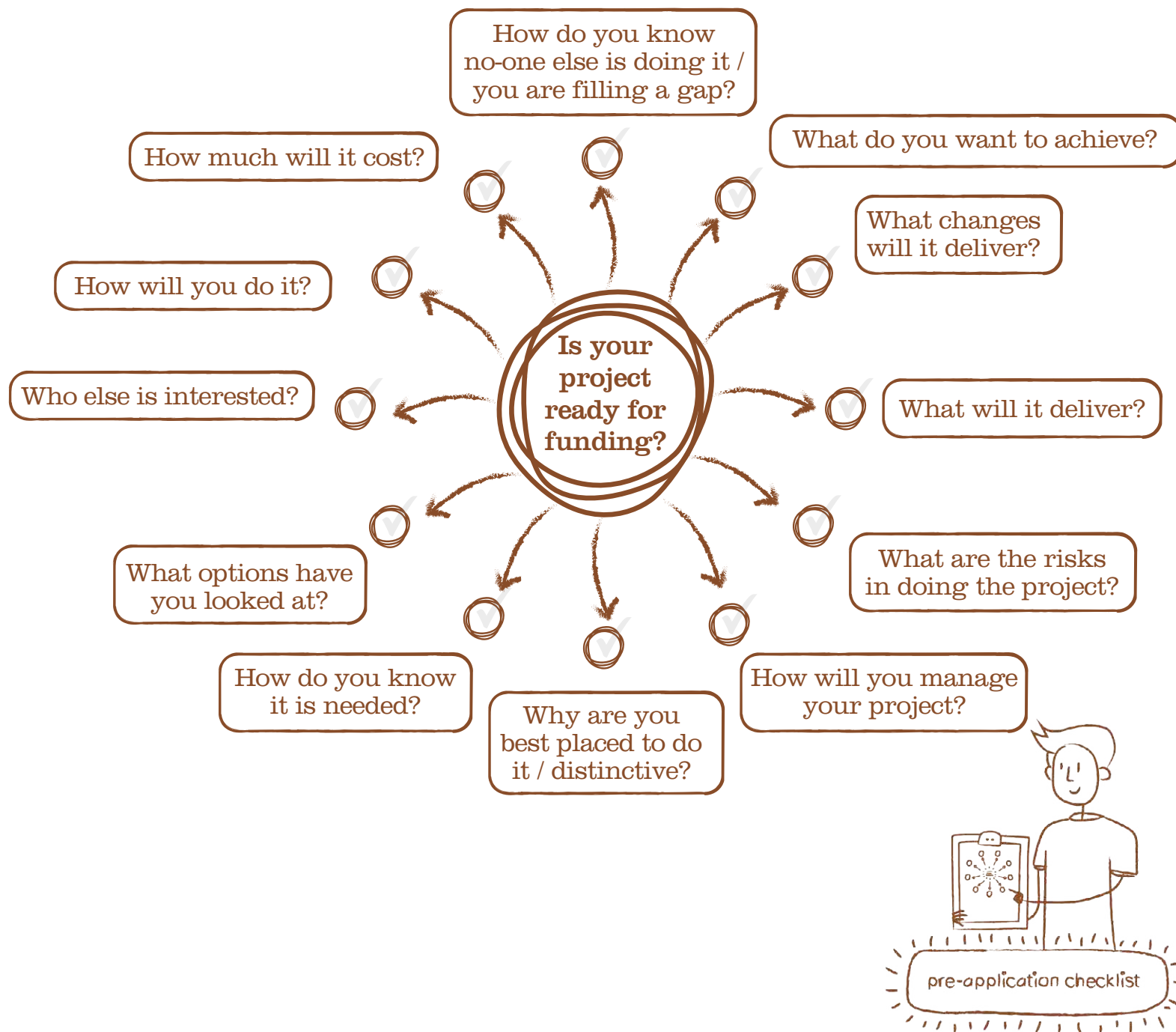


1

Pre-application check list

Before you apply for funding there are a number of questions that you should be able to answer, some of which are on this page.

These questions will help to shape and organise your project, and are details that you will need to explain in your funding application. If you can answer these questions then you are in a good position to start thinking about applying for funding.





Structure

Ensuring that you have the correct legal structure in place for your trust or society is hugely important. Each set-up brings with it different benefits and restrictions.

The type of structure you choose will have an impact on how much paperwork and accounting work you need to do, if you can purchase land and more importantly financial liability. It is worth taking the time to consider if your group is set up in the most effective structure to suit the needs and external pressures on the organisation.

Caldon & Uttoxeter Canals Trust (CUCT) was originally effectively a club and so not a legal entity in its own right. The previous structure put unlimited liability on the Trustees. This became an issue as soon as work parties began. In addition, when the Trust decided to try to acquire Bridge 70 it became a problem as the old organisational structure did not allow purchase (because it was not a legal entity). CUCT followed the latest advice from the Charities Commission and reformed as a CIO, meaning amongst other things that they could now purchase land.

Setting up your group

Charitable Trust	Charitable Incorporated Organisation (CIO)	Charitable Company	Unincorporated Association
<p>A charitable trust is not a membership organisation but is run by a small group of trustees. It is set up by means of a trust deed.</p> <ul style="list-style-type: none"> Funders may find the more formal and stable structure reassuring. In fact some funders will give grants only to registered charities. As this structure is regulated by the Charity Commission it gives a 'seal of approval' to activities. The group has a small number of trustees that make decisions, so this may not suit a group looking for a large and active membership. A charitable trust is an unincorporated organisation which means that the trustees are personally liable for debts. 	<p>A CIO is registered with and regulated by the Charity Commission. It is required to submit annual accounts and trustees annual report to the Charity Commission.</p> <ul style="list-style-type: none"> Trustees have some protection, as they have 'limited liability' and any claim is made against the CIO as a whole. Staff can be employed, and property/land leased under this structure. The charitable status gives access to grants from funders that will only give to charities. Please note, that if a CIO stops being charitable under the Charity Commission's criteria, it will cease to exist and be forced to close. 	<p>A Charitable Company is a limited company with charitable aims. It is an incorporated organisation which means that it has a legal identity separate from its members.</p> <ul style="list-style-type: none"> The company can take on legal obligations, enter into contracts and buy property in its own name. Many funders view this structure as the most stable, as if there is a change of people involved the company will still exist. All charitable companies have to keep accrual accounts. These are more complex than the 'receipts and payments' accounts required for smaller CIOs and charities. A charitable company may be more likely to get a bank loan, but it is an expensive structure to set up. 	<p>You do not have to seek approval of any kind before setting up an unincorporated association, nor do you have to register with any regulatory body.</p> <ul style="list-style-type: none"> This structure is cheap to run and you do not need to submit accounts. If you have charitable aims you can register as a charity and gain advantages. Funders may prefer a more formal structure. Under this structure a group has no separate legal existence therefore it does not allow for land purchase or employing staff. Members of the committee are personally liable.

Considering the structure of your group is work that is best done sooner rather than later. Look at our restoration work stages for more guidance.

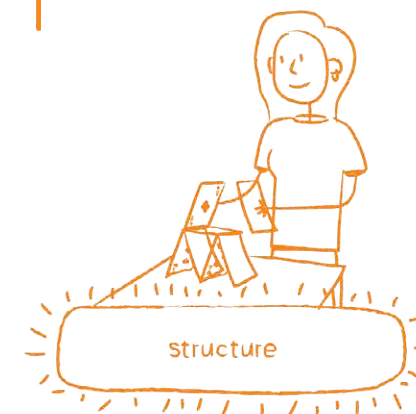
www.gov.uk/guidance/charity-types-how-to-choose-a-structure

www.smallcharities.org.uk/resources-governance-legal/

Legal structures chapter

Legal form comparisons

NCVO Sustainable Sun Tool



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Governance

In all organisations good governance is vital. Having a strong board of trustees key to this as the board should be the driving force of any charity as well as protecting the values of the organisation.

Funders will expect a strong level of governance amongst your group and will want to see evidence of this, as they will not invest unless they are convinced your group can deliver the project. A proper structure minimises risks for funders and funders are looking for low risk.

Key documents which demonstrate good governance

- Role descriptions for Trustees
- Governing document
- Code of conduct
- Vision Statement and objectives
- Risk register, risk policy
- Terms of Reference
- Policies – volunteers, equal opportunities.

Governance

(the full document can be viewed here)

The following list is a guide to ensuring your group has good governance and is summarised from the NCVO 'Good Governance' document. An effective board of trustees will:



Understand their duties

- Have an understanding of their legal duties and accept ultimate responsibility.



Exercise effective control

- Understand legal and regular requirements that apply to the organisation.
- Good financial and management controls.
- Regularly identifies risks that exist.
- Delegation to committees, staff and volunteers and use of delegated authority is properly supervised.

The structure of your group may change as you work through different stages of your project. Take a look at the Restoration work stages.



Ensure delivery of organisational purpose

- Ensure that the aims of the organisation remain relevant.
- Develop a long term strategy.
- Agree operational plan and budgets.
- Ensuring that activities of the group do not drift from the aims.
- Measure outcomes and assess impacts.



Behave with integrity

- Safeguard and promote the organisations reputation and act according to high ethical standards.
- Manage conflicts of interest and loyalty.
- Maintain independence of decision making.
- Ask probing questions.



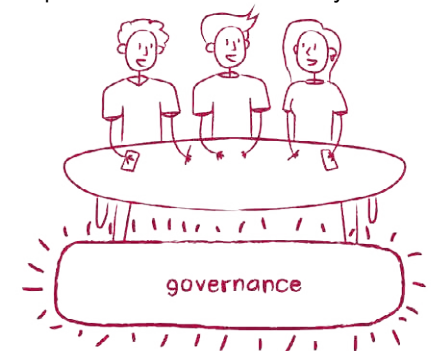
Work effectively as individuals and as part of a team

- The best boards have a range of skill sets and knowledge, new members may need to be recruited to meet the organisations changing needs.
- Effective induction of new members.
- Performance reviewed and monitored periodically.



Be open and accountable.

- Have open communications, listening and responding to views of supporters.
- Consider responsibilities to the community.



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Getting others involved

Having the support of all those who have an interest in your project particularly local authorities is vital to securing funding, so you should involve them sooner rather than later.

Early in the project it is often useful to have an informal partnership as a way of getting everyone who can make decisions and take action together at the same time. It also gives you access to people's skills and means that you can pool resources. A partnership with community groups that have "insider" knowledge and other community organisations or charities that have expertise with particular groups of people (not just local authorities as endorsers), can help to really increase impact and reach, and so increase reputation, value and funding potential. A Formal partnership can be powerful when applying for funding as it evidences wider support and greater need than that of just your group, and shows a level of competency and ability to work more strategically. Funders are moving noticeably more towards partnerships as they provide added value and show groups are open to improving.

Steps to setting up a partnership:

- 1 Ask yourself why do you want a partnership? Identify the different aspects of the project, which might interest different groups, organisations or individuals. Establish what your goals and priorities for the partnership are.
- 2 Consider who should be invited to join your partnership. Who has a stake in the project? Who have you identified that may be interested in a certain element of the project? Also consider who the players are that need to be involved in planning and funding applications? Think about involving landowners, local authorities, local tourist boards, tourist attractions, wildlife trusts and of course members of your group. Make sure the partnership is a manageable number, most partnerships are made up of a core organisation and then additional members.
- 3 Contact the groups who you would like to have involved and 'sell' the partnership and your project to them.
- 4 Who should chair the partnership? It needs to be an individual who is capable of steering conversations, who preferably has an element of influence and drive to progress the project.
- 5 Compile your terms of reference – form this with all members of the partnership, it is important to know what everyone's aims and roles are.
- 6 Set up regular meetings, but not so frequently that it is difficult to commit to, or too infrequent for the momentum and interest to be lost.
- 7 Agree a facilitator who will take responsibility for arranging the meetings, and agree a venue.
- 8 Develop a clear action plan, with actions next to members who are responsible for working on that point. This can develop as the project moves forward.
- 9 Have a clear understanding of what each member of the partnership's role is.
- 10 Always consider how the partnership might be improved and seek feedback from stakeholders – is there anyone else who should be on board?

How to develop lasting partnerships

How to collaborate

Example of terms of reference



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Fundraising strategy

Writing a fundraising strategy is a beneficial step for a project, as it will focus your attention and provide useful action points.

A fundraising strategy need not be a long or complicated document. A one to two page summary is much more likely to be useful than a lengthy document. The basic information every fundraising strategy – or plan – should include is:

- What funding is needed – how much, what types of activities, when?
- Where funds will come from?
- What activities need to happen to raise funds, when do they need to happen and who will do them?

The strategy should be reviewed as time progresses and adapted as necessary. General guidance is that it is beneficial if the strategy looks three to five years ahead, but that concrete targets and plans are in place for the next 12 months.

Developing a Fundraising strategy

Develop a fundraising strategy

Before you start applying for funds be clear on what your project is and break it down into manageable chunks.

Why have a fundraising strategy?

A strategy allows an organisation to set a structure and goals for funding the organisation or project. Through a strategy you are showing everyone you work with that you have:

- considered and established priorities
- considered the most effective allocation of resources
- planned for the future
- provided an action plan

A fundraising strategy should give your organisation; from the board or trustees down, a clear idea of how you are going to reach your funding goals.

How to develop a fundraising strategy?

A first stage in the development of a fundraising strategy is to put together a mission statement, which describes in ambitious terms what the organisation wants to achieve. The next steps are to work out how much is needed for a particular project and how much it is possible to raise. Organisations should differentiate between capital costs and revenue (running costs and salaries). Think about:

- How long will it take to raise the funds required?
- Is the project and its costs too ambitious?

The main problem with most fundraising campaign targets is how to raise what is often a huge sum of money. The answer is simple – bit by bit.

Having broken the total required down to smaller amounts you might find it more straightforward to decide upon a particular strategy or method of raising these funds. It is important to consider a (realistic) range of donations, rather than relying solely on appeal or regular giving based fundraising.

What to consider?

One of the first things to consider when developing a fundraising strategy is whether fundraising will be carried out by an in-house team or will be bought in in the form of consultants. Both options have pros and cons. Keeping fundraising in an organisation enables long-term relationships with funding bodies and over time experience and confidence is gained. However not every organisation can dedicate a post or part of someone's time to the work and while fundraising work which is outsourced may not develop deeper relationships with funders it does allow the organisation to concentrate on doing other things. Working with an external freelancer can work well, so long as you work very closely together on developing applications and approve the final submission and budget to make sure you are happy that the project can be delivered.



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Fundraising strategy

Follow the links below for more guidance on writing a fundraising strategy.

[Funding central](#)

[Open4funding](#)

[Institute of fundraising](#)

Developing a Fundraising strategy

Planning ahead

It is worth spending some time identifying potential sources of funding as early as possible once a project is developed. Many funders take 6-12 months to make decisions and sometimes more, if it is a two stage application process. It is also worthwhile looking at how you can reduce your reliance upon a particular fund or include other funding sources in your efforts. Grant giving sources include charitable trusts, European programs, local grants and central government grants. Sponsorships might also be available from local or national companies.

Why give to a particular project?

Knowing why funders give is essential to any fundraising strategy as it allows fundraisers to tailor their applications for funding in a way that improves their chances of success. A fundraising organisation may identify a potential source which has a connection with their cause, having done that the organisation must then convince the source to invest in their project.

All organisations applying for funds from any source should be aware that different funding sources apply different criteria to who and what they will fund, it is essential to understand what these criteria are before any request is submitted.

Of course there's always the possibility that the funding source you approach may say 'no'. However this does not necessarily mean failure on the part of the fundraiser as 'no' can mean one of three things:

- not now;
- the fundraiser has not sufficiently persuaded the funder that support should be given;
- the project does not fit the donor's criteria (however, the project could still be a good one).

It is important to remember however that even if they say no the organisation or the fundraiser will have gained experience which can be used to improve the next application.

Assessing the fundraising strategy?

It is advisable to monitor and review the progress of a fundraising campaign throughout, to determine how it measures up to the original targets. At any stage, if everything is not going as planned, ask why? Were the original targets too ambitious, not ambitious enough or is the fundraising strategy simply not working? Once the problem has been highlighted it can then be changed accordingly.

Is it worth it?

A first attempt to write a strategy can be difficult but it will bring with it rewards. Grants or sponsorship or donations are rarely handed over by chance, givers must be persuaded to support your project. Therefore the better organised the campaign and the more professional the approach, the greater chance there is of success.



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Types of funding

In the world of funding there is a vast array of funding streams each with different aims, objectives and criteria.

Funding scenarios do change over time so what suits your project one year may not be the best fit the next. Always check funders priorities and that the write up of your project closely aligns with them. It is also worthwhile securing specialist advice to help you seek out and apply for funding most relevant to your project. Searching for funding can be a time intensive exercise so having someone who knows the system can really make a difference, and mean that you approach the correct funders with the correct offer at the right time.

Most local authorities will also send individuals lists of new or rolling trust opportunities and deadlines on a monthly newsletter basis too if they sign up.

IWA Funding advice

Fundraise together

Types of funding

Making your own money

Joint venture

S106 and CIL

Corporate

Legacy

Membership

European

Philanthropy

Crowdfunding

Grants

Social enterprise

Small scale funding

types of funding

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Writing funding applications

Writing funding applications can be daunting, but on this page you will find links to useful online sources, tips to help you with your application and common pitfalls to avoid.

A good place to start is to establish if the funder you are applying to has dedicated staff. Most trusts/funders do not but this is worth researching online or contacting the Charity Commission.

Why is your project needed

Guide to bid writing

Hints and tips for writing a successful bid

Outcome funding

Tips when applying for funding

Tips	Common pitfalls
<ul style="list-style-type: none"> • Read the most recent version of funding criteria and guidelines carefully before you start your application. • Look at a list of recent successful grants or case studies to see what type of project they are interested in. This can help you to present the project. • Find out if any of your network knows any of the trustees or staff of a potential funder and could contact them to get insider information or to endorse your application. • Call beforehand if they do have dedicated staff. This could be on any pretext to help your application jump out when they receive it, and to genuinely get useful information that may not be available publicly. • When writing an application use the same language as funders. • Write in detail about your project, assume that the person reading it knows nothing about your project, is not familiar with your waterway and knows nothing about waterways in general. Also stay away from specialist terms. • Mention the funder's priorities showing how certain aspects of your project meets them. • Think about your project in the true context of the wider community. Are you supporting local government objectives? • Prioritise showing a need and how you will measure the impact of your project – your application is probably competing with many others and funders need to show the value of their funding too. • List project costs which need to be as specific and accurate as possible. Remember it is not just getting your project done in the first place but also the maintenance costs in the future. Costs will need to include professional fees, activities, and interpretation. • Ensure you include any supporting documentation that is required. • Explain your track record with grants and projects. • Phone to check that your application has been received. 	<ul style="list-style-type: none"> • Not having a relationship with grant officers: Most of the issues usually come from people not reading the terms and conditions, not following the grant application guidance or not having a working relationship with grant officers. • Lack of detail regarding community engagement. What funders want to know is how you are taking the community along on this journey with you. The community will be at the heart of your project you just need to show the funders this. • Not showing enough support and not mentioning who the project partners are. It is more effective if you can list your partners rather than saying who you are trying to enlist the support of. • Not being specific enough: For instance, if you say you will link to other tourist destinations – what/ where are they and have you approached them about this? • Land ownership: When applying for funding it is important that you include land ownership and if owners are supportive of the project. • Match funding: Identifying and sourcing the match funding to support a grant is a big issue as few grants are 100% fully funded. Failing to secure match funding can result in the grant falling through. • Not demonstrating project specifics: In funding applications it is usually necessary to demonstrate clear outcomes, how the project will be delivered and in some cases a track record of delivery/success. • Poor planning: If there is little indication of what the money will be spent on then this can lessen your chances of being successful. • Going into too much detail about the wrong things: Funders may have many applications to go through so keep it brief, do not go into much detail about the history of the canal or your organisation.





After the decision

Contact details

Canal & River Trust
First Floor North
Station House
500 Elder Gate
Milton Keynes
MK9 1BB

T: 030 040 4040
E: customer.services@canalrivertrust.org.uk
W: canalrivertrust.org.uk

IWA contact details:

The Inland Waterways Association,
Island House, Moor Road,
Chesham,
HP5 1WA

T: 01494 783453
E: iwa@waterways.org.uk

If you are successful in a funding bid then there is now work to be done to ensure that you have a productive relationship with your funder.

You will need to demonstrate how your project is fulfilling the aims you set out in the application. You can find advice on tracking your project here:

[Tracking project progress](#)

It is also a good idea to record your project through images. You can use these to tell a story and promote your project further.

If you were unsuccessful it is important to consider why this was so that you can strengthen any future bids.

Look at:

- Were my aims precise enough?
- Did our project fit with the funders' aims?
- If the project did meet funders' requirements, did we go into enough detail?

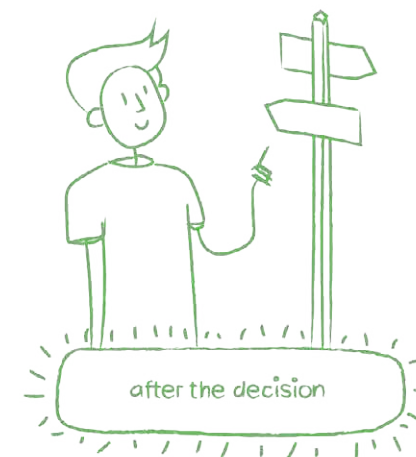
You can also ask for feedback from the funders' and seek professional support, so that you can learn lessons going forward.

After the decision

Thanks...

Canal & River Trust and IWA would like to thank the following for their input into the toolkit:

Alan Johnson, Wey & Arun Canal Trust
Bernie Jones, Shrewsbury & Newport Canals Trust
Charlotte Booth, The Line
Colin Greenall, Sankey Canal Restoration Trust
David Penny, Herefordshire & Gloucestershire Canals Trust
Nick Morris, Dudley Canal Trust
Robin Stonebridge and Rod Auton, Chesterfield Canals Trust
Steve Baylis, Archdiocese of Birmingham
Steve Wood, Caldon & Uttoxeter Canals Trust
Val Kirby, Cotswold Canals Trust



Making your own money

Chesterfield Canal Trust has a range of income streams and is a good example to illustrate how a group can raise funds under their own steam.

Robin Stonebridge the Chair of Chesterfield Canal Trust believes that having diverse income streams strengthens the Trust. The coffee shop and trip boats are both examples of income generating schemes. This diversity enables the Trust to maintain cash flow and smooth financial peaks and troughs. It also means that more volunteers can be involved with divergent skills.

All the money that is raised goes towards restoration – but in the broadest sense. A strength of the Chesterfield project is that there is always some active restoration taking place on the Chesterfield Canal. This has a positive impact on the Work Party budget, which is matched with grants from elsewhere.

Part of the income is used to stimulate action by others. If the Trust can part fund an activity related to restoration, it can encourage others to contribute.

Case study Chesterfield Canal Trust

In 2011 Hollingwood was transformed from a no-go area into a welcoming space with the opening of the Hollingwood Hub and Nona's coffee shop. The coffee shop is now a popular destination.

Chesterfield Canal Trust took a risk with the coffee shop as the towpath had been closed for 10 months. However it very soon became popular and helped to transform the area.

The Trust had always been insistent that one of the roles of the coffee shop was to be in training young people. On the very first day of opening,

the manager, Dawn hired an apprentice who now manages another establishment. In fact, four young people have been apprentices and passed their NVQs at Nona's.

Furthermore the Hub is now a major contributor towards Trust funds. Whilst the Coffee Shop was an instant hit, it has taken a long time for the bookings for the other facilities at the Hub to take off. It is now used for a variety of purposes, for instance, community activities, training sessions, and by local schools for ecology sessions linked to the canal.

The main purpose of the Hub was to demonstrate regenerated economic activity and employment opportunities linked to the waterway. Rather than telling possible restoration funders about what had happened elsewhere, the Trust could provide their own small example.

Making your own money

Fundraise together



Corporate funding

Corporate funding involves working with a business who effectively sponsors your work and your group.

In exchange they receive publicity or another benefit. If you are going to approach a company then be prepared to explain to them the benefits the project will bring to the community and how the aims of your project are compatible with the needs of the organisation in question. You can wow them with your vision for a waterway!

You can receive support in a variety of ways, it does not necessarily need to be financial aid. For instance: loaning of equipment, provision of materials and the offer of a professional's time can all provide valuable support to a project, which would cost money otherwise.

Corporate fundraising

Case study

Churnet Valley Living Landscape Partnership

Churnet Valley Living Landscape Partnership (which includes Caldon & Uttoxeter Canals Trust (CUCT)) have been successful in obtaining corporate support in the form of facilitation, use of meeting space and securing permission to work on owned land. The partnership have found that people are willing to support by giving time and skills.

CUCT always ask the question – how can they help an organisation to help themselves? They think about what is in it for them? It could be publicity or helping them in a task. It is worthwhile taking the time to research a

company or group to find out what you can do to help them to achieve their aims, and how you can sell the prospect to them. For instance, RSPB wished to work on woodland management and Caldon & Uttoxeter Canals Trust had some trees that they wanted to cut down. So, through working together both organisations were able to achieve their aims, even though their reasons for wanting the work done were different.

Likewise, JCB believes it is important to fit into the community, and through working with the Churnet Valley Partnership, JCB are actively

doing this, through lending equipment which would otherwise be expensive to hire. In return JCB receive publicity. A further example is an agreement with Alton Towers who let the Partnership work on their land, and supplied them with old maps. In return they received publicity.

CUCT advise that a group looking to set up a relationship with a business or group takes the time to investigate the organisation. Think about what is important to them and what the organisation is trying to achieve, when you contact them.



Photo courtesy of WATERWAY IMAGES

European funding

There are funding sources available to voluntary organisations and social enterprises from the European Union.

European funding can be complicated and strict audit requirements mean that you will need to keep all the paperwork and be very organised. It is wise to check the criteria before you apply, and bear in mind that you will need to have an appropriate constitution in place. Other information such as how long the organisation has been in existence may be needed.

The European Structure and Investment Funds (ESIF), is the main funding stream running until 2020. Waterway restoration can benefit from this funding stream. The priorities for which are:

- Improving labour market and education policies.
- Reducing the risk of social exclusion.
- Promoting research investment and the competitiveness of the business sector.
- Promoting an environmentally friendly and resource-efficient economy.

Case study Dudley Canal Trust

Dudley Canal Trust secured £1 million of European funding towards work on a new visitor centre. The cash grant was awarded from the European Regional Development Fund (ERDF) to help finance the building of the £3 million centre. The centre has been built with an interpretation area, shop and cafe. All of these complement the existing boat trips. In fact boat trips have increased dramatically since the centre opened.

There are fairly rigorous audits with ERDF funding. To help with the process, Dudley

Canal Trust found that they had access to the technical assistance team who offer training which it is useful to attend. European funding is subject to audits which can seem intimidating. However, Dudley Canal Trust made sure they were in a good position for audit checks by keeping their records/paperwork up to date. Small organisations can get caught out doing things they have never worried about before, like purchasing for instance.

Nick Morris advises groups to keep the team as small and compact as possible, utilise the

technical assistance team, and to be patient. It is also beneficial to plan well in advance trying to think of all eventualities and then crucially sticking to the plan.

Other types of European funding are available

How to explore EU Funding

www.welcomeurope.com



Grants

There is a huge range of grants available, each with differing priorities.

Grants may come from central and local government, the European Commission, or various other national and local bodies. Grants can vary in size from a couple of thousand to millions of pounds so identifying the cost of a project is crucial. It is important to identify the right grant for your project before starting work on your application, as different grant providers have varying priorities. Information on what funders are looking for in each of their grant programmes will be available on their website.

There are several sites which can help you find grants to suit your project:

[Grant finder](#)

[Funding central](#)

www.trustfunding.org.uk

www.guidestar.org.uk

Case study

Grantham Canal Waterway Heritage Initiative

Grantham Canal, which runs for 33 miles between Nottingham and Grantham opened in 1797 to transport agricultural products to Nottingham. Traffic on the canal dwindled in the face of competition from the growth of road and rail and was largely closed to boating in 1929.

The Heritage Lottery Fund has awarded £830,800 to the Canal & River Trust to fund the restoration of two locks. The project was match funded by two charitable trusts who provided grants. They are Waynflete Charitable Trust and

Donald Forrester Trust. The five year project, being managed by the Canal & River Trust and Grantham Canal Society, will see locks 14 and 15 near Woolsthorpe brought back into working use for the first time in around 80 years. A key part of the project is training volunteers in valuable conservation skills and laying the groundwork for the restoration of a further two locks (12 and 13). The scheme is being carried out by volunteers and Waterway Recovery Group.

The scheme also hope to increase community involvement through a local education and interpretation programme, which the donations from the two charitable trusts are supporting.

[Grantham Canal funding application](#)

[Grantham Canal funding application – part 2](#)



Joint venture

A joint venture is a business agreement in which a number of organisations agree to develop a project together by jointly committing resources, as the project is mutually beneficial to those involved.

Resources may be in the form of money or time and expertise. Waterway restoration lends itself to a joint venture scheme, as projects can have a huge impact on communities and businesses alike, meaning there are many groups who might benefit from a joint venture.

Case study Sankey Canal Restoration Society (SCARS)

The Sankey Interlocks Project is a joint venture between Halton Borough Council, Warrington Borough Council and SCARS. The project aims to restore the canal between Fidler's Ferry Lock and Spike Island, making it navigable again and encouraging tourism and heritage activities in the area adjacent to the canal.

The project aims to promote the heritage of the locks to a diverse audience, through providing leisure opportunities. There is also the potential to develop a visitor centre at either end of the

canal which will provide further opportunities to promote the canal's heritage.

SCARS have advised that a group thinking of forming a joint venture should be prepared to work alongside a local authority, as they have the funding expertise and are also likely to be the owners of the waterway. It is also worth remembering that your society has a wealth of information on the history and technology of the canal such as plans and documents, which may be of use to other groups in the venture.

[Linking the Locks](#)



Legacy

People leaving a legacy can be a huge source of support for projects.

Legacy funding is money left by a supporter of your group in their Will. People donating money to the project may want to know how it will be spent, and indeed family and friends might like to see the contribution the money has made. You could consider honoring the deceased in some way, with a plaque for instance. It is important to make people aware that your group, and the cause of waterway restoration in general, would be a worthy candidate for a legacy.

Writing a Will can be a daunting process and people need to have confidence that their last wishes will be carried out accurately. A printed leaflet or a website which contains some of the following information can be of use:

- Brief outline of who the Trust/ Society are and what the aims are.
- Advice on the process.
- Why support is needed, make it clear that every gift received in a Will, small or large makes an important contribution.
- Ways in which a contribution can be made.
- How contributions have helped in the past.
- Contact details.
- Include links to government and other websites.

Case study Wey & Arun Canal Trust

The Wey & Arun Trust (WACT) have received numerous bequests, legacies and lifetime gifts of great value over the years. They have a dedicated section on their website:

www.weyandarun.co.uk/donations.php

Alan Johnson, Vice Chairman believes it is important to emphasise the importance of a personal approach with supporters. Personal letters of thanks are a good way to let people know that they are valued. The Trust have found that members and supporters, whatever their donation, are much more willing to donate

or leave legacies to individual construction projects which achieve physical progress. People are not likely to donate to help with other costs such as administration or something which it is difficult to see the results from.

Ensure that people are aware that your group can receive legacies. The Trust approach existing members with this as it is unlikely, though not impossible that a legacy will come from a non-member. A card bookmark: 'In lieu of flowers' is inserted into the quarterly magazine which suggests that legacies might be granted to WACT through members

bequests or donations made by relatives where restoration and conservation of the canal was a favourite cause of the deceased.

Wey & Arun have a link to legal advice for people who are embarking on writing a Will so that people can be properly informed.

Legacy fundraising



Philanthropy

Large donations, as well as numerous smaller donations, can make a big difference to projects.

Donations are more likely to come from your members. People may well leave donations to the general project but they may be more tempted to donate to a specific aspect of the project, so they feel that they can make a real difference.

Information sheet

You may have been collecting donations for years, so it can be easy to forget this when considering a fundraising strategy. It might be useful to refresh your approach to donations...

Think about:

- How is it relevant to the person, why does it matter to them?
- Communicating any work, progress that has been carried out as a result of donations. Make it clear what their donations will be put towards.
- Let people know about your wider ambition of restoring a waterway and why you are doing it.
- Have the group's details ready to give out and any leaflets that are available.
- Think about how your group would look to an outsider – are you well organised, is the website well-presented and are written publications professional looking?
- How easy is it for people to donate, is there an obvious place on your website?
- If people do donate, think about how you can thank them, it may persuade them to help again. If they are not a member could you make them aware of your membership scheme if they want to provide continued support?
- As well as thanking people personally, you could consider doing this publicly.
- Could you be more proactive in seeking donations?
- Involve people in activities so they feel appreciated and part of the project, this is key.
- Be vocal about any successful track record as an organisation and any gifts you have received so people will trust you enough to part with their money.

Social enterprise

A social enterprise is an organisation that applies commercial strategies to achieve a goal which benefits society.

Profits are then re-invested for that purpose. Due to the social, economic and environmental benefits that waterways bring, groups working towards waterway restoration naturally fall into this category.

If you are thinking of forming a social enterprise then you need to be sure that your group has the expertise and time to commit. Taking on business ventures can lead to your group taking on increased risk. It is important to consider that charities need to run commercial operations as businesses and so committees should have no part in the day to day running of commercial aspects.

Social enterprise is a great opportunity to be less dependent on grants, but if it is not approached correctly it can lead to bankruptcy so we advise that you seek professional guidance. Committee members can be personally liable if they have not been shown to act responsibly.

Why social enterprise

Case study Herefordshire & Gloucestershire Canal Trust

Herefordshire & Gloucestershire Canal Trust is a successful social enterprise, which owns several businesses and assets which provide the Trust with an income, including The Wharf House, an AA Red Rosette Restaurant, as well as a rural pub Malswick House.

David Penny, Commercial/Technical Director, points out that the social enterprise model will never replace the need for grant aid for capital projects but having secure funding streams helps the organisation to meet what will be an ever increasing demand for revenue funding as the Canal is restored. Meeting that revenue

requirement is increasingly a deciding factor in grant aid bodies' consideration of Capital grants.

The Trust focus on businesses that are public facing and involve a wide range of people. The Trust ensures that each business unit is run differently, and attracts a different customer base. This approach broadens the Trust engagement with the community and also means that the income stream is varied and so better protected. This cross communal approach creates a good environment to do business: 'Land deals are done over dinner or coffee with customers at The Wharf House, whilst contractors we pay to

restore the Canal spend what we pay them back at our pub!!!'

The Trust is always planning for the long term when looking at investments and once an investment is made that land is put to use: trees are planted to provide timber, spaces are rented for signage.

Herefordshire and Gloucestershire Canal Trust function as a successful social enterprise continuing to invest and re-invest profit into the restoration. They take on large risks because they have the skills, time commitment and multiple exit routes which are all vital.



Section 106

Waterway restorations can stand to gain from section 106 money, which put simply is paid by developers to Local Authorities to offset costs caused by the development.

Anyone can request a Section 106 funding from a development, at the planning application. It is up to the planning authority to then consider the requests and apply several tests to ensure that they comply with the legislation.

Most canal Section 106 agreements place a duty on the developer to fund (or undertake at their expense) works to improve the public realm such as towpath improvements.

Some local authorities do not want other parties to be signatories to Section 106 agreements and prefer to do this themselves. The money has to come from the developer and then pass to the local authority to decide how the money will be spent and by whom.

Canal societies are able to request that Section 106 agreements are entered into, and be signatories to the Section 106 or become recipients of the funding if they are properly constituted. To do this you need to get in touch with your local authority.

Wyre Forest District Council entered into a Section 106 agreement with a housing developer for a canal side site in Kidderminster, West Midlands. Within the Section 106 was a sum of £35k to be spent on improving a Canal & River Trust owned former highway bridge. The bridge is known as Limekiln Bridge.

[Further information on CIL and Section 106](#)

[Local plans](#)

Case study

Limekiln Bridge, Staffs and Worcester Canal

The Section 106 funding was used significantly to improve the aesthetics of the bridge. The original brick work parapets had been removed some time in the 1950's and replaced with steel parapets which had become covered in graffiti and were unsightly.

The steel ramparts were replaced with brickwork and stonework, which is typical of bridges in the area.

Please note that Section 106 has been partially replaced by Community Infrastructure Levy (CIL) which works in a similar way.



Membership

Members of your organisation can be a fantastic source of funding as they are already an interested party willing to help, so they can provide an invaluable contact list for funding appeals.

Keeping existing members happy is important as the last thing you want is for your members to leave and take their support elsewhere, which they might do if they do not see the project progressing. Therefore, it is a good idea to keep your members updated through a newsletter and news page on your website. A strong membership base, as well as providing funding opportunities, also proves support for your project, which is vital in funding applications.

How to understand your supporter journey and make it better

How to manage your membership

Case study Cotswold Canals Trust

The Cotswold Canals Trust (CCT) has the highest membership of any canal restoration group in the U.K with nearly 8000 members. This is of immense value to the Trust and its aims. Funding agencies and corporate sponsors always ask an important question... "What support do you have?"

So, not only do annual membership fees provide the Trust with a vital and valuable income stream, but each individual's membership plays an important part in securing funding and project sponsorship. The group has a large database of members details so messages can be circulated and news

reported. CCT runs appeals for particular projects focusing, to begin with, on existing members. To spread the word all members are sent a letter and forms for appeals.

It is important to welcome members, so CCT provide all new members with a welcome pack. The principal gift is 'An Introduction to the Cotswold Canals'. This excellent guide is accompanied by the Trust's current quarterly magazine, The Trow, a CCT window sticker, pin badge and pen. Members also receive regular news updates on volunteer and other activities via an electronic newsletter.

CCT advises that to work towards increasing your membership you need to have lots of willing volunteers to chat to people about the restoration and ask them to join. In CCT's experience people have been very willing to join when they know the cost is quite low and that large numbers help to accelerate Lottery funding – so they will be making a tangible difference.

Finally, CCT advise that you let the public see all the work that is going on so they can get excited about having their town's canal once more.



Crowdfunding

Crowdfunding is the act of raising funds through a large number of people each donating a relatively small amount.

It is usually performed via the internet on social media sites, but can also be done via email. The act of a few individuals can be a catalyst for the money to start pouring in from others.

Tips for crowdfunding:

- There are many crowdfunding websites where you can add your restoration project. You will be charged if you go through a third party site but you will get more exposure.
- Think about how you can break down your project into manageable chunks that you can raise money for and get results from. On the websites you can look at current projects, which may help you to put your case together.
- You need to make people understand why your project is important, as you would with a funding application.
- You can also encourage donations by offering rewards (it is normal for rewards to be offered, such as a memento of the campaign – do you have pin badges you could consider giving away?).
- Write with enthusiasm and use engaging language – you want to grab people's attention!

Case study

The Line: a sculpture walk for London

The Line is a world-class sculpture walk in London, which was funded by crowdfunding on the website Spacehive. It was an ambitious project but over £140,000 was raised and the sculpture walk was opened in May 2015. The route broadly follows the line of the Meridian, linking two of the iconic sites of East London: Queen Elizabeth Olympic Park and the O2.

Along the waterways of East London, there are now 30 sculptures. The Line showcases existing works of art through an open submission project – artists, as well as collections, were requested to submit work.

Works were selected by a panel which included both art professionals and local residents.

The section for this project on Spacehive included a general overview of the project, what they will do, 'what we'll do', 'why it's a great idea' and 'How we'll get it done'. You can view the appeal site here:

<https://www.spacehive.com/theline#/idea>

[You can also add your project to this webpage](#)

For information and links to other crowdfunding sites:

www.ukcfa.org.uk/what-is-crowdfunding

www.totalgiving.co.uk/

www.justgive.org/registries/

There is great advice on crowdfunding and top tips on this website



Small scale funding

You do not always need to look to funders for pots of money, you can raise it yourself.

Generating your own funds can help to raise money for smaller aspects of your project, build momentum and get the community involved. The latter will also help you to prove community buy in when you come to seek funding from other sources. Raffles, selling merchandise and sponsored walks are all great ways to obtain extra money. View the Fundraise together document for more ideas.

[Fundraise together](#)

Fundraising is most effective if it is towards a measurable and achievable aim. The case study for this section looks at Shrewsbury & Newport Canals Trust, who worked to raise money for the restoration of Wappenshall Wharf into a community hub and visitor centre, as part of the wider restoration project.

Case study Shrewsbury & Newport Canals Trust

Shrewsbury & Newport Canals Trust are selling a number of watercolours, painted by a life member, Alan Reade. It was his way of helping to raise funds for the historic Wappenshall Wharf. Alan has done something similar for the Severn Valley Railway in the past, by painting 1930's style posters of steam trains. This scheme was successful, so he sought to replicate this by painting key spots along the canals. Seven views were painted and printed, some mounted and framed in A5, A4 and A3 sizes, along with a large number of flyers detailing how they can be obtained from Smith Fine Art in Jackfield.

The artwork was advertised through flyers being sent out with 500 members' newsletters and spread far and wide by email. The information is on the website. This initiative has so far raised in excess of £1,000 and is still raising money, as people decide to buy. Alan is also in the process of producing a calendar, using the same artwork.

www.cms.snct.co.uk/sales

