### THE CHURCH OF ENGLAND

- How to apply to environmental funders
- Finding suitable funders to apply to
- Learning more and going further

This page provides you with advice on possible sources of funding for projects to reduce carbon emissions. It also gives advice on how to approach those funders in a way most likely to succeed.

The advice focusses on Net Zero Carbon projects, but applies more widely to other environmental projects, and also to any building project



as a new lighting scheme or major reordering.

### How to apply to environmental funders

The sections below will get you started in how to approach environmental fundraising.

#### Before you start; watch our webinars

If you haven't seen them already you may find it useful to begin with our webinars on funding net zero and environmental projects.

#### Past topics:

- Fundraising Opportunities,
- How to Start Fundraising, and
- "Next level environmental fundraising".

#### **Upcoming topics**:

- 1. Fundraising for your carbon-cutting project from **Community grant-makers**.
  - Tuesday 10th October 2023 at 12-1:30pm BOOK HERE or 7-8:30pm BOOK HERE
- 2. Fundraising for your carbon-cutting project from **Environmental** grant-makers
  - Thursday 19th October 2023 at 12-1:30 pm BOOK HERE or 7-8:30 pm BOOK HERE
- 3. Fundraising for your carbon-cutting project from **Faith-based** grant-makers
  - Thursday 9th November 2023 at 12-1:30 pm BOOK HERE or 7-8:30pm BOOK HERE
- 4. Fundraising for your carbon-cutting project from **Statutory funders** 
  - Tuesday 21st November 2023 at 12-1:30pm BOOK HERE or 7-8:30pm BOOK HERE

(Each runs twice, at 12 and 7pm, lasting 90mins. You are welcome to come to either session, but the lunchtime session is slanted towards larger churches / cathedrals, likely to have staff, whilst the evening is slanted towards volunteers at smaller churches.)

You can also find all our **upcoming webinars on Net Zero Carbon here**, plus recordings of past topics.

#### Who is this page for?

This advice is for Church of England parishes, schools, dioceses, cathedrals, and other institutions. Much of it is also applicable to churches in other denominations across the UK.

The resources referred to vary in complexity, and we note whether they are most suited to those who are complete beginners in this field, or who have a basic,

intermediate, or advanced level of fundraising experience. However, none of the information on this page is technically complex.

#### What kind of funding is (and is not) covered here?

This page focusses on what we might call 'formal grantmakers'; that is, organisations whose purpose (or one of whose purposes) is to give funds to other organisations.

The advice here covers making applications to funders whose aims explicitly further the cause of religion, and those who will not support religious activity, but who will support churches because of their wider community or heritage value.

This resource does **not** cover 'internal fundraising' (funding from regular church/school giving, appeals to the congregation or the wider parish/school community, sales of assets etc.).

#### Resources you should refer to on these areas include:

- Most dioceses now have a giving advisor. These are a brilliant source of advice and support for growing your internal giving. You can <u>find the contact details of</u> your diocesan giving advisor here.
- The Building A Generous Church section of the Church of England website has lots of information about growing giving and encouraging generosity within your church.
- The UK Church Fundraising Handbook. Although now 12 years old this remains the definitive guide to the full range of church fundraising opportunities.
- Parish Resources has an excellent and detailed guide to running a capital campaign, including lots of fundraising resources and templates.
- The Crossing the Threshold toolkit provides valuable additional material on fundraising.

#### Is fundraising going to be difficult?

It would be a mistake to think that fundraising is easy.

There are always going to be more organisations that want charitable grants than there is money available, so funding is always competitive.

Additional factors that can make fundraising more difficult include:

- There can be a perception, particularly amongst smaller and more local funders, that the Church of England, and therefore all individual churches, are wealthy.
- Some funders exclude churches and/or exclude schools.
- The Covid-19 pandemic has created lots of very immediate and pressing needs making it harder for funders to release money to long-term projects. Projects to reduce carbon emissions are, of course, some of the most long-term benefits of any kind of charitable work.
- Where church buildings are not used throughout the week, the actual amount of carbon saved per £ spent may be quite small, meaning that your project may not look compelling compared to other similar projects.

#### Do not despair!

Although fundraising can be difficult, it is not impossible, and good projects, with a clear vision, well calculated impacts, that are well explained and, vitally, that are actively supported by the church congregation or school community, will be able to attract external funding.

#### What are the steps I need to take when fundraising?

There are lots of excellent guides to the steps you need to take to fundraise for your project, some of which are listed below.

A good summary of these steps is:

- 1. **Identify what the project is** and find out if it is *really* the project your church and community needs. Many projects fail because they have not adequately consulted their communities and lots of funders (e.g. the National Lottery funds) will not consider applications where there is no strong evidence that the project meets community needs .
- 2. Work out how much your project is going to cost and what the benefits are.

Get all the necessary permissions (planning, faculty, upgrade to electricity supply etc.) before you start fundraising.

- 4. Develop a persuasive case for support (the reasons people should give to this project).
- 5. Using your case for support raise as much as you can towards the project internally (at least 50% is a good rule of thumb).
- 6. Research possible external funders for your project.
- 7. Make applications to those funders following their guidelines. Generic applications are not likely to be successful.
- 8. Promptly acknowledge receipt of any funds of pledges and make sure you follow any conditions attached to the grant.
- 9. Once your project is complete (or when asked) provide a report to grantmakers explaining how the funds were used and what benefits you have achieved.

Resources from Parish Resources and Crossing the Threshold provide lots of help with items 1-4.

The rest of this page helps with the environmental fundraising elements of items 5-8.

#### How do I apply?

Applying for funding is quite like applying for a job. Funders almost always have more applications than they can fund, so they are looking for those applicants who clearly meet their requirements and who can show they will achieve what the funder wants to achieve with the money.

This means there are two essential rules to follow when applying for funding from grantmakers.

#### 1. The first rule is to do what they ask

Make sure you read all their requirements carefully (they are usually clearly stated on the application form or web site) and follow them scrupulously.

A very large percentage of applications are rejected simply because applicants have not followed the grant makers' requests. Typical examples include

- making a grant application before getting planning permission,
- not sending documents they ask for (and also sending documents they asked you not to send!),
- sending a generic letter when they have an application form,
- sending applications after the deadline, and
- not answering the questions they ask.

If you are in doubt most funders, particularly larger ones, will publish a contact telephone number and would much prefer you to ring and check than to guess and get it wrong.

#### 2. The second rule is to think about who the funder is and what they want to fund.

Applications whose request does not obviously match the funder's priorities will also get rejected.

For example, pew heaters might significantly reduce your carbon footprint and improve the comfort of your, mostly elderly, congregation. But that will not

persuade a grant-maker focussed on children and young people to give you any money.

Most churches benefit a wide range of different people (their core congregation, local children, young people, families, older people, groups that use the building for musical or other events etc.). Make sure your application form or letter is tailored to showing how the project will benefit the area of interest of the funder (e.g., preserving the heritage of your building, enabling it to be used for more community activities).

Don't overstate your work with a particular group just to get funding, but do think about the positive impacts your project could have on a range of people.

#### What will funders ask?

Every grant maker is different but many of the questions you are likely to get asked will be very similar.

Below are some of the most common questions, with some tips on how you might formulate a good answer to them for your church and project (remembering the golden rule to do what they ask: make sure that if they give word limits or guidance as to what your answer should include you follow it!).

#### Tell us about your organisation.

Grant makers will want to know whether your organisation is new or long established, what kind of geographical area it operates in, what sort of activities you do, recent successes or challenges, annual income and expenditure, legal form (e.g., registered or exempt excepted charity), the number and skills of your trustees/PCC (or trustees) and so on.

#### Tell us about the need for your project.

Grant makers want to know **why** you are doing this project. What is the problem that you are solving?

In general, just reducing CO2 emissions is not a sufficient reason for a project (though it may be a big part of the reason).

Also think about other things which may be relevant to mention:

- an existing heating system needing replacing anyway,
- increased use of the building making a new system a good investment,
- a lack of other warm and well looked-after community facilities in your area, or
- the need for changes to preserve a heritage or listed building

Again remember: who is this funder and what do they want to fund?

#### Tell us about your project.

This is your best chance to shine! Describe how the project you are applying for funding for solves (or at least helps solve) the problem.

Grant makers are looking for realistic solutions, so make sure you describe the project in a clear and practical way. Perhaps ask someone who is not in your church, and does not know anything about the project, to read it and make sure your case is clear to them.

Grantmakers are people too, so showing them how passionate you are about this project as a church or organisation is great.

#### **Explain your finances.**

Grant makers want to know that the organisations they are giving to are sustainable and well run.

So, if your accounts show consistently more expenditure than income you will need to explain what you are going to do to balance the budget so you can keep going in the long term.

Equally, if your accounts show you have lots of money to fund this project yourself, you will need to explain what you are planning to use that money for in a compelling way.

It's also important to make sure that your accounts are subject to the appropriate level of auditing or verification for your income level, and certain funders will

want to see independently examined accounts.

#### **Describe the project budget.**

You should have the most detailed budget for your project you can manage ready for the funder.

For any sort of building or construction works make sure you include a contingency (usually 5-10%) for any unforeseen costs.

Describe the Impact of the project.

Questions about impact are phrased in lots of different ways.

Funders might:

- ask about the difference your project will make,
- want to see Key Performance Indicators, or
- ask how the project specifically delivers things they are interested in.

Ideally you should have a mixture of:

- 'hard' indicators that are easily expressed in numbers (such as "this project will reduce CO2 emissions by 5-tonnes annually") and
- 'soft' indicators that are more about the holistic impact ("the project will improve the cohesiveness of our village by enabling another three events and meetings to take place each week (150 a year) in the building").

#### How do I describe the Environmental Impact?

Funders with lots of experience of environmental projects, or specific environmental programmes, may well ask for specific figures to support the environmental claims of the project. Most funders will not, but details of the environmental benefits of the project should still feature in your application as part of your statements about impact (see above).

It can sometimes be challenging to estimate the environmental impact of a project.

Here are some potential sources of information that can help strengthen your funding applications:

#### If your project aims to cut your energy use:

- Find your electricity and gas/oil bills, and add together the energy you've used throughout the year. You can then estimate the impact if you reduce this by 10% or 20%.
- The <u>Church of England's Energy Footprint Tool</u> is a great place to start if you have not already calculated your church's 'carbon footprint'. You enter your energy use from your bills, plus some other information about church size and usage, and it will tell you your current carbon footprint. You can then estimate the reduction in your carbon footprint if you reduce this by (say) 10% or 20%.
- Commission an energy audit for your church. This expert survey will examine your church's energy use and give you a report detailing actions you might take to reduce this. **Parish Buying offer energy audits** as do some dioceses. (You can hear a talk on the results from previous church energy audits here.)
- If you are doing building works as part of your project your architect or other professionals should be able to provide you with a figure for the lifetime carbon impact of the project, using one of a range of tools.
- Even if you do not have any figures on your carbon footprint it is quite straightforward to *roughly* calculate the carbon impact of a project. You can use the average carbon footprint for a church like yours from Figure 6 in the Energy Footprint Report.
  - For example, if you are a medium sized rural church, the average carbon emissions are c.5 tonnes of CO<sub>2</sub>e.
  - Switching your lights to LED will cut the electricity used for lighting by c.80%.
  - Lighting makes up about 10% of a church's total energy use per year.

• So, your lighting project will cut your carbon by around 400kg CO<sub>2</sub>e per year.

If your project has a very large carbon impact it can sometimes be helpful to give people an analogy, as even people with quite good knowledge of environmental issues are not always clear whether. For example, 20 tons of CO<sub>2</sub>e is a big number; equivalent to the average annual emissions of 2 UK residents.

#### If your project is about biodiversity:

• You can find out what biodiversity is already recorded for your churchyard on the Church Hertiage Record and by looking up the NBN (National Biodiversity)

### Network) Atlas.

- You can then talk about what additional species the plans you have will benefit.
- For a measure of biodiversity gain, you should consider using the Government's **biodiversity metric**. This is a highly regarded measure of biodiversity. You will probably need to appoint a specialist consultant to undertake the measurements for you as this is quite technical.

#### If your impact is about behaviour change:

- If your impact is mostly, or significantly, about people's behaviour (e.g., providing bike racks to encouraging cycling to church) then you can describe the behaviour you aim to change, and the benefits from this.
- For example, the number of miles that you realistically estimate will be cycled rather than driven, multiplied by the typical carbon emissions of a car currently 228g CO2 per mile in the UK.
- Make sure, though, that you also briefly describe the larger cultural change. In this example the most significant impacts happen when the presence of bike facilities in most places makes a whole village, town, or suburb more cycle friendly and people start cycling as a default. Show how you are part of that bigger picture.

#### If you are generating electricity from solar panels:

If you are having solar panels installed make sure your installer estimates the carbon saving in their quotation.

You are looking for a "carbon saved" figure, measures in tonnes (or kg) of CO2e (carbon dioxide equivalent).

#### How do I put my project in the context of the climate & ecological crises?

Your application needs to strike a balance. You should show that you understand climate change issues in your community, in the Church of England and in a global context, whilst remembering that most grantmakers who are funding in this area will already have a good understanding of the issues involved.

So, it would be a good idea, for example, to mention:

- The target set by the General Synod for the Church of England to reach net zero by 2030.
- The UK Government target of net zero by 2050.
- If your local council has declared a climate emergency (many now have, and you can look on the map here and see how they compare to others here).
- Your concern as a Christian organisation for climate justice.
- Steps you have already taken to improve your environmental performance such as getting **Eco Church accreditation**.

However, you will not need to explain to the funder what the climate emergency is, or why protecting the environment is a good idea.

#### Acknowledgement, Accounting and Reporting

Once you have made your application it may be quite some time before you hear anything. Although larger trusts meet monthly it will still normally be three months before you get a response, and for smaller trusts (which may meet at little as once or twice a year) it can be much longer.

It is a great moment when you get a letter or email from a grantmaker awarding you a grant! But the work does not stop there. There are at least three further steps you will need to cover:

1. Acknowledgement. Most grantmakers will provide some formal means of acknowledging the grant, often asking you to sign a list of terms and conditions prior to the actual release of the bank transfer or cheque. You may need to pass a PCC resolution to agree to the terms. But it is highly recommended to write a letter back to the grantmaker in any case, thanking them for their support and letting them know where you are up to with the project.

**Accounting.** It is usually the case that the grant is given for a specific project and you are not free to spend the money on anything else (this is definitely the case if their grant offer letter says so, and can be presumed to be so if you have asked for the money for a particular project and the grantmaker has not explicitly stated that you can spend it on general purposes). This means it needs to go into a restricted fund in your accounts. Most charity treasurers will be familiar with restricted funds already, but you should check with your finance team and ensure this happens.

3. **Reporting**. Many grant makers will have a formal reporting schedule, asking you to let them know how the money has been spent and what you have achieved at the end of the project, or at specified time intervals (e.g., every six months). You should make sure you comply with these. Even if they do not specify reporting requirements you will considerably enhance your chances of receiving future grants if you keep them in touch with how the project is going, make sure you invite a representative of the grantmaker to any events associated with your project, send them some photos of the building works etc..

## Finding suitable funders to apply to

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The sections below will help you work out who to apply to.

#### **Useful grants directories**

There are a wide range of funders of environmental projects. The funders, and their schemes, change regularly.

The following links are to lists of funders. They will provide you with most of the current funders of the kinds of projects undertaken by churches and churchconnected organisations.

If you have a very large, or very specific project in mind you might consider taking out a subscription to a fundraising database such as Funds Online. You can sometimes get free access to these databases through your local library or Council for Voluntary Service (CVS), or pay a small fee for them to search on specific criteria for you.

- Parish Resources has a comprehensive booklet covering Charitable Grants for Churches nationally, divided into categories
- One of these categories is Environmental and Sustainability projects. You can find this section within the wider grants directory above, or go straight to it here.
- Ecclesiastical Insurance has a searchable list of funders who make grants to churches.
- National Churches Trust has a list of grant funders for a range of projects (mostly to do with heritage buildings), some of which include projects with carbon reduction outcomes.
- The Centre for Sustainable Energy has a list prepared to help community groups find sources of funding for sustainable energy projects.
- Community Energy England has a list of current opportunities.

#### A list of environmental funders

There are several funders with specific interest in environmental projects - read the updated 2023 Environmental Grants List here.

#### A sample of church funders

The UK has significant grantmaking trusts that give money to churches for community, heritage, and other projects.

Some of these funders are very likely to be interested in your environmental project, particularly if it meets some of their other objectives, such as preserving a heritage building, creating a financially sustainable future for your church, or engaging effectively with your local community.

The sample below takes some of the best-known funders of churches and shows how your environmental project might be of interest to them.

All of these funders, and others, can be found in the resource Charitable Grants for Churches where there is also fuller information (such as deadlines, web links and contact details), to help you make an application:

Name of Funder	Typical Grant	What they fund
Allchurches Trust	£5,000	Allchurches Trust funds projects that demonstrate a focus on the impact on people and communities and promotes the Christian faith. Environmental projects that make your church greener, help it be sustainable, and engage local people are eligible for their programmes.

Garfield Weston Foundation	£10,000	One of Britain's largest trusts, the Foundation supports many projects in churches, including building works.
		Particularly where works are already necessary (e.g., replacing a heating system while refurbishing a church hall) projects that seek to lower carbon footprints, use green materials and form partnerships with local communities on environmental issues would be considered for grants.
The Laing Family Trusts	£5,000	The Laing family trusts have a stronger emphasis than most grantmakers on thriving and growing churches communicating the Christian message effectively. They often fund capital projects that help churches engage better with their communities (new buildings, extensions, and redevelopments) and projects such as this with a clear carbon reduction element will be eligible for funding.
National Churches Trust	£3,000- £50,000	The National Churches Trust works with buildings over 30 years old which were built as places of worship. Their grants are focussed on the maintenance, repair, and improvement of church buildings. Most funding is for structural repairs and urgent maintenance, but grants are also available for, for example, creation of kitchen facilities and, within such projects, elements that reduce energy use or have other green elements can be considered.
Bernard Sunley Charitable Foundation	£10,000	The Foundation has a very strong community emphasis so only buildings with a large proportion of community use (e.g., church halls which are used by many different groups) are likely to be successful. The trust funds building and refurbishment projects, which can include energy efficiency and low-carbon elements.

National Heritage Lottery Fund (NLHF)	From £1,000 to £5m	NLHF funds heritage projects. Your project will have to enhance both heritage (natural, built or cultural) and people's access to it. As part of their funding they will consider specific environmental enhancements, and all projects submitted to NLHF must "do their very best to help mitigate against and adapt to the effects of our changing climate and to help nature recover."
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### Learning more and going further

We have produced a series of webinars which give further and more detailed information on funding net zero and environmental projects, including:

- Environmental Fundraising Opportunities
- How to Start Environmental Fundraising.

Find upcoming webinars dates and videos of past recordings here.

The Church of England's giving team have an excellent set of webinars about improving giving and generosity in your church which are highly

relevant to all projects requiring funding. You can find them here.

If you want to take your skills to the next level the Directory of Social Change (DSC) and Chartered Institute of Fundraising (CIOF) both run

The standard textbook to help you is the outstanding Writing Better Fundraising Applications.



### Also of Interest

### Net zero carbon church

Explore the kinds of changes that could help your church cut its carbon footprint.

### Towards "Net Zero Carbon" : Case studies

Practical examples of changes churches have made, to cut their greenhouse gas emissions and move towards Net Zero Carbon.

### Webinars on getting to net zero carbon

Find details of our series of webinars on different aspects of the Church of England environment programme and the path to 'net zero carbon'.

### Webinars and training

In these webinars we look at how to enable giving and grow generosity in our churches

The Generosity Toolkit is a resource for your PCC to meet and reflect on your shared experience of generosity in the life of your church.

### **Diocesan Giving Advisors**

Many dioceses have giving advisors to support and guide your church in all matters of giving.

# **THE CHURCH OF ENGLAND** ENVIRONMENT PROGRAMME

Source URL: https://www.churchofengland.org/about/environment-and-climate-change/fundraising-for-net-zero-carbon

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