



Sources of funding for ICT projects and initiatives

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Appendix A: List of funders who fund ICT

www.ichub.org.uk/research/Appendix_A_final_updateMarch08.xls

Appendix B: Full details of funders from Appendix A

www.ichub.org.uk/research/Appendix_B_final_updateMarch08.pdf

Appendix C: Community Foundations — list of and examples of ICT-related awards

www.ichub.org.uk/research/Appendix_C_Community_Foundations_final_updatedMarch08.pdf

Appendix D: Fundraising checklist

www.ichub.org.uk/research/Appendix_D_Fundraising_checklist_updatedMarch08.pdf

Appendix E: Useful Resources

www.ichub.org.uk/research/Appendix_E_Useful_Resources_final_updatedMarch08.pdf

1. INTRODUCTION

The aim of this research was to identify funders who will fund ICT projects and initiatives.

During this piece of research the availability of detailed quantitative information was varied and therefore it was difficult to be able to provide an accurate quantitative picture on the overall level of funding on ICT across the country. We have, however, done our best to provide you with some easy to use information on who has or will provide ICT Funding at some level.

This report and the appendices have been put together to be used by voluntary and community organisations (VCOs) as a starting point for an organisation looking for ICT funding.

Research carried out by the ICT Hub found that *“Only 26% of their funders were generally happy to accept both capital and running costs for ICT”* (Ref 1). We hope this guide will help you find a funder to fund your ICT costs.

There is further work to do to help funders understand the importance of ICT and what the total costs of ICT are for VCOs. Not just partial funding of ICT and in particular not just the capital costs of hardware and software. The ICT Hub is working collaboratively with funders to try and improve the funding environment.

2. HOW TO USE THIS REPORT

This report provides VCOs with information on:

1. The importance of total cost of ownership of ICT.
2. Information about sourcing funding.
3. Tips on approaching potential funders.

The Appendices contain more detailed information.

Appendix A gives a summary list of funders for organisations that need a starting point on who they can approach for funding. The list includes the names of all 90 funders sourced and provides a breakdown of how the funder funds. Out of the 90 sourced 13 of those funded the total cost of ownership. (See section 3 of this document.) The data is categorised as follows; funders that provided funds for registered charities, frontline organisations, or by size of the organisation etc. This makes it easy for you to establish which funders would be most relevant to you before you apply to them.

Once you have sourced the funder(s) you think might be worth approaching from **Appendix A**, **Appendix B** then gives you further information, for example, what type of projects have they previously funded, how would they like a VCO to apply for funding?

Appendix C lists a variety of community foundations that have provided awards to VCOs for ICT costs.

Appendix D is a fundraising checklist of things to consider when approaching a potential funder.

Appendix E is a list of useful resources for voluntary sector organisations seeking funding generally and specifically for ICT. It includes some free resources that are available and signposts to websites that give advice on applying for funding.

VCOs, particularly those that are registered charities, have a wide range of sources of funding that they can potentially tap into, such as:

- Trusts and foundations
- Lottery programmes
- National government
- Local government
- Philanthropic companies
- Individual donors

This report focuses on giving you a list of funders that are grant making trusts and foundations.

3. WHICH FUNDERS FUND THE TOTAL COST OF OWNERSHIP OF ICT?

During this piece of research 90 funders have been sourced as potential funders for ICT projects or initiatives, 13 of them cover both the initial as well as the ongoing costs of ICT (Total Cost of Ownership).

Below is a list of these funders.

- The Baring Foundation
- Big Lottery Fund
- The Bridgehouse Trust (Greater London only)
- The Capital Community Foundation (London only)
- Comic Relief
- Community Foundation for Merseyside (Merseyside only)
- The Esmée Fairbairn Foundation
- The Essex Community Foundation (Essex only)
- Henry Smith Charity
- The John Ellerman Foundation (although only where the application clearly meets their priorities)
- The Lloyds TSB Foundation for England and Wales
- The Northern Rock Foundation (Cumbria, Northumberland, Tyne and Wear, Durham and the
- Tees Valley only)
- The Tudor Trust

4. UNDERSTANDING WHY THE TOTAL COST OF OWNERSHIP IS IMPORTANT

The cost of ICT is not just about hardware and software. VCOs, which are generally on tight budgets, need to be aware of the Total Cost of Ownership (TCO). TCO includes the cost to install the technology, setting up a network, the cables and other equipment needed to connect things together, the cost of support, including repairs and training the people who use the machines and on-going revenue costs, such as payments to an Internet Service Provider for connection to the Internet, to a Telephone Service Provider for the cost of telephone calls and for “consumables”, such as printer toner and ink cartridges.

LASA (London Advice Services Alliance), a partner of the ICT Hub, suggests (Ref 2) an easy equation to follow is the 60/40 ratio, i.e. the purchasing of actual hardware should be only 60% of the TCO for the effective use of ICT in an agency. The remaining 40% is expenditure needed for:

- Training
- Ongoing IT support
- Connectivity - connecting equipment so that it works effectively
- Software
- Additional software licences
- Maintenance contracts for equipment and any necessary configuration
- Backup arrangements

The desirability of including Total Cost of Ownership of ICT in funding bids is part of the wider issue of ‘full cost recovery’ (see Appendix E for further information).

5. OTHER SOURCES OF FUNDING INFORMATION

The Directory for Social Change (DSC) holds information on over 4,200 grant-making trusts.

Their funding information websites are:

- www.trustfunding.org.uk – a subscription based service
- www.governmentfunding.org.uk – a free registration service
- www.companygiving.org.uk – a subscription based service
- www.grantsforindividuals.org.uk – a subscription based service

Other useful sources of information and resources are given in **Appendix E** of this report.

6. WRITING A SUCCESSFUL ICT APPLICATION

There is a lot of information available about writing effective funding proposals. However, writing with ICT specifically in mind can be more complex and harder to prove its relevance to a funder. There are several things to consider when incorporating the ICT element into your proposal.

To learn more about this please visit www.ictHub.org.uk/publications and request a copy of the *How to Cost and Fund ICT Guide*.

You can also visit: www.ictHubknowledgebase.org.uk/winninggrants

The following suggestions came up from discussions with a sample of funders.

Quotes from the funders themselves:

Let us know how the ICT is going to have an impact and how it will be used. (Abbey Charitable Foundation)

Don't apply to us unless you fit our criteria in other ways and you can make an extremely good case for why you need this kit. (Anonymous funder)

Charities should be aware the they can get free copies from Microsoft or that there are cheaper options by going through, for example, NCVO arrangements. For websites, where the organisation is aiming to employ a third party to set it up, I will only advise trustees to fund if the organisation has allowed for staff training and longer term plans for how the website will be maintained and updated. (Lloyds TSB)

7. REFERENCES

1. The ICT Hub baseline research report 2007 (ICT Hub "*Report on 2007 extension to Baseline Research*" by Paul Ticher and Andrea Eaves, June 2007), download available from www.ictHub.org.uk/research/ICTHub_baseline_research_2007.pdf

2. *Allocating funds for IT* www.ictHubknowledgebase.org.uk/allocationfunds (reviewed May 2007)

8. GLOSSARY

Term	Definition
Capital Costs	Capital costs are the costs of buying expensive equipment, furnishings, premises or other items that will last for several years. Costs incurred in purchasing computers, a minibus or new premises are all capital costs. Other costs are revenue costs.
Full Cost Recovery	The term 'full cost recovery' means securing funding for – or 'recovering' – all your organisation's costs, including the direct costs of your projects and all your overheads. In full cost recovery your organisation's overheads are shared among your organisation's different projects. The full costs of your project are all the costs directly relating to the project plus the project's share of the overheads.
ICT	<p>Information and communication technology (ICT) is the catch-all phrase used to describe a range of technologies for gathering, storing, retrieving, processing, analysing and transmitting information. Advances in ICT have progressively reduced the costs of managing information, enabling individuals and organisations to undertake information-related tasks much more efficiently and to introduce innovations in products, processes and organisational structures.</p> <p>ICT (information and communications technology – or technologies) is an umbrella term that includes any communication device or application, for example: radio, television, phones, PDA's, computer and network hardware and software, satellite systems and so on, as well as the various services and applications associated with them, such as Voice Over Internet Protocol (VOIP) (SKYPE is one of these) and distance learning.</p>

ICT Hub

A partnership of voluntary sector organisations who have come together to plan and deliver a co-ordinated framework of ICT guidance, good practice, advice and support for voluntary and community organisations, accessible at a local level.

- AbilityNet
- iT4Communities (iT4C)
- London Advice Services Alliance (LASA)
- National Association for Voluntary & Community Action (NAVCA)
- National Council for Voluntary Organisations (NCVO)

Revenue Costs

The costs incurred in the day-to-day running of the organisation and its projects. Revenue costs can be overheads or direct project costs. These include items such as stationery, rent, heat and lighting, phone bills and materials.

TCO (Total Cost of Ownership)

Total Cost of Ownership (TCO) includes the cost to install the technology, setting up a network, the cables and other equipment needed to connect things together, the cost of support, including repairs and training the people who use the machines, and on-going revenue costs, such as payments to an Internet Service Provider for connection to the Internet, to a Telephone Service Provider for the cost of telephone calls and for “consumables”, such as printer toner and ink cartridges.