

Match Funding

➤ Match Funding

➤ What is match funding?

Increasingly funders are demanding that projects “match fund” any monies they give. By this they mean “we will give you 50% (or 60% or whatever % it might be) of the total amount you need if you can raise the other 50% (or 40%) from other sources”.

➤ What counts as match funding?

Any of the following can be counted:

- Grants from other public or private sources such as a local authority, a charitable trust or a company.
- Raising the match cash yourselves through running fundraising events like jumble sales and street collections.
- Income generation through selling your services or goods.
- Non-cash support or gifts in kind such as donations of equipment, use of buildings, volunteers’ time and the time of others given free like your management committee members. You need to put a cash value to these things so that you can show how much they are worth in terms of match funding.

➤ Minimum match funding requirements

A lot of funders set a limit on the proportion of the total cost of a project that they will fund. This will mean that you need to find other funding - match funding - from other sources or from your own fundraising efforts and reserves.

For example, a funder might note in its guidance that it will “only fund to a maximum of 90 per cent of the total project cost”, or it may look at it from the reverse and state that “match funding of at least 10 per cent is required”.

Some funders will make grants of up to 100 per cent to a project and will not have any match funding requirements. Other funders do not publish guidance leaving the applicant to best guess the percentage they will contribute which could be up to 100 per cent.

➤ Minimum applicant contribution

Some funders may set a minimum amount that they expect the applicant organisation themselves to put into the project. For example, a funder might state that “a minimum of 10% of the project funding must be raised by the applicant.” This means that you will have to carry out fundraising activities, value non-cash support of gifts in kind, or use your reserves as not

all of the funding for a project can come from external sources. It is less common for the funder to state the source of any match funding requirement rather than the amount.

➤ **Doing more than just the minimum**

These maximums or minimums are normally non-negotiable and they set the absolute limits to which the funder could go. However, to a funder it will look much better if you do not ask them for the absolute maximum percentage that a funder offers or only put in the very minimum level of match funding. Obviously, funders want to make their grants go as far as possible and are likely to look more sympathetically on an applicant who has managed to raise other funding or contributed match funding of their own beyond the minimum amount.

➤ **Special cases**

In some cases, funders waive their minimum match funding requirements or set them at lower limits for certain target areas or groups. For example, the maximum funding normally available from a funder for a project could be 65 per cent, although they prefer to give less. However, in certain target areas the funders' maximum contribution could be raised to 90 per cent in recognition of the need to make grants in certain locations and possible difficulties in raising match funding.

➤ **Expectations of funders who do not set limits**

All of the above looks at set limits published by funders. Many funders do not want to restrict themselves by setting formal limits and will look at each case on its own merits. It is important to note that almost all funders will look at what the applicant group is contributing and at what other match funding the group has raised. Many funders will give additional credit to groups who have managed to secure other funding even when this is not a strict requirement and may give even more credit to those that have maximised their own fundraising efforts. Maximising the match funding contribution and your own contribution looks good even if not stated as a requirement.

➤ **Demonstrating your efforts**

Funders will also be interested in who else you have approached and what other efforts you have made to raise funds even if they have been unsuccessful. Demonstrating that you have tried other sources and made an effort to look for funding elsewhere should win some credit for your application ahead of those who have not made any other effort.

If a funder specifically asks who else you have approached, honesty and openness is the best policy as the administrators of different trusts and funds do communicate with each other.



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