

Bid writing guide

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HALL
AITKEN

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**Build on key elements to strengthen your organisation.
List what commissioners are likely to look for. Then
apply for funds in a planned and structured way that will
maximise your chances of success.**

We wish you the best of luck!

Introduction

Sustaining your services

It's a complex business getting funds to sustain the services that you want to deliver! Without focusing on one funding source, to do one specific thing (like design a civic space for a local authority) we cannot be prescriptive in this guide. Bidding for funds may be for capital or revenue or a bit of both. It may be to a Lottery distributor (like Heritage Lottery Fund) or to a Trust. You may be bidding to a local authority or Government agency. It may be a pilot project or it may be to further develop something that you have been working on. And you may be a private business, voluntary community or social enterprise or be part of the public sector.

So, that said, whatever you are trying to fund and wherever you are applying to fund it, then there are key elements of your organisation that must be strong. And with those in place you then need a strong and persuasive application. In this guide, we will touch upon the key strengths that your organisation needs, to be a good position to win support. For simplicity, however we will then focus primarily on bid writing to:

- Give an overview of key requirements
- List the basic principles and the key steps
- Outline approaches to planning your applications
- Help you write persuasive arguments
- Present you with a checklist to keep you focused; and
- Direct you to useful sources of funding information.

7 Step transition model

Hall Aitken developed our 7-step transition model to guide organisations on the levels needed to move through and achieve to ensure that you are sustainable and viable.

Seven step transition model



This online diagnostic tool can be accessed on www.hallaitken.co.uk (see Indicate and login to try it out). Knowing your strengths and weaknesses you can build on and address these. This means that when you come to apply you will be in a stronger position. Many organisations' staff however still need to understand how to write successful bids. There is increasing pressure to bring in more external funding. Local authorities, voluntary community and social enterprise sector (VCSE) organisations

and others are asking their staff to lever-in money. At the same time, organisations need to maximise the impact of their own resources and bring added benefits to their target groups and communities. This guide will answer many of your questions when you face completing an application. We advise that you should:

- Follow the general rules and principles;
- Complete the checklist;
- Do not over-promise – you will have to deliver one day; and
- Make sure you have the time and support to complete the application.

Fear and loathing



Finding a contract in the first place

This is often done through portals that advertise contracts. For the public service there is portals such as Public Service Contracts (PSC) AND Sell2 Wales for example that do this.

You may be then asked to submit an EOI (Expression of Interest) where the full details of a contract can then be sent. You may have to prequalify to submit a full application by completing a Pre-Qualification Questionnaire (PQQ). This will help the commissioner shortlist a number of potentially capable organisations to apply.

You would then be sent an Invitation to Tender (ITT) which will ask you for different information from the PQQ. This is more likely to be how you would deliver the service and at what cost whereas the PQQ has assure them that you have the experience, track record, processes and staff to deliver this.

Companies that want to buy goods or services on a bulk or regular basis will seek to appoint suppliers through a process that will enable value for money, due diligence and fair dealings. Sometimes, if the contact is large enough, there is a requirement by central government that they advertise the contract publicly and ask companies to bid on it.

And tendering for contracts is a bit like replying to job advertisements, complete with tests and interviews.

You are likely to be asked to provide the following kinds of information:

1. Your company background – Size and financials (including bank references and insurances)
2. Your staff – Including the management team, key personnel and personnel who would handle the work being advertised
3. Your company workflows – As well as internal procedures
4. Your company policies – How they match legal and standards requirements, generally, and for your business sector
5. How you approach training – Equalities, quality and the environment, among other issues
6. How you have handled other, similar contracts – In the past, and possibly references from those clients

7. How you would handle various future scenarios – Including handover at the start and end of the contract, problems and conflicts

There are likely to be other questions you could be asked when making a bid, like:

1. Length of service – How established are you? Long service will give people confidence that you will be around to compete a longer-term project
2. Innovation - Are you the first to develop new processes, procedures, products or services? Are you constantly winning prizes for innovation?
3. Specialised staff and products - Do you offer the only such service in your area?
4. Added value - Where others only provide Product A, do you provide the product, training on its use and a comprehensive aftercare product?
5. Capacity - Are you the biggest supplier around?
6. Customer service - Do you go so far above and beyond expectations for your clients that you've even won prizes and awards? Regional, national or international recognition? Have you won any business awards in your region or country?

7. Involvement within your industry sector - Are you represented in the decision-making authorities for your sector? Do you help set policy or advise the government on your line of business?
8. Industry recognition -Do you hold ISO certification?

There is no silver bullet or magic formula to writing a successful bid. When confronted by many pages with multiple sections that require completing, people run a mile. Without experience of putting in bids for funds their first tendency is to avoid it if possible. You should:

- Follow the basics
- Be truthful and succinct
- Break down requests into bite-sized pieces, and
- Spread the load.

We will give you guidance here on how to plan your application.

Get your finances in order

There are some basic steps that need to be taken before you go off looking for more funds. Funders will obviously be interested in your finances. Before you start fundraising, you need to consider these financial issues:

- You should have a bank account in the name of the organisation which offers the facility to have transactions approved by two people to help protect against fraud.
- You will need to show your finances are well managed and produce regular financial statements including management accounts, cash flow forecasts and an annual budget.
- Your annual accounts should be prepared and audited or examined in line with the requirements of your legal structure and constitution.
- If you're running at a deficit, you will need to have a way of reassuring funders that you will be able to eliminate it, and they will be funding your work rather than your overdraft.

Funders will want to know why you're not spending your own funds first before coming to them. You must be able to explain any 'committed surplus' or 'restricted funds (perhaps money saved for a major capital expenditure or as a cushion for a dip in income). Funders will recognise that it's good practice to have 3-6 months' reserves against future uncertainty

Start planning

You will be expected to have an organisational business plan (we help organisations develop this if necessary). You must:

1. Define the Vision. By outlining the reason your organisation exists. This needs to be clearly defined.
2. Clarify your Mission Statement. With your vision defined you can write this (in 50 words or less) around what you plan to do about your vision. You can link this to your objects of your organisation from your constitution and focus on what you want to achieve.
3. Aims and Objectives. Once you have your mission statement you can look at setting out your strategic aims – how you want to fulfil your mission, your overall priorities. Then you can set specific targets and time scales for each aim.

With your aims and objectives clarified you then need to focus on what the projected outcomes, or impact of achieving these objectives will be.

Outcomes or impact are the expected changes that will occur as a result of achieving the objectives. This is distinct from outputs, which are measurable and quantifiable activities that have occurred. Outcomes are what the funder wants to 'invest' in. They want to see changes in peoples' lives and circumstances.

Planning a project application using Theory of Change

You should only be seeking funds for projects that meet your objectives (don't just go chasing money for the sake of it!). It helps to develop a Project Logic Flow diagram **Figure 1** for your project. If you can clearly see the link between need and outcome ((Story of Change) then you will be able to describe your project more clearly.

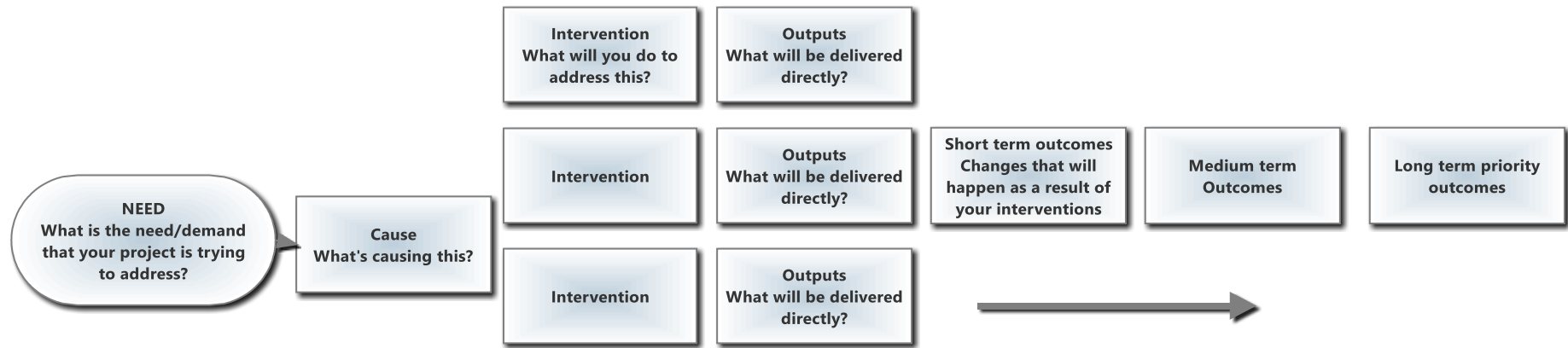
Funders will understand that your project will fulfil an unmet need and deliver clear and prioritised outcomes. This will also help you to plan what you are going to do. (We can deliver self-evaluation support that we will facilitate this and set you on a path to better understand and collect data that evidences the difference you intend to make).

To help you plan your project you can:

- Make up cards with headings as below
- Leave space to add sub-heading note
- Write on the reverse of card more detail
- Use these notes to help you plan;
- Link the cards to folders in a file to note collected evidence of need for example, and
- List approaches and resources necessary to deliver activity.

If you do this you can show a process and approach to delivering an outcome that is clear to partners. And you will have started to develop a better understanding of what actions are needed to deliver this and what resources are required.

Figure 1 Project logic Flow



It's a competitive process

There is competition for funds. No matter how well you develop and describe your project they are often scored by individuals using a set of criteria. These people who score and appraise applications have their own preferences. You may not even be aware of their present priorities at the time you submit. But if you can get access to the scoring criteria then do so. A common approach to assessing bids is for programme managers of funders to have a scoring matrix. This lists their key criteria for projects. An example of this is included in **Figure 2**. They will have statements across the matrix that they will compare your application to. The closer the bid you submit comes to the statement in their grid then that is the score you will be assigned. If some criteria are important

to them, then they weigh the criteria. This means that they multiply the score you receive by a factor of 3 or 5 or more even. So, it is easy to score just a point less than another applicant but suddenly find that you have dropped five points behind. Do this against a couple of criteria and your chances of funding diminish quickly. People scoring projects are only human. Therefore, being clear, succinct and jargon-free in your application is important. If a programme manager must read, re-read and ponder over your application to make sense of it then they will quickly become bored, lose interest and lose empathy for you.

Section and weighting	Bidder A	Bidder B	Bidder C
Quality (Q)	48.94%	47.07%	55.61%
Price (P)	0%	25%	0%
TOTAL (Q + P)	48.94%	72.07%	55.61%

They will, in general, not score from existing knowledge of your organisation but from what is in front of them. So, don't assume that because you're a major player for example in youth engagement the funder will not want to see evidence of your skills and capacity to engage with young people. They can only go on what is in black-and-white on the form.

Figure 2 An example of Scoring criteria

	Quality: 70%	Weighting	Maximum Score Available
Question 1	Please identify and describe all of the support activities that you intend to deliver	20	100
Question:2	Please detail your proposed delivery team	20	100
Question 3	Provide a clear and realistic delivery plan (including methodology and timeline)	20	100
Question 4	Please identify the commonly occurring issues around self-evaluation and learning	10	50
Question 5	Please detail your approaches to quality assurance	10	50
Question 6	Please set out your plans for how you will share learning	10	50
Question 7	Please identify the main risks to delivering this project	10	50
Question 8	Please outline how you will address equalities in the planning, delivery and monitoring	15	75
Question 9	Please outline how you will seek to reduce the environmental cost of your services.	5	25
		120	600

Figure 3 Quality questions scoring criteria

0	Poor	No response or partial response and poor evidence provided in support of it. Does not give the Fund confidence in the ability of the Bidder to deliver the Contract.
1	Weak	Response is supported by a weak standard of evidence in several areas giving rise to concern about the ability of the Bidder to deliver the Contract.
2	Satisfactory	Response is supported by a satisfactory standard of evidence in most areas but a few areas lacking detail/evidence giving rise to some concerns about the ability of the Bidder to deliver the Contract.
3	Good	Response is comprehensive and supported by good standard of evidence. Gives the Fund confidence in the ability of the Bidder to deliver the contract. Meets the Fund's requirements.
4	Very good	Response is comprehensive and supported by a high standard of evidence. Gives the Fund a high level of confidence in the ability of the Bidder to deliver the contract. Exceeds the Fund's requirements in some respects.
5	Excellent	Response is very comprehensive and supported by a very high standard of evidence. Gives the Fund a very high level of confidence the ability of the Bidder to deliver the contract. Exceeds the Fund's requirements in most respects.



Funders will have a set budget to allocate. They will be able to support only a certain number of projects. The scores of projects will place them on a "league table". Projects above the funding cut-off point can be supported; the others are either on the waiting list or are declined. Your objective is to get above the line and maximise your chances of success. Your needed project, delivering valuable outcomes will not always be funded. This is not always your fault. It means the money available for funding is finite.

Use the support available – they are there to serve you

Funders are not trying to trick you. The questions that they ask all have answers. Funders can often be described as bureaucratic and process-driven. They are driven towards transparency in decision-making and procurement rules. They do however want and need to get their funds out to organisations like you. They need you to deliver against the objectives and targets that they have. They will not support local communities, build skills or refurbish needed facilities. They need you for this! Funding Programmes with significant sums to give out often have programme managers. They are responsible for supporting eligible organisations to get money. They will help you understand the application process, put your project together and make sense of their procedures. Use their skills to help you. That is what they are paid to do.

Check out your chances before you start

Write up a one-page summary of your project. If possible, send this or take this to the funder. Ask them to read it over and let you know whether you are likely to be eligible and have any chance of success. This might save you wasting time on a bid that will never be supported.

What do funders look for? - The five Ms of grant application

At a basic level, there are five Ms of grant applications.

Market: Why? For whom? Scale of demand and local support?

Mechanics: What? Where? When? Aims and Objectives?

Management: Who will manage the project? What track record do you have?

Money: How much will it cost to set up and run? How much money will be raised locally? From whom do you expect to get other funding?

Monitoring: How will you measure the project's success? What targets will you set? How will you track this?

There are a mind-boggling variety of funds with their own specific approaches. But the needs of funders are similar, there are a series of questions that you need to answer before deciding on writing a bid:

- Is your organisation eligible? Or is the organisation you are writing the bid for eligible? Don't waste time on a project application that can never be approved.
- Can you get a meeting with the funder to talk through your project idea?
- Can you clearly define and describe the project on one sheet of A4 (or 250 words)? Can your Uncle or your Aunt/Uncle understand it?
- Does the funding support what you are intending to achieve? (Don't chase the money!)
- Can your project be made to fit the funding priorities or are you fundamentally altering the project to make it eligible? (if so, don't apply)
- Are partner organisations needed? If so, what partners? These could be from the private, public or third sector
- Has your organisation applied for this funding or similar, in the recent past? If so, is what you are doing now a continuation or different project?
- If so, how successful was this and can you get a copy of the previous application?
- How much will the project cost?
- What is the likely grant rate? Only apply for what you need – not the maximum.
- Where are the match funds to come from? Can you get agreement before you put in? Give yourself lots more time than you first think you will need.
- Are 'in-kind' contributions acceptable and, if so, up to what limit?

- Is it cost-effective for your organisation to continue the application? Will the funds contribute towards your overheads, or will it be more cost-effective for another partner, who is eligible for this support, to lead on the project?
- Is the proposal realistic and deliverable in the proposed timescale?
- Can you (and your partners) provide the information needed for monitoring purposes at reasonable cost?
- Can you get all approvals of final content by the required deadline?
- Is the project likely to be sustainable beyond the grant period? What is the exit strategy? (You will be asked).

Order of action

It always takes a lot longer to put an application for funds together than you think. Don't leave things to the last minute. If you don't know what you want to do, where, when, how, with whom and why – well, don't bother starting to write a bid.

A useful approach will be to get some group discussion going with colleagues. Brainstorm a few ideas and develop a plan. Draft some text and check through in word using spell-check. You can also use the word count function, since some applications limit the number of words. Try to organise yourself so effort is not wasted.

Figure 4 indicates, completing the application should take little or no time to do. 90% of the effort comes before you begin to fill in an application. So, if you have four months to complete a bid, use the majority in the first three stages. But, be warned, your deadline *will be some weeks before the application deadline*. Your organisation may need senior staff to sign off a bid and approve match funding.

And if you have partners that you have to agree and finalise the bid with the deadline will draw ever closer for this reason.

Before you jump headfirst into writing the responses to the questions set out in the invitation to tender (ITT), Make sure to:

1. Read the tender specification carefully. Then read it again. Highlight any areas that need attention, such as the buyer's priorities or key themes that you will need to address in your responses. You should also identify how to submit the response, the deadline, formatting guidelines and word/character counts.
2. Read each question with your own questions in mind. Why are they asking this? What information are they looking for?
3. Make sure you raise any clarification questions in good time as the clarification deadline may be significantly before the submission deadline. You might want to clarify elements of the specification, nuances of tender questions, or your eligibility to bid.
4. Be persuasive, not descriptive, and frame the key benefits of your proposal in terms of advantages to the buyer. How can you help them achieve their objectives?

5. Make sure your answers are comprehensive. We often see failed tenders with one sentence responses to questions. Word limits provide an indication of how much depth you are expected to go into; if there is a word limit of 500 words, a one-line answer will not suffice. Always expand on your answers and give as much detail as possible.
6. Keep the language simple within your responses. Remember that your intention is to communicate clearly the benefits that your organisation can bring to the contract. Flowery words will not gain you extra points and will just make your submission harder to read and evaluate.
7. Make sure you clearly reference the question numbers in your responses, and that any evidence is labelled correctly. Otherwise, you can't complain if they don't consider it during evaluation, and your tender could even be marked as non-compliant
8. Make sure you provide back up for the claims in your responses — you cannot rely on the evaluator to take your word for it. Reports, statistics and even testimonials can help to convince the buyer of your organisation's strengths.
9. Have your submission proofread and reviewed by someone who has not

been involved with the preparation. A professional, fresh pair of eyes can spot costly mistakes and weak areas.

10. Your tender should be professionally presented with a consistent design throughout. First impressions are often crucial, and you want to be perceived as professional, polished, and serious about the tender process.

Figure 4 Planning your time

<u>Action</u>	<u>Time spent and effort</u>
Discuss	30%
Plan	40%
Draft	20%
Complete	10%



Ten principles of bid writing

We have taken most of the points made already and brought them together into ten key principles that you should adhere to.

Principle 1 – Eligibility and governance

Sometimes only certain groups are eligible to apply for certain types of funding. For example, most charitable trusts only support registered charities. You must be clear on your own organisational status and eligibility for that funding stream. You will need to provide details such as:

- Name of the organisation;
- Legal status, with memorandum and articles of association, mission;
- Aims of the organisation;
- Staff details– staff professionalism/experience, numbers of volunteers, how you support them (for example training), etc;
- Management and governance – staff structure, inductions, organisation chart,
- Policies (such as Equalities, Health and Safety, Environmental), Quality processes or accreditations;
- Insurance certificates
- Business plan;
- Current funders; and
- Location.

Principle 2 – Link need and demand to delivery of outcomes

- What is the need you have identified?
- What evidence do you have for this?
- What research and consultation have you undertaken?



There are two aspects to proving need:

- proving demand (for example if you want to open a new community centre, have you consulted local people to see how many are likely to attend activities there); and
- proving the need for subsidy (that is why money needs to be put in from outside sources).

What is the cause of this need?

Now that you have established there is a need you must show there is a demand for the services that you propose to put in place. There is no point providing something that people do not want to use.

- What do you want to do?
- Why have you chosen to do this?
- What objectives do you have and what are the outcomes for your project? As you will see later these must be linked to the funders outcomes.

You need to consider who the beneficiaries of the project will be. Often, the mistake is made in asking for contributions for features or particular aspects of what you are doing, for instance “to provide swings for a

playground”, or “equipment for a village hall”. It is more important to translate these into benefits for your group for example, “to provide facilities in the village to limit the danger of children playing in the street. ”

- Where will you deliver this service? Identify whether this is in a priority area for the funder.
- How will you deliver it? You must be clear on the resources to deliver the project for staffing, volunteers and inputs.
- When will this project start and end?

Principle 3 – Show clear project management

You must decide on who, within the organisation, can drive the project forward. (The person leading a project is crucial to the success of the project). Our experience has shown that ownership from an early stage leads to more effective projects.

You must develop implementation strategies and consider a project plan, timetable and potential outputs.

You must think of monitoring and evaluation measures. It is important that monitoring issues are considered at the earliest point. Key Performance Indicators (KPIs) will help you track whether you are making progress towards achieving the outcomes you wish. (We have a separate guide on this and a training

Programme that can build the capacity of project staff.)

Your application should have objectives that are SMART:

Specific – You must be able to clearly define your objectives that you want to achieve.

Measurable – You should be able to measure whether you are making progress and meeting the objectives or not.

Achievable – Are the objectives you set achievable and attainable?

Realistic – Can you realistically achieve the objectives with the resources you have?

Time bound – You should have a time-frame within which you will achieve the set objectives.

Monitoring and evaluation is important not just for building long-term relationships with your funders, but also for the effectiveness of your organisation. The information you gather can be used to inform future funding bids. Evaluate your efforts and look at your outputs and impacts:

- How many people have you helped?
- What impact have you made?
- How have you changed people’s lives?
- Have you shifted attitudes?
- How has society benefitted from the work?

Principle 4 - Understand the funders

You must understand why the funder is offering the money and meet the funder’s objectives. For example, if the funder’s aim is ‘to decrease social isolation within disadvantaged communities’, you have to ensure that this information is within the answers that you offer to their questions.

You must show that your project is additional as external funders are not keen to fund core or mainstream projects. That is, activities the local authority or government should be delivering.

Funders need to have confidence in the applicant. They must believe the group has credibility. (How can you do this? An independent evaluation of previous projects is often asked for). Call them and ask for a meeting to tell them about your experience and background!

Show a track record and have credible references from people who are aware that they may be asked for them.

If you don't state clearly what you mean funders will assume you don't know what you want to say. You must respond in a manner that:

- Demonstrates your understanding of the funder's requirements
- Convinces the funder that there is no reason not to select you as a funded project
- Persuades the funder to approve you

Funders like to see a 'multiplier' effect: the effect of their grant is greater than the sum of money suggests. How can they set a 'bigger bang for their buck'?

You can contact the funder before you prepare the application to ensure your project fits the funders' criteria. Show them a one-page summary and ask for feedback on eligibility.

Many funders also wish to see that you are being innovative and creative in your approach. This does not mean inventing something completely new but it does mean learning about what works elsewhere and bringing some of

these ideas to bear on your own project. Can you show that you have done this?

When answering the questions in an application or proposal use an appropriate, consistent and coherent structure. The best structured answers will:

- Address the question / requirement;
- Provide examples that demonstrate previous success;
- Include positive feedback from previous participants; and
- Include benefits and added value.

Principle 5 – Reducing risks and giving funders confidence

Funders want evidence that applicants can handle money efficiently and efficiently.

You need to be clear on both the amount sought from the funder and the total budget.

You may need to provide financial information such as:

- your organisation's annual income / spending (Previous annual accounts may be asked for)
- the projected annual budget
- what financial safeguards you have, and
- the degree of financial skills and knowledge within the organisation.

You must check the individual programmes for details on funding periods (are there time limits on completing project expenditure and if so, do they vary greatly?) and eligible costs. Some things are eligible while others are not.

Principle 6 – Adding value

Adding value means bringing something to the arrangement that is genuinely beyond the funder's capability or capacity. This can occur at three levels:



- Business benefits: identify new opportunities that will benefit the funder;
- Capacity / Capabilities: infusing new skills, methods and capability in service delivery; or
- Economy: better, more efficient economies of scale and rationalisation.

Therefore, whilst writing your bid, communicate these funder benefits by turning your strength into clear value add to the funder:

- Benefits: create a summary of benefits, it will demonstrate that you are able to view the contract from the funder's standpoint and identify with their priorities.
- Competitive advantages: show your strengths provide the funder with products and services that are sustainable, measurable, accessible and unique.
- Culture: align your company closely with the funder's beliefs, aspirations and mission statements.
- Distinction: from that of your competitors that sets you apart, a distinctive edge that represents the benefits you are uniquely placed to offer.

Think back to the specification - as a bidder what are you bringing that is original and productive to the funder? Innovation, creativity and value do not necessarily need to be focused on the specific product or service that you intend to provide. There are other ways to

demonstrate value. In this section we will cover some of these.

Match funding

Not all funders insist that you have funds from others. However, bringing other funds into the equation strengthens your bid to many funders.

You may secure match funding for your own application and combine funds. There are three guidelines in combining European Union funds:

- one EU fund cannot be matched with another EU fund;
- one EU fund can be matched by several UK funds; and
- one UK fund can be matched by other UK funds.

Give funders' senior staff notice and time to sign off match funding. If other organisations cannot provide funds then they may be able to offer use of property or equipment. They may offer staff or other types of support. Risk is not only related to the value of the contract. Most funders will also consider aspects of risk such as risk of reputation and risk to funders. Make it clear in your bid that you understand the risks inherent in the contract and share the funder's concern to mitigate or manage the risks. A constructive response from your part showing how you will secure efficient delivery and explaining the mechanism you can apply to risk management will win you marks.

Principle 7 – Build and show a strong partnership approach ¹

Select, approach and work with partners that complement your skills and experience. Work with others who add value to your bid.

Partnership working has been the watchword of the public sector for some years. More recently partnerships where the voluntary sector plays a key role have become more important. A substantially increased emphasis on social enterprise and on voluntary sector delivery of services now underpins much policy development and has widespread cross-party support. At the same time partnership working in practice is difficult.

¹ Hall Aitken wrote a guide on the Ten Principles of Partnership. This is available at

http://www.hallaitken.co.uk/index.php?option=com_docman&task=cat_view&gid=45&Itemid=51

Most people seem to be able to provide more accounts of “collaborative inertia” than they can of “collaborative advantage”. There are approaches to measuring and promoting partnership but in our experience, most of these provide limited practical application.

Of the many partnerships that we work with each year, few have in place effective collaborative mechanisms. We have therefore increasingly drawn on the 15 years of research carried out by Chris Huxham and Siv Vangen from the University of Strathclyde. Drawing on their work we have a series of tools for identifying where partnerships could work more closely together, how increased trust can be built and how effective delivery can be measured. These approaches underlie our method and research tools.

Top 10 partnership tips

Ten tips for collaborating
 Don't do it unless you have to
 Budget considerable time for collaborative activities
 Allow for conflicting goals of different partners
 Build trust through small wins
 Spend time on communication
 Allow for partners to work in different ways
 Establish a contract with partners that allows individual to act autonomously
 Expect and use power plays
 Combine facilitative support and direction
 Assume that many factors outside your control will affect the partnership
 Paraphrased from Chris Huxham and Siv Vangen, *Managing to Collaborate*, Routledge, 2005

Academics have studied partnership working and concluded that it is hard. Their tips for effective work are included in Figure 5.

Figure 5 Top 10 tip

Some other key steps are included below:

- All partners must agree on mission, values, goals and measurable outcomes for the partnership.
- The relationship between partners should be characterised by mutual trust, respect, honesty and commitment.
- The partnership should build on identified strengths and assets, but also address areas that need improvement.
- The partnership should balance power among partners and enable resources among partners to be shared.
- There must be clear, open and accessible communication between partners.
- Roles, responsibilities and processes for the partnership should be established with the input and agreement of all partners.
- Feedback is needed to, among, and from all stakeholders in the partnership, with the goal of continuously improving the partnership and its outcomes.
- Partners should share the credit for the partnership’s accomplishments.
- Partnerships need to take time to develop and evolve.
- The partnership should work in an effective and efficient manner.

Principle 8 – Have an exit plan or show sustainability

You must be clear on whether the project is:

- a pilot project;
- a one-off piece of work; or
- an ongoing activity.



This will settle how you approach the funder. You must be clear on how the project will continue after the funding period. What is your exit strategy? You should consider the need to:

- a. Act early. Build an approach to sustainability into the project design. There will always be reasons to put off thinking about sustainability. The longer you leave it the harder it will be;
- b. Create a proposition. Funders want to buy into something that moves them towards their goals, rather than bailing projects out;
- c. Be enterprising and move away from grant funding;

- d. Taper in new funding so funders gradually acclimatise to the needed support; and
- e. Consider the full range of methods: -

- Mainstreaming;
- Social business;
- Private sector funding;
- Volunteer input; and
- Consultancy.

Principle 9 – Be clear and use Plain English and Clear Graphics

When filling in text boxes with detail on your project keep paragraphs short with no longer than 10 lines. Do not crowd too many ideas in one paragraph. Make each paragraph a distinct and consistent step in the sequence of information. Link paragraphs to each other to bring out the logic of the text. Consider whether bullet points work better than a paragraph.

You must be clear and concise. Avoid as far as possible the use of jargon. You must express yourself succinctly. KISS (keep it simple, stupid!). For example, write 'We aim to help' and not 'We believe that our work will help...'. (The Plain English Language Commission offer courses that are helpful).

You should use one word instead of four and use short sentences. (Have pity on the person reading these bids!)

You should be enthusiastic and persuasive. The term AIDA is often used. This means that you will:

- Attract - attract the reader's attention;
- Interest - create interest in your project;
- Desire - make the reader desire to help; and
- Action - inspire action).

Principle 10 – Don't slip up - do what you are told!

Finally, do not presume to know better than the



funder. Do what you are asked to do in the programme guidance.

The application form should be typed and able to be photocopied. It should be submitted in the format requested (electronically? Paper? Or both?)

All the documentation requested must be enclosed. The structure and layouts are often prescriptive so be sure to follow the guidance.

Give yourself time to plan. Plan out your application before writing (see our bid writing operation plan).

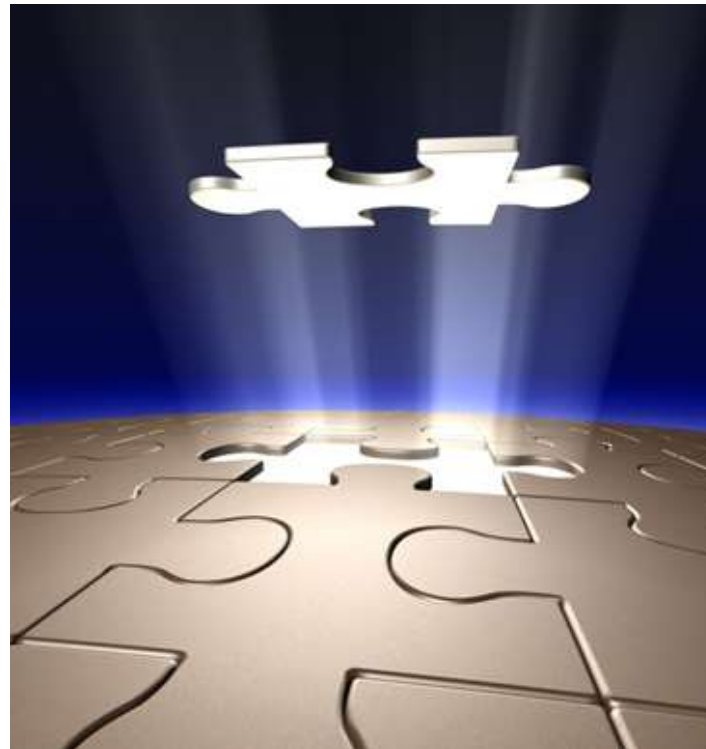
The deadline must be met! Deadline dates and time are absolutes; failure to submit on time will mean your bid is rejected.

Keep the funder updated on your progress if that is possible. There may be a possibility of supplying further detail after your bid is submitted so just get it in on time!

Don't forget

If you are unsuccessful then ask for feedback so that you can learn for the next time.

If you are successful write and say thank you. Ask what was good about your bid so that you can learn.



Appendices and additional documents

People often ask whether they should add other documents such as:

- Business plan;
 - Plans
 - Policies;
 - Pictures; or
 - Brochures.
- How you will do it;
 - How you will monitor your results;
 - How much money you will need;
 - How much money you will raise from your own and other funding sources; and
 - Who is the lead partner and get it all signed off by the authorised signatory

As stated above you should do as you are told but unless specific items are requested don't send anything in.

Business plans

For those who are interested in a business plan template that meets the criteria for The Big Lottery Fund then we have this available as part of our services.

No structured application form

Sometimes (for example applications to Grant Making Trusts), there is no application form. In these cases, the application should still provide the same details as outlined in the basic principles.

To sum up, your application should cover:

- Project title;
- Introduction – who you are;
- Proposal summary;
- The problem or need and who will benefit from the project;
- The demand for the project;
- What you want to achieve;

Preparing Perfect Tenders

There are some things that will help you to submit better proposals to win a bid. These are:

- It is ok to challenge procurement team;
- In mandatory sections always say YES.
- Rather than say partial compliant – lie, and then do it (Don't tell people I said that!)
- Find out if proposals are collected by "lowest price" or "MEAT" (Most economically advantageous tender).
- Selectors must tell you criteria for selection.
- Any questions answered satisfactorily in PQQ don't need to be answered in proposal.
- Criteria will be listed in order by weighting.
- Be careful that incumbents don't throw in dodgy questions to throw you off creating a good proposal.
- Watch in Contracts for novation clauses that prevent merging/selling.
- Don't put your terms and conditions in a bid.
- Don't assume what buyer wants – check.
- Any extras must be identified as non-negotiable.
- Be innovative; identify this as IPR (Intellectual Property Rights)
- Only put your understanding of "your requirements" in a PQQ – not a proposal unless specifically requested.
- If not submitting – tell the clients and tell them why;
- Answer all difficult questions first.
- Always check tenders three times.
- Show how you fit with Government Initiatives and support local trade.
- Common mistakes:
 - Not understanding the brief;
 - Padding out and waffling;
 - Don't show relevant experience;
 - Tender doesn't hang together; and
 - Poor planning.
- Use page numbers in proposals.
- People are bought – not the company so you have to be able to cope if people leave.
- Always list Project Management approach.
- Always ask if you can email – to save the planet!
- Presentations – always take an extension lead.
- Client can ask for references only once, either at PQQ or later along with a proposal.

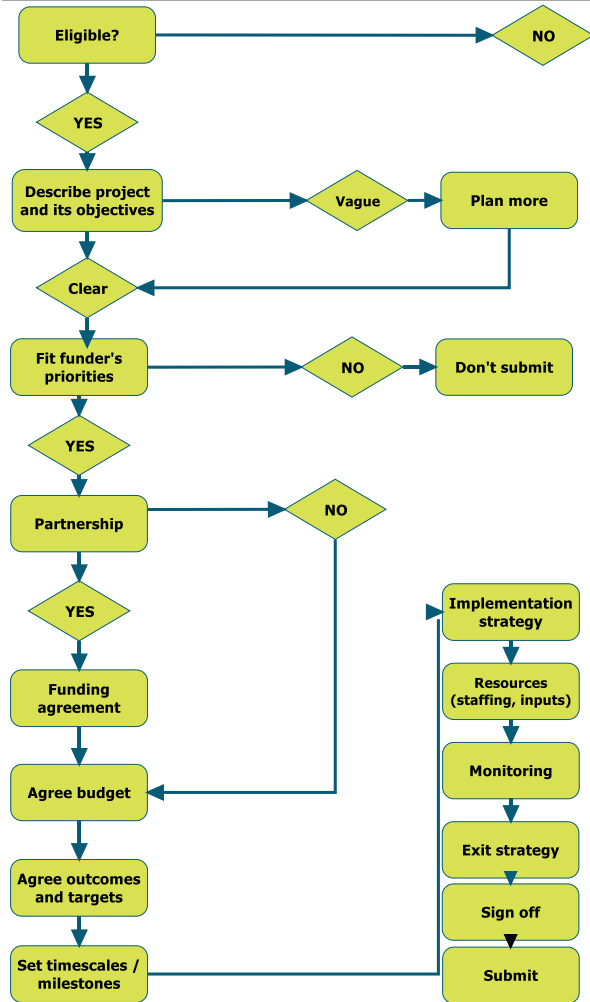
Any process can be used by the client if it is identified in advance at the procurement stage.

We can get de-brief (even if we lost at PQQ).

We can, under freedom of information, go to key clients and say:

- I want to deliver.
- When did you last contract out?
- Who won?
- When will you let out again?
- .

Appendix A – Bid writing flowchart



Glossary of Terms

Activities

What the project will actually do to fill a need, overcome a problem causing a problem to help the organisation deliver the outcomes that it wants to achieve.

Additionality

Work which is additional to the statutory regulations on local / national government

Assessment

The process the funder uses to check the application

Accelerator

A short-term programme of investment and support for early-stage enterprises.

Angel Investor

An individual investor who makes an investment in an early-stage enterprise

Annual Accounts

The formal statement of an organisation's financial accounts for a particular 12-month

period - in most cases April through to March, but different organisations may have a different "financial year" such as January to December. Annual Accounts are normally publicly available, and depending on the size and type of the organisation will require setting out in a particular format, and usually need to be verified or "audited" by a qualified accountant.

Asset

Something that your organisation owns – often a building or equipment.

Balance Sheet

A calculation of the overall financial worth of an organisation on a particular day, taking into account all assets, cash, bank account balances, money owed to the organisation and current and future debts owed by the organisation. In the annual accounts the balance sheet position will be given for the last day of the financial year.

Beneficiaries

The people who benefit directly from the activity of an organisation. May also be referred to in other ways, such as "users". An organisation needs to be very clear who it is benefitting - and trying to benefit.

Brokerage

Making the connection between an investor and an organisation seeking investment.

Budgets

Calculations made at the start of a period, usually the start of a financial year, for both likely income to be received and likely expenditure to be incurred. Budgets should be agreed at the highest level (Board) and then monitored and reported on throughout the period in question, to confirm that things are on track, or if not, to understand why not.

Business Case

A set of calculations, usually produced in a report format together with explanatory text for other people to review, setting out why a particular plan is the right one to follow. It will normally provide a set of assumptions about income and costs, show that a plan is profitable, and provide evidence that the figures have been calculated correctly and carefully.

Business Development / Business Leadership

Experience of running or helping to run a business, making and communicating key

decisions, developing and marketing new products or services and achieving profitability

Business model

What your organisation does, what it produces or delivers, and who pays for that product or service.

Business plan

Document explaining your organisation's goals and how you will achieve them.

Capacity / Staff Capacity

There are two principal elements of capacity - abilities and time availability. To have sufficient staff capacity to deliver a project, or develop a new one, an organisation needs to have people with both elements together.

Cashflow

Organisations can be profitable but still run out of cash. Cashflow is a measure (and/or forecast) of what is happening to an organisation's bank balance over time. It is affected not only by profitability, but how quickly customers pay the organisation (whether this is grants or contract payments or cash for goods) and when the organisation has to settle its own bills.

CEO

Chief Executive Officer, the most senior paid member of staff in an organisation. Sometimes

also shortened to Chief Executive. Many organisations will not use this title, preferring other titles such as Manager or Director.

Challenge / Challenged

This refers to a process of critical questioning to ensure that statements of fact and proposed courses of action are properly scrutinised and justified. Challenge does not imply a lack of trust and should not be an aggressive move - rather it is a natural and essential part of how an organisation needs to arrive at its key decisions. An organisation without challenge is a weak organisation.

Competitor Analysis

An exercise to understand WHO an organisation's potential competitors are, what their PLANS are, and what their relative STRENGTHS AND WEAKNESSES are. The main purpose of Competitor Analysis is to understand what an organisation needs to do to be competitive - it may need to address issues of quality, price, brand or a combination of all three.

Cost of entry

Developing any new business idea to the point where you can start "selling" and earning money involves some sort of investment of time and money. "Cost of entry" refers to the amount of time and money required for a new business to establish itself from scratch. Complex businesses or those needing expensive

equipment or just lots of planning, will generally be "High Cost of Entry" and can represent a big barrier. "Low Cost of Entry" businesses are easier to establish, but are often hard to make much money out of, as competition is usually higher (it is normally Low Cost of Entry for everyone!), meaning that it is hard to get enough customers and/or sustain good profit margins.

Criteria

Definitions of what sort of activity and organisation a funder will support

Customer Segmentation

Any business needs to understand who its customers are and what they want. Good businesses understand that their customers are not all the same, want different things and may need different approaches to marketing and sales. Customer segmentation refers to the process of understanding and mapping different types of customers.

Debt

An amount of money borrowed by one organisation from another.

Demand

It is important to understand the difference between the Need for a product/service and the Demand for it. Just because people have a need for a product does not mean they will

decide to buy it, or use it, in the case of a service. Lots of third sector organisations can demonstrate that there is a need for what they do - much less can demonstrate real demand. Less still can demonstrate that they have the type of demand that will part with money. The ultimate user or beneficiary of a business will not necessarily be the one to pay - as in some public services for example - so Demand here refers to the existence of individuals or organisations willing to pay for the product or service being offered.

Development Costs

(See Cost of Entry). Development costs refers to the investment (money and time) required to establish a business to the point that it is able to trade effectively (See Cost of Entry). Development costs refers to the investment (money and time) required to establish a business to the point that it is able to trade effectively (See Cost of Entry). Development costs refers to the investment (money and time) required to establish a business to the point that it is able to trade effectively (See Cost of Entry). Development costs refers to the investment (money and time) required to establish a business to the point that it is able to trade effectively (See Cost of Entry). Development costs refers to the investment (money and time) required to establish a business to the point that it is able to trade effectively (See Cost of Entry).

Donations

A gift that your enterprise can spend fulfilling its social aims however it chooses to do so

Empowered

Invited to contribute to decision-making, and provided with full and clear information, and any training and support required, to be able to fully contribute.

Evaluation

The assessment of the monitoring data and learning for the future implementation of similar work

Evidence of need

The hard data that demonstrates there is a need for the proposed project

Exit strategy

A plan to exit from the funding – either by winding down the project, or by generating income from it, or by finding new sources of grant aid. Projections of generated income need to be realistic and backed by evidence of demand and the prices people will pay. If more grant aid will be needed, the exit strategy should contain at least some suitable examples of possible funders and when they will be approached.

Equity

A stake in an enterprise owned by shareholders

Financial Controls

The systems, procedures and oversight which an organisation has in place to ensure that money is received, recorded and spent in appropriate and agreed ways. Good controls ensure that no one can spend money or make key decisions about money without proper authority.

Financial Reporting

A broad term to cover various ways in which organisations report how their financial performance is going - to the Board, to funders/investors, or to other key people. This will usually follow a particular format and will mostly be numbers, perhaps with graphs and charts.

Financial Return

Profit achieved. Often used in relation to investment, and referring to how much money an investor will get back and when, if they put money into a project or organisation

Financial systems

The practical systems which an organisation uses to manage its money. These may vary from simple spreadsheet systems right through to complex and expensive accountancy software for bigger organisations. The system should be right for the size of organisation and this may need to change over time as an organisation grows. If a particular system is not managing money well or not able to provide the information (reports) which people inside or

outside the organisation need it to, it is time to change the system

Funders

Organisations offering grants or other funds

Gap funding

Where a single funder will not cover the total project costs, other sources must be found from 'partner' funders, to 'match' funds from one source and to bridge a 'gap' in the total funding needs. Most European funds, English Partnerships and some of the Lottery Boards want it.

Grant programme

A particular theme which grant givers set. May be changed yearly. Some larger funders might have several different programmes running at the same time.

Grants

Set amounts of cash given to help projects, reduce need

Governance

A broad term which means the systems that an organisation uses to be accountable, to oversee the work of the organisation and to make key decisions. The most important body in terms of governance will always be the Board, but there may be other ways in which an organisation

achieves this oversight (e.g. sub-committees, steering groups, community consultation).

Grant

A payment to your organisations that may have some conditions attached but does not have to be repaid

Human Resources

The staffing and volunteers of an organisation are usually its most important resource. In business terms the phrase "Human Resources" usually refers to the part of the organisation (professionals, systems and procedures) that looks after the people who work for it and makes sure they are contributing effectively

In kind

Goods and services people provide free can often be considered for 'match funding'

Input

The resources required (cash, in-kind contribution or matched funding) and asked for to support the activities.

Impact

(See also Outputs and Outcomes). Impact refers to the long term and significant changes that happen as a result of a set of activities. "Outputs" and "Outcomes" can often refer to changes for individuals, whereas

"Impact" generally refers to wider community or societal benefits.

Interest

Fee paid by a borrower to a lender

Investment readiness

An organisation having the systems, processes and business model to be able to attract investment.

Key Indicators

Usually in numerical form (numbers, percentages, finances) these should be a small number of things that Management and Board will review over time to understand how well the organisation is performing in terms of its work and maybe its finances. They should be the most important things for the organisation in terms of its mission and current plans - the things that will really tell whether the organisation is succeeding or not.

Leverage

Leverage is using one funder's grant aid to 'lever' in (ie attract) further money from other sources, so increasing the value of their grant.

Limited by guarantee

An organisation that does not have shareholders

Loan

Some money provided by an individual or organisation to another individual organisation on the basis that they will get it back, usually over a set period of time in return for a fee (see interest).

Management Accounts

Statements of financial performance which are produced internally for monitoring and decision making by the Board and Management. These might be in a number of different formats, and in some cases, might follow a similar format to Annual Accounts, but in other cases - or additionally - may contain charts and graphs to present information in a more helpful way.

Market

The whole system of buying and selling that exists in your area for the products/services you offer. The market includes different types of customers, different types of suppliers, and lots of partnerships and relationships in between them. It is very important to understand how your own market works as well as you possibly can. Who buys what, from where, and in what amounts?

Market Research

(See also Market). Specific work carried out to understand your market. This can be quite wide, to understand the whole market, or quite narrow in terms of a new product or service you are planning. It can help to understand where you fit in the overall scheme - are you premium or

value? What is the overall size of your bit of the market? It can also find out whether customers will actually want to buy what you have to offer, and what they would be prepared to pay.

Marketing

The process of getting your message across to your customers/audience. This process needs to start with understanding who your target customers/audiences are, whether they are a single group or a broad group with different needs. Then the process will establish what messages you want to put across to different types of customers/audiences, and what methods you will look to use to achieve this.

Marketing Plan

(See also Marketing). A Marketing Plan sets out exactly how an organisation will go about marketing itself and its products/services over a defined period of time. It will break down different approaches for different audiences, and specify methods, resources, budgets and timescales to be used to achieve this.

Match funding

The balance of need funding from another source to allow a programme to proceed

Monitoring

The mechanisms by which you collect data at the beginning, middle and end of the project, to measure change

Measure Impact

(see also Impact). Impact is very hard to measure, as it is about long-term change to whole groups of people or society. It is difficult to even understand what has really changed, and even more difficult to know what has caused that change and how much is due to the work of one organisation. There is no one way to measure impact that is happening or has happened, but most methods will in some way involve comparing "before and after" data and talking to a range of different people to better understand what people think the long-term value of an activity has been

Mission

(see also Vision). The mission of an organisation is what it sees as its own specific role in helping to bring about the reality it wants to see. Two organisations can have very different missions (roles) but still have the same shared vision (what we're working towards).

Need

The evidenced-based understanding of what is required in an area or for individuals to address an identified issue or challenge.

Objectives

Aspirations or targets that an organisation wants to deliver. These may be short term milestones to be met, or equally may be permanent targets to be delivered against year on year. An

organisation will normally have several Objectives at any one time, and ideally, they will all be things that put together will be helping to ensure that the organisation is achieving its Mission.

Outcomes

(see also Outputs and Impact). These are the results that might ultimately arise from a particular activity. They might not be achieved immediately after an activity has finished and may come later, but they will usually be the things that the activity is trying to achieve for a person or community. So, the creation of a Neighbourhood Watch group may be the Output, but the Outcomes may be a reduction in local crime and people feeling safer in their homes. The longer-term Impact may be benefits to health and well-being and the local economy and a reduction in police spending in the area.

Outputs

(see also Outcomes and Impact). These are individual activities or achievements that can be "counted up" and reported. They are the building blocks that together could start to achieve change. So, for one example, the Output might be the achievement of a qualification by an individual, the Outcomes might be higher self-esteem and the gaining of employment by that individual, and the Impact might be long term benefits to health, the local economy and reduced public spending. (see also Outcomes and Impact).

Patient Investor

An investor who is prepared to wait a relatively long time to get their money back

Payment by results

A contract, usually with the public sector, where an enterprise is paid based on whether the service they deliver meets a series of targets.

Product(s) or Service(s)

All organisations deliver either products or services (or both). If you can't think of what your products or your services are, you need to do more work to define what you do. For example, a furniture recycling project will offer some or all of: affordable furniture (product), collections (service), recycling and waste diversion (service), and maybe training/volunteering opportunities (service).

Profit

The difference between the cost of providing a product or service and the price it is sold for. (Non-financial) Rewards: gifts an organisation gives to crowdfunders to encourage them to invest in the enterprise.

Profitable / Profitability

An activity which can generate more income than it costs to deliver. In calculating whether an activity is profitable it is very important to include ALL the costs involved, including any

share of wider organisational running costs and repayment of any investment that is required to start it up in the first place. The higher the proportion of income to costs, the higher the profitability will be.

Profits

May be called "Surpluses" by charitable organisations. All organisations need to be profitable.

Project

An activity of a group that includes some or all the following features: new, short-term and aiming at achieving particular and definable things

Project Logic

The clear path that shows how need and demand is linked to the eventual desired outcomes.

Proposition

A pitch or structured request that is put to potential funders.

Quorate / Quorum

Refers to the minimum number of people that need to attend and vote at a meeting for decisions to be valid. This might be an actual number, or a percentage of the total number of people allowed to attend and vote, or a mixture

of these two things (for example "a minimum of 10% of members, or 5 members, whichever is the larger").

Restricted/Unrestricted Funds

A way of separating and reporting on money and assets held by Charities. Restricted funds are those given by a funder for a purpose and no other. Unrestricted funds are those that the organisation is free to use as it chooses.

Risk

The potential of losing an investment weighed against the potential of making a profit on the investment and/or achieving positive social change through that investment.

Scale up

An enterprise growing its operations to sell its products and services to more customers and/or over a wider geographical area.

Social Bank

A bank set up with a social and environmental purpose, and concerned with the environmental and social consequences of its investments.

Social Enterprise

A business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community,

rather than being driven by the need to maximise profit for shareholders and owners.

Social Impact

The effect of an organisation's activities on 'society' – usually a specific social problem, group of people or local area; also referred to as social value.

Social Investment Finance Intermediaries (SIFIs):

Organisations that connect enterprise with a social purpose with investment, either by raising and investment funds or by helping enterprises to find investment.

Social Investor

An organisation (or sometimes an individual) that provides financial investment to organisations that are pursuing social aims. The social investor will always want to see the social results arising from the money they have invested, and will normally expect some sort of financial return also

Social organisations

Organisations that are independent (i.e. not public-sector) and are pursuing social aims. These include charities, social enterprises, co-operatives, community organisations and other similar types of organisations.

Social performance

(See also Mission, Outputs, Outcomes and impact). A description of the achievements of an organisation in delivering its Mission. An account of an organisation's social performance might cover a mix of+ B36 the Outputs, Outcomes and Impact it is achieving.

Stakeholders

All the people and organisations that are important to your own organisation - either because they benefit from your organisation, or because they can have a big impact on your organisation, or because there is some other important link between you both

Strategic Development

(See also Strategy) The process which an organisation goes through in order to make important decisions about its long-term direction. Strategy Development should incorporate related decisions on business development, financial planning, resources and social impact.

Strategy / Strategic Plans

A statement of the short, medium and long-term plans of the organisation, showing how it will develop over time to try to deliver its mission.

Sustainability

Will the project result in any lasting benefits without further subsidy? If not, where is the subsidy likely to come from?

Sustainable Development

The intersection of environment, social and economic impacts to understand the whole picture.

Trustees

Those with final responsibility for cash / gifts raised

User / Local Community representation

(See also Beneficiaries). Many organisations try to ensure that they are not just run FOR the people they are trying to serve or support, but run BY those people, or at least take their views into account. It is part of the mission of many social organisations to put people more in control of things that affect them, and that can start with the social organisation itself. User representation, or local community representation if the organisation exists to benefit a neighbourhood, can be achieved through the Board and/or other decision-making structures.

USP (Unique Selling Point)

This refers to the key element of what your product/service is, or how it is delivered, which is only provided by your organisation and not by any other "competitor". It is why a "customer"

will choose to buy from you rather than someone else. Your USP might be to do with price, value, quality, customer care, or a whole range of other things.

Viability

The likelihood that an activity or a facility can be sustained into the future by generating revenue to support upkeep and running

Vision

(see also Mission). An organisation's Vision is a statement describing what things should ideally be like - for their area, for the group of people they serve, or even for the world! It is the reality they'd ultimately like to see come about as a result of their work and the work of others.

Working Capital

Money available for an organisation to help run itself. All organisations need money to cash-flow their operations. Sometimes income can come in late - after a service has been delivered for example. So, working capital isn't just money to be spent and never seen again (like a grant), it is money that is needed in the short term until payment and profits come in to replenish it.

Year End Accounts

Another term for " Annual Accounts" - see above

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Additional support

Hall Aitken have workshops and guides available in:

Investment/Contract Readiness, for those organisations who wish to move away from reliance on grant income and deliver services under contract.

Social Value Measurement and Reporting, for those organisations who wish to measure and prove the wider value