

Sustainable Funding: Across the Income Spectrum

Income options available to voluntary and community organisations

Donor



Funder



Purchaser



Consumer



Gift Economy

Philanthropic giving, voluntary donations, pure charity. Provides unrestricted income for an organisation to use at their discretion to further their charitable aims.

Grant Funding

Usually restricted funding provided to deliver specified outputs and/or mutually agreed outcomes. Grant funders are likely to want to monitor what is done with their investment and have clear expectations about what will be achieved.

Structured Market

Payment for goods or services according to the terms set out in a contract between an organisation and a third party purchaser, be it from the public, private or voluntary sectors.

Open Market

Within the overall realm of trading, the range of services and goods that can be sold is potentially endless. Some types of trading are undertaken purely to generate profit, while other types can also contribute to the delivery of an organisation's mission. Income generated in this way is unrestricted.

ASKING

EARNING

Different income types are accessed and managed in different ways and involve different relationships with the individual or organisation supplying the funds. As you move across the spectrum from left to right – from asking to earning – the level of expectation regarding what is received in return for the income increases.

Within the range of options there is enormous variety and possibility. Sustainable funding can involve all these income streams, or a more limited range – diversification *across* the spectrum, or if that is not possible or appropriate, *within* a particular stream.

The key to sustainability is knowing which streams are the right ones for your organisation to explore and how you can develop the capacity to be able to secure and manage them.