

COMMUNITY ACTION: MK

Sustainable Incomes

What is a Sustainable Income?

Sustainable incomes (also called 'Sustainable Funding') is about spreading your funding sources, to make sure you are not over-reliant on one form of funding. In essence, it is about 'not keeping all your eggs in one basket'. The key to this is sound planning!

There are 3 main steps involved in achieving sustainability:

1. Income diversification (the funding mix)
2. Organisational skills
3. Planning

Income Diversification

Income diversification is about exploring different sources of income to fund your group or project. If your group is reliant on only one form of income, if that form is affected, your group will be too. For example, if you only use membership fees to generate income, if membership declines, so will your income.

The idea behind sustainable funding is to use a mix of different funding sources so that if one funding stream is hit, you have others to fall back on. This could include public fundraising, sponsorship, contracting, grant funding, trading and much more....

Organisational skills

When you apply for new sources of income, it may require you to use different skills than you have previously. For example, you may need to have good verbal communication if you are running a raffle for your group, but good written skills for applying for a grant.

You will need to look at the strengths of skills in your organisation and make sure you pick funding streams which compliment your skills, or be prepared to develop new skills to suit alternative funding streams.

Third Sector Foresight is a really useful planning tool which helps you to look at future trends within the voluntary and community sector, and explores the skills you may need in changing times - <http://ncvoforesight.org>.

Planning

The key to ensuring financial sustainability is effective planning and management. Forward planning is vital to the ongoing success of any organisation as it helps you to consider what you want to achieve and how you will get there.

Planning is an ongoing process so you need to ensure that you keep referring back to your plans to check you are still heading in the direction you want to!

Further Resources

[Planning Toolkit from Fit4Funding](#)

[Third Sector Foresight](#)

[NCVO Sustainable Funding](#)

[Voluntary Norfolk](#)

[Voluntary Action Islington](#)

Talk to our Support Team for more help
Support@CommunityActionMK.org or call 01908 661623

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Information taken from NCVO Guide to Sustainable Funding

This information sheet has been produced by Community Action: MK and was last updated in 2015. Community Action: MK has taken all reasonable precautions to ensure that information contained in this document is accurate, but stresses that the content is not intended to be legally comprehensive.