



Chartered  
Institute of  
Fundraising



COMMUNITY  
FUND

# FUNDRAISING ESSENTIALS

A guide for fundraisers, volunteers and trustees



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# WHO IS THIS GUIDE FOR?

This guide is a starting point for any individual or charity new to fundraising. Whether you work for a smaller charity and are looking to cover the basics of fundraising, have recently taken on some fundraising responsibilities and want to familiarise yourself with best practice, have become a trustee and are hoping to get better acquainted with the regulatory structure of fundraising – this guide offers a whistle-stop tour of what you need to know. It will help you start your fundraising journey with confidence, reassurance, and success.

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# FOREWORD

We are rightly proud of our charity sector in the UK. Thousands of people, both at home and abroad, benefit from the work that our varied and diverse charities do every day. Whether it's a smaller, local organisation, or a larger charity working on medical research, the commitment of the staff and volunteers to make a difference, to make the world a better place, is something that never fails to inspire.

But our charity sector could not do this work alone. The support from the public (as well as businesses, foundations, and others) is fundamental in providing the funds we need to deliver services, promote arts and culture, and save lives (alongside all the other great work charities do!). And alongside recognising the fundamental importance of public generosity, we also know that without fundraising, and without fundraisers, it simply would not take place.

Every day, charities raise hugely needed funds through their fundraising work. That might be talking to a potential donor face to face, running a community event, or setting up an online appeal. This work might be done by paid fundraising staff, or with the help and commitment of volunteers. But whoever is doing the charity fundraising needs a place to start, somewhere they can learn the rules they need to know, or to start to think about the building blocks of success and find out more about different types of fundraising activities.

This guide is that place to start. It takes you through all the basics you need to know, and whether you are a new fundraiser, a trustee, or a volunteer it will provide you with the knowledge and signposting for you to fundraise with confidence and success.

Good luck for all your fundraising and thank you for the difference you make to the people, communities, and causes that benefit from the amazing and inspirational work you do.



**Ceri Edwards**  
Director of Engagement  
Chartered Institute of Fundraising

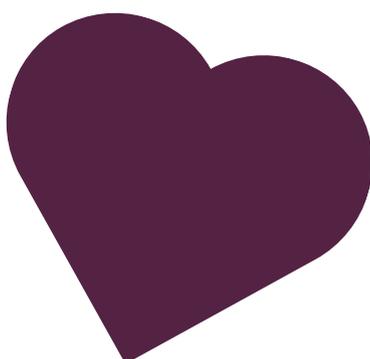


**Rita Chadha**  
Chief Executive  
Small Charities Coalition



**Kunle Olulode MBE**  
Director  
Voice4Change England

# THE WHAT AND WHY OF FUNDRAISING



## What is fundraising?

Fundraising is the way in which charities ask for donations, or other financial support, from the public, businesses, government, foundations and others.

There is no one path for fundraising. Different charities will fundraise in different ways – some will concentrate on events, others on a few higher-value gifts, or digital techniques. Successful fundraising will be the fundraising that best suits your organisation's mission, goals, and funding requirements – as well as the resources and support you have available. At its heart, excellent fundraising is also about giving people a fantastic experience of giving and inspiring support for charitable causes that can last a lifetime.

Being committed to excellent fundraising means following the rules that are in place for charity fundraising in the UK – found in the Code of Fundraising Practice as well as carrying out work in a way that reflects your charity's ethical approach and values.



## Why is excellent fundraising important?

# 81%

OF PEOPLE GIVE A DONATION HAVING BEEN ASKED TO SUPPORT A CAUSE RATHER THAN IT BEING A SPONTANEOUS DECISION

Charitable giving is a huge part of our culture in the UK, with the British public donating over £12bn every year – whether through bucket collections, direct debits or gifts in wills.

We rightly celebrate the generosity of donors who support charitable causes. But we do not always recognise the importance of fundraising in inspiring those gifts. Research commissioned by the Chartered Institute and carried out by YouGov shows that 81% of people give a donation having been asked to support a cause rather than it being a spontaneous decision.

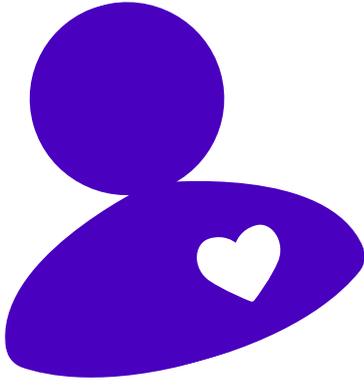
# 63%

OF PEOPLE TOOK ADDITIONAL POSITIVE ACTIONS AS A RESULT OF DONATING TO CHARITY

The work of fundraisers is vital, and not just in raising the money that enables charities to do their work. It is the main way that people hear about the work of charities and get involved – it's a link that can bring people closer to causes they care about, raise awareness, and encourage further support such as volunteering. The YouGov research showed 63% of people took additional positive actions as a result of donating to charity; for example, by volunteering, recommending the charity to others, or engaging on social media.

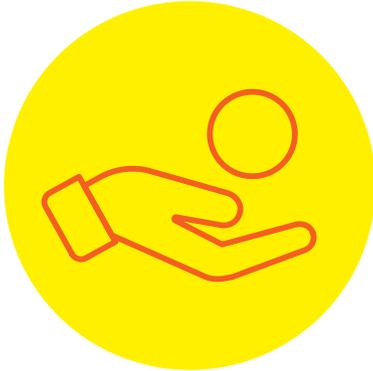
Excellent fundraising will develop sustainable and respectful relationships with supporters to ensure they have a positive and inspiring experience of fundraising and your charity.





## What makes a good fundraiser?

- Understands and always follows the rules in the Code of Fundraising Practice.
- Acts according to their charity's values, policies and procedures.
- Builds effective relationships with supporters, thinking about and improving their experience.
- Is honest, open, and respectful in how they fundraise, ensuring supporters are treated fairly.
- Has charitable objectives front of mind and contributes to strategic priorities.
- Continues to develop and learn, improving their work and skills.



## What makes a good fundraising organisation?

- Excellent fundraising is understood, taken seriously and embedded at all levels of the organisation, including staff, volunteers and trustees.
- Has a clear strategy that reflects organisational plans, targets and values.
- Works collaboratively within and across the organisation.
- Recognises, values and champions good fundraising, investing appropriately in supporting it.
- Continually reviews its practices and makes improvements and innovations.
- Sets achievable goals and works together to meet those targets.
- Takes care of its fundraiser(s), invests in their skills, and works towards a more equal, diverse, and inclusive profession.



# ACTION MEDICAL RESEARCH

A good fundraising organisation involves everyone in fundraising – from trustees to volunteers and colleagues in other teams. It's essential that they understand the link between the funds you raise and the important work that your charity does – no money, no mission!



**Lewis Coghlin**

Director of Fundraising, Action Medical Research



Make it easy for busy colleagues to both help you and get behind you.

Report regularly on progress, and don't forget to thank those who are assisting, and with their permission use them as case studies to inspire others to play their part.

Keep communicating simple messages to internal stakeholders about what you are trying to achieve, and the part they can play in getting there – for instance spreading the word about gifts in wills.

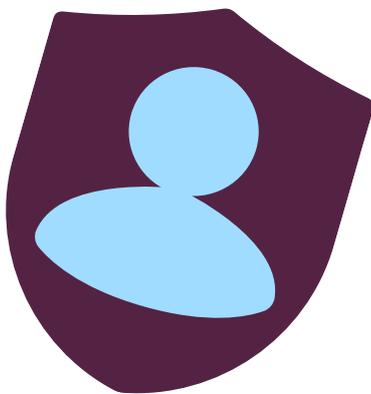


medical research  
for children



# THE FOUNDATIONS OF FUNDRAISING

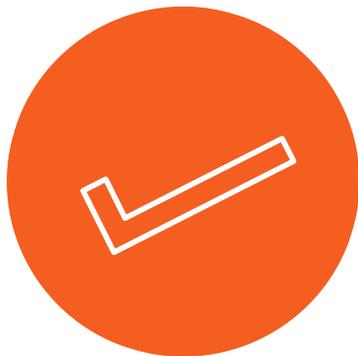
While fundraising is creative, inspiring, and often about relationships and conversations with people, there are rules and standards to follow. If you are fundraising for a charity you do have a responsibility to make sure that you are fundraising in a way that meets all the requirements expected of all charities. This helps make sure that everyone gets a great experience of fundraising, as well as provide a common standard of good practice for all to follow. This section will go through what you need to know, so you can make sure you are always fundraising in the right way to protect both your charity and your supporters.



## How is fundraising regulated?

Wherever you are in the UK, there is an organisation that regulates 'charities' and an organisation that regulates 'fundraising'.

Charity regulators are statutory – set up by the government in each of the UK nations. They approve and hold a register for charities, make sure that charities follow charity law and ensure they are being run properly and lawfully.



Regulators for fundraising are independent (not set up by the government). They are responsible for setting standards for how charities fundraise, take complaints from members of the public, as well as investigate and adjudicate any instances of poor practice. It is up to each charity to decide whether to show commitment to good fundraising practice by registering with the regulator for fundraising that operates in the nation they are based in.



## All the rules for fundraising are set out clearly within the Code of Fundraising Practice.<sup>1</sup>

This includes both legal rules that you need to know about and follow, as well as standards for fundraising that are set through fundraising regulation. Every charity, whether registered or not, is expected to follow the standards set out in the Code of Fundraising Practice.

### Scotland

The Scottish Fundraising Standards Panel<sup>2</sup> oversees regulation of fundraising in Scotland.

Charities are regulated by the Scottish Charity Regulator (OSCR).<sup>3</sup>

### England and Wales

Fundraising is regulated by the Fundraising Regulator.<sup>6</sup> The regulator is also responsible for running the Fundraising Preference Service (FPS). Fundraising charities are encouraged to register with the regulator and to submit details of complaints on an annual basis.

Charities in England and Wales are regulated by the Charity Commission for England and Wales.<sup>7</sup>

### Northern Island

Fundraising is regulated by the Fundraising Regulator.<sup>4</sup>

Charities are regulated by Charity Commission for Northern Ireland (CCNI).<sup>5</sup>



- 1 See <https://www.fundraisingregulator.org.uk/code>
- 2 See <https://www.goodfundraising.scot>
- 3 See <https://www.oscr.org.uk>
- 4 See <https://www.fundraisingregulator.org.uk>
- 5 See <https://www.charitycommissionni.org.uk>
- 6 See <https://www.fundraisingregulator.org.uk>
- 7 See <https://www.gov.uk/government/organisations/charity-commission>

## Other key areas of regulation

Some areas of fundraising are also subject to broader non-charity specific legislation, which is enforced by these regulators. The most common ones you will need to know about are:



### Information Commissioner's Office (ICO)

Data protection regulations, including PECR for electronic marketing and GDPR.



### Advertising Standards Authority (ASA)

The UK's independent regulator of advertising across all media, applying the Advertising Codes.



### Gambling Commission

Regulations and operation of gambling activities including lotteries and raffles.



### Ofcom

Regulations relating to the UK communications industries, including TV and radio.



# PRINCIPLES FOR EXCELLENT FUNDRAISING

While detailed rules for each area of fundraising are set out in the Code of Fundraising Practice,<sup>8</sup> it helps to remember that fundraising should always be legal, open, honest, and respectful. In practice this means:



## **Treating supporters fairly and with respect**

Fundraising should always be a positive experience – an action that enables people and organisations to engage with and support the causes that really matter to them. Without supporters your charity cannot deliver its vital mission, so their experience must be central to everything you do.<sup>9</sup>



Always treat the people you engage with fairly and with respect, and take care never to pressurise anyone into giving. When fundraising with the public make sure to think about how you respond to donors who might be vulnerable or in vulnerable circumstances and support them to make informed decisions – see the Chartered Institute of Fundraising's guidance *Treating Donors Fairly* for more information.

<sup>8</sup> See <https://www.fundraisingregulator.org.uk/code>

<sup>9</sup> See more information see <https://ciof.org.uk/about-us/what-we-re-doing/supporter-experience-project>



## Being clear and truthful

Whether you are raising money for a charity or not, you will need to make it clear who or what you are fundraising for. Always tell the truth and take care not to mislead or exaggerate any facts relating to potential beneficiaries. It's important to portray the people we are fundraising to support in a positive and respectful way.



## Handling donations safely and securely

Think carefully about how you will handle funds. Safe and secure donation handling is important to protect the organisation from fraud, theft or embezzlement and to assure donors that their donations and gifts are used for the purpose for which they were given. There are specific laws for how to manage public collections, bank transactions and the signatories required to access charity bank accounts.



## Honouring your promises to supporters

If money is raised for a specific purpose, it has to be used for that purpose – you should not imply in fundraising communications that a donation will be used for a specified purpose if it will be used for general funds. For example, if you are specifically raising funds for the renovation of a building in a dedicated appeal, then you cannot use that money for another purpose such as medical research. This means that you will need to think carefully about what you will do if you raise more money than expected or if you fail to achieve your fundraising goals. If you think it's likely that you may exceed your target, you may need to inform donors from the start how any excess funds will be used. More information can be found in the Code of Fundraising Practice.



## Taking responsibility for your fundraising

If you have carefully considered your fundraising decisions, ensured that you have the right approvals internally and acted in line with regulation and your organisation's values and policies, you shouldn't go too far wrong. At the same time, mistakes can happen and sometimes a fundraising campaign will not go to plan. Be willing to explain your decision-making process and be accountable for the decisions you reached. If something does go wrong or a complaint is received, make sure you handle any concerns promptly and sensitively, learning what you can from the process. A well-handled complaint can be an opportunity to strengthen a supporter relationship – you will need to make sure you have a clear process for dealing with any issues that arise.

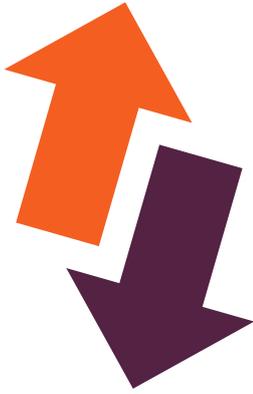


## Be responsible with personal data

Protecting personal data makes sure supporters can trust you to use their data legally, fairly and responsibly. Be careful about how you handle and store any data about supporters and the wider public, and make sure you observe supporters' contact preferences. You must meet all legal requirements relating to data protection – see this guidance from the Chartered Institute of Fundraising on fulfilling your responsibilities under the General Data Protection Regulation.<sup>10</sup>



<sup>10</sup> See guidance at <https://ciof.org.uk/events-and-training/resources/gdpr-the-essentials>



## Thinking about your supporters

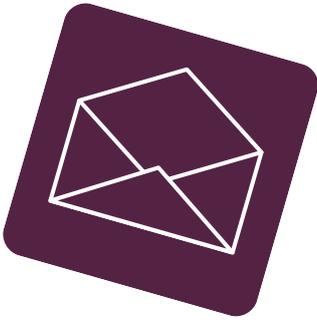
Excellent fundraising doesn't just follow the rules, it prioritises relationships with supporters and provides the best possible experience of fundraising and giving. That's the case for both individual people, as well as local businesses, foundations, or other supporters (such as schools or a local council).

The importance of long-term committed supporters cannot be underestimated. Creating a 'supporter journey' that will nurture relationships with supporters and make sure they know how valued they are is key. Thank them for their donation in a timely manner, report back to them on how you used their donation and the impact of the funds raised.

If your supporters are particularly interested in certain aspects of your charity's work, try to give them opportunities to engage more deeply with those areas and – where possible – tailor communications around their interests. Provide touchpoints that will enable them to feedback their views on your fundraising campaigns and charitable work. Let them know what a difference they are making to your charity's work, but avoid inundating them with too many messages and listen to their contact preferences.

For grants from charitable trusts/foundations or corporate donations, follow any guidance and requirements on reporting and recognising their support. If not specified, check on when and how they would like to hear about the impact of their support.





Be aware that there will be times when supporters may not be able to give to your charity financially, but can support it in other ways and may return to donating later on. Try to provide a rounded supporter experience that caters for changing donor circumstances and encourages them to continue to feel engaged and involved on a long-term basis.

- Help supporters make informed decisions about their giving.
- Review how many times you are contacting supporters each year e.g. through emails, newsletters, etc.
- Think about how someone might feel in response to your fundraising approach.
- Take steps to capture feedback from supporters and review their experience – not just how much they give.
- Give people clear opportunities to tell you how they would like to hear from you.
- Make sure you know how to respond to the needs of people in vulnerable circumstances.

**The Chartered Institute of Fundraising hosts the Supporter Experience Project, which provides well-researched and inspirational ideas to help fundraisers deliver a great experience for supporters so that everyone feels good about giving. Here is a checklist as you start out:**

- Are you fundraising in a way that is consistent with your charity's values?
- Does your fundraising follow the Code of Fundraising Practice?
- Is your charity registered with the Fundraising Regulator or Scottish Fundraising Standards Panel?
- Do you have a process for monitoring feedback and responding to any complaints?
- Are you putting the experience of your supporters at the heart of what you do?
- Are you portraying your service-users or communities you work in positively and respectfully?

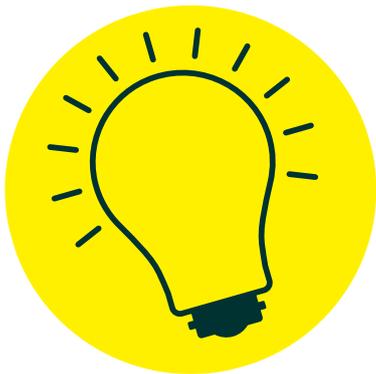
# FUNDRAISING STRATEGY

Having a clear fundraising strategy is essential for financial sustainability and to keep your organisation on track with its fundraising goals. When developing a strategy think about where your organisation is now, where you want to be, and how you will get there. It should be aligned to your organisation's mission and objectives, and set out a long-term, strategic approach that will help you deliver the most efficient and effective fundraising programme.



A good strategy will include setting out your objectives and plans for the coming years, reference to relevant ethical standards and policies, consideration of the resources and investment you need, and will be agreed by your board of trustees.

It is essentially a plan for how you will fund your charities work in the future, which takes into account:



- internal and external influences
- opportunities and risks
- likely income sources
- fundraising activities
- budget and resources
- the short and long term goals

# STEPS FOR DEVELOPING A FUNDRAISING STRATEGY

**1** Think about how your fundraising objectives fit in with your charity's vision, mission and strategy.

**2** Develop a case for support so you are really clear about what the ask is and why.

**3** Think about what resources you have for fundraising including people, equipment, and budget.

**4** Put in place time to monitor and review how it's going, and adapt plans where needed.

**5** Adopt a whole organisation approach – your strategy should be discussed and approved at board level and involve other teams and departments.

**6** Identify your likely supporter groups and which fundraising activities you can use to reach them.

**7** Make sure you have the right organisational policies in place to deliver the strategy.

**8** Think about your fundraising plans for the longer term (one, three or five years) – many fundraising activities require investment and won't see immediate financial returns.

# WHAT TO THINK ABOUT WHEN DEVELOPING A STRATEGY?



## Managing risk

Charities face some level of risk in most of the things they do. Don't shy away from new opportunities, but always consider the potential pitfalls, ensuring that the benefits outweigh the risks and understanding what level of risk your trustees deem acceptable. Your charity should have risk management processes in place that identify potentially negative issues and mitigate against them and a culture that ensures risk planning is a normal part of any future planning.



## Restricted versus core funding

One of the biggest advantages of voluntary donations is that they are often unrestricted, enabling your charity to use those funds in the most efficient way, whether this is to strengthen the core of the organisation or towards services. Equally, some charitable trusts and foundations are increasingly seeing the value in providing core funding, which gives charities the space to think longer-term, to take risk, to innovate and to learn from mistakes.

However, supporters can often identify better with a specific campaign, appeal with a set target, or project. So when deciding whether to run a specific appeal or fundraise more generally, think carefully about the organisation's needs and overall funding mix, and how you will communicate your ask – any fundraising 'ask' will need to make it clear how funds will be used. If you choose to fundraise for a particular project or cause, then monies raised must be put into a 'restricted' fund and used for that purpose. Consider what will happen if you do not reach your fundraising goal or if you exceed it and make sure any wording accurately reflects these possibilities.



## **Who will you approach to ask for support?**

A successful fundraising programme is likely to engage a range of supporters (individuals, businesses, charitable trusts/ foundations or other partners) through a mix of fundraising activities – see the next section for more information. But when you're just starting out, it can be helpful to focus on a couple of sources of fundraising most suited to your organisation.

The better you know your supporters, the more likely you are to be able to increase their engagement and run successful fundraising campaigns, so take a good look at their giving habits and see what activities they are more responsive to. Research local businesses and trusts or foundations that you might be able to apply to for funding – do you already have relationships you can develop? Explore which channels feel right for your charity, talking with your peers at other charities about their experiences; their successes and their failures.



## **Working with volunteers**

Many charities work with volunteers to extend their fundraising capacity, particularly at a local or community level. This can be an efficient way to increase resource. But, remember that you will need to take responsibility for managing those volunteers, making sure they understand what they can and can't do while representing your charity. You will also need to apply for any relevant fundraising licences and give them guidance and support.



## Working with third parties

Fundraising agencies, suppliers, and third parties all play a crucial role in fundraising in the UK, from specialist fundraising consultants or professional fundraisers to data suppliers, mail fulfilment houses, online fundraising platforms and more. While some consultants, freelance fundraisers or Professional Fundraising Organisations will fundraise on the charity's behalf, others will advise on the strategy or perform related backend fundraising services.

When you work with any third party, it is important to establish a strong working relationship and ensure that they adhere to the same standards and principles. You will need to have a written agreement stating the terms of that working relationship and to summarise this in your charity's annual report. See this guidance for more information.

## Establishing organisational policies



Fundraisers are likely to encounter sensitive or tricky situations while representing their organisation so it is important to have clear internal policies to defer to that set out the organisation's positions. This will make sure that a coherent and consistent approach is maintained at all levels of the organisation, providing clarity, and improving efficiency for dealing with challenging situations. Additionally, many charitable trusts and foundations ask to see copies of policies relevant to an organisation's work. All such policies should be approved by your trustee board.



Rather than drafting detailed and lengthy documents, it is important for policies to be easy to read and accessible for all staff, partners and third parties. They should be regularly reviewed to ensure they remain up-to-date and that current issues are covered.



## Have you considered these policies and how they apply to fundraising?

- Complaints.** What is your organisation's approach for dealing with fundraising complaints, what steps will the organisation take and when will complaints be escalated internally or externally (to relevant regulators)? Make sure this process provides opportunities for your charity to identify where improvements can be made.
- Acceptance/refusal of donations.** What gifts will your organisation accept or decline? Consider what sources of funding might compromise the charity's best interests, independence or reputation.
- Working with vulnerable people.** What impact could your organisation's fundraising have on people in vulnerable circumstances and how could this be improved? Consider how your charity could ensure a more positive and accessible approach.
- Working with third parties.** What is your approach to working with third parties, commercial partners and volunteers, what standards do you require of them and how do you communicate this to your stakeholders?
- Safeguarding.** What safeguards does your organisation have in place to keep your employees, volunteers, service-users and supporters safe? Consider how you can promote a positive, supportive and accountable culture that nurtures the wellbeing of those you work with.
- Financial processes.** What financial controls are in place for the way that your organisation receives, processes and records donations?
- Privacy and data protection.** How will your organisation protect the privacy and data of any contacts on your database?
- Equality, diversity and inclusion.** How are these qualities embedded throughout your organisation?

# HOW MUCH TO INVEST IN FUNDRAISING?

Fundraising costs can and do vary widely, depending on the method, reach of the campaign, cause and more. There is no set level for what is acceptable in terms of fundraising costs, although very high fundraising costs can be cause for public concern. The key is to be open and transparent about what you spend on fundraising and to be prepared to explain those decisions to your supporters and wider organisation.



Typically, fundraising costs will be your investment in a campaign or activity that is predicted to yield a far greater return – the scale of this return and how long it takes before you see a return on investment will vary depending on the fundraising activity. There is almost always a cost to fundraising, be that staff time, producing promotional materials or processing donations. But equally, developing excellent fundraising requires sufficient, sustained and frequently significant investment. Blackbaud's Status of UK Fundraising Report<sup>11</sup> shows that those who report growth in fundraising income attribute it to having the right people with the right skills, having the right levels of investment in place, and planning new and different activities.

Investing in fundraising is an effective and responsible way for charities to ensure that they can continue to deliver their work in the future. Be honest with your supporters to help them understand your fundraising decisions – you have invested in these activities in order to maximise donations to your cause so you can continue and grow your vital work in the future.

For more on how to talk to your supporters about fundraising, see this resource<sup>12</sup> from the Chartered Institute of Fundraising.

11 See <https://hub.blackbaud.co.uk/covid-19-resources/the-status-of-uk-fundraising-2020-report>

12 See <https://ciof.org.uk/Events-and-Training/Resources/FAQs-for-fundraisers>



## Questions to consider about fundraising costs

- 1** Have you fully researched the cost and likely return for campaigns or activities?
- 2** Are you being realistic about your targets for financial returns? Remember that if your organisation is starting out fundraising this will mean an initial investment which you may not see a return on for a while – make sure you have thought through what can reasonably be achieved with the skills, resource and time-frame you have.
- 3** If a campaign has a high cost, why might this be the case and is this the best use of your fundraising budget? Discuss this with your trustees and be prepared to answer questions about it and explain your decision.
- 4** Are you reviewing your fundraising costs, particularly among any poorly performing campaigns to assess progress against targets? Keep an eye on how the campaign progresses and adjust your strategy accordingly.
- 5** Could you explain your fundraising costs and decisions to a supporter?



# FUNDRAISING IN PRACTICE

Through developing your strategy you should start to have an idea of where you want your fundraising programme to take you, so now you'll have to think about what you're actually going to do to get there. Are you going to approach individuals to leave legacies? Are you going to ask people to take part in events? Or will you concentrate on grant applications to trusts and foundations? This section gives an overview of the different fundraising methods you could think about.

Remember, there is no one-size fits all model. Different charities will do different fundraising activities depending on their size, area of work, available resource, budget as well as their cause and history. But aiming to eventually get a diverse range of fundraising activities is likely to help you be sustainable and successful in the long term.



# WHO MIGHT SUPPORT YOU?

## £12bn

THE UK PUBLIC GIVES OVER  
£12.5BN TO CHARITIES  
EACH YEAR

### Individual donors

The UK public gives over £12.5bn to charities each year in donations and are a vital and valued source of funding – particularly if your charity already has a community of individuals it engages with. While ad hoc one-off donations (typically in response to charitable appeals) are the most common way of giving, it is regular giving (usually via Direct Debit) that generates the highest sums for good causes – think about how you are nurturing supporters from their very first engagement to develop a regular giving programme.

As a stable, reliable income it enables organisations to plan for the future and increase efficiency. This also means nurturing those supporters so that they recognise how highly valued and appreciated they are. Major donors, philanthropists and legacy givers, the latter who make up more than £4bn in donations a year, are extremely valuable sources of income and the difference made by their ongoing support can completely change a charity's future.

## £6bn

GRANT-MAKING TRUSTS AND  
FOUNDATIONS IN THE UK GIVE  
£6.5BN A YEAR

### Trusts and foundations

There are thousands of grant-making trusts and foundations in the UK, giving £6.5bn of funding a year. Finding the best match with potential funders requires research and planning so it is important that you are clear about your funding objectives. Research information about charitable trusts/ foundations on their websites (if they have one) and the Charity Commission Register. Funding directories also provide information and some are available through local infrastructure organisations.

# £0.5bn

COMPANIES CURRENTLY GIVE  
AROUND £500M A YEAR  
TO GOOD CAUSES

## Businesses

Companies have become increasingly charitable, recognising the need to demonstrate social responsibility by investing in the community in which their employees are based and the causes their workforce care about. They currently give around £500m a year to good causes. Make sure you regularly review any relationships with businesses and that all working partnerships reflect common values.

## Community

Community fundraising can be an effective way of reaching a wider audience and mobilising volunteers, particularly if your charity has a strong local presence. This is where charities work at a local level to raise funds from the surrounding communities, often holding events such as raffles, engaging with schools and local clubs (such as Rotary clubs, Scout groups or Women's Institutes).



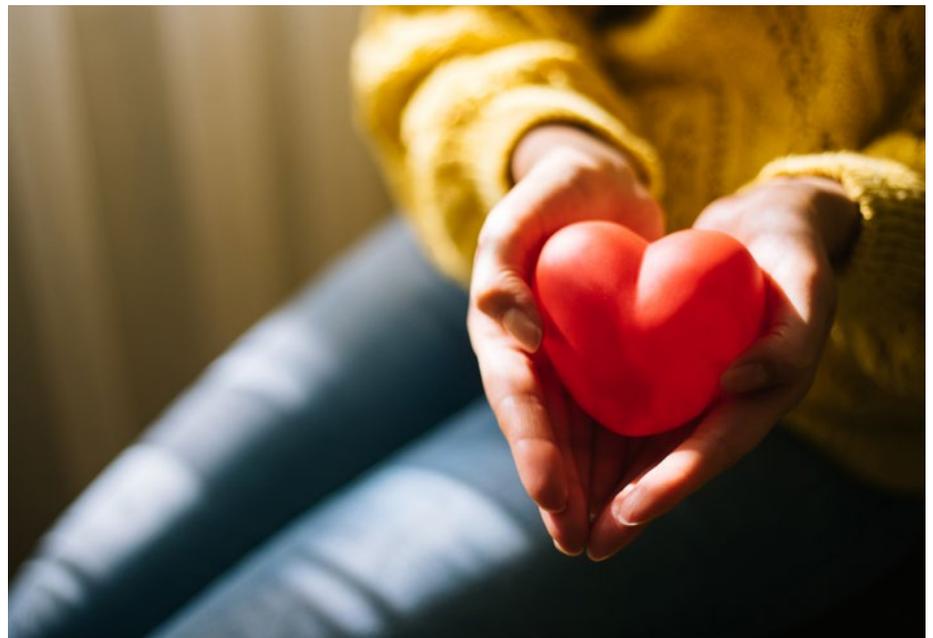
# HOW WILL YOU FUNDRAISE?

Charities typically use a mix of techniques to attract and retain donors, appealing to different supporter groups and ensuring that fundraising is not too reliant on any source or technique.

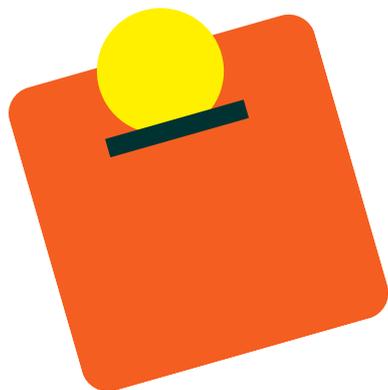


## Questions to consider

- 1 What are the advantages and disadvantages of each method, including the risks (both financial and reputational)?
- 2 What are the likely costs and returns?
- 3 Will these methods/campaigns enable us to meet our fundraising goals – short or long term?
- 4 How will we deliver the campaign and who will this help?
- 5 If I was a member of the public, how would I feel about being approached in this way?
- 6 Is this approach in keeping with our values, ethics and organisational policies?
- 7 What do my trustees think?

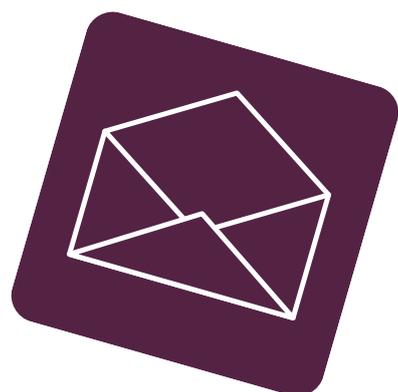


## Public and private collections



Charity collections might be carried out on the street, on the doorstep, at events or with collection boxes in shops, restaurants and supporters' homes.

Face-to-face interaction enables your fundraisers to meet and engage directly with supporters. But it's important to know the rules around how collections should be carried out and licenced, to ensure that any third parties acting on your behalf are thoroughly briefed, and how to ensure the safe, secure transaction of funds.



## Direct marketing

Letters, emails, SMS texts and telephone calls are all used by charities to inform people about the charity's work, ask for funds, thank supporters or build donor relationships.

With any direct marketing approach, you must respect and follow people's contact preferences. There are suppression lists – places where people can say that they don't want certain types of contact for direct marketing. The Fundraising Regulator runs the Fundraising Preference Service which sends email notifications to any charity that a member of the public has said they do not want to receive direct marketing from. There is also the Telephone Preference Service and Mailing Preference service which you can access too. Charities, like any other organisation, have a duty to carefully protect personal data that they hold and make sure that they have good data governance processes. More information can be found at the Information Commissioner's Office.<sup>13</sup>

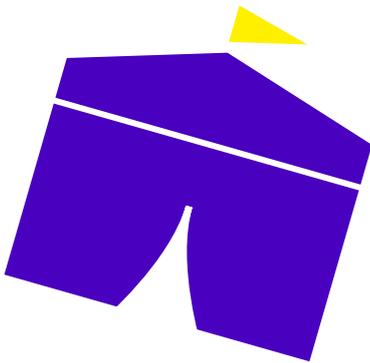
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13 See <https://ico.org.uk>



## Media and advertising

Charities often engage with journalists in an editorial capacity to provide news relating to the cause, case studies, information about fundraising events and other developments. Local press and radio are often particularly keen on featuring charitable stories that relate to their audience. Media guidance and resources are available from the Media Trust.<sup>14</sup> Many larger charities also advertise their fundraising appeals on TV, radio, newspapers, online and in public places, which can be a great way to reach new groups of potential supporters.



## Fundraising events

Whether you are thinking about running or participating in a fundraising ball, exhibition, concert, auction or more, an event can be a generic fundraiser or, as is often the case, part of a major appeal.

Don't be afraid to be creative when planning your events; they can be a great opportunity to help supporters understand more about your charity's work and cause, bringing together your charity representatives with potential donors and beneficiaries.



## Community fundraising

Your charity might have relationships with different communities, from the geographical community you operate in, to online communities that shares your interests, aims, or values. With increasing use of online donation platforms, fundraising directly from supporters has become even more widely accessible for charities of all sizes. For example, your supporters can be sponsored to do a range of activities and it can be a great way to encourage them and your local community to get involved with your charity.

Be sure that you make it as easy as possible for your community to engage with your charity by providing fundraising guidance and sponsorship materials, but also that you consider the potential risks involved.

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<sup>14</sup> See <https://mediatrust.org/communications-support/>



## Raffles and lotteries

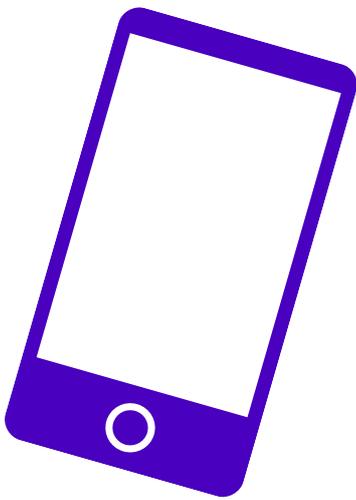
Charities use a wide range of gaming activities to raise funds, including raffles and tombolas, sweepstakes, prize draws, lotteries and auctions. There are specific rules for what charities can do in each area, with some activities requiring a licence from the Gambling Commission or local authority. Make sure you know if a licence is required and the rules for carrying out any such activity before you get started.



## Major donor fundraising

A successful major donor relationship will take time and resource to develop, with the emphasis on delivering a personal and tailored approach, continually nurturing supporters.

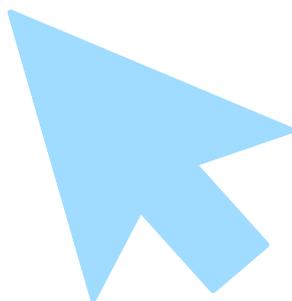
It is important to have a good understanding of other related aspects of fundraising. For example, major donors may wish to support charities through private trusts or leave a legacy, and fundraisers must be aware of the implications of structuring gifts in this way and of any tax reliefs that might apply.



## Digital

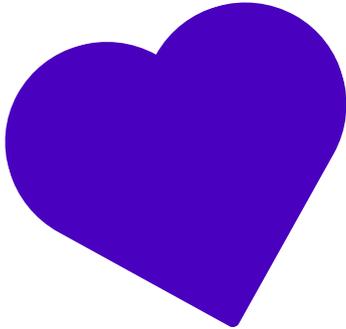
There are numerous ways to raise money through digital platforms, be it via your charity's website, social media, charitable giving portals, crowdfunding platforms, online advertising, messaging apps and more. Investigate which of these you will use to raise funds and make sure your website has the ability to facilitate donations – whether that's by linking to an external donation platform or ideally by having a secure, mobile-optimised donation function that enables people to give quickly and easily from your site.

Digital trends continue to evolve at a great pace and it is important to research communication trends within your target audiences so that you understand the best way to engage with supporters. With the potential for supporter-driven initiatives to go viral, encourage them to share their passion for the cause on digital channels, but be sure to monitor social and online references to your charity.



# £4bn

LEGACY GIVING FROM  
THE PUBLIC, CURRENTLY  
STANDS AT £4BN



## Legacies

Legacy giving continues to grow faster than other areas of giving from the public, currently standing at £4bn. By their very nature, legacy gifts may take many years – decades even – to arrive, but a successful legacy fundraising programme can provide substantial financial security.

Fundraisers can integrate messaging about legacies across all communication channels – social media can be a good ‘nudge’ for your supporters to leave a gift in their will, but newsletters, websites, videos and events continue to be effective to get supporters to act.

Although legacy fundraising can be a sensitive area, it can also be a positive opportunity to communicate with supporters about the impact they can have on the world long after they are gone. Legacies enable a supporter to look after the future of their family, friends and causes close to them, while costing nothing at the moment of making the gift. Make sure your supporters know that legacy giving is for everyone, no matter how modest the gift they’re able to give.



# 7YRS

THE AVERAGE PAYROLL DONATION IS AROUND £8 PER MONTH FOR SEVEN YEARS PLUS

## Payroll giving

Payroll Giving, also known as Workplace Giving or Give As You Earn<sup>®</sup>, enables employees to give to any UK registered charity straight from their gross salary and benefit from tax relief on their donation, making it an appealing way for charities to raise regular, reliable funds through tax-effective giving.

It can take some time to yield your first payroll donation, but the average donation continues at around £8 per month for a period of seven years plus, so be prepared to take a long-term approach to generating Payroll Giving income. Think about whether your charity has any existing relationships with companies or public sector employers, and how you can take a targeted and tailored approach to approaching employers.

# +25%

GIFT AID INCREASES THE VALUE OF DONATIONS FROM UK TAXPAYERS BY 25%



### Remember to Gift Aid it!

Gift Aid enables your charity to increase the value of donations from UK taxpayers by 25% when donors permit that charity to claim back the basic rate of tax that they have paid on that donation. There is also a Small Donation Scheme which allows you to claim on cash and contactless donations under £20. Visit the HMRC website to find out more.<sup>15</sup>

<sup>15</sup> See <https://www.gov.uk/government/publications/charities-detailed-guidance-notes/chapter-3-gift-aid>

# REVIEWING AND ASSESSING

A successful fundraising programme requires active monitoring and regular review, helping ensure the long-term sustainability of your charity and its work.



## Test what works

Often the best fundraising campaigns are a case of trial and error. If you're relying on any fundraising activity, make sure that you've tested it to see how supporters respond. Consider your campaign messaging; is there another better way of communicating beneficiaries' needs or the importance of your charity's work? If you're asking for donations of a set sum, is this the right amount? Is this the best way to reach your target audience?



## Monitoring and measuring success

Evaluating your charity's progress is just as important as your initial fundraising planning. After all, if a fundraising activity is not working in any way, it is important to recognise this, review your approach and the wider fundraising plan. Don't be afraid to identify poorly performing campaigns; there will always be something you can learn from it. Equally, it is important to identify what does work for you and to celebrate fundraising success.

Monitor performance across a range of measures (money raised, supporter engagement, donor satisfaction, reach and more), as well as compliance with legal and best practice standards. Consider what metrics are right for your organisation and how you will report back to your manager, CEO and trustee board.

## Reviewing fundraising plans

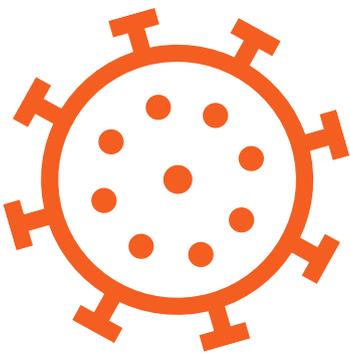


Your fundraising plan should be reviewed continually, in line with performance metrics and changing internal and external factors. This is not just a case of responding to what is working well and what isn't, but considering both the opportunities and risks linked to technological, social or economic developments, among others. Remember to keep senior staff and trustees updated on any major changes to the fundraising plan or strategy.



# FUNDRAISING IN CHALLENGING SITUATIONS

Regardless of the fundraising channels you choose, if you are fundraising during or following the coronavirus pandemic you will likely have to consider the impact of the virus when planning your activities.



Both our organisations and our supporters are likely to continue experiencing the economic and emotional effects so any fundraising needs to be carried out sensitively, safely and responsibly. Many people will be looking for opportunities to give while others may be experiencing financial difficulties, anxiety or grief, so it will be more important than ever for the experience of your supporters to be central to your fundraising. Consider the following:

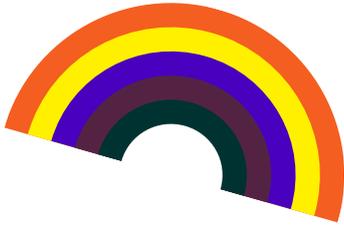


## **Decision-making**

Make sure that decisions to fundraise at this time are thoroughly considered, carefully evaluated, documented and reviewed. You should be ready and willing to explain openly and clearly why your organisation has decided to fundraise, and what you've done to make sure it's done responsibly.

## **Looking after staff, volunteers and supporters**

Fundraising organisations need to think about the risks staff, volunteers and members of the public will face in each type of fundraising activity and do everything reasonably practicable to minimise them. Make sure that fundraisers are trained on any new approaches that your charity is adopting.



## Being responsive and transparent

You will not only need to be responsive to changes to UK government guidance around coronavirus measures, but also to feedback from your staff and supporters. Listen to those you are working with, being sure to take into account the needs of people in vulnerable circumstances or with protected characteristics.



## Wellbeing and fundraising

Fundraising is a hugely exciting, rewarding, and skilled profession. But it is also one that can be demanding, involving, and pressured. For fundraisers to be able to do your best work for the causes and charities you work for, you need to make sure you are looking after your own, and your colleagues' wellbeing. Check out our wellbeing resources.<sup>16</sup>



<sup>16</sup> Please visit <https://ciof.org.uk/about-us/what-we-re-doing/wellbeing-and-fundraising>

# ARE YOU READY TO FUNDRAISE?

10

## 10 questions to ask about your fundraising plans

- 1 What are your fundraising goals and what will these goals enable your charity to achieve?
- 2 Who will you approach for funds?
- 3 What resources do you have available to invest in fundraising?
- 4 How will you go about it?
- 5 Do you have organisational buy-in? i.e. is everyone on board, including your trustees?
- 6 Do you know the rules and best practice for fundraising in these areas?
- 7 What policies do you have for any potentially sensitive or tricky fundraising decisions?
- 8 Who will help you?
- 9 How will you keep your supporters engaged?
- 10 How will you review, learn from and improve your fundraising efforts?





## 10 steps to excellent fundraising

- 1 Have a clear approach.** Successful fundraising is based on clear strategic thinking that will tie in with your organisation's overall business plan, its charitable objectives, values and principles.
- 2 Plan for the future.** Don't just think about this year, plan ahead. Sustainable planning should be at the heart of your organisation's fundraising.
- 3 Do your research.** There are a whole host of fundraising activities you can consider, do your research to identify what you think will work best for your organisation, its supporters and what is feasible.
- 4 Weigh up opportunities and risks.** Don't shy away from new fundraising opportunities or the chance to innovate, but carefully consider the potential risks.
- 5 Don't put all your eggs in one basket.** Where possible diversify your organisation's fundraising strategy so that you're not overly reliant on any one source of income.
- 6 Be realistic.** It can take time to build up a successful fundraising programme, don't expect things to change overnight and make sure your colleagues have realistic expectations too.
- 7 Ask others to help.** No fundraiser can do it alone. Show colleagues, senior management, trustees, stakeholders, third parties, volunteers and others what they can do to help and encourage them to get involved.
- 8 Put yourself in your donors' shoes.** Imagine yourself as a supporter on the receiving end of fundraising approaches from your charity. How would you feel? What would you do? Would you give?
- 9 Listen to advice.** Talk to others about their fundraising experiences; what's worked and what hasn't. Consider working with a mentor from another organisation.
- 10 Set aside time to train and develop.** There will always be more to learn. Read up on changes to fundraising standards, attend sector events, networking opportunities and training courses to ensure you can achieve your potential, both for you and the charity.

## Together we are the future of fundraising

We champion our members' excellence in fundraising. We support fundraisers through professional development and education. We connect fundraisers across all sectors and skill sets to share and learn with each other. So that together we can best serve our causes and communities both now and in the future.

[ciof.org.uk](http://ciof.org.uk)

[@CIOFtweets](https://twitter.com/CIOFtweets)



The Small Charities Coalition helps small organisations with a social purpose to change lives, improve communities and broaden people's opportunities. Through our network of over 14,800 member organisations, we are a voice for people working on the front line of some of our communities' biggest problems.

[smallcharities.org.uk](http://smallcharities.org.uk)

[@sccoalition](https://twitter.com/sccoalition)



Voice4Change England is a national advocate for the Black and Minority Ethnic voluntary and community sector. Our vision is a stronger and inclusive civil society to meet the needs of BME and other disadvantaged communities. Our mission is to strengthen the BME VCS to meet the needs of disadvantaged communities.

[voice4change-england.com](http://voice4change-england.com)

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