Getting Started

Who is responsible for fundraising?

Responsibility for effective fundraising ultimately rests with the members of your Board of trustees or management committee.

You may employ staff or delegate individual volunteers to carry out the work of fundraising. But it is the Board of trustees' duty to ensure that your organisation has the resources it needs to carry out its aims and objectives. This is a legal responsibility for individuals running a charity or limited company, but the obligation applies to all committee members in voluntary and community organisations.

The Charity Commission have produced a helpful guide to support trustees with their responsibilities for fundraising. Take a look at Charity fundraising: a guide to trustee duties

Understanding fundraising strategy

Regardless of the size of your organisation, you'll give yourself the best chance of success by taking a **strategic approach** to your income generation. By this we mean that you create a plan for the short, medium, and long-term, creating a shared sense of direction for fundraising and ensuring that valuable time and resources will be used effectively.

Developing even a brief fundraising strategy will help you to achieve this. Your fundraising strategy needs to support the goals of your organisation and needs to fit with your organisation's general approach to strategic planning. (If you would like more information on the general business planning process you can find this in our Strategic and business planning section).

Your fundraising strategy should cover 3 main areas – your current position, what you want to achieve and the methods that you will use to get there. You can do this as in depth as you like. The priority here is that the strategy is useful and usable.

Where are we now?

To build an effective fundraising strategy you need to start by looking at your organisation's current position, both internally and externally. By this, we mean considering what resources you have (staff, volunteers, budget, known supporters, social media reach, website) and understanding how the strengths and weaknesses of your organisation will impact on your ability to fundraise. You also need to be aware of the environment you're generating income in and the risks and opportunities that are out there. This knowledge will make sure that you can make informed decisions about which activities are likely to have the most success.

Where do we want to be?

You will need to be clear about what you want to achieve from your fundraising and this should be set out as fundraising goals. You should set out why you are fundraising and include an overview of the particular projects or developments that you plan to support. You should also consider whether you are hoping to attract new supporters or generate income from new sources (diversifying your income streams).

Some examples of fundraising goals would be –

- Provide funds for xxx 3-year project
- Establish a 'Friends of…' group that generates £2,000 per year to support core costs

You will set out the detail of how you will achieve these goals in the next section of your plan.

How are we going to get there?

In this section your strategy should set out details of the fundraising activities you will be undertaking and how the activity will be undertaken. Rather than randomly choosing a fundraising activity that you like the sound of, think about how much it would cost to deliver, who would participate, how much those people would likely spend/donate, what they would enjoy doing, what other things are going on at the same time?

The decisions that you make about the fundraising activities you carry out will be informed by the analysis you did of your organisation and the climate that you are operating in. Be realistic about the types and scale of activities that you decide to go ahead with, taking into account the time, cost and skills that you need to make them happen.

Before committing to any fundraising activities remember to check your organisation's governing document as you may have restrictions on the type of income generating activity that you can carry out (for example investments are often limited by clauses in governing documents).

Once you have decided on the fundraising activities you should make a detailed project plan setting out what tasks need to be done, by whom and by when. You should also set your targets for the fundraising activity and ways to monitor whether you are on track. You will also need to create a budget for your fundraising activities. You can find more information on how to do this in our Budgets and forecasting section.



Developing a fundraising strategy

We also have a free e-learning course ‘Developing a fundraising strategy’ which takes you through the process and gives you some ideas on the business planning tools that you can use when building your strategy.

Getting to know your supporters (donors)

Putting **people** at the centre of your mind is integral to successful income generation. It is important that you get to know your supporters (who they are and what motivates them) so that you can communicate with them effectively and retain their support.

While the overall goal of fundraising is to bring money into your organisation, just asking for money for the sake of it (to put it cynically) isn’t going to inspire people to give to you. Good fundraising builds a connection with the donor, creating a bridge between your organisation and their values and their ability to effect change to live those values. Not everyone wants to or is able to work or volunteer for a charity, but donating money or goods is a way that person can contribute to the cause(s) they care about; ‘their” causes. When you understand your donors’ values and motivations, you can plan your fundraising messages accordingly.

Getting to know your donors or people you think could become donors will also help you decide which fundraising activities to try out. Are they mostly women, or over 55? Use simple tools like social media and short surveys to find out how they like to spend their time, how they like to be communicated with and their general likes and dislikes. This will help you plan fundraising activities that will appeal to them. For example, if you found out that many of your supporters are also rugby fans, you could concentrate on finding rugby-related prizes for a silent auction. If they like going to restaurants and trying new food, you could plan an event with a guest chef.

Support your fundraisers

The people carrying out your fundraising are also important. Give whoever is doing your fundraising as much time and support as you can. Make sure they have access to the information they need to plan good activities, and make sure they aren’t working alone. Fundraising is a very public and often pressured thing to be doing (especially in more difficult economic environments), so the people doing it need to know they have the support of the whole organisation. After all, the outcomes of their work will benefit the whole

organisation.

Fundraising skills

There are a number of skills, transferable from other areas of work, that will contribute towards successful fundraising. You don't need one person to have all of these skills – draw on the skills of people from across your organisation to get the outcomes you need.

Some of the key skills that contribute towards good fundraising are:

- **Relationship management:** whether it be funders, businesses, individuals or volunteers, building relationships with people and organisations is a core skill needed to deliver good fundraising.
- **Communications and marketing:** being able to communicate the impact of your work effectively (to the right people, at the right time, in the right way), will make any fundraising ask more effective
- **Sales:** while we might not like to think of fundraising in this way, those with sales experience often make good fundraisers. In the same way sales is about making it clear how your product will meet someone's needs/wants, fundraising is about making it clear how supporting your charity will help meet someone's values.
- **Digital:** digital skills are relevant to all aspects of fundraising, including ways of working, methods of fundraising and communication. See further information in our Digital section below.
- **Budgeting:** Your fundraising activities will need to be properly costed and delivered within an agreed budget. Your budget will need to reflect that it will take time for fundraising activities to achieve results and you may not break even straight away. You can find out more about how to approach budgeting in our Budgeting and forecasting section.

Digital

Fundraising is no different to other aspects of managing your organisation – there are ways in which making use of digital will have positive impacts in terms of time, cost and other resources. Digital is relevant to how you organise the work on your fundraising internally and how you communicate with your donors. It can also help you in creating ways to enable people to donate to your organisation, for example by using physical digital infrastructure like cashless donation devices or using Facebook donate to create more donation opportunities for your supporters.

Digital approaches can support many types of fundraising, but if you are ready to learn more about online fundraising specifically, we have a guidebook developed by Local Giving.

Online Fundraising Guidebook

Our Online Fundraising Guidebook provides information on topics such as online fundraising platforms, promoting your cause and engaging regular donors with tasks for you to work on to improve your practice.

Gift Aid

Gift Aid is the UK Government scheme in which charities can claim an extra 25p for every £1 that is donated by UK taxpayers. You do not have to be a registered charity to claim Gift Aid. Gift Aid can't be claimed where the donation isn't direct from the donor, or where something has been received in return for the 'donation', for example fundraising event tickets.

Gift Aid doesn't cost anything to claim, but there are administrative tasks that must be fulfilled, so time should be factored into this. Over £500m per year goes unclaimed in Gift Aid, so it's definitely an opportunity to be taken advantage of if you can get the right processes in place.

Introduction to Gift Aid

For more information about Gift Aid, look at our guidance.

Code of Fundraising Practice

The Code of Fundraising Practice sets the standards that apply to fundraising carried out by all charitable institutions and third-party fundraisers in the UK. The Code outlines legal requirements and good practice in relation to fundraising, and signposts you to other legislation and guidelines (e.g. around gambling in relation to charitable lotteries). As well as providing that framework to make sure you are fundraising legally, the Code may help you refine ideas if you're not sure about which fundraising activities to try.

The Code is managed by the Fundraising Regulator. The Regulator are responsible for good fundraising across England, Wales and Northern Ireland. They manage complaints relating to fundraising, and provide advice and guidance on good practice.