



Toolkit 6- Building Resilience & Creating A Fundraising Recovery Strategy

The [Charity Excellence Framework \(CEF\) platform](#) enables any UK based non-profit to increase its impact and financial resources, but is very quick and simple to use. [Demo video](#) (4 mins). **Everything is free.**

The other toolkits below, can be downloaded from the [CEF Home Page](#).

Responding To The Crisis

- Organisational response plan.
- COVID19 Funder List, 250+, with links to other lists: 1000+ in total.
- Financial assessment and action plan.

Sustainability

- Building resilience & creating a fundraising recovery plan. [Video Version](#).
- Financial sustainability assessment and action plan.

For CEF daily updates, connect with me on [LinkedIn](#), [Twitter](#), or [Face Book](#).

How To Use This Toolkit

Toolkit 6 uses data from the Charity Excellence Data Store and resources from the platform itself. It has been built to be used by anyone, so take from it what's useful and amend the process, templates and checklists to meet your needs. Action steps are highlighted in red, here's the first.

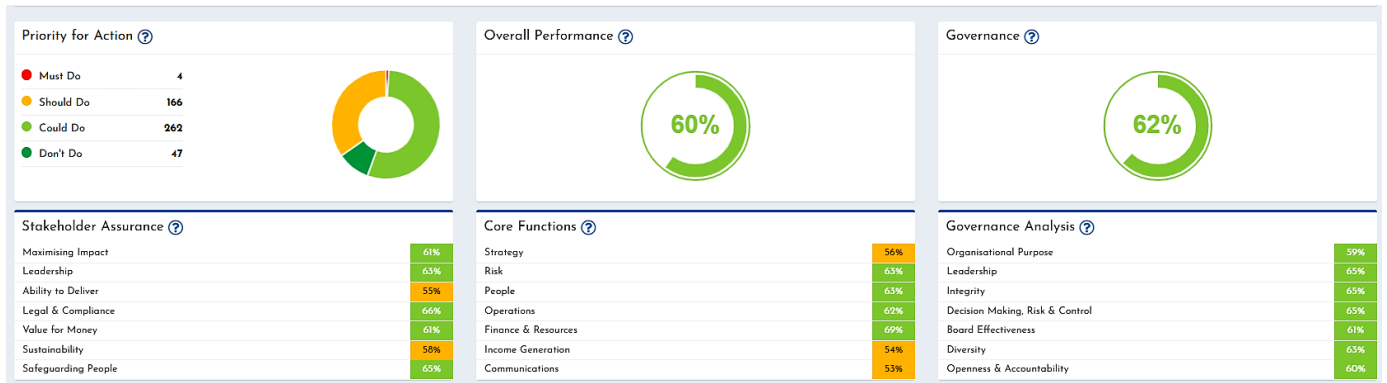
- *The best strategic process is one that works for you, so take what's useful, by adapting the process, templates or checklists to meet your needs.*

Rebuilding fundraising is understandably at the forefront of everyone's mind, but that will be difficult and take time. Part 1 will enable you to build resilience. This can be done more quickly, will reduce cost and improve fundraising effectiveness, to enable you to raise more funding. Part 2 builds on this, to create your fundraising recovery strategy. CEF Toolkit 6 – [Video Version](#). CEF Toolkit 7 – [Assessing Your Financial Resilience](#).

The Charity Excellence Framework

The Overall Performance dial is in the middle, governance on the right and individual priorities for action on the left. The 3 tables analyse these in more detail. On the left, Stakeholder Assurance includes maximising impact and keeping people safe from harm, in the middle Core Functions, such as strategy and income generation and lastly Governance on the right, the various aspects of the Charity Governance Code, such as diversity.

UK Charity Sector Performance (last 12 months)



The dials are green, and only 5 of the other indicators amber. Amber means that the majority of charities report they are not performing well in these areas. Given the pressure the sector was under, even before the crisis, that’s surprisingly good. It shows just how effective charities really are, despite what we read in the Media.

Initially the system **coronavirus preparedness indicators** were all red, but they quickly began to move to amber. The image below is the current live display today (27 March) and it’s now better still.

| Priority | Statements |
|----------|--|
| 41% | In light of the coronavirus, we have considered running virtual events, as an alternative to normal events and to enable us to reach a wider audience |
| 44% | We have assessed the potential financial impact of the coronavirus, including any near-term cost increases and loss of income, such as events and street collections, and the potential longer term impact, such as it being the trigger for a recession |
| 48% | We have adequate coronavirus preparations, including ensuring we have suitable hygiene arrangements, updating our contingency plan and emergency contact list, reviewing travel, meeting and event schedules and HR arrangements, such as remote working and absence, and insurance and income, if appropriate |
| 51% | Given that the Coronavirus impact will be substantial and last for many months, and the growing risk of a recession, we have assessed our sustainability and taken any necessary action in response to this |
| 51% | We have an effective, up-to-date Contingency Plan that would enable us to respond effectively to any reasonably foreseeable crisis |
| 80% | We have identified and assessed any relevant ad hoc coronavirus volunteer groups, that have been created, to decide if we should engage with them and, if so, how we might best do so |
| 80% | We are aware of and have claimed any Government coronavirus tax reliefs and financial support that we qualify for |

There simply isn’t nearly enough data yet to say this is representative of the whole sector, but perhaps an indication that despite their desperately limited resources, charities are responding as quickly and effectively as possible, in the face of the huge challenges.

PART 1 – BUILDING RESILIENCE

The CEF Data Helps Us To Answer 3 Key Questions

- What are the challenges we face?
- How well are we placed to respond?
- How do we build our resilience?

So, where are we right now?

Even before the crisis, demand for services was increasing and some 20% of charities struggling financially. Nobody really knows, but based on what we've seen in China and Italy, the lockdown may last a month and the worst of the epidemic 3.

NPC have produced a very helpful assessment of [what this might mean for charities](#). In this, they identify the charity sectors most likely to be worst hit, including the elderly, the young and the vulnerable. It also assesses the potential impact on income:

- **Events** – the London Marathon alone earned £66m last year.
- **Individual Giving** – fell by 11% after the 2008 crash.
- **Trading and Rents** – it's estimated that we could lose £1.36 billion, that's 3% of income, if trading is suspended for just 3 months.
- **Contracts** – account for 40% of charity income, creating not only income, but also cash flow problems.

It's been estimated that UK charities will [lose £4.3bn of income](#) over the coming 12 weeks. Many also face increased costs in tackling the outbreak. However, that's probably a worst case scenario and there will be a response from Government and donors/funders. Nonetheless, it shows the huge scale of the impact.

More widely, this month saw the worst fall in share indexes since 1987 and the OECD has said that a longer lasting and more intensive outbreak could halve its global growth forecast for this year to 1.5%.

And Longer Term?

The 11 March budget was the largest since the Tony Blair years and that was before the £350 billion additional spend was announced. Somebody will have to pay for that.

Then there's the DfID £14 billion funding, which the Government already wanted to 'realign' and the potential Brexit risk around the substantial EU grant funding. Any major cuts in those, would impact international, education and research charities and, potentially, increase funding competition for everyone.

The UK experiences a recession about every 10 years and the last was in 2008. Even if the Coronavirus doesn't trigger a lasting recession, there's still Brexit, global trade disputes and the growing impact of



climate change. It's not if, but how soon and we're less resilient than we were then. When it comes, all income streams, except probably retail, should be expected to fall.

Update 30 March - The [Centre for Economics and Business Research](#) says that the deepest recession since the financial crisis is now all but unavoidable. It expects the economy to have shrunk marginally in the first 3 months of the year, followed by the steepest economic contraction since comparable records began more than 20 years ago.

Looking more widely, [J.P. Morgan Research](#) (27 March) - global economy is in recession, with an expected double-digit contraction in growth in the first half of 2020. Based on an assumption that the virus runs its course by June, the global economy should rebound in the 2nd half of the year.

- **Assess the potential global, UK, regional, or even local external factors relevant to your charity, in terms of their probability and potential impact.**

These are the external threats and opportunities in your Strengths, Weaknesses, Opportunities and Threats analysis – SWOT.

Returning to the 3 indicators of most concern.

Strategy, too many charities appear to be not responding to, or some may even be unaware of, the wider strategic risks. A recent report found that charity CEO's considered strategy to be less important than previously.

Secondly, **sustainability** assesses our ability to respond to external risk to survive and succeed. Half of the 30 indicators are amber.

Thirdly, the system reports charities' assessment of their **ability to deliver** what they plan to do. Many appear to be committing scarce resources to plans and targets that may not be realistic. We may be setting ourselves up to fail.

What does that mean for the sustainability of the sector?

1. Even before the virus, we faced major challenges.
2. Yet at the same time, we may also have been over-committing our limited resources.
3. There are also substantial additional strategic risks and;
4. Too many are simply too hard pressed to identify and respond to these.

Nobody knows if these additional risks will materialise, or not, but that's a toxic cocktail of risk. The only way to respond effectively, in a sector already hard pressed and very short on resources, is to find ways to get more out of the limited resources we do have.

This resource is from the free [Charity Excellence Framework](#) - the platform, its huge resource base and quality mark are completely free. Ian McLintock © 2020

It's a huge challenge, but I believe we can and will.

We have tremendous talent and passion and, based on the data, there are 6 main areas of opportunity.

Be strategic.

The known risks aside, the virus will [fundamentally change the world](#) in ways we don't yet know. Perhaps, home working will become the norm for many, possibly leading to less reliance on expensive offices, or decentralisation of London centric charity HQs, or new ways to collaborate and support beneficiaries. For fundraising, maybe changes in which causes are most popular or in the way donors give, or [philanthropists work with charities](#). A crisis is often a catalyst for new ideas and better ways of doing things. New opportunities will appear – we must find them and tap into the collective expertise of the sector to exploit these, by working collaboratively, not competitively.

- *Ensure your planning is robust.*

Ambition is another admirable hallmark of the sector, but when it comes to committing very scarce resources, be hard-headed in your planning and assess activities to deliver maximum impact. Scrutinise and objectively assess plans and proposals, test the underlying assumptions and base targets on what can be realistically achieved, given the limited resources available. Here's a [CEF resource](#) with a checklist of ideas on how to do that.

- *Be prepared to make unpopular, but impact driven decisions.*

The weakest governance indicator is board effectiveness in delivering its organisational purpose. Our passion is a huge asset, but it's not about delivering services that we're personally passionate about, but having clarity on the unmet need and structuring what we do to best meet this for beneficiaries. Change is always very difficult, but our world is changing very rapidly and fundamentally, and we need to change in response to that.

- *Manage cost to drive impact and value for money.*

Cost cutting can be a race to the bottom and often is, but it doesn't have to be. For example, each year we fail to claim £600m in [Gift Aid](#) and that's only one [tax relief](#). There are different types of Gift Aid, lots of other charitable tax reliefs and you can claim up to 4 years retrospectively. The biggest refund I ever found was £0.25m.

Look for unnecessary cost and high cost/low value activities. Here's a [CEF resource](#) of 30 ideas on how to reduce cost to increase impact. Here are some of the organisations on the system that offer [free goods & services](#), including consultancy, furniture, office space/meeting rooms and legal.

It's almost always quicker and easier to manage cost, than generate new income. Even small savings accumulate and pay you back every month forever. Make sure that you're using your resources as efficiently and effectively, as you could be. You won't be able to tell, without the processes and scrutiny in place, so check those too. Managing cost will pay you back in spades.

- *Exploit the potential of digital.*

The vast majority of people, including the vulnerable and old, are now online, and it can be very low-cost and can reach many more people. [41% of over-75s](#) have a social media profile. We need to see this for what it is - a fundamental shift in society that will impact charities in all areas, on a large scale. Think you're too small or need to convince your board - here's an article [I wrote on that](#).

[Online fundraising](#) is likely to become much more important and few of us do it well yet. More on that later.

Social Media. Is cheap or free, easy to use and many of us aren't exploiting its potential. That needs to change. There are a huge range of online resources and people who will help for free. Use Google, or join the CEF and it'll enable you to assess your digital effectiveness, download an action plan and link you to free resources and people who can help you.

Build fundraising effectiveness - Funding was already scarce, but the data shows the majority of charities reporting fundraising and the allied comms function, as something they don't yet do well. Changing that has the potential to make a big difference. Which brings me to.

PART 2 – FUNDRAISING FOR RECOVERY

Fundraising is obviously a very high priority for everyone, but the data shows that many don't do this well. And also shows that we don't do strategy well either. This part of the presentation gives you a framework to create your own effective, sustainable fundraising strategy. It is based on the 7 modules of the CEF fundraising strategy toolkit.

Timeframe – some strategies may look 10 years into the future, or even longer; major investment programmes. However, most are 3 to 5 years.

- **Decide on a suitable time frame for your strategy.**

Strategy - We cannot control the events in the outside world so effective strategy, isn't about deciding what we want to do, but rather understanding how that may impact your work, and focussing your resources to exploit the opportunities and mitigate the threats facing you.

However, there are potentially a huge range of factors, many of which may well be both critical and highly uncertain. Here's how to manage that

1. I'll begin by how to assess and manage strategic fundraising risk.
2. Then how to create your sustainable fundraising strategy.
3. Finally, delivering your strategy, often the most challenging part.

How are we going to do that?

I'll give you a process anyone can use that you can adapt to meet your needs. It doesn't have to be complicated, but you do need to have a logical, structured process, challenge positively, be prepared to think about new ways of doing things, take people with you and make decisions based on the available evidence.

1. Managing Strategic Income Risk

What are we trying to do? Your aim is to deliver the funding your charity needs and you can't plan how to do that without first knowing what that is. This can be as simple as rolling forward your normal income and expenditure numbers and then adjusting these in light of relevant key factors. For

example, building in the need to replenish reserves, any capital campaign or building costs, or the ending or start of any major projects.

- *Create your estimate of your future year income targets.*

Wouldn't it be safer to just do what we do now? Maybe, but maybe not. The operational risks and pressures in the immediate term are obvious and urgent. Whereas the strategic risks tend to be less obvious, so it may feel safer to sit tight, but if you're wrong, it may be too late by the time you find that out. Here's a way to assess and manage that risk.

Income diversification is often talked about, but less often done. Should we? Over reliance on limited income streams has 2 potentially serious implications. Firstly, there may be limits on the extent to which this income can be grown. Secondly, a major unforeseen future event may lead to a significant reduction in a critical income stream; as just happened to pretty much all of them.

However, diversifying also involves risk – it usually requires investing often scarce resources, takes time and, inevitably, developing new income streams carries more near-term risk than relying on existing well-established methods.

An Ansoff matrix is one way to think about what would be best for you. This one has been reworked for fundraising. It assesses 2 dimensions – donors and fundraising techniques.

| | | | |
|------------------------------|----------|----------------|----------------|
| | | Donors | |
| | | Existing | New |
| Fundraising Technique | Existing | Low Risk | Medium Risk |
| | New | Medium Risk | High Risk |

- **Lowest Risk** (top left) - grow your income using your current techniques with your current donors.
- **Medium Risk** (top right) - use your existing techniques with a new group of donors. For example, if you only fundraise locally, but deliver services more widely, you could target fundraising into areas you currently don't.
- **Medium Risk** (bottom left) - apply new fundraising techniques to your existing donors. For example, those who may be able to give more, or in different ways, such identifying regular givers who are potential major donors.

- **High Risk** (Bottom right) - much greater potential to do really well, but also to fail. Using new fundraising techniques with new donors. For example, if your fundraising was primarily trust based, but you had a national remit, you might consider Google Ads.
- **Think about the overall probability and impact of your near-term risk, compared to that of the strategic risk in developing new income streams.**
- **Ask yourself - how much of each type might we be willing to accept?**

Whatever you decide to do, having a robust strategic process will enable you to minimise the risk.

2. Creating Your Strategy For Recovery

Assessing your charity. The 2nd part of your SWOT analysis looks internally, to objectively assess your strengths and weaknesses. Many find this the most difficult aspect of strategy. Talking about weaknesses almost always makes people react defensively. I prefer to think of this as finding ways to achieve even more.

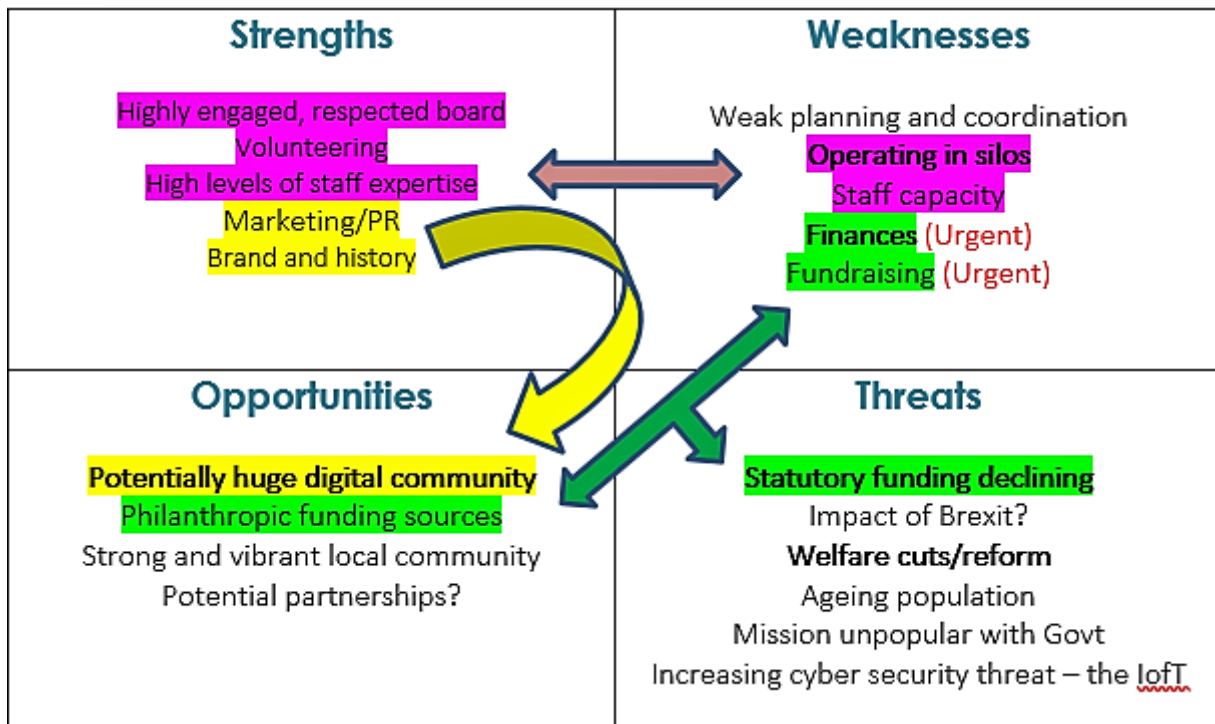
The Data Store results show charities reporting that how they manage the fundraising process is an area where we can do that. Think through each area. There's a checklist you can use at [Schedule 3](#). This isn't a compliance check, but a search for opportunities. The impact of each improvement you make may be small, but it will be cumulative and improve your fundraising on an ongoing basis.

- **Assess your internal strengths and weaknesses.**
- **At each stage, ask yourself – what might we do more of, or do even better?**

Beginning To Bring It All Together

- **Match your internal strengths and weaknesses to the external opportunities and threats to create your fundraising SWOT analysis.**

In this worked example from the CEF, I've identified the linkages between the various factors and highlighted those that are either particularly important or urgent.



- You know what your income targets are and understand the risk in developing new income streams - bring these together with your SWOT to identify the best way forward.*

For example:

- Using strengths to exploit opportunities - yellow.
- And/or use these to address weakness - purple.
- And/or to mitigate/avoid threats - green.

Or better still, could you turn a threat into an opportunity?

You now know what you're going to do, so it's now time to work out how to do that.

Identifying Your Options

Digital. It's estimated that charities lose out on [£1.5bn in donations](#) annually, due to lack of digital effectiveness, online donations are growing year-on-year and, with the virus, it's more critical now than ever. In this [CEF Sector Insight Briefing](#) on digital fundraising, all 9 indicators are currently amber. That is, the majority of charities report that they are not doing these well. Make sure yours is.

- Online Fundraising.** You might consider [setting up an online shop](#), such as E Bay. The CEF list of [70+ fundraising platforms](#), has links to 5 under Auction/Sell. Think about [virtual events](#). Consider [text donations](#). Or [contactless](#). More [fundraising resources](#).

- **Websites.** This [CEF Sector Insight Briefing](#) on website effectiveness has all 6 indicators at amber. Reviewing your website could be an easy win for you. If you're a member of the CEF community, run 'website' in the query system and it'll give you an assessment of your website and links to the resources you need.
- **Google Ads.** Are the ads that appear at the top of your screen whenever you run a search. If your charity has national reach, the [£90k Google Ads grant](#) is an absolute gift. It's not a quick fix, but once set up, workload in maintaining it is low.

But there are a whole range of other options.

[Schedule 4](#), lists and provides a summary assessment of the most common fundraising techniques.

- *Assess the various fundraising methods, including those you currently don't use.*
- *Decide which you wish to look into in more detail, consider later or dismiss as not suitable.*

Here are some of the CEF [Funder Lists, Free Funding Finders and Guides](#).

Testing and Selecting Options

For those you might wish to consider assess each. There's a checklist at [Schedule 5](#).

Return on Investment (ROI) is a key factor. That is, how much return you might achieve, compared to the cost of doing so. The return may not just be financial. For example, enabling you to engage new donors or generate valuable PR. And cost is both time and money.

Remember that you may have to initially invest more than you get back. That's OK, as long as the longer term growth makes that worthwhile, and you have the time and funding to invest.

- *Test each and select those that best meet your needs.*
- *For those you decide to take forward, make estimates of income, cost, timescale and key actions.*

Update your financial projections

- *Build your estimates into your financial projections.*

It's often an iterative process, so you might not get the numbers you want first time round.

- *However, don't inflate the income figures simply to make the numbers work.*

That changes nothing, but the spreadsheet.

- *Instead, revisit your planning to identify how you might realistically increase income.*

Have you missed an opportunity somewhere? Or, you might consider taking funding from another budget area to invest in fundraising?

As long as you can be realistically confident that you will remain sustainable in at least the medium term, you have bought the time to develop alternatives.

- *If that still doesn't work, then the Board must consider scaling back its plans to reduce costs.*
- *If you need to, you could create a contingency plan with cost reduction options.*

3. Delivering Your Strategy – the most difficult bit

Planning - Year 1 of your strategy is your next year's business/operation, budget and risk management plans.

- *Build your Year 1 activity and finance into these, not forgetting any additional capabilities you will need into the staff development budget.*

Don't overlook staff development. Our people are our greatest asset. Developing them is an investment in your future, not a cost saving. Here's a [CEF resource](#) on how to develop staff well, at little or no cost.

Engagement and Communication - Strategy isn't a plan, it's what an organisation does and that involves everybody, ideally from the outset.

- *Engage your staff and volunteers.*

Your people may not understand the full breadth of strategy in the way you do, but they are experts in their area. This helps to test your thinking, may identify opportunities you've missed, or problems you were unaware of. It also makes people feel part of the process and helps them to understand their role in delivering it. And once you've finalised it:

- *Ensure it is communicated to everyone in clear, plain English.*

The best place for big glossy plans that are full of jargon is usually on the shelf, which is where they tend to end up gathering dust.

Reality Check - The last thing to do is to:

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- *Step back from the detail and ask yourself, if your strategy is realistic and deliverable?*

There's a checklist at [Schedule 6](#). To be confident in your strategy, you should be able to answer 'Yes' to the statements in it.

Job Done! You have created your sustainable fundraising strategy.

To bring that all together

In this [3 min video](#), commissioned by Humentum last year, I talked about the risk of a 'perfect storm' for the sector. Did I predict the virus? Of course not. That's the current crisis - the perfect storm may, or we can hope not, be coming.

Even before the virus, we faced major challenges, yet at the same time, we may also have been over-committing our limited resources. There are also additional strategic risks, but too many are simply too hard pressed to identify and respond to these. We need to support our charities in doing so.

We cannot control the external risks, but we can respond to them. This toolkit should help you to do that. In a sector very hard pressed with scarce funding, the only way to do so, is to do more with what we have right now. Six opportunities to do that are strategy, planning, impact, cost, digital and income. We can do that comparatively quickly and, in doing so, manage down cost and make our fundraising more effective.

In terms of fundraising, it will take longer, but you have your income targets, understand the risks, have identified the best way forward, selected the options to do that, input these into your planning and engaged your people.

The sector will get through this. We don't have anything like the funding we need, but we have boundless talent and that's a huge asset.

However, as in any time of change, there will be winners and losers. Which your charity will be, depends on what you do about it now.

- *Whatever you do, don't do nothing.*

Ian

If you thought this was useful, why not register with the [Charity Excellence Framework](#)? It has the largest resource base in the UK charity sector and everything is free.

Schedules

1. Use Of These Materials.
2. Biography – Ian McIntock.
3. Internal Strengths and Weaknesses Checklist.
4. Fundraising Techniques – Advantages & Disadvantages.
5. Testing & Selecting Fundraising options – Checklist.
6. Reality Check – Checklist.

1. Use of these materials

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2. Biography



Ian McIntock has worked at board/senior management level for 25 and in the charity sector since 2003, including various chair and CEO appointments, starts ups and turnarounds. In a previous career, he created a number of very successful performance systems in very large organisations.

He is the founder of the free [Charity Excellence Framework](#) online toolkit. This [3 min video](#) explains what it is, how it works and why he built it. The CEF Data Store aggregates data into a database that tracks and analyses every aspect of UK charity sector performance, in real-time.

A passionate volunteer of 40 years, his current roles include being a founding director and chair of AVCT, a founding trustee of the Campaign To Ban Trophy Hunting and the UK Representative on the Mission Box Global Advisory Board. Ian holds an MSc (Corporate Management) and professional qualifications in finance & accounting, and fundraising.

Contact: charityexcellence@gmail.com, or connect on [LinkedIn](#).

3. Internal Strengths & Weaknesses Checklist

- **Finance** - is there a good Return on Investment (ROI) for each income stream? Are there any high cost/low value areas? Does your charity have the financial capacity to invest in new income streams?
- **Supporters** - how many are there, how engaged, how much are they able to give, could they give more, or in other ways? Repeat that for groups of donors that you don't reach, but potentially could.
- **Communications and Marketing** -- are you making the most of your brand and reputation? Is fundraising woven into your communications and marketing?
- **Other Assets** – do you have products/services that could be sold commercially to other charities or organisations? Such as event or meeting space, or training.
- **Systems** – donor management, recruitment and retention, are your processes ethical and legally compliant? Do you thank them properly, keep them engaged after you have the money and consider re-engaging lapsed donors?
- **Capacity** – do you have enough fundraisers, what about volunteers, pro bono support and is the Board as actively engaged in fundraising as it could be? Here's a CEF Resource on [engaging trustees in fundraising](#) and another with [20+ ideas on how you might do that](#).
- **Capability** – is there a fundraising culture throughout your charity, do the fundraising team have the skills/experience they need, is there scope to develop these, do board members have commercial or business development skills that could be utilised, is there scope to recruit volunteers with specialist skills, such as digital, business development and sales? Do you prioritise them in your volunteer recruiting? Have you considered [micro-volunteering](#)? Do you invest in [developing your people](#)?

4. Fundraising Techniques

- **Trusts** - Good for projects, mainly restricted funding, but usually contribution to overheads. Huge number of trusts with amounts from low hundreds to millions. Some bid writing skills needed. It's not just about getting bids out. Quality counts – you need a [compelling case for support](#). Can be used for individuals, such as service users in need. Ensure that your bid is compliant with trust eligibility criteria and trust has been warmed up. Here's a [CEF bid checklist](#). Applying 'cold' can work, but return rate will be much lower. There are free funding finders, funder lists and guides on the [CEF website](#).
- **Community** - Can be implemented quickly, no real specialist skills required, low financial cost, and usually unrestricted, but needs significant numbers of volunteers and management time, and usually not large amounts. Works best for popular causes.
- **Events** - Often popular, but difficult to make a lot of money for the effort involved. Can work well, if combined with aim of raising profile and recruiting donors. Resource intense with upfront costs, comes with risk attached and needs guaranteed audience. If you're VAT registered, you can claim [events fundraising tax relief](#) from HMRC tax. [Virtual events](#) may be worth looking at.

- **Statutory** - Can be substantial amounts, but restricted, may favour large bidders, currently little available, can require substantial paperwork. Sub-contracting may be an option, but be wary of being 'bid candy'. That is being included, simply because you're a charity, with potentially limited benefit to you. Online [Government funding database](#) and [EU funding](#). And taking on a public contract, often requires a lot of paperwork and, if too large, may put the commissioning agency in charge, because you can't afford to lose it.
- **Commercial** - Wide range of opportunities including on-line, hire of spare accommodation space, selling specialist skills, offering training, retail etc. Needs a product or service and a commercial mindset. There are limits on how much you can earn for activities that aren't directly charitable, so may need a trading company.
- **Regular Giving** - Steady unrestricted income, but not substantial unless you have a large database of supporters. Tax efficient way for supporters to give more. May be useful to identify donors to 'grow'.
- **Membership/ Friends Scheme** - Can be relatively simple to run, but usually doesn't bring in large amounts, unless you have a high take-up. Can be tiered to increase income. Ensure benefits don't outweigh membership fee and there are specific [HMRC thresholds](#) on the value of the benefit.
- **Online** - Can be mounted quickly and usually at limited cost. Options include social media campaigns, online shops, [E Bay for charity](#). Usually unrestricted, but unlikely to bring in large amounts, without a good online presence. Here's a list of [70+ fundraising platforms](#) from the CEF. [Points to consider](#).
- **High Net Worth** – Major donors. Often unrestricted and can be large, but usually requires investment, specialist skills and, often, takes time to pay back. [NFP: Key points on major donors](#)
- **Corporate** - Often unrestricted and can be significant amounts, but can be hard to break in to. There are a range of options – not only donations, but pro bono support, payroll giving. Often want tangible project or equipment to fund. [Advice on approaching companies](#) and a [CEF list of 200](#) that fund charities. [NPC – corporate/charity partnerships](#).
- **Sponsorship** - It's funding for something you are probably already doing, but needs to fit with a commercial partner, probably not large sums. You need to offer something in return and, often, constitutes a commercial contract, so impact on tax relief available.
- **Legacies** - Low cost, very good ROI, unrestricted, can be large amounts, but takes a long time (usually 5 to 10 years) and unpredictable, unless on a large scale. Marketing to supporter base low cost, but be mindful of ethical considerations.
- **Crowdfunding** - Good for projects, can be mounted fairly quickly and easily, but sites charge circa 5% and needs good online presence and/or community support, up to 5 figure income usually.
- **Lotteries** - Can be very effective and unrestricted, but substantial set-up investment, needs to work at scale, probably best run as a consortium. Due to player attrition, ongoing investment in recruitment is required. Joining a lottery and selling tickets can be a low, cost quick alternative.

- **Direct Mail** - Can bring in significant amounts, but only really for specific types of cause and on a large scale, [GDPR](#) made this less attractive. The upfront costs are high and ROI may take several years to pay back.
- **Social Investment** - Any means of providing financing for an entity which wants to create social or environmental impact, such as outcome funds and impact bonds. Here's an [online toolkit](#) to help you.

5. Testing & Selecting Fundraising Options – Checklist

| Criteria | Review Each Option Under Consideration |
|-----------|--|
| ROI | The time & money compared to income & other benefits, makes it worthwhile |
| Donors | There are potential donors we can reach who are likely to want to engage with us |
| Resources | We have the resources, people and capabilities needed to implement this successfully |
| Income | The amount and type (restricted/unrestricted) of income meets our needs |
| Risk | The degree of risk is acceptable |

6. Reality Check – Checklist

| Can you answer 'Yes' to the statements below? |
|--|
| The income streams will deliver the resources we need, in each year |
| Projections are prudent and the budget required to deliver these is adequate |
| Our analysis enables us to be confident that there are sufficient donors we can reach |
| The fundraising techniques we will use will engage donors and deliver on donations |
| We have plans in place to ensure we will have the necessary capacity and capabilities |
| Delivery plans and timetable are realistic |
| We have identified the key risks and have action in place that will be delivered |
| We monitor the outside world to identify emerging threats or opportunities |
| There is adequate flexibility in the strategy to enable us to respond to these |