

# Developing a Fundraising Strategy

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November 2010

# Summary of participants' goals

- To understand strategy and how to develop one for funding
- To no longer be reactive and achieve longevity
- To be able to assess their current position and develop ideas
- To have different ways of presenting their organisation
- To understand different types of funding
- To be able to apply for funding with confidence

# Why do we need a fundraising strategy?

- to help achieve financial sustainability
- to have a structured and strategic approach
- to demonstrate competency to funders

# What is a fundraising strategy?

How does it relate to:

- Other key documents such as
  - The organisation's overall strategy
  - The organisation's business plan for next year (including budget)
- Financial systems
- Clarity about values

# What should a strategy include?

- Introduction
- External challenges and opportunities
- Needs analysis
- Review of current funding and funding sources
- Assessment of funding sources
- Priorities and actions for focusing effort and attracting funding.

# What are we fundraising for? - exercise

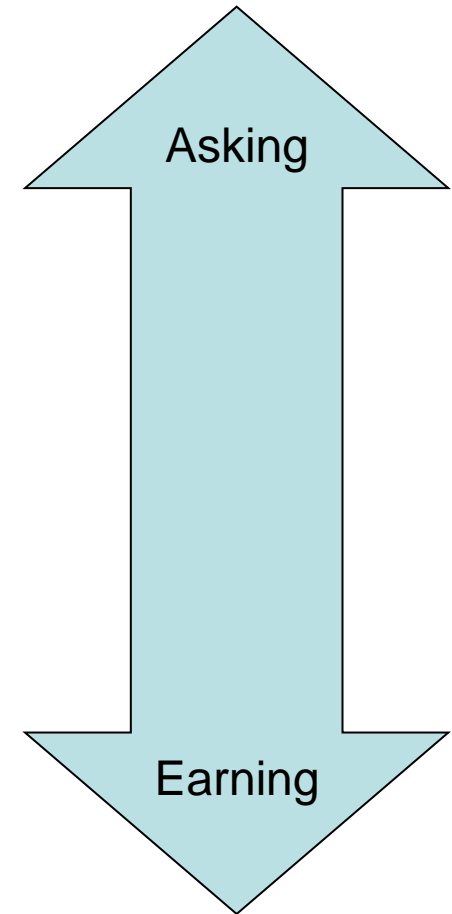
- What are my organisation's strategic priorities for the next 3 years?
- What is in the business plan?
- Do we have any infrastructure needs that require fundraising?
- What do we know about what our service users want from us?
  - How can we evidence this need?

# External challenges and opportunities - exercise

- Political, economic, social, technological
- National, regional, local

# What is sustainable funding?

- Donor – Gift Economy
- Funder – Grant Funding
- Purchaser – Structured Market
- Consumer – Open Market



# What is sustainable funding?

- Donor – Gift Economy
  - Unrestricted funding
  - The organisation becomes known
  - Enthusiasm can gather for your cause
  - Donations from many sources, including:
    - Community Fundraising
    - Individual support
    - Corporate support
    - Major donors
    - Legacies
    - In Memoriam Giving

# What is sustainable funding?

- Funder – Grant Funding
  - Restricted funding
  - Many charities are funded in this way
  - Increased competition and less money
  - Criteria to meet and evidence
  - Prepare in advance – full cost recovery
  - Research funders – key websites

# What is sustainable funding?

- Purchaser – Structured Market
  - Central and local government contracts
  - Earned income
  - Grants, tenders and or capacity building
  - Legal obligations and reporting
  - Full cost recovery and full value
  - It should meet your objectives
  - It enables the VCS to influence services

# What is sustainable funding?

- Consumer – Open Market
  - Unrestricted funding
  - Trading generates extra income
  - Charities can trade
  - Trading reduces dependency
  - Be prepared
  - Select trading opportunities carefully
  - Examples – translation; gardening; intellectual property; charging for leaflets

# Working towards sustainable funding - exercise

- How are we currently funded?
- Are there opportunities to diversify our approach?
- Could we collaborate with others?
- How would diversification impact on us and our service users?

# Action planning for fundraising - exercise

- Under the four funding sources, what could we do?
- What would be the resource implications for (a) our staff (b) our volunteers (c) our trustees

# What makes a good fundraising proposal - exercise

- What are the key components to consider?

# Being prepared for fundraising

- A portfolio of project proposals
- An understanding with potential partners
- A library of fundraising resource materials

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