

While most people are currently absorbed with plans for Christmas and New Year, charity trustees would be wise to start thinking ahead to next Spring when the official launch of the Self-Regulation of Fundraising Scheme is expected.

The first scheme in the UK to promote best practice in fundraising, its objective of formalising a donor complaints system has been well publicised. However, one aspect which is perhaps less well known is that it is not only fundraisers who will have to sign up to the principles; trustees will too, and with this comes more responsibility to understand and support the work of the fundraising department.

In theory this sounds like something that should already be in place. In practice, the relationship between trustees and fundraisers has traditionally not been an easy one, with fundraisers frequently complaining that poor board-level understanding of their work has an undermining influence on their campaigns. They say that, too often,

fundraising is simply regarded as a necessary evil and as a result there is no engagement between the board and the fundraising department; or that the trustees have a very unreal expectation of what it takes to put a fundraising strategy together and the time needed for it to come to fruition – with both view points having a negative effect.

"This is one of the key concerns of our members," explains Lindsay Boswell, chief executive of the Institute of Fundraising (IoF). "Although this is clearly a general comment, it is one that is felt strongly in organisations of all sizes and causes."

Belinda Neal's experience of fundraising reflects this. She tells the story of when, as a former fundraiser for an animal charity, she arranged a sales promotion with a cosmetics company. Although the company didn't test its products on animals and the campaign would have raised in excess of £100,000 for the charity, the trustees took the view that at some point in time the materials used to make the cosmetics would have been tested on animals and so rejected the plans.

"I felt that the trustees took a far too ideological view and failed to acknowledge what a coup this

was for us considering how aggressive the cosmetics market was," she says. "It was very frustrating for us."

Neal now works as client services director at Crazy Horse, a brand response agency, and says that she still hears similar stories from the fundraisers she deals with. "I've heard of trustees saying things like 'Direct mail is a waste of money. Doesn't every one just shake their Sunday papers over the bin?', or 'I hate receiving sales calls so my charity shouldn't make them'. They need to understand that these techniques do have long-term financial benefits."

Trustees may defend these actions saying that their decisions are made with the best interests of the organisation in mind, and that when projects are viewed as too risky it is only right that they veto them. However, the Charity Trustee Network (CTN), an organisation that helps charity trustees share knowledge and experience, has acknowledged for some years that many boards do lack essential fundraising knowledge, and

Ignorance is bliss?

There have long been complaints from fundraisers that charity trustees don't understand their work. Now with the advent of the new Self-Regulation of Fundraising Initiative, boards need to be working harder to improve this situation, as Becky Slack finds out

previously worked with the, now defunct, Giving Campaign to look at this very issue.

"We had identified that there was a problem. Trustees tend to be very good at setting targets for income generation but frequently don't give sufficient lead times or query how the money is raised," explains Linda Lawrence, governance consultant and former chair of CTN. "So we felt that it was necessary to alert them to the need for greater depth of understanding of fundraising."

One of the outcomes of the research was *Fundraising and Trustees: the essential guide*, a booklet which explains how fundraising is not just about raising money but is also a means to support an organisation's brand and communicate the cause. It also gives details of the essential "rules" trustees should follow (see panel for more information).

But is reading a booklet all a trustee needs to do to get up to speed with fundraising, or is more education required? Both the IoF and CTN agree it would be unfair to insist that a board fulfil a mandatory level of training when they already commit so much time to an organisation, but also say that it could be useful for trustees to attend a fundraising seminar which would give an overview of what's involved.

This is exactly what Karen Urmston, scheme manager at the Wirral branch of Crossroads – Caring for Carers, felt would be advantageous for her board. She took her chair, who had very little experience of fundraising, along to an IoF fundraising event.

"I'd already got her on side to some degree, but I felt that she would benefit from actually hearing from and speaking to some fundraisers," says Urmston. "It was really worth our while and we now have a board that has a much more rounded view of what's needed. As a result we are looking to employ our first (and much needed) part-time fundraiser, which I don't think would have happened if she hadn't attended the seminar. Before then I think the board viewed it as something you did on the side."

Eight Golden Rules:

Fundraising and Trustees: the essential guide by The Giving Campaign provides the following Golden Rules it believes all trustees should follow:

- **everything begins with strategy**
Successful fundraising based on clear strategic thinking and integrated into your overall plan
- **always think long-term**
Sustainable planning at the heart of your fundraising
- **don't lock yourself in – don't stretch yourself thin**
Diversify your fundraising options but don't over-reach yourself
- **do the right thing**
Always consider the legal and ethical

implications of your fundraising

- **tax the taxman**
Take advantage of available tax relief
- **play your part**
Think how trustees can play their part to boost fundraising success
- **be creative**
The best fundraising is driven by imagination, creativity and passion
- **never forget what your charity is about**
Fundraising is a means to an end – never an end in itself
For a free copy of *Fundraising and trustees: the essential guide* or for more information on the Self-Regulation Scheme, visit www.institute-of-fundraising.org.uk or call 020 7840 1000.

There is also the argument that a diverse and effective board should include a trustee with fundraising experience. However, failing this Lawrence recommends that the board arranges a presentation to take place

from an external expert, or that one of the board members takes ownership of the subject and makes it their duty to communicate better with the fundraising department.

"An explanation from someone knowledgeable as to what a realistic expectation is and how the board should monitor and evaluate fundraisers can be a good thing," she says. "Also essential is the need for the board to make itself more accessible and approachable to the fundraising department as a lot of the problems arise due to a lack of dialogue."

Boswell agrees. He highlights how engagement between trustees and fundraisers is a key objective of the Self-Regulation of Fundraising Scheme, saying that without this, trustees may have difficulty identifying what constitutes best practice and thus struggle to adhere to the standards the scheme requires. In addition, he hopes greater engagement will bring with it better understanding of return on investment and the need for a diverse portfolio.

"The flipside of all of this," he adds, "is that a greater knowledge will enable trustees to more quickly identify when a fundraiser is under-performing." And as this will help a board to deal with a situation before it has an adverse effect on an organisation, this is arguably something all trustees should aspire to.