

TRUST BOARD PART A REPORT**2 May 2017****FUNDRAISING STRATEGY**

Purpose of the Report: (Strategic <input checked="" type="checkbox"/> / Mandatory <input type="checkbox"/> The purpose of the report is to advise the Trust Board of the fundraising strategy devised by Compton Fundraising Ltd on behalf of Love Musgrove	
Sponsor:	David Shannon, Finance Director
Author:	Compton Fundraising Ltd
Link to Aims / Objectives / BAF	Our community
Additional Information (e.g. Risk / financial implications, EIA information, FoI details):	N/A
Date of Previous Report:	N/A
Date of Next Planned Report:	N/A
Recommendation / Action Required:	The Board is requested to endorse the fundraising strategy outlined in the paper.



Fundraising & Development Strategy 2016-2019

March 2017

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TABLE OF CONTENTS

1. Introduction & background.....	3
2. Vision and development priorities.....	3
3. Fundraising ethos and values	4
4. Fundraising essentials	4
5. The three fundraising platforms	4
6. Current situation and forward critical path.....	5
7. Key prospect audiences	5
8. Marketing & communications: increasing awareness of <i>Love Musgrove</i>	5
9. Fundraising database management	5
10. Annual fundraising: opening channels to grateful patients	6
11. Gifts in Wills	6
12. Capital fundraising projects and programmes: major gifts	6
13. Working in partnership	6
14. Fundraising team	7
15. Summary: fundraising goals 2016-2019.....	7
16. Reporting.....	8
17. Fundraising promotional materials and communications	8
18. Conclusion: making <i>Love Musgrove</i> a leading local and regional charity.....	8

1. INTRODUCTION & BACKGROUND

In 2015 the Taunton & Somerset NHS Foundation Trust Charitable Funds (the Charity trading as *Love Musgrove*) conducted a fundraising strategy review.

The main objectives of the review were to:

- establish if the Charity has the potential to raise additional funding from community sources (testing assumptions made in the Charity strategy paper dated 26 November 2014);
- highlight sources of prospective financial support, influence networks and fundraising leadership;
- develop an outline fundraising plan – including how to maximise fundraising potential for the Charity in collaboration with other charities based at or working with Musgrove Park Hospital (Musgrove);
- develop and test a core fundraising case statement (based on the assumption that a major gifts, capital campaign could be a good way for the Charity to establish its additional fundraising role in the community);
- make recommendations on options for how to resource the Charity's fundraising operations.

This outline fundraising and development strategy draws upon the above work to provide a roadmap to guide the Charity to build out its fundraising operations in a staged way over the next three years. This core plan will be supported by supplementary materials including:

- fundraising policy and best practice documents;
- mini action plans (e.g. fundraising volunteer enlistment plans);
- outline fundraising tools (sample promotional materials)

2. VISION AND DEVELOPMENT PRIORITIES

Successful fundraising flows from institutional vision – and the projects, programmes and campaigns that flow from that be they:

- designated Trust priorities, or
- funding ideas chosen from an approved “menu” of themes and projects by major donors, grant-makers and sponsors.

The key objectives of *Love Musgrove's* fundraising are to:

- raise additional funding to support the Trust to improve the experience of patients and their families, visitors and staff at Musgrove;
- raise £1 million in extra funds for an additional MRI scanner through a capital appeal by March 2018;
- build relationships with the Charity's closest prospective supporters – grateful patients, grant-makers, corporate partners and community-based organisations (including strategic partnerships with other charities and grant-makers) and convert the goodwill generated into on-going, sustainable annual funding and legacy support;

- build awareness of and advance *Love Musgrove's* brand and reputation at Musgrove and in the community, and help to create and sustain a positive environment for fundraising and partnerships;
- forge and consolidate working relationships with "Friends" groups and other support networks to maximise fundraising and volunteer outcomes.

3. FUNDRAISING ETHOS AND VALUES

The Charity will focus on relationship-based fundraising that uses appropriate techniques for the cultivation and solicitation of donations.

4. FUNDRAISING ESSENTIALS

Successful fundraising projects and programmes tend to have the following common denominators:

A positive image

Love Musgrove must enjoy a positive image within its key internal and external constituencies.

An attractive case for support

Project and programme areas need to be attractive and of impact.

A logical plan

The business and financial planning behind projects must stack up.

Sufficient sources of financial support

There must be adequate financial resources within the various support constituencies to meet the needs. Additional funding potential should be assessed and tested, project-by-project.

Strong and enthusiastic support from the governing board

Members of the governing body must be supportive of fundraising and support it generously with their time and energy. They must also be prepared to make thoughtful and proportionate financial contributions.

Influential fundraising leadership

Fundraising projects and campaigns need access to volunteer leadership to influence and inspire others to give.

A sense of urgency

A pervasive feeling must exist, or be developed, that the project or programme is important and should be undertaken *now*.

5. THE THREE FUNDRAISING PLATFORMS

The relationship-based fundraising plan will be shaped around three kinds of funding:

- annual funding (opening giving channels to grateful patients in a more structured and proactive way);
- endowment-based funding (largely generated by gifts in Wills);

- capital funding - for special projects and programmes in the Trust identified as having the potential to draw in more external sources of funding from individual benefactors, grant-makers, partner charities and corporate sponsors.

6. CURRENT SITUATION AND FORWARD CRITICAL PATH

Current situation:

Love Musgrove receives around £400,000 a year in largely unsolicited, voluntary donations excluding legacies, with the majority of these designated by donors to specific departments or funds.

Fundraising goals:

We are planning a steady roll out of additional income generation activity over the next three years across annual giving, gifts in wills and targeted capital fundraising to:

- increase the Charity's annual voluntary donation income to a sustainable £750,000 (excluding legacies);
- secure more unrestricted giving;
- raise £1 million for a third MRI scanner.

7. KEY PROSPECT AUDIENCES

- Board members and their networks
- Grateful patients
- Prospective major givers in Somerset and the South West
- Grant-making trusts and foundations
- Corporate partners
- Community-based organisations and local charities
- Targeted suppliers

8. MARKETING & COMMUNICATIONS: INCREASING AWARENESS OF *LOVE MUSGROVE*

The fundraising review highlighted little awareness of the Charity there is within internal and more external audiences.

This issue needs to be addressed and, in so doing, also trail *Love Musgrove's* proposed role as a more proactive and deserving fundraising charity.

As a minimum, the Charity needs to increase its profile on the Musgrove site to attract the attention of and giving from grateful patients, their families and wider community networks.

9. FUNDRAISING DATABASE MANAGEMENT

The Harlequin fundraising database will need to be at the heart of the Charity's enhanced income generation programmes in the form of:

- the use of supporter outreach to generate expressions of interest in giving;
- individual giving appeals (direct mail and email campaigns);

- the development of community support groups and networks.

One of the Charity's first steps will be to establish data entry protocols, procedures and proactive data management to build up a base of active and regular donors within latest best practice guidelines.

10. ANNUAL FUNDRAISING: OPENING CHANNELS TO GRATEFUL PATIENTS

Opening channels to grateful patients in Somerset and making it easy for them to give back via *Love Musgrove* will be at the heart of the operational plan. Increased *Love Musgrove* awareness and presence on the hospital site and the development of appropriate promotional materials will be key to opening up the potential of:

- one-off cash gifts
- regular monthly giving
- other forms of on-going support

11. GIFTS IN WILLS

Gifts in Wills are the final point in relationship-based fundraising. Pecuniary and residuary gifts to *Love Musgrove* could be the biggest source of additional income to the Charity over the next 3-10 years.

Soft but frequent promotion of the Charity's need for gifts in Wills (and the difference these can make to people in Somerset) should be an important part of the *Love Musgrove's* fundraising mix.

12. CAPITAL FUNDRAISING PROJECTS AND PROGRAMMES: MAJOR GIFTS

A capital project for a third MRI Scanner has been agreed by the Trust and will attract big, cornerstone and matching gifts for naming rights or other forms of donor recognition.

Capital projects will need high levels of clarity and certainty before they are taken to prospective funders in mini fundraising feasibility studies (to establish sources of funding and volunteer leadership on a project-by-project basis).

13. WORKING IN PARTNERSHIP

A priority for the Charity will be to build internal relationships within the Trust. Support from Board members, the Executive team, consultants, clinicians and all wards and departments within Musgrove will be key to ensuring *Love Musgrove's* success.

There are a number of external charities that specifically support Musgrove including Musgrove's League of Friends, the Somerset Unit for Radiotherapy Equipment (S.U.R.E.) and the Musgrove Leukaemic Group Somerset. Working in partnership with these organisations (and eventually other related organisations such as Somerset Partnership NHS Foundation Trust), opportunities for collaboration will be identified and developed to raise awareness and maximise both unrestricted and restricted

fundraising income potential (at grassroots community and high net worth donor level) for Musgrove.

14. FUNDRAISING TEAM

Using the experience of Compton Fundraising Consultants for at least the next two years, *Love Musgrove* is in the position to draw on a wealth of knowledge and professional fundraisers, and will be supported fully in all new areas as the Charity continues to move forward with its fundraising activity.

A Head of Fundraising and a Fundraising Assistant, both full-time, will be located on site at Musgrove. Other resource to assist with research, applications to grant-making organisations, etc. will be available as and when required.

Love Musgrove will work closely with the Trust's communications team to develop relationships and ensure consistent messaging to both internal and external audiences.

The charity accountant will support the charity in its financial reporting needs and claiming of Gift Aid.

15. SUMMARY: FUNDRAISING GOALS 2016-2019

Additional income will build over the next three years as projects and programmes (and new fundraising streams linked to them) grow and develop across annual and capital fundraising.

15.1. Outline gross income projections

	2016/17 £	2017/18 £	2018/19 £	2019/20 £	Cumulative £
Annual	500,000	660,000	750,000	750,000	2,660,000
Capital*	250,000	750,000	TBC	TBC	1,000,000
Legacy	10,000	150,000	200,000	200,000	560,000
Totals	760,000	£1,560,000	£950,000	£950,000	£4,220,000

* Capital includes both cash and pledged income. Future capital projects are to be identified

15.2. Investment

The Charity is investing in its fundraising which has been outsourced to Compton Fundraising Consultants for two years from May 2016, with the option of extending annually for another three years thereafter.

15.3. Additional on costs and operational budget:

The Charity will be running an expenditure budget of £50,000 over the next two years. This will cover all costs of production of materials, web support, office supplies and any other necessary expenses claims.

The Charity will use the Hospital's procurement process to ensure they are getting the best value for money on items requested and will seek sign off from the Trust on any items over £5,000.

15.4. Net benefit

The anticipated net income for the first two years is £1,921,400 including pledged capital income, with costs (including VAT) representing 15% of all projected income including the Campaign. The return of investment will improve as *Love Musgrove* becomes more established and is embedded within the Trust.

16. REPORTING

Monthly management reports and more strategic quarterly reports will be prepared and presented.

17. FUNDRAISING PROMOTIONAL MATERIALS AND COMMUNICATIONS

The Charity will facilitate the production of the following promotional tools:

- General giving/how to give to the Charity leaflets and supporting materials
- Legacy and In Tribute leaflets and supporting materials
- Frequently asked questions (FAQs)
- A microsite within the hospitals website
- Various social media streams
- Specific capital campaign brochures
- A PowerPoint presentation for use with prospective donors
- A "how to give" piece (regular giving, cash pledges, gifts of shares, other property and Gifts in Wills)
- Other fundraising collateral (including pledge forms and special campaign bulletins and community event collateral – banners etc.)

18. CONCLUSION: MAKING *LOVE MUSGROVE* A LEADING LOCAL AND REGIONAL CHARITY

By cementing the Charity's place in the local community and building the reputation inside and outside of Musgrove, Compton will manoeuvre *Love Musgrove* into a position to increase fundraised income over the coming years.

After the cleansing of data, the cascading throughout Musgrove of the gift and thanking processes and the establishment of a strong internal fundraising team, the launch of the MRI scanner capital campaign will not only bring in much needed funding to the hospital, but will also help to raise the profile giving a platform from which to increase unrestricted annual fundraising.

Love Musgrove will use a range of marketing materials, online and off, to promote events, legacy giving, In Memoriam and In Tribute donations and corporate partnerships. The Charity will work closely with the Trust's communications team to

ensure that they are maximising publicity around positive news stories, further increasing the profile and donations.