

REPORT TO CANAL & RIVER TRUST COUNCIL

FUNDRAISING UPDATE

**Report by Ruth Ruderham, Head of Fundraising
25 March 2015**

1. Summary

Ruth Ruderham, Head of Fundraising, and Dominic Papineau, Corporate Partnerships Officer, will make a presentation to the Council about fundraising including progress against the Trust's 10-year fundraising ambition, focusing on highlights of 2015/16.

Additionally, they will respond to the request from Council to develop resources that will enable waterways, Partnerships and Council members to support fundraising by engaging local and regional companies in the work of the Trust. Dominic Papineau will outline and launch the new Corporate Membership product that the team have developed.

2. Progress against the Trust's 10-year ambition

The Trust's 10-year fundraising ambition is to:

- have 100,000 Friends
- be raising at least £10million every year
- be a top 100 fundraising charity
- be seen as a partner of choice for socially-minded companies

Two and a half years after our launch, we remain on track to meet this ambition with significant progress made in the last financial year.

3. Highlights of 2015/16

3.1 Towpath fundraising

At 31 January 2015, we had 9,375 active supporters. The vast majority of these supporters were recruited on the towpaths. October 2014 was our strongest ever month with 1,022 new supporters recruited in a single month.

We have created a bespoke model of face-to-face fundraising, designed specifically for our towpaths and canal-side events and festivals. This model means we are not reliant on agency suppliers and work with a bespoke recruitment agency to employ people who work solely for the Trust. We train and coach these individuals ourselves, linking them to our local teams as well as supporting them through a small central fundraising team.

This model has proved successful, enabling us to scale-up our recruitment whilst maintaining high quality interaction with the public. Our average donation has remained high at just over £5 and our retention rates also benchmark well against the sector, with over 80% of those we recruit giving to us for at least 12 months.

This has given us the confidence to scale-up our recruitment targets to 8,000 new Friends next year from the towpath and 10,000 a year from 2016/17 onwards.

3.2 Friends recruitment via 'value exchange' marketing

Whilst the towpath is the heart of our supporter recruitment, to meet our ambition of 100,000 supporters within a decade, we will need to find other ways to attract new donors to us. Since the last Council we have been developing and testing 'value exchange' campaigns that are delivered jointly by Marketing and Fundraising.

These campaigns

- raise awareness of the charity. Each campaign run to date has had a potential reach of 20 million contacts
- provide people with free information about our canals and rivers and how to enjoy them. We have run one campaign offering a guide to great free days out and one to nature spotting. This offers the individual something of real value in exchange for a free text message
- gives us data of people who are interested in our work. People are given the choice of whether or not to hear from us again in future. If they do not 'opt out' we contact them to see if they would like to support us financially

These small test campaigns have been very successful, generating a total of 1,117 new financial supporters. In March we are developing a third test that will involve our Communications colleagues and therefore attract PR and media to complement the paid-for media.

3.3 Supporter development

Whilst our retention rates are very strong, we are constantly seeking to improve these. We have re-designed and re-launched Waterfront – our supporter communications – over the last few months. We used the blog to test our new approach ahead of the magazine being redesigned this Spring. We are delighted with the high response rates and positive feedback from a recent survey of recipients. Highlights from this are:

- 80% of recipients of our new Waterfront emails rated them from OK to excellent
- 70% felt we had the frequency just right
- 82% felt that the tone was exactly right, neither too formal nor too casual
- the things that people were keen to hear more about included heritage, things to do and seasonal content as well as how to volunteer

We will incorporate this learning into our development of the emails and magazine going forward. We will also work to improve our open rates (which are already very strong at just under 40%) by trialling different titles with those who have not been opening the emails to date.

3.4 Major donor fundraising

In this financial year we have received over £290,000 of funding against a target of £45,000. This includes our first tranche of £1.3m of funding from the Desmond Foundation.

Projects that have been fully-funded by philanthropic income include the *Stratford to Stratford* youth engagement project and the *Coast to Coast Canoe trail*. *The Line* continues to be a key focus for major donor fundraising and we have developed a tiered major donor patron scheme that hopes to attract significantly more philanthropic income by end May 2015 to launch this project.

Work is progressing on the major integrated campaign that we plan to launch privately in 2016. We are working closely with the Head of Strategic Planning to ensure that the appeal supports and helps to deliver our strategic plan. In the coming decade we see major donor fundraising as central to the growth in our income.

3.5 Trust fundraising

This has been the first year in which we have received significant funding from charitable trusts and foundations. We expect to receive £215,000 of income before year end. We also have a pipeline of funding secured for future years and expect to receive £265,000 in 2015/16.

This income is the result of building relationships with funders who could not previously have worked with us when we were British Waterways. Some of these funders are very significant in the charitable sector and have the ability to be key funders of our work moving forward. For example, we were delighted to welcome the Secretary of State to Gloucester Waterways Museum in late February to announce a grant of £100,000 that they had made alongside the Wolfson Foundation to our work at the museum.

We will continue to develop these relationships and introduce ourselves to new potential donors, seeking to increase the income we receive from these donors. In addition to our own fundraising, we continue to support restoration societies, particularly those in Grantham and on the Montgomery, with expert advice and bid writing.

3.6 Corporate partnerships

Corporate Partnerships has been a strength for the Trust since launch and we continue to develop the relationships we have with some of our first partners. For example:

- this year, People's Postcode Lottery have given us £250,000 in unrestricted cash against a pledge of £125,000
- M&S have confirmed their final 'towpath tidy' for this May. This will be the last year of our 3-year relationship with M&S and we are exploring new alternatives for working with them

We are also securing new partnerships, including Rolls Royce, who have launched the project team working on designing our new STEM project.

To date, the small corporate partnerships team have secured over £550,000 of income this financial year and have a further £370,000 in the pipeline for 2015/16.

The development of the corporate membership product will enable us to reach smaller, locally-based companies in addition to building these national relationships.

4. New Corporate Membership product

We are pleased to launch our newly developed Corporate Membership product to Council.

4.1 Why are we doing it?

Corporate membership creates a simple starting point for Waterway Partnerships, Council members and locally-based staff to engage with local and regional companies to create long term relationships. It will enable us to build these relationships in a cost-effective way, allowing the small national team to remain focused on national partnerships, by providing a ready-made product for corporates to engage with us on a lower level.

4.2 What are our targets?

We would like every Waterway and Partnership to engage with local companies, but our first year is a pilot year where we are hoping to work with 5 waterways and recruit at least 4 members from each.

In 2015/16 we will look to include targets for each waterway into their business plan.

4.3 What research did we do?

Working with an agency, we first researched existing corporate-giving programmes within other charities, these included RSPB, Groundwork, Outward Bound, Keep Britain Tidy and London Wildlife Trust.

We followed this up with stakeholder discussions, presenting an early version of the membership product to corporate contacts drawn from our business contacts, companies who have volunteered with us and companies who have enquired about volunteering with us but chose not to.

The product has also been work-shopped with our volunteering team and shared with Waterway Managers.

4.4 Summary of the product

The product builds on our existing corporate volunteering offer by offering a less transactional partnership and instead a multi-layered series of opportunities.

Members will receive a welcome pack on joining which will include a certificate of membership and information about their local waterways

Staff will have the opportunity to volunteer with the Trust both on team days and as towpath taskforce volunteers.

Higher tier corporate members will adopt a blue-green corridor – making a section of the canal the site for all their team days throughout the year and encouraging a sense of responsibility for that section on the part of the corporate.

Staff of a corporate member can also benefit from other added value opportunities such as places in challenge events and discounts on boating and cottage holidays.

4.5 Next steps

We are looking for 5 Waterway Partnerships to be the leaders in our pilot programme. We will be briefing the Partnerships and inviting their involvement in this pilot and work with the Partnerships to develop relationships and begin the programme.

Alongside this, we will use the Trust's strong business relationship to recruit founding members from various industries including construction, legal, retail and pharmaceutical.

March 2015