



SUCCESSFUL PARTNERSHIPS FOR SUSTAINABLE FUNDRAISING:

A PRACTICAL GUIDE FOR CHARITIES WORKING WITH AGENCIES

THE PROFESSIONAL MEMBERSHIP BODY FOR FUNDRAISERS

TO FIND OUT MORE & JOIN:

www.institute-of-fundraising.org.uk



INDIVIDUAL MEMBERSHIP

Individual membership demonstrates commitment to your professional and personal development and gives access to over 30 National, Regional and Special Interest Groups.



ORGANISATIONAL MEMBERSHIP

Organisational membership demonstrates commitment to the Code of Fundraising Practice. They provide a strong, collective voice that influences and effects change for the fundraising profession.



ACADEMY

The IoF Academy offers a one stop shop for meeting individuals' personal and professional development needs and helping fundraising leaders identify learning opportunities for their teams.



AUTUMN CONFERENCE SERIES

The Institute of Fundraising holds a series of conferences, showcasing fundraising success stories, the latest trends and research, best practice guidelines, debate and discussion with sector experts and inspirational speakers.

CONTENTS

INTRODUCTION	
SUCCESSFUL PARTNERSHIPS FOR SUSTAINABLE FUNDRAISING	5
PART ONE	
PLANNING AND PREPARATION	7
Why work with fundraising agencies? Is it right for us? Risks/benefits and governance Regulations and requirements Are you ready to work with an agency?	
PART TWO	
SELECTING, ASSESSING AND APPOINTING A PARTNER	15
Finding potential partners Creating an RFP (request for proposal) Running a selection process Evaluating responses Appointing your partner	
PART THREE	
ESTABLISHING THE TERMS OF THE PARTNERSHIP	21
Agreeing contracts Establishing SLAs and KPIs Planning a programme of work Briefing and training fundraisers	
PART FOUR	
MONITORING, REVIEWING, AND EVALUATING	27
Monitoring delivery Agreeing reporting Managing data Reviewing performance Addressing issues	
CONCLUSION	
SUSTAINABLE PARTNERSHIPS FOR SUCCESSFUL FUNDRAISING	33

INTRODUCTION

SUCCESSFUL PARTNERSHIPS FOR SUSTAINABLE FUNDRAISING

Fundraisers do extraordinary work, inspiring people to support causes that they care about and raising billions of pounds for good causes both in the UK and around the world.

For fundraising to be successful and sustainable donors must be treated fairly and with respect, and the values of the organisation should be as present in fundraising activity as it is in service delivery.

The need to get this right has perhaps never been more important. Fundraising practice has been challenged and scrutinised, the regulatory system has been reviewed and is changing, and charities are taking steps to look again at how they are fundraising and the kind of relationships they build with supporters.

In looking at how a charity can reach new supporters and build a successful long-term fundraising strategy, charities need to ask themselves some important questions: how best can we carry out our fundraising programmes in practical terms? Which activities do we have the skills to deliver ourselves? What will be the best and most effective use of our money and resources? When might the capacity, expertise, and specialist skills of a fundraising agency or third party supplier help us to be more effective in achieving our aims?

Fundraising agencies, suppliers, and third parties play a crucial and fundamental role in fundraising in the UK. The capacity, expertise, insight, and innovation that those partners provide has enabled charities to grow, reach new supporters, and meant that they can do more to achieve their charitable objectives. There is no doubt that agencies and other fundraising partners have helped to transform our sector, increase the effectiveness of our work, and inspired millions of people to donate.

However, at the same time as recognising the many benefits and added value that agencies bring, it is right that we also look at how charities and agencies can work best together

so that these partnerships can be successful and that the fundraising which takes place reaches the excellent standards that the public expects. The right questions need to be asked, both by the charities themselves and the agencies that they partner with, to create clear, shared and agreed objectives, monitor the activity appropriately and ensure that donors are always treated fairly and with respect.

This guide will help charities answer the key questions that should be addressed when thinking about working with a fundraising partner:

- When should we choose to work with a fundraising supplier? And when should we not?
- Is our organisation ready for the commitment required to work with an agency in this form of fundraising?
- How do we ensure that we find the right partner(s)?
- How do we make sure that everyone is clear about what to expect from the partnership?
- How do we prepare to work together?
- How do we manage the work that our partners do? How do we track, monitor, and evaluate our fundraising partners?
- How do we ensure that we understand the value that fundraising partners deliver to our organisations?

There is no single 'right answer' to some of these questions, or a 'one-size-fits-all' solution. Each charity and agency has to work through these areas, ask the right questions and put in place the agreements and plans that will result in the fundraising partnerships that they want to see established. Our aim with this guide is to support you in the process of developing a strategy for working effectively with agencies and suppliers, understanding and managing risks and, ultimately, helping your charity achieve more for your charitable objectives and beneficiaries.

This guide is for:

- Charities that fundraise from individuals.
- Fundraisers thinking about using fundraising agencies or suppliers for the first time.
- Experienced fundraisers and fundraising managers who want to check they are following best practice and to review current arrangements.
- Fundraising agencies who want to review how they work with charities.
- Trustees who wish to have a better understanding of fundraising through third parties.
- People responsible for finance in charities who need to assess the financial implications, risks and benefits of working with third party suppliers.

How to use the guide

This guide is divided into sections each one corresponding to a key stage in the process of identifying, selecting and managing fundraising agencies, so you can quickly access information that is relevant to your current situation.

It is written with the charity in mind, who may be looking to partner with, or are already partnering with, fundraising agencies, although the guide can also be used by agencies and other third parties.

While the focus of this guide is in relation to agencies who carry out fundraising activities on behalf of charities, much of the advice and information it contains is relevant to all third party suppliers and can be used to help you manage a number of relationships with third parties and partners.

Detail on legal obligations and codes of practice is not included here, but is signposted throughout the guide.

How fundraising is regulated

The Fundraising Regulator is the independent regulator of charitable fundraising. They were established following the Etherington review of fundraising self-regulation (2015) to strengthen the system of charity regulation and restore public trust in fundraising. They have responsibility for setting the Code of Fundraising Practice which sets the standards expected of fundraising organisations.

For more information go to www.fundraisingregulator.org.uk

For details of fundraising regulation for charities based in Scotland, go to www.fundraisingcomplaints.scot



This guidance is produced by the Institute of Fundraising in association with Raise Consulting.

www.raiseconsulting.co.uk

PART ONE

PLANNING AND PREPARATION

In this section:

- Understanding agencies – who are they?
- The benefits and risks.
- Responsibilities and regulations.
- Getting ready to partner with an agency.

Who are they?

A fundraising agency is a company, or individual, that carries out a fundraising task for your organisation. Whatever task, campaign, or activity that they do for your charity you will want to ensure that they are doing it in a way and manner that you are comfortable with and that reflects the values of your organisation. The main focus of this guide is for those agencies that carry out a ‘fundraising ask’ to supporters or members of the public on your behalf.

When working with agencies, there should be a shared goal and objective, that everyone the agency approaches or talks to – whether they choose to donate or not – has a positive experience of the fundraising activity that is carried out and that they are treated fairly and with respect at all times.

The public will often not differentiate between a fundraiser from the charity or a fundraiser from an agency – and rightly so. From the supporter’s perspective, they are being asked to support a charity, not an agency (although clarity is needed in relation to appropriate solicitation statements). So when you work with a fundraising agency you should view them as a member of the public would – as an extension of your organisation, and ensure that they are equipped to act and behave as your representatives.

The benefits

The need for fundraising is ever greater, ever more urgent. For some charities, it would be impossible to meet the growing need to fund their work without the support of specialist suppliers, who deliver the scale of fundraising programme that allows them to build

relationships with more people who wish to support them.

But it is not just a question of scale. Agencies and suppliers have driven a host of innovations to make fundraising programmes more effective and engaging. They can deliver more quickly, flexibly and often at lower cost than could be achieved through in-house operations.

The benefits agencies can provide

Specialist skills and knowledge	Access specialist skills, experience and knowledge without having to take on the long-term commitment and risk of building and maintaining capability in the organisation.
Speed to develop capacity	Building operational capacity can be challenging, takes time and requires dedication and commitment in an area that is not a core competency for most charities. Specialist suppliers can deliver much more quickly, allowing you to grow your programme more quickly with less investment.
Flexibility	Easily increase or reduce capacity or simply move in or out of fundraising activities quickly with limited financial risk (although make sure you are protected in relation to TUPE obligations – see part 3).
Reduced cost	An efficient way to test new activity or embark on new campaigns with new fundraising products in new areas, without having to invest in in-house staff training or systems development.
Access to new ideas and technology	Many new fundraising ideas are developed by commercial third parties building services for the charity sector. By working with experts in their field, you not only have access to innovations as they are developed, but also the opportunity to have solutions tailored to meet your specific challenges.

The risks

While the benefits of working with third parties can provide real value to your organisation, and contribute to the success of your fundraising programmes, there are some accompanying risks to be aware of and to manage appropriately.

Risks of working with agencies

Failure to deliver results	Expectations of success must be realistic. Although the expertise of specialist suppliers can deliver great outcomes and results, the partnership must be managed appropriately with responsibility on both sides of the relationship. The success or failure of a campaign – and a fundraising partnership – is dependent on many different factors, including the tendering and selection process, the daily and ongoing management, and setting realistic objectives. Robust Service Level Agreements and systematic reporting and monitoring of activity are essential to manage this risk.
Reputation & brand risk	Where third party agencies are fundraising on your behalf or involved in your campaigns, perhaps the most significant risk is to the reputation/image/brand of your charity. When using third parties you should ensure that you agree and are happy with how they will be working and how it could reflect on your organisation.

Data	The volume and nature of data captured through fundraising is growing and becoming more complex. Imminent changes to EU data protection law will place further responsibilities on data processors and it is imperative that charities check and understand their obligations under the law. A failure to contract correctly and establish good governance principles could be costly in both reputation and financial terms. The appropriate policies, agreements, and processes should be in place to ensure you get this right.
Disruption	Using agencies can bring the risk of disruption due to changes or factors outside of your control. For example, the financial stability of the supplier, the introduction of new regulations, the political and media environment can all impact on your partnership with an agency. The emphasis on due diligence in the selection and contracting process is crucial and thinking about what plans or processes to put in place if campaigns need to be withdrawn, paused, or changed should be thought through in advance.
Compliance & quality	Any compliance issue or breach of standards and regulations, as well as any fundraising activity which is not consistent with the values or mission of your organisation, can be highly damaging. This guide will help you in thinking about monitoring, reporting, and controlling activity to mitigate against these risks.

The key to successful partnerships with fundraising suppliers lies in recognising the benefits, while understanding any potential risks, planning appropriately and having well-defined strategies to ensure that partnership works well.

Thinking about it from an agency perspective:

- You should be aware and mindful of the commercial landscape and environment in which agencies work
- What are the benefits and risks of this partnership from an agency’s point of view?
- What will they be looking for from you to ensure that the partnership works as well as it can?
- Think about how an agency would look at your brand/reputation/cause and remember that their expertise and insight is invaluable in agreeing the scope and programme of any campaigns
- Remember as well that agencies are likely to have multiple clients, and may be working across different sectors.

Responsibilities and regulations

Charities and agencies have a dual responsibility for any fundraising activity that is carried out. The partnership approach that we set out in this guide follows through all areas – the activity must be jointly agreed and planned, the objectives shared, and accountability jointly held. While of course every agency is responsible for the conduct and behaviour of their fundraisers, a charity is also answerable for campaigns that are carried out in its name – it cannot absolve itself of obligations and duties because it has ‘outsourced’ fundraising activity.

The charity’s responsibility is made clear in the Code of Fundraising Practice, which states:

“4.2 b) Organisations MUST check, and make all reasonable efforts to ensure, the on-going compliance of third parties with the Code and their legal requirements.”

Navigating the complex landscape of regulations and codes of practice can be a challenge. The main sources of information that every fundraiser, agency, and charity should be aware of and understand are:

Regulatory body/ service	Areas covered	Where to find
Fundraising Regulator	The independent regulator for charitable fundraising in the UK.	http://www.fundraisingregulator.org.uk/
ICO	Data protection regulations Sets the Code of Fundraising Practice, including PECR for electronic marketing	https://ico.org.uk/for-organisations/guide-to-data-protection/
ASA	The UK’s independent regulator of advertising across all media, applying the Advertising Codes, which are written by the Committees of Advertising Practice	https://www.asa.org.uk/About-ASA/About-regulation.aspx
Gambling Commission	Regulations and operation of gambling activities including lotteries	http://www.gamblingcommission.gov.uk/Home.aspx

Regulatory body/ service	Areas covered	Where to find
OFCOM	Regulations relating to the UK communications industries, including regulations relating to telephone marketing	http://stakeholders.ofcom.org.uk/consultations/persistent-misuse/statement/
Charity Commission	Charities regulator for England and Wales	https://www.gov.uk/topic/running-charity/fundraising
OSCR	Charities regulator for Scotland	http://www.oscr.org.uk/charities/managing-your-charity/fundraising
Charity Commission for Northern Ireland	Charities regulator for Northern Ireland	https://www.charitycommissionni.org.uk/charity-essentials/fundraising/
DMA	Guidance on marketing regulations and best practice	http://dma.org.uk/the-dma-code
TPS	Consumer register for blocking unsolicited telephone calls	http://www.tpsonline.org.uk/tps/index.html
MPS	Consumer register for blocking unsolicited direct mail	http://www.mpsonline.org.uk/mpsr/

Under the Charities Act 2016, new terms will need to be added to written agreements with third parties, including:

- Any fundraising standards that the commercial organisation has committed to be bound by.
- How the commercial organisation will protect people in vulnerable circumstances and others from unreasonable intrusion into their privacy, unreasonably persistent approaches or undue pressure to donate to the charity.
- Any arrangements in place that will enable the charity to monitor compliance with the requirements in the agreement.

It also requires that charities include a statement in their annual report which sets out:

- Whether a professional fundraiser carried out any fundraising activities.
- Whether that professional fundraiser is bound by the regulatory system for fundraising.
- Whether the charity monitored the activity carried out by professional fundraisers and how.
- The number of complaints that have been received about fundraising activity
- What the charity has done to protect vulnerable people.



Should I use a third party agency?

Working with third party agencies is not only for the larger charities. Specialist partners can play a valuable role in helping smaller organisations to grow their programmes, testing new approaches and building a business case without running

the risk of investing in an initiative where the outcome is not guaranteed.

So deciding whether to involve a third party agency is not as simple as how large a charity you are, or how large your fundraising programme is. It is determined by the requirements of the project you are about to undertake, and the answers to some questions you must ask yourself.

The project	Key questions for charities to consider
What are the goals/objectives of the project?	Do we have the skills, expertise and/or resource to achieve the objectives internally?
What is the operational requirement: what do we actually need to do?	Will we have to invest? Do I have the necessary technical / operational infrastructure?
What skills and knowledge are needed to deliver the work?	Can we build capacity quickly enough internally to deliver it within the required timeframe?
Is this a one off project, or a long-term strategy?	Can I make a business case and plan to resource this internally that will provide a long-term return on investment?

If your answers to any of the key questions is 'no', working with a third party agency may be a good solution for you. But to be sure that you are making the right decision, you need to have a clear plan for managing the risks associated with any new relationship.

“ Think about how the programme of work and activity fits with your fundraising strategy and existing plans. ”

The particular programme, campaign, relationship that you have in mind should not be thought about in isolation:

- How does it fit in with your existing plans and activity?
- Does it align with your strategy?
- Are the timings and objectives realistic?
- Does the activity need to be coordinated across different activities or with different partners and agencies? (e.g., are you planning to run similar campaigns simultaneously across different channels – door to door, telephone, face to face?)

The more that you can think through and plan in advance, the less likely it will be that you will encounter unidentified risks at a later stage.



Identifying and managing risks

As part of the process of deciding whether to use a supplier you need to conduct a risk assessment. Not only will this help with your decision but it will help you when writing the request for proposal (RFP), agreeing contracts, service level agreements, and Key Performance Indicators (KPIs). It's important not just to identify risks, but to assess:

- The likelihood that they will occur.
- The impact on your organisation if they do occur.
- The actions you will take to prevent the risk from occurring or to reduce its impact.

How to assess and document risk

What is the risk?	Describe the risk
How likely is it to occur?	High / medium / low
What would be the impact if it did occur?	High / medium / low
How will we reduce the likelihood of the risk occurring?	Summary of action
What actions will we take if the risk does occur?	Summary of action

Completing an exercise to assess risk will help you to identify what you are looking for in a partner. Many questions and risks will be unique to the initiative you are planning to undertake but here is a list of some of the general questions to consider:

Understanding of the charity sector

Does the supplier have experience and/or understanding of the charity sector, how charities operate, the regulatory framework, and the expectations of stakeholders and the wider public? Any risks to the reputation of your charity is greater where the supplier is engaging directly with the public on your behalf.

Legal issues

You need to consider carefully all regulations that are relevant to your activity. The table set out on page 9 lists the main areas of regulation that you need to address. Identify who is responsible for ensuring compliance and how will this be monitored, assessed and reported.

Data

You need to have a clear view of all your data protection obligations and information security risks:

- What data is being collected and processed?
- How is the data transferred between you and the agency?
- What safeguards are in place to ensure data security?
- How will you monitor that your supplier is

meeting their obligations?

- How will you ensure that you are protected in the event that there is a data breach?
- How and when will data be disposed of by the agency?
- Are fundraisers/staff trained in data protection?
- Can you demonstrate and evidence the necessary consent for direct marketing?
- Are there processes for checking data against necessary suppression lists?

Political environment

Is the activity sensitive to public concerns or likely to become so in the future? You need to consider what the reactions might be to the agency executing the activity poorly and how you would respond to issues that may arise.

Remuneration and employment of staff

Although third party agencies are independent companies who will determine pay arrangements, processes, and contracts with staff, charities can ask legitimate questions of the terms and fairness of an agency's employment and remuneration policies as part of the selection and due diligence process to determine who they are happy to work with. Terms of remuneration, contractual arrangements, bonuses and rewards, training and employment conditions can reflect on your charity too - are you happy with the way an agency employs, trains and rewards staff? You should ascertain relevant details about terms of employment that you will want to consider to ensure that you are comfortable and confident in working with that agency.

In-house knowledge

If you decide to work with an agency on a campaign or for a longer-term partnership, you should also ensure that you have the necessary skills, expertise, and knowledge in-house to appropriately manage and oversee the arrangements. Think about who are the key contacts and roles that will be responsible for managing the relationship and providing oversight. At the same time, make sure that you are open to thinking about how agencies can

also help build and establish the knowledge and expertise of in-house staff through the insight and experience that they can bring.

Track record, references from clients

Through the process, make sure that you take up any opportunities to see evidence of the quality of previous campaigns and take up references from past clients. Are they experts in this area, have they done similar campaigns?

Cost and quality

When thinking about agencies and establishing a fundraising partnership, consider your criteria for assessing quality and how you view cost. The 'cheapest' price may not always be the best one for your charity – instead think about the quality of the work and the partnership that you want to have with an agency that will deliver the kind of fundraising programme that you want.

Termination

You need to consider in advance how you will deal with failure should a situation arise – it may become necessary to terminate a contract or the situation may be forced upon you by a supplier going out of business. Termination and suspension clauses should be clear and agreed in advance in the contract, as well as terms covering how data will be returned and any campaign material (e.g. call recordings). Thinking in advance about the impact of any third party supplier not being able to deliver your fundraising programme and having plans to deal with this will help greatly should the situation arise.

Monitoring, quality assurance, reporting

You should think through at an early stage the kinds of reports, evidence and quality assurance systems that you will want in place and agree with the agency so that you can be confident that your partner is complying with relevant regulations and standards, working in line with the contract and fundraising in a way that you are happy with. Thinking about this early on in the process will help to address and manage any risks.



Are we ready to partner with an agency?

“ It is important that the charity has ensured that any decisions about working with third party agencies are taken in line with organisational policies and processes, and that the appropriate governance structures are in place to oversee fundraising activity. ”

Ultimately, trustees are responsible and accountable for all decisions about the way charities operate, including the fundraising strategy and fundraising activities. It is important that the charity has ensured that any decisions about working with third party agencies are taken in line with organisational policies and processes, and that the appropriate governance structures are in place to oversee fundraising activity, for example ensuring the appropriate delegated authority is in place for decision making. It is important to document the decisions taken around fundraising strategies and decisions on new activity, including the process through which they were made (such as the risk assessment and decision-making rationale) as well as the involvement of senior staff/board where appropriate.

In addition to assessing the risks and benefits, you need to identify what skills and resource you will need to effectively manage any supplier relationship and be certain you are ready to take on these responsibilities. You are planning to work with a specialist partner and you need to treat them as an extension of your organisation.

Is your charity ready to look for a partner?

- Do you have experience of managing a contract? If not, has anyone in your organisation done it before or can help? Seek additional help and support if you need it.
- Is your Board happy with the approach and the plan?
- Have you completed robust financial modelling to predict the returns from working with the agency and from the activity?
- Do you have realistic expectations of what success looks like?
- Do you have dedicated staff resource to manage the relationship?
- Do you have the capacity, expertise, and commitment to ensure the partnership will be a success? (e.g. how much time will you have to work with the agency, briefing fundraisers or training key individuals on your brand and values?)

The next step is to decide how you will manage the process of selecting your partner and managing the relationship once they have been appointed. You will need to produce a brief/proposal (often called a request for proposal – RFP), to outline the programme/partnership that you want to initiate, appoint a project manager or assign an individual to manage the process and decide how tenders will be reviewed and decisions made. Some charities will bring together a panel from across the organisation to assess the tenders and to decide on the successful proposal.

Key Questions: planning and preparation

- Do you have a clear purpose for the relationship and a clear set of defined goals / measures of success?
- Are you sure that you know why you think working with an agency is right for this activity?
- Have you identified any risks, considered how best to mitigate, and have a clear decision-making process in place?

PART TWO

SELECTING, EVALUATING AND APPOINTING A PARTNER

In this section:

- Finding potential partners.
- Creating an RFP (request for proposal).
- Running a selection process.
- Evaluating responses.
- Appointing your partner.



Finding potential partners

The first stage of selecting a partner to deliver your fundraising programme is to identify an initial list of potential providers and assess their suitability to work with you.

Agencies that operate in the sector and have experience of fundraising may be registered as members or suppliers with the Institute of Fundraising, PFRA, Gambling Commission, and the Fundraising Regulator among others. In addition you can contact other charities who will often be happy to share their experience of trusted partners with you. Of course you can use suppliers who are new to the sector as well – although if doing so you will want to ensure that you assess and manage any risks around the lack of ‘sector specific’ knowledge and experience (e.g. legislation, regulation, culture). Whoever you chose to work with, and whatever their expertise or knowledge of the charity sector, it is essential that the supplier follows the Code of Fundraising Practice in any activity that they are carrying out on your behalf.

Once you have a list of potential agencies you should assess whether the suppliers are a viable partner by conducting a due diligence stage, which could include a pre-qualification questionnaire.

Your invited list should be sent a brief note on the scope of the work that you are looking to

carry out and an outline of the expected tender process with dates. The document should include a confidentiality agreement that will be signed by both parties.

You should then outline the information you want the supplier to provide, to demonstrate that they are a suitable partner. You are looking for evidence that will give you reassurance in relation to the areas of risk that you have identified.

Key questions and issues to consider and ask at this stage include:

- Company structure and shareholdings: who ultimately owns the company that you may be doing business with?
- Past financial performance: you can look at past years of published accounts to check if there are any indicators or concerns to be aware of.
- Asking for references from other charities/ organisations they have worked with (though be mindful of commercial sensitivities).
- Past or present legal/sector body actions or negative media coverage of the supplier.
- Check the supplier’s standard insurance and indemnity cover to ensure that it meets your expectations.
- Confirm the credentials of the service provider and its key staff, including quality standards and accreditation (such as ISO – international standards) or professional memberships.
- Review the supplier’s employment policies and any other relevant policies to their business processes.



Creating an RFP (Request for Proposal)

Once you have your list of providers that have completed your due diligence stage you need to assess the responses and decide who should be

sent your RFP. If any suppliers have not passed your due diligence checks consider providing them an outline or information on where they have failed and provide them with the opportunity to clarify any areas where they fell short.

The RFP document should contain a detailed brief of the services the supplier is to provide and any relevant details of the campaign or terms of agreement.

The RFP is often sent as a pack that can include the following documents and information:

Document	Description
The RFP	The document setting out your brief and the response template of questions you want suppliers to answer.
Terms of tender	The conditions that a supplier has to adhere to and the period for which responses remain valid.
Acceptance letter	A letter to be signed and completed by the supplier, agreeing to the terms of the RFP.
Table of KPIs	The standards and performance measures that you want the supplier to achieve.

A typical RFP document will include the following elements:

Background: set out the objectives of the programme and the process for the supplier. This should include the tender stages with dates. You may decide to include the marking scheme so that potential suppliers can see how responses will be evaluated.

Overview: if it is an existing piece of work describe what currently happens; if it is a new project describe how you are expecting the programme to work.

The requirement: outline the project to be delivered by the provider, accompanied by

performance measures and targets. Include any regulations or standards that you expect the supplier to adhere to or achieve. You may find it useful to create a checklist of key points/criteria that you will want the agency to be able to demonstrate (e.g. member of relevant regulatory body, evidence of policies in place).

Reporting: outline the reporting requirements and performance monitoring that you want to have in place.

Response template: this should contain all the specific questions that you want the supplier to answer to demonstrate that they understand and can deliver your programme. How will they deliver and ensure quality? How are staff trained? Who would be the key relationship/manager? How would the client (charity) be involved? How will they report on activity? Professional accreditations?

Issues for the charity to consider and think about:

While preparing a brief or RFP for tenders, you should also be thinking about your readiness for the partnership, capacity to manage the programme, and your decision-making criteria. It is worth thinking in advance about:

- Questions that agencies might ask – how clear have you been in your brief?
- Have you worked with agencies previously? What worked well, or what didn't? Was there any learning for you to take on board and inform this programme?
- While you may have some ideas or views on processes and how an agency goes about its work, remember that agencies will often work with a number of charities and have in place procedures and a way of working.

“ Think about your own readiness for the partnership, capacity to manage the programme, and your decision-making criteria. ”

- You should consider what your key criteria are and how you would like to see these fulfilled. Be particularly clear about the complaint handling process.
- Make sure you have the time to be able to help the agency to understand your values, brand, and objectives.

Is this the right process for you?

While the process of creating the RFP and inviting tenders is often the right way to go for charities to select and find potential partners, you should at all times think about the campaign and activity you have in mind. About selecting and finding potential partners, the charity at all times should think about the campaign and activity that they have in mind. Some shorter campaigns, or activity for smaller charities, might require a less formal process than has been set out here. Rather than rigidly following a prescribed process – charities should use this as a guide to think about what is right for them and their situation. The important things to always bear in mind are:

- You have a clear idea of the campaign/ activity and believe that working with an agency can be the best and most effective way of delivering this.
- Your charity has thought through the risks/ benefits and is confident that the process you have in place is robust.
- There is a clear decision-making process, with key people in the charity involved at the right time and it is consistent with your good governance procedures.



Running the process

The following principles should be followed throughout the process:

Distributing the tender

The briefing documents should ideally be issued electronically. Ask suppliers to confirm that they have received them.

Questions

You should allow a period for suppliers to submit questions about the tender so they can clarify what is required of them.

Be transparent

All communications should be filed and all potential suppliers should have access to the same information. Where one prospective supplier requests further information, their question should be anonymously made available with the response and any additional information made available to other participants in the process. For this reason, encourage written questions to a specific email address rather than fielding questions through telephone calls.

Maintain confidentiality

It is important to be aware that some of the information submitted by agencies may constitute intellectual property or be confidential to them. Signing non-disclosure agreements is not unusual – although of course always check the terms and conditions.

Allow sufficient time

Don't underestimate how much time will be involved. You will need to field questions, review responses, conduct due diligence, evaluate tenders and visit sites. It is important to ensure that suppliers have adequate time to prepare a quality response – consider the detail and scope of the tender in providing sufficient time

for suppliers to respond, as well as any public holidays or times of peak holiday absence. Three to four weeks can be suitable for a small project, but more detailed and larger projects are likely to need longer.

Also give yourself the time to address questions, provide clarity and address any unforeseen issues. The closing date and time should be strictly adhered to and submissions received after the closing date should not be accepted. Once you have received a response it's always good practice to issue a receipt or confirmation.



Evaluating responses

The evaluation process is a crucial to running a successful tender. It is necessary to agree at the outset who will participate in the assessment and how the marking scheme that they use will operate.

It is usual for a panel to be put together to assess and evaluate the tenders and proposals, which can include operational, financial and senior management representatives. To make the process manageable, the number of individuals to be involved is often four or five. However, this has to be appropriate and proportionate to the size of the charity and the scope of the campaign – it may well be that for the type of partnership that a smaller and more streamlined process is suitable. What is important is that the process you set up is robust and gives you confidence that you have the right skills and experience to evaluate the proposals and are acting in the best interests of the charity.

“What is important is that the process you set up is robust and gives you confidence that you have the right skills and experience to evaluate the proposals and are acting in the best interests of the charity.”

The marking scheme should provide an objective way of assessing the relative merits of individual suppliers against the criteria that you have decided are important.

In designing a scheme, you should consider the following aspects:

- Objective and measurable criteria: it is not possible to have yes / no responses to all questions, so where the assessment of responses is more subjective, define the elements that you are looking for in responses to each question.
- Weighting: you are likely to ask a lot of questions, some of which will be more straightforward than others: it is crucial to give weighting to the questions that you consider to be more important.
- Manageable criteria: it's important to strike the right balance, giving suppliers sufficient opportunity to present their proposal, whilst keeping the number of criteria at a level that allows you to weight scores in a meaningful way.
- Differentiation: ensure you have questions that will draw out differences between suppliers; these 'stretching' questions are more likely to be subjective in nature so be clear about how you are going to score them.

Rate the responses submitted against the predetermined criteria and provide a score for each area.

A visit to the service provider's premises should form part of the process, to assess key personnel, check the reliability of the suppliers' statements and evaluate the culture of the organisation. This too can be scored and form part of the marking scheme. This can be done by asking the supplier to present their response to the tender on their site and request key staff be available e.g. the Account Manager or Trainer.

The Chartered Institute of Procurement and Supply (CIPS) has a range of resources and information that could help you in preparing, planning and evaluating a tender, as well as in managing a contract.

<http://www.cips.org/en-gb/>

Select recommended supplier

When all elements of the evaluation have been completed, a list of suppliers with their scores can be produced. You should now have a clear winner and a report on the process can be produced that includes the suppliers' scores and a recommended partner for your project.



Appointing your partner(s)

When appointing your chosen agency it is a good idea to complete any financial or contractual negotiations in confidence with them before informing the other suppliers of the result. It is unusual but not unheard of for successful suppliers to decline even at this stage if they have recently also won new clients or work from other tenders. Also, it may be that you decide to appoint more than one agency to

do similar/complementary activity - make sure that you have the time and resources to manage any and all partnerships and that you make sure to avoid any potential conflicts.

When informing unsuccessful bidders, be transparent and open about what factors led to their bid being unsuccessful. They will appreciate honest feedback that will help them to improve their service offering.

Key Questions: Are you ready to partner?

- Have you got an RFP, or clear brief, that captures the requirements of the activity and addresses any areas of risk?
- Do you have a clear evaluation process that is fair and reflects what is important to my organisation?
- Am I involving the right people in my organisation to be involved in the selection and decision-making process?
- Am I confident that the agency has understood the nature of the partnership and is aligned with our values and culture?

CASE STUDY FROM MARIE CURIE: ESTABLISHING THE FOUNDATIONS OF A SUCCESSFUL LONG-TERM PARTNERSHIP

What was the aim? At Marie Curie, we decided that we wanted to change our approach to working with fundraising agencies as genuine partnerships. That meant concentrating on a smaller number of agencies and relationships, and planning for long-term partnerships. We wanted to create a shared and collaborative approach, working with partners to co-design, develop and monitor fundraising campaigns and develop an overarching approach and attitude that we felt would most likely represent our values and ensure high-standards.

What does this mean in practice?

- We only use external agencies if they are able to deliver something better or more efficiently than we could do in-house so that the decision to use agencies would always be defensible and make good business sense.
- We decided to only use one supplier for each activity, providing greater visibility and control over who is doing what, and helping the 'single-supplier' to develop the full set of skills, knowledge and understanding they need to deliver specific campaigns as if they were part of our in-house team.
- We refrain from endlessly 'head-to-head' testing them against other agencies, as while this may drive down price it can also encourage unhealthy competition and possibly even bad behaviour in order to win business. This makes the supplier relationship more of a strategic long-term partnership, and less of a short-term transactional relationship.
- We focus on the long-term and lifetime value aspects of the relationship and the fundraising results, rather than just the initial cost.
- We refrain from working with agencies that pay their staff on a commission basis or incentivise 'sales' in a way that could drive or encourage bad behaviour.

What difference does this make?

We believe that by making external agencies a close and trusted extension of our in-house team we can achieve the kind of relationships with supporters that we want, as well as give us the confidence to ensure that fundraisers talking to the public on our behalf are representing Marie Curie in a way that we are happy with.

We also recognise that our actions as a client influences the relationships and activity that is carried out and we wanted to consider how we can act in the most responsible way. By taking out some of the competitive nature of head to head testing and working with one agency for each activity we can concentrate instead on building long-term successful partnerships and making best use of the expertise and insight of those agencies we work with.



Alex Hyde-Smith
Head of Individual Giving
Marie Curie

PART THREE

ESTABLISHING THE TERMS OF THE PARTNERSHIP

In this section:

- Agreeing contracts.
- Establishing Service Level Agreements (SLAs) and Key Performance Indicators (KPIs).
- Establishing a programme of work.
- Setting targets.
- Briefing and training fundraisers.

Before getting into the detail of the contract, SLA, and KPIs, take time to think about the overarching principles, values and overall approach that you want to guide the partnership:

- Do you have an agreed and clear vision of what the objective of the work is?
- Is there a shared approach as to the key success factors and risks?
- Are you confident that you have the support from key individuals to make this work?
- Is there sufficient investment in time, resources, people to guide, manage and support the agency?



Agreeing contracts

Once you have selected your partner you need to agree the contract and service level agreement. Ideally these will have been suggested within the RFP so the supplier has already agreed in principle to your terms.

“ It is a legal requirement that any relationship between a charity and a professional fundraiser or a commercial supplier must be governed by a written contract. ”

It is a legal requirement that any relationship between a charity and a professional fundraiser or a commercial supplier must be governed by a written contract. You can use a contract that has been drafted by the agency, but you should ensure you have appropriate legal advice or expertise before signing.

When agreeing the contract it is important to keep the following point in mind: the contract should reflect a simple, tight and clear agreement. Both parties need to be clear about what the expectations are and what the scope of the agreement is, whilst not being so restrictive and rigid so as to make it impossible to adapt in the future. Give yourself time to negotiate and discuss any terms if needed.

“ The payment terms and KPIs agreed should reflect and embody the values of the partnership. KPIs that focus exclusively on financial targets could lead to behaviour or engagement which does not give the best experience to a potential supporter. ”

Thought must be given to payment structures and KPIs so that you can be confident that the terms of the arrangement are likely to result in the kind of culture, practices and fundraising activity that you want to see embedded within the relationship with an agency. For example, a charity should consider carefully how payments relating to performance (number of donations, donation levels, number of contacts, etc). may influence the behaviour and activity of fundraisers who talk to the public on your behalf. If performance-related fees are included, these should be considered in the context of wider KPIs on the quality of the interaction and the training/briefing materials should ensure that any associated risks with performance-related payments are reduced as far as possible.

The contract should cover the following areas:

Areas to cover in your contract
Service specifications: the contract should contain a comprehensive description of the required service that was outlined in the RFP.
Service level agreement: the SLA should not only contain a clear set of standards but also specify the method of measuring adherence to those standards and performance measures.
Data security: the contract should specify your expectations in relation to data security and how the supplier should meet these obligations; you should also indicate how you will audit the supplier to ensure they have the protections in place that you have specified.
TUPE: you need to ensure that you are properly protected in relation to TUPE regulations in the event that the contract is terminated (more information on this topic can be found at https://www.gov.uk/transfers-takeovers/overview).
Confidentiality clauses.
Intellectual property protection for both parties.
Indemnity: you should outline indemnity measures to provide you with financial protection from any breaches, particularly in relation to brand reputation and data protection issues.
Termination: in addition to setting out clauses in the contract dealing with when and under what circumstances you may terminate the contract, you should also detail the measures you will take against non-performing suppliers prior to resorting to contract termination.
Payment levels: terms and timings for payment.
Data sourcing and processing: with data supply agreements where necessary.
Where money settles: safeguarding and ringfencing, how/when will it be paid to the charity.
Discharge of legislative requirements: (such as The Charitable Institutions (Fund-Raising) Regulations 1994, and the Charities (Protection and Social Investment) Act 2016.



Establishing SLAs (service level agreements) and KPIs (key performance indicators)

Alongside the contract, setting a service level agreement and key performance indicators are good ways to agree and monitor activity. The aim of a service level agreement is to encourage good practice whereas KPIs help to monitor and show the development of the campaign. Rather than the charity 'setting' KPIs for an agency, they should be discussed and agreed between both parties to ensure that they are appropriate, practical and relevant.

Care should be taken in ensuring that any KPIs do not have an unintended impact on the quality

of the activity, i.e. a high level of daily acquisition or contact could lead to pressure on fundraisers in their approaches to individuals. Also consider how different KPIs interact with each other and think about what you value or prioritise, e.g. levels of complaints/quality of interaction or numbers of acquisitions and level of gift. The KPIs should reflect the overall approach and intention of the campaign and be a key tool to help monitor this.

“ It is worth thinking carefully in advance, and agreeing with the agency, how any issues around performance around the KPIs are addressed. ”

It is worth thinking in advance, and agreeing with the supplier, how any under/over performance against KPIs is addressed. How often will KPIs be reviewed? What information or evidence will be needed to inform the reporting? KPIs should be an active and ongoing part of the monitoring and management of the campaign and the information that they bring to light must be taken into account and used to inform the fundraising programme.

The SLA needs to cover all standards and areas of delivery that fall under the contract:

- Compliance: what aspects of compliance are relevant and what reporting do you require?
- Quality: how do you want your brand and culture to be reflected in the work that your partner carries out for you and how will this be measured?
- Performance: what overall performance measures do you want to have in place?
- Service: what expectations do you have in relation to how your partner will manage your relationship with you?

Be mindful that the roles and responsibilities need to be clearly defined within the agreement so that it is clear where different obligations lie, who the key points of contact between the two organisations are and the processes to resolve any issues.

Fundraising agencies and charities are susceptible to changes in the fundraising (and wider political and media) environment. The SLA and contracts should cover where possible unexpected issues that could arise: for example, needing to suspend or withdraw a campaign. Who would bear the risks in the event of adverse circumstances arising? How would any difficulties be managed? Be mindful of the impact for both the charity and the agency (in some cases redundancy, or even closure).



Establishing a programme of work

With the contract signed and in place your project team should now be ready to begin establishing your new fundraising partnership. They should be operating with a project plan that has a timetable of actions to set up the new supplier and begin the programme of work, outlining key milestones and responsibilities. The experience and insight of the agency should form a key part of the establishment and design of the programme of work so that it works from an operational point of view and is achievable within the objectives of the project.

When undertaking your activity you need to be aware of all the aspects of compliance for which you are responsible and how they affect the activity you are planning. When briefing your supplier you must make clear your expectations in relation to both compliance and fundraising quality standards, and agree roles and responsibilities for delivery, monitoring and reporting. Agencies need to be clear what you expect of them and how you will evaluate them: not only their response and return on investment performance, but also the supporter experience they deliver.

When setting your standards and briefing your agencies, consider these aspects:

Activity	Aspects
Face-to-face	<ul style="list-style-type: none"> • Information and data security. • Vulnerable people policy. • Fundraising approach: quality principles / guidelines for interacting with supporters. • How to represent your brand. • FAQs: how to respond to objections and difficult situations. • Operational rules e.g. frequency with which geographical areas are visited.
Telephone	<ul style="list-style-type: none"> • OFCOM rules. • Information and data security. • Vulnerable people policy. • Fundraising approach: quality principles / guidelines for interacting with supporters. • How to represent your brand. • FAQs: how to respond to objections and difficult situations. • Data protection: consent to contact and refreshing consent. • Data recycling rules. • Making call line identification (CLI) available with opt-outs. • Ensuring Telephone Preference Service ('TPS') compliance. • PCI DSS (Payment Card Industry Data Security Standard) for agencies handling credit and debit card transactions. • Verification/QA process. • Call monitoring and access to call recordings. • Data storage and disposal.
Purchasing data	<ul style="list-style-type: none"> • Data protection: consent to contact. • Information and data security. • Due diligence on data provider. • Data supply agreement.
Direct Mail & response handling	<ul style="list-style-type: none"> • Information and data security. • Data protection: obtaining consent to future contact. • PCI DSS (Payment Card Industry Data Security Standard) for agencies handling credit and debit card transactions. • Ensuring Mail Preference Service ('MPS') compliance.



Setting targets

When working with third party suppliers it is critical to ensure that any targets that are agreed are realistic, practical, and achievable

and that they reflect the values of the charity and the fundraising activity. Whilst it is important to raise sufficient funds to justify undertaking the activity, it is vital to ensure that targets do not place fundraisers under pressure that could impact on the positive experience of an individual. Targets should be agreed between the agency and charity, rather than 'set' by the charity, and should be informed by the expertise and insight of the agency.

“Targets should be agreed between the agency and charity, rather than ‘set’ by the charity, and should be informed by the expertise and insight of the agency.”

Often campaign targets are based simply on the performance of a previous campaign. It’s important to take a more balanced view. When agreeing targets, make sure you think through the context and relevant information and background, as well as the particularities of the fundraising technique – the targets and KPIs for different forms of fundraising and types of campaigns and activity will differ and so must be realistic.



Briefing and training fundraisers

While the overall intent, messages, compliance, quality standards, brand considerations will be set out in briefs and documents, thought and consideration must be given as to how the fundraisers who will be engaging with members of the public on your behalf will be trained and briefed appropriately.

You need to determine what involvement you will have in briefing fundraisers and the training activity, both at the start of a campaign or project and on an ongoing basis. While it is unlikely to be practical for you to brief every fundraiser and member of the agency team, you should try to train/brief as many as possible – including specifically any trainers/team leaders who will be training on your behalf. For the fundraisers you are not able to brief, you should be involved in creating and approving the briefing and training materials that will be used.

Also, talk to the agency that you are working with to think through how you can best engage their fundraisers with your charity and the campaign? Have they got some processes that work really well? Have they got some great experience from previous campaigns which brought fundraisers closer to the culture and values of the charity? The partnership approach we set out in this guide means working out together how best fundraising campaigns can be created and the best way of engaging and training staff, utilising shared knowledge and expertise. The time and resources that the charity needs to invest here shouldn’t be underestimated – training and briefing fundraisers will take time, both at start-up and managing day to day contact answering questions and maintaining dialogue on an ongoing basis.

“Remember that fundraisers working for an agency are the public face of your charity.”

Remember that fundraisers working for an agency are the public face of your charity. When thinking about the training and briefing that you will need to do and materials to prepare, consider the whole interaction, not just the specific fundraising activity. How would you want a member of staff employed directly by your charity to carry out a conversation with a member of the public? For example, if a member of the public expresses an interest in a campaign or an area of work that your charity undertakes, can the fundraiser direct them to the right part of your website or provide that information? You will want to make sure that a fundraiser can respond appropriately to give the individual the best experience of that interaction or engagement – that could be on a service your charity provides, or providing the individual with information/signposting that they will find useful (for example, pointing to the Mailing Preference Service (MPS) or the Telephone Preference Service (TPS), or any resource to help provide additional care and support).

“ How would you want a member of staff employed directly by your charity to carry out a conversation with a member of the public? You need to work with the agency and the fundraisers working on your behalf to make sure that they have the right information and all relevant briefing materials so they can deliver the kind of campaign you want to see. ”

Key questions: Are you ready to partner?

- Do you have a mutually agreed contract which reflects the relationship you want to establish?
- Are you confident that it covers all the right requirements and is clear as to how any issues will be resolved?
- Do you have a service level agreement and KPIs that are agreed, fair and encourage the type of engagement you want with the public?
- Have you ensured that there are plans to ensure that fundraisers are trained and briefed properly so that they can carry out the campaign to the standards you expect?

PART FOUR

MONITORING, REVIEWING, AND EVALUATING

In this section:

- Monitoring.
- Agreeing reporting.
- Managing data.



Monitoring

“Your aim should be to create a genuine partnership with your chosen supplier, with both partners working towards common goals.”

Your aim should be to create a genuine partnership with your chosen supplier with both partners working towards common goals. Your responsibility is to monitor your partner’s delivery of your standards: this role is critical to the success of the partnership. Monitoring should be an open and transparent process, with agencies providing the necessary information and evidence that is required for appropriate monitoring – the more this is thought about and agreed at the early stages of the partnership the easier it will be.

Through monitoring you are looking to:

- Determine whether your requirements have been understood and are being executed properly.
- Review performance and check how KPIs are looking and investigate any reasons where levels have not been reached.
- Identify whether there are any areas that require remedial action.
- Provide evidence of the delivery of quality

and compliance standards that can support your organisation’s board in its responsibility to oversee your fundraising programme.

- Give yourself confidence and reassurance that the partnership with the agency is resulting in the kind of campaign and engagement with supporters and the public.

Your monitoring programme will contain a number of elements:

Reports	Site visits and shadowing	Mystery shopping
Complaint logs	Supporter feedback	Call listening



Reports

Regular reports often are the first opportunity to identify and address issues. An action plan should be agreed with the supplier to address any concerns that are identified.

When establishing a reporting suite you need to consider the following:

- What are the key reporting measures, including performance, supporter insight, compliance and quality?
- Who is the audience for the reports and what level of detail is appropriate?
- How frequently are different pieces of reporting information required (daily / weekly / monthly / at the end of the campaign)?

Also think about what reporting you will need to produce for internal purposes too. For example, consider what information Executive Management or Trustees need to see on a regular basis. Do you have standardised reporting templates for internal use?

“ Reports must be used meaningfully. The information in them has to be reviewed and considered carefully, and any issues should be identified at an early stage. ”

Reports must be used meaningfully. The information in them has to be reviewed and considered carefully, and any issues should be identified at an early stage. You should take the time to read and review the information that is reported back to them. Consider which individual(s) or role(s) within the charity is responsible for the reporting that an agency provides so that you can be confident that the information is evaluated and responded to where necessary.

Site visits and shadowing

Your approach to site visits should be documented so that your evaluation is consistent over time, irrespective of who is carrying out the visit.

When thinking about the agency staff who are working on your behalf, consider:

- Are you confident that they are well-trained?
- Do they have all the information they need?
- Do they seem motivated, knowledgeable and engaged?
- Is there any reason to think that the campaign isn't being carried out to a high standard? Any warning signs or issues to respond to?

You may be working with a fundraising agency, but it is your charity's campaign and your

responsibility to ensure that the agency and staff have all the materials and information they need to make the campaign a success. Part of your commitment to the partnership with your supplier is to establish what they need from you to help you achieve your goals.

Mystery shopping and monitoring

Your contribution to managing the campaign involves evaluating how the public are engaging with your proposition and how well your fundraisers are interacting with them. To achieve this in the case of dialogue channels you need to listen to conversations through call monitoring and mystery shopping. Every fundraising programme should have an established and agreed monitoring approach.

It is important to ensure that those conducting mystery shopping have suitable experience and knowledge of the technique/activity to be able to make a judgment and provide informed feedback.

Telephone programmes

For the telephone you need to determine your evaluation process, including these questions:

- Will you listen to calls on all campaigns, or listen to all of your fundraisers, or listen to some of your activity every week?
- Will you specify the calls by selecting the unique reference numbers (URNs) randomly, or select particular types of calls or call outcomes?
- What volume of calls will you listen to?

It is recommended that you listen to calls that are selected randomly from a mix of outcomes and also maintain a consistent frequency e.g. every week during live campaigns, so you are able to identify and address issues as they occur.

It is also recommended that you look at call recording lists and look for any patterns of behaviour. For example a large number of very short calls might indicate that supporters are not interested in taking the call from you. This should be a flag for reviewing whether the selection is right for the proposition or whether supporters have received too much activity from you recently.

In addition you should consider placing yourself and members of your team in the call lists as seeds (although it is a good idea to change your name so you remain a mystery shopper – just don't forget the name you choose!).

Face to face programmes

The PFRA have a mystery shopping programme for street fundraising which you may be able to utilise, but you can also establish some monitoring activity of your own to complement this. You could also think about employing a third party to mystery shop on your behalf as well.

As with the telephone you should establish consistent evaluation criteria, define how you will carry out monitoring and with what frequency. You could coordinate staff to go out and visit sites and observe activity on the street and for private sites – although you will need to ensure that they are trained and know the issues to be aware of and have a robust reporting mechanism to feedback.

Document your evaluation criteria so anyone can monitor and report on activity as well as ensuring that there is an appropriate/standardised system to report the evaluation back to the agency too and create an audit trail.

Complaints

It is imperative that both the charity and agency keep a close eye on any complaints received in the course of the campaign. It is important

that both the number and the type of complaint are reviewed and that any and all complaints are responded to quickly and effectively. There should be a mechanism to ensure that any serious complaints are prioritised and addressed as a particular matter of urgency. Check back on your KPI levels around complaints and ensure that any reasons for investigation are acted upon.

The contract and SLA should set out the complaint policy and the process to be followed. It should establish who is responsible for handling complaints, the time frames, procedure for escalating and raising internally, as well as the transfer of information between the charity and agency. Complaints could be raised with both/either the agency and the charity so it is important to plan and agree how both the collation of information, recording of the complaint and the process to deal with it is put in place.

Supporter feedback

It is important to give supporters genuine opportunities to provide feedback on your fundraising activities. Complaint levels should not be the only indicator or measure of the quality of your activity. It may be possible to add other forms of feedback, such as adding mini-surveys to the end of fundraising calls or setting up a dedicated email address or web page to encourage supporters to give you their views and to determine how satisfied they are with their experience. Consult and talk with the agency about ways that valuable supporter feedback can be gathered and reviewed.

You should consider how you can link any KPIs to the satisfaction of donors (and members of the public you engage with over the campaign) to drive excellent fundraising practices and also positively influence further campaigns and activity.

Ensuring that your values are reflected in your fundraising

Targets, process and performance are not the end of the story. How do you ensure that third parties who speak on your behalf are speaking with your voice? How do you make sure that your values are reflected in the fundraising conversations that happen in your name?

This is a big challenge, but these are the starting points:

- Define how your values and brand identity should be reflected in a fundraising conversation: what is your organisation's definition of 'a good conversation'?
- Establish objective measurement criteria that will enable you to evaluate consistently whether the activity that you are monitoring is reflecting your values: what are the behaviours that reflect your organisation's identity?
- Make sure that you have had meaningful, active and ongoing involvement in briefing staff and training fundraisers
- Review all scripts, materials, and campaign activity.
- Build the criteria into your monitoring, mystery shopping evaluation and reporting framework.



Managing data

Data drives fundraising activity, but processing an individual's personal data carries significant responsibilities. You must have a clear understanding of how you will protect supporter data in an outsourced relationship: the challenge is both to ensure that supporter information is secure and that there is a closed-loop process for managing the flow of data between your organisation and your third party supplier.

Data flowing between organisations must be monitored just as closely as the actions of fundraisers. Too often charities running large fundraising programmes have been found to have insufficiently robust processes for monitoring the flow of data between them and their suppliers. In every campaign, supporters will give you new information such as their contact details and will change their contact preferences and permissions: you need to ensure that in all scenarios data is being loaded and updates are being made to your database.

Establishing a data reconciliation process with all suppliers is critical to ensuring that supporter data is up to date and reflects their relationship with your organisation. It is also important to understand and be aware of the possible use of any sub-contractors in the performance of the contract and the processing of data.

The internal resource, expertise and knowledge here is crucial too – you need to make sure that you have the systems/staff in place that can oversee and monitor data appropriately.

EVALUATION

Reviewing and evaluation

A schedule of reviews should be agreed with your supplier, to formally evaluate their performance and your relationship. How often you hold reviews may depend on the size of the programme: what matters is that you take time to review your programme with your partner, ensuring that you are managing the relationship proactively rather than responding to events.

“ Take time to regularly review your partnership with the agency to ensure that you are managing the relationship proactively rather than responding to events or addressing issues if things go wrong. ”

It is also worth checking and reviewing any similar campaigns that you have run in-house, or previous campaigns that agencies have carried out on your behalf. Try to consider the wider context in order to review and evaluate in the fullest and fairest way.

Your reviews should address every aspect of the service and the relationship between the two organisations:

- Fundraising performance.
- Fundraising quality / brand experience.
- Feedback from site visits, call listening and mystery shopping.
- Complaints and supporter feedback.
- Client service / account management.

A key element of the review process is to identify areas for improvement. This should be a two-way process: invite your partner to give you their feedback on how you can help them to deliver your fundraising programme more effectively.

Key questions: Are you ready to partner?

- Is there a clear process in place for monitoring performance and assessing the activity?
- Are you confident that the reports and monitoring will ensure that your organisation's values are reflected in the fundraising programme?
- Is there a clear and straightforward way to respond to any issues that may arise?
- Does your partner agency feel confident that they know your requirements and is there an open and ongoing process for dialogue and feedback?

Dealing with underperformance

If the service is not being delivered in line with your agreed KPIs, then the first step will be to attempt to resolve the issues directly with your partner. An action plan that addresses the problems with measurable improvements within a specified period of time should be agreed.

If the issues remain unresolved then the following steps should be taken before considering termination:

- Involving senior management from both parties to formally discuss the issues.
- Resolving disputes through mediation or arbitration.

You have invested a great deal in your chosen supplier and terminating a relationship should be the last resort.

CASE STUDY FROM ACTIONAID: A FOCUS ON COMPLIANCE, REVIEWING AND EVALUATING THE WORK OF OUR PARTNERS

What was the aim? Over the last year ActionAid has dedicated significant time to reviewing our work with agencies as well as our internal compliance processes. We wanted to look at all of our fundraising activity, including work with partners, to make sure that we were meeting all the legal and regulatory requirements, as well as having the right processes in place to make sure that all our fundraising is being done to the high standards and quality that we expect. This covered a wider range of areas: legislative requirements, fundraising regulation, responding to the needs of people in vulnerable circumstances, and our internal complaints processes.

What does this mean in practice?

- We developed a compliance checklist to help all of our fundraisers understand and be aware of the key issues, as well as to be able to monitor activity in relation to regulatory requirements as well as our own internal quality standards.
- ActionAid's Board is fully engaged in fundraising compliance, receiving training on fundraising regulation and regular update briefings on compliance issues – we believe that this should be a 'whole organisation' approach and appropriate oversight and governance is key.
- We agree with our partners how we will regularly review and assess fundraising campaign, including a programme of call listening and mystery shopping.
- Solicitation statements are decided and implemented consistently using an agreed method across all campaigns.
- Our contracts with agencies have specific clauses through which agencies are clear that all work will be consistent with ActionAid's Treating Donors Fairly policy, as well as regular compliance and quality checks.
- All agencies involved in processing data must sign a Data Security Agreement.

- If we are concerned that an agency has been involved in poor practice, we will suspend the campaign, conduct investigations, address issues, and re-train fundraisers to resolve any problems.
- If we are not satisfied and confident that standards will be met, campaigns will be terminated.

What difference does this make?

Good compliance to high standards is not just about meeting legal and regulatory requirements. Most importantly it is about ensuring our supporters, who are crucial to our work with women and children, have the best possible experience in their journey with ActionAid.



Helen Pattinson
Deputy Director of
Fundraising and Head of
Individual Giving
ActionAid

CONCLUSION

SUSTAINABLE PARTNERSHIPS FOR SUCCESSFUL FUNDRAISING

It's often said that the first principle of fundraising should be to put the supporter at the heart of what you do: to build a genuine relationship with the people who care about and support your cause.

Very often, building and nurturing that relationship relies on the resources and expertise of specialist suppliers and agencies. When a fundraiser working with an agency speaks or acts on your behalf to the public, it is an extension of your charity and the relationship that a supporter has with your cause. In the same way that you manage and develop fundraising activities with the people who work within your organisation, you should think about your partner agency as an integral part of your fundraising team.

Thinking of your supplier relationships in this way and managing them using the principles outlined in this guide, will help you to establish supplier partnerships that not only deliver value in the short term, but also create sustainable long-term relationships in support of your cause.

“ In the same way that you manage the people who work within your organisation, successful relationships with external partners requires clarity of purpose, careful planning and concerted management. ”

For more information from the Institute of Fundraising,
including research, resources, and guidance, go to:

www.institute-of-fundraising.org.uk

INDIVIDUAL MEMBERSHIP BENEFITS FROM JUST £8.17 A MONTH



- Professional & personal development: members receive discounts on training, qualifications and events - including Fundraising Convention
- Monthly copies of Fundraising Magazine and full online access to civilsociety.co.uk (valued at £132)
- An excellent community of contacts through our National, Regional and Special Interest Groups
- Monthly e-news bulletins keeping you up to date with fundraising issues and developments
- Coming soon: Fundraising Compliance Service to support members through the challenges of the new fundraising environment
- Claim tax relief on your individual membership subscription

“After all these years, I continue to value the difference that being a part of the Institute makes to my working life”

Karen Frampton, Vice-Chair, IoF,
East Midlands Group

JOIN ONLINE AT WWW.INSTITUTE-OF-FUNDRAISING.ORG.UK



SUCCESSFUL PARTNERSHIPS FOR SUSTAINABLE FUNDRAISING:
A PRACTICAL GUIDE FOR CHARITIES WORKING WITH AGENCIES

©Institute of Fundraising, August 2016

www.institute-of-fundraising.org.uk
020 7840 1000 @ioftweets

The IoF is a charity registered in England and Wales (No 1079573) and Scotland (No SC038971),
and a company limited by guarantee (No 3870883).

Excellent fundraising *for a better world*